



**ALTIUS**  
LEARNING

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**THE POWER OF THE  
MONTHLY CONTACT**

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The monthly client contact is one of the most powerful activities that a financial advisor can participate in. If done correctly, the monthly contact can help you develop loyal clients and serve as way to grow an advisor's business through their existing clients.

## Developing Loyal Clients

Having loyal clients is one of the four essential levers required for an advisor to reach the highest levels of success. A loyal client will provide referrals, consolidate all of their assets with the advisor, and never leave- that's leverage!

One of the most important factors in developing loyalty with clients is frequent and quality communication. Based on reviewing thousands of client surveys and our decades of experience working with affluent clients, we have found that the preferred frequency of quality contact (face/voice) is monthly. We have also found that the higher the affluence of an individual, the higher the frequency of quality contact they expect.

Some advisors have developed a detailed tiering of their clients by contact frequency, but we recommend limiting this to two tiers of client contact frequency:

- Monthly contact for core affluent client base (top 50 -100 clients)
- Clients not in the top 50 -100: as needed (reactive only)

We believe that an advisor is best served by limiting their total client base to 100 total relationships. When exceptions are made to increasing that number, we recommend that those smaller clients be excluded from the monthly contact process. This is simply because the number of monthly calls would be overwhelming. The smaller clients should be contacted on a reactive basis, or calls can be delegated to a junior team member or client associate to maintain periodic contact.

## Organizing the Contact

In order to get the most engagement from each client contact, we recommend the advisor organize the monthly contact into four parts:

### Part One - Personal Connection

In order to develop a loyal client you must show that you care about him/her beyond your business relationship. The expression "I don't care how much you know until I know how much you care" is relevant for financial advisors, and demonstrating this through monthly contact is ideal.

Asking personal questions show that you care. Examples of conversation starters could include:

- "The last time we talked you mentioned your wife was in the hospital -how is the recovery going?"
- "How is your daughter doing in school?"

- “How was your recent family trip?”
- “How are your kids doing?”

### **Part Two – Investment Discussion**

Your primary job is to review and monitor your client’s investments and their progress toward reaching their financial goals. One part of the monthly contact could be a quarterly review, a specific recommendation, an asset allocation change, or just the assurance that they’re on track in relation to what they might have heard in the media (good and bad).

### **Part Three – The Growth Lever**

Loyal clients can help you grow your practice. In this part of the monthly call you can:

- Have a referral discussion
- Discuss their assets held away – suggestions to transfer all or a portion to you
- Invite them to an event and encourage them to bring a guest
- Ask for an introduction to their CPA or attorney
- Expand wallet share by offering additional appropriate financial products or services

We recommend that you keep a checklist of these growth levers in the client’s file and review them before every monthly contact, so that you can decide which of the growth levers you will employ during the contact. In some cases you might decide not to bring any of the growth levers up – but by keeping track you would be making a conscious decision rather than just not remembering. We also recommend that you check off each of the growth levers during the year as you introduce them to the client, with the objective of having all of them addressed on an annual basis.

### **Part Four – The Closing Question**

We recommend that every monthly contact should end with the question, “Is there anything on your mind that we haven’t talked about today?”

This closing question gives the client the chance to bring up anything that might be bothering them, questions that haven’t been answered, or concerns they might have. By asking and responding to the closing question you can be assured that at the end of every monthly contact the slate is clean and that there are no pending issues or concerns.

## **8-3-1 – The Ideal Client Contact Process**

To build and maintain a loyal client relationship we believe you must commit a specific amount of quality time for each communication. Our research and experience has shown that at least 10 hours a year of quality time is required. The annual 8-3-1 formula provides what we consider the exact time commitment necessary to cultivate loyal clients. If you add up the recommended

time for each of these monthly contacts and do one or two outside activities with each client (dinner or other fun/educational activity) it will equal the required 10 hours a year necessary to develop and maintain a loyal client.

- **8 Monthly Contacts**- these client calls cover the four parts discussed above and should last 15 - 30 minutes.
- **3 Quarterly Reviews**- these monthly contacts incorporate a quarterly review and should last 30 -- 45 minutes. It is recommended that one of these quarterly reviews is completed in person.
- **1 Annual Review** - this monthly contact is completed in person and typically takes an hour. It will include a review of the past year, update client's goals, and position the strategy for the next year. It could also include a 4th quarter review.