

Advisor Perceptions of Wholesaler Communications: Research Brief prepared for JAM Consulting Group

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JAM Consulting Group contracted with Dr. Suzanne Altobello of AltoStat Consulting to conduct a survey of financial advisors regarding what it takes, from their point of view, in establishing and continuing a valued relationship with a product provider wholesaler. The online survey¹ was designed to capture their perceptions on how they would like to be engaged.

- The survey link was shared with 700 advisors.
- Respondents were 36% independents, 31% major wire, 23% regional BD, and 10% RIA.
- 17% had assets under management (AUM) \$500M and above, 83% had AUM under \$500M.
- Respondents indicated that if a wholesaler was in their top 5 of individuals they identified to work with, 92% would actively engage with them.
- 38% preferred meeting biannually, with 24% preferring to meet quarterly and 27% willing to meet whenever the wholesaler had an idea relevant to them.

Advisors were asked to identify all the criteria used to determine if a meeting with a wholesaler would be taken.

- What was most often ranked 1st or 2nd was that the wholesaler had **an idea relevant to my business.**
- Being **referred by someone the advisor knows** ranked 2nd or 3rd most often.
- That they **knew and liked the firm** was ranked 3rd.

Advisors were asked what would be the most effective way for the wholesaler to get a first meeting. The research identified a clear process to address this.

In the meeting request the wholesaler will need to:

1. Convey an understanding of the advisor's practice and focus which was ranked 1st.
2. Demonstrate how the wholesaler differentiates themselves ranked 2nd.

Once the meeting is accepted, the number one benefit that advisors look for:

1. The wholesalers' conveyance of ideas or programs that help the advisor/advisor's practice.
2. Product updates and information ranked 2nd, followed closely by market insights and trends.

References

¹Permanent link to survey .pdf at <https://tinyurl.com/NDJAM2018>

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What will stop the wholesaler from getting back in to see the advisor for another meeting:

1. The previous meeting provided no value to the advisor – the ideas shared were not relevant to them ranked 1st.
2. The previous meeting was just a product pitch ranked 2nd.

Taken together, these results suggest the following:

- ***“It’s all about the advisor”*** Wholesalers must convey the value they can provide the advisor as soon as possible. Do not concern yourself with wholesaler’s own credentials or experience; it is best to talk about the advisor/client and what solutions/benefit the wholesaler can provide.
- Wholesalers ***must do research into the advisor’s practice*** and relate their offering to the advisor and how it would fit within their focus.
- Requests for an initial meeting ***must convey the benefit to the advisor early and quickly.***
- Requests for an initial meeting could also come via a referral, so wholesalers should ***develop a process for cultivating referrals from other advisors.***

For more information regarding the findings and insights from the survey, as well as programs available to enhance effectiveness, you can reach out to JAM Consulting Group at:

<http://jamconsultinggroup.com/contact/>



References

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