



# NEW CLIENT PROFILES HELP YOU SPOT FRESH OPPORTUNITIES TO CONNECT

## *Segmenting Your List Beyond Assets*

Most financial professionals know that inside their book of business, there are people with challenges and specific needs that could be improved, maybe even solved, with the right conversation. Sometimes all it takes is to look at these situations through a new lens. That's why the Alliance for Lifetime Income (ALI) created the *New Client Conversation Profiles*, designed to help you have better discussions with your clients and prospects. You are likely to recognize these people — the profiles are based on real-life cases and represent the most common opportunities for protected income strategies.

Offering a different type of segmentation than perhaps you're used to; these profiles focus more broadly on the individual versus assets alone. *"There are numerous components for client segmentation, only one of which is assets. We need to consider age, risk tolerance, psychological profile, recent life events and then sort them by their commonalities. That's what we did with these personas to show a better understanding of the people that fall into each broad group. Their stories include client financials but are not based*

*solely on assets,"* says Michael Harris, Senior Education Advisor for the Alliance for Lifetime Income.

## **Understanding the Emotional Pathway to Financial Security**

### **The New Client Conversation**

ALI-backed research by Artemis Strategy Group found that conversations about retirement can be harder than we'd like because of unspoken client emotions and values. The study revealed that people respond more favorably when the discussion is first grounded in financial security. Simply discussing the features and benefits of a product or strategy doesn't motivate them to make the decision that is best for them. However, people are motivated by the values and emotions that impact financial decision-making. That's the real value of these profiles — you're getting a view into what makes people tick — what is their "why" when it comes to financial security?

What are those feelings? The road to financial security is very similar for most people – 71% of study participants followed the same emotional pathway, or train of thought, to get there. People associate financial security with three emotional combinations: safe and secure, smart and responsible, and optimistic and proud. When you incorporate these emotions into your meetings, many people will feel that you are speaking their language.

How can we do a better job of talking with clients about good solutions that many say are complex and difficult to explain? ALI's study revealed two additional insights:

- Industry jargon, unique personalities, and unspoken values and emotions get in the way of good communication and decision-making.
- Messages tailored to unique personality types will result in more effective communication and deeper engagement.

ALI has addressed the jargon issue with its *Annuities Language Glossary, Speaking the Language of Consumers*. Now, it adds the *New Client Conversation Profiles* and *Financial Planning Personality Quiz* to its arsenal of proprietary tools and resources. Together, these form a powerful body of knowledge that will help you understand where clients and prospects are coming from when talking about financial security. ALI's Harris adds a familiar notion, "While we persuade through reason, **we motivate through emotion.**"

## Profile Stories Reflect People You Know

### Do You See These Individuals in Your Life?

Using the research insights, ALI's *New Client Conversation Profiles* were created to help simplify what can be for some, a potentially touchy and personal discussion. Each of the five profiles are based on a specific personality type and their unique backstory. These two components have been added to the more typical asset/affluence segmentation that normally includes financials, age, marital status and of course, assets. The profiles feature a recommended approach and sample discovery questions that make it turnkey to use.

As an example, one profile features a risk-averse, grieving widow who would like guidance on the complex financial decisions ahead. Another describes a couple who are fastidious about retirement saving and would like to be sure they haven't missed anything. A third highlights a couple with \$5 million in assets who have

experienced market downturns and recognize the need to protect their family.

The Alliance believes these personas will serve as a springboard for financial professionals when examining their client and prospect lists. When you shift the end-goal of your conversations away from retirement planning and toward financial security, what people value and feel should naturally lead to a discussion around features and benefits as well as possible planning strategies.

## Discovering Your Client's Financial Planning Personality

Getting to know your clients is easier when you know their financial planning personality type. A new Alliance quiz, also derived from the Artemis research, segments different personality types by financial and psychological factors – their retirement outlook, decision-making style, primary concerns about retirement and financial readiness, for example. The online quiz takes five minutes to complete before outputting a Financial Planning Personality narrative that can be the launchpad for discussion.

The Alliance created the *New Client Conversation Profiles* using three of those personality types: Cautious Preparers, Ambitious Risk Takers and Purposeful Planners. Here's an example of the Personality Overview for each:

### ■ CAUTIOUS PREPARERS

- Have an uncertain outlook on their future and not yet optimistic about retirement
- Have a good savings ethic and modest expectations
- Decision-making is guarded and quite risk averse
- Will seek professional guidance
- Would benefit from a clearer path to their goal and should be reassured their retirement dreams can be realized

### ■ PURPOSEFUL PLANNERS

- Cautiously optimistic about retirement
- Confident about their plans and attentive to their finances
- Don't leave much to chance, like control of their finances and comfortable with moderate risk
- Have high expectations for a well-rounded life in retirement
- Work well with financial professionals and good about acting on advice

## ■ AMBITIOUS RISK TAKERS

- Have a strong desire to succeed
- Optimistic, confident, and ambitious – fully activated on the path to their next chapter
- Feel safe, secure and proud of what they have achieved thus far
- Excited about what they will experience in retirement
- Open to guidance and new ideas

“Most financial professionals have nearly all the profiles in their practices today – that’s why we selected these particular clients. And quite often, one of them is hiding behind a primary head of household and becomes more important as the family gets more serious about retirement planning. Follow the path of least resistance, these folks need help!” says Steve Gresham, Senior Education Advisor for the Alliance.

## Think About How You Structure Client Meetings

The profiles contain useful questions based on your client’s Quiz score. Here’s how you might communicate with a Cautious Preparer:

## ■ SAMPLE DISCOVERY QUESTIONS

1. What’s important about having financial security in retirement?
2. What one or two financial planning goals do you have for retirement?
3. What are your thoughts about maintaining your current lifestyle in retirement?
4. Have you thought about how you will cover your monthly expenses?
5. What “special things” do you want to spend money on in retirement?

## ■ THE APPROACH

1. Encourage them to be optimistic and proud of what they’ve achieved so far.
2. Strongly commit to the notion of being safe and secure in retirement.
3. This personality is open to advice. Reassure them that they are on the right track.
4. They are willing to acknowledge a need to take plans further. Use this opportunity to broaden guidance to include the role of safe income and long-term care.
5. Know that they want to make smart and responsible decisions.

## Who Doesn’t Want a Competitive Edge?

The *New Client Conversation Profiles* are designed to assist in conducting better client meetings. Better meetings mean higher engagement. Greater insights mean deeper understanding. It all translates to greater acquisition and retention, the cornerstones of a successful practice.

## What’s Next? Start the New Conversation

- Try the [Investing Personality Quiz tool](#) and have clients share their results with you.
- View these two presentations and handouts:
  1. [The New Client Conversation: Financial Security and the Keys to Effective Decision-Making](#)
  2. [Three Keys to Income Planning and Answering, “What’s Next?”](#)
- Review this tool: [Retirement Income Security Evaluation \(RISE\) Score®](#)
- Simplify your conversations with the [Annuities Language Glossary for Consumers](#)

You can find these resources at: [resources.protectedincome.org](https://resources.protectedincome.org)

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