

Today's financial professionals are falling short on growing their businesses.

THE PROBLEMS

ONLY 9% of advisers indicate that their business development process is 'very effective' and **OVER HALF** give themselves a failing grade.

35% OF ADVISERS fell short of their goals last year and **ONLY 25%** exceeded their goals.

WHILE 54% OF ADVISERS say having a strong culture of business development is important or very important, **ONLY 13%** report that culture is very strong today.

LESS THAN A THIRD of advisers said they had a formal, written business plan, with **33%** indicating they had defined growth goals, but not a documented plan.

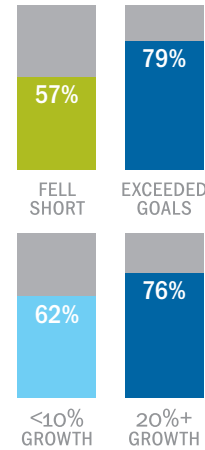
ADVISERS FEEL CHALLENGED in executing on the tactics they consider to be very effective (e.g. COI referrals).

Advisers may not be prepared for the changing face of marketing. **ONLY 13%** of advisers indicated they use this strategy to attract new clients. Effectiveness ratings were muted and **JUST UNDER A THIRD** of advisers describe this as key to their business development plan going forward.

SOLUTION 1 Clear and Defined Plan

DEFINED VALUE PROPOSITION

Fifty-seven percent of advisers who fell short of their goals had a defined value proposition, increasing to 79% among those who exceeded their goals. Similarly, 62% of advisers who experienced asset growth of less than 10% had a clearly defined value proposition, increasing to 76% among those who grew 20% or more. Advisers in this high growth group were also more likely to indicate that their team could communicate the value proposition very effectively.



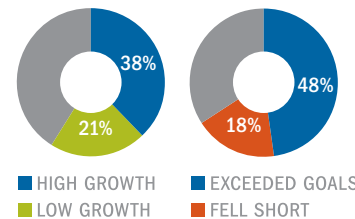
ELEVATOR PITCH

Somewhat related to value proposition is the ability for an adviser to clearly and concisely communicate value. While high growth advisers are somewhat more likely to have an 'elevator pitch', it was less of an indicator of growth than defining the underlying value proposition.



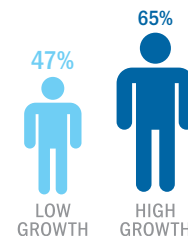
THE BUSINESS PLAN

High growth advisers were considerably more likely to have a formal, written business plan (38%) compared to low growth advisers (21%). This distinction was even more profound among those who exceeded their goals (48%) compared to those who fell short of their goals (18%).



NICHE MARKET

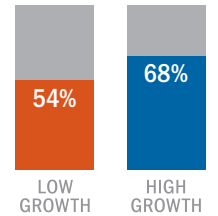
Advisers who grew the fastest were more likely to focus on one or more defined niche markets (65%) than the lowest growth advisers (47%).



SOLUTION 2 Focus on the Right Tactics

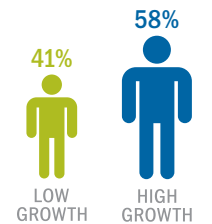
CENTER OF INFLUENCE REFERRALS

Advisers who achieved faster growth were more likely to indicate they were working with centers of influence (68%) to generate professional referrals than those with the lowest growth (54%).



CLIENT EVENTS

Using client events as a way to both add value for clients and attract new clients was effectively used by advisers who were growing the fastest (58%) compared to those who were not (41%).



THOUGHT LEADERSHIP

While a relatively low percentage of advisers are using this tactic, which includes building a personal brand or platform using thought leadership and social media, larger and growing businesses were more likely to be using this strategy.



ABOUT THE 2014

Drivers of Business Growth Study

Completed by the FPA Research and Practice Institute™, this study sought to understand how advisers are growing their businesses today and if and how that may be changing going forward. The study is based on the feedback from 434 financial advisers who participated in an online survey between September 15 and October 16, 2014. The sample represents advisers from across the country and across all channels and includes both FPA members (42%) and non-members (58%).