This & That
Fodder for the Water Cooler

HOW ADVISORS IMPROVE DISCIPLINE

D iscipline. It’s the main reason why we can’t stick to a healthy diet, a new exercise regime, or save that bonus. Developing self-control takes practice. When it comes to the value of professional financial advice, a new study proposes that “the real benefit of having an advisor may not be performance-related […] it may have more to do with engendering beneficial savings behaviour among clients.”

The report, *Boosting Retirement Readiness and the Economy Through Financial Advice*, released by The Conference Board of Canada, reinforces the idea that advisors can help increase household savings and better prepare individuals for their golden years. The study also looks at the benefit of having a financial advisor. While some existing research argues that “advisors are unable to achieve equal or superior returns after accounting for their fees,” this report finds that advisors are able to encourage disciplined saving.

Download the report at e-library.ca.

FSO WARNING ON VIATIONAL AND LIFE SETTLEMENTS

C lients need to tread carefully when they are looking to sell or transfer life insurance policies (also referred to as viatical settlements, life settlements or stranger-owned life insurance). The Financial Services Commission of Ontario recently issued a warning to consumers and life insurance agents, stating that “any person, other than an insurer or its duly authorized agent, who solicits or assists Ontario policyholders in the selling, trading, transferring, pledging or assignment of life insurance policies might be in violation of section 115 of the Ontario Insurance Act.”

Viatical and life settlements arise when a life insurance policyholder sells the policy to a third party. Typically, the third party is a wealthy investor or a company that pools policies and resells them to investors as income-generating alternatives to bonds or income trusts. In Canada, viatical or life settlements are considered a form of trading in life insurance policies, and most provinces (except Saskatchewan, New Brunswick, Nova Scotia and Quebec) have laws against such transactions.

For more information email regulatoryaffairs@advocis.ca and cite bulletin 067-09/14.

REPORT: FINANCIAL SERVICES LOST ITS MOJO

T he financial services industry is missing something crucial. Pricewaterhouse Coopers’ latest report, *How Financial Services Lost Its Mojo — and How To Regain It*, reiterates a lack of trust in the sector and reveals a sense of apathy among consumers. A highlight from the study, which surveyed more than 2,000 customers across the United Kingdom, shows that fewer than one in three of them now trust their bank, yet switching levels remain low.

“Tackling this apathy must be an overriding priority for all companies. Having a customer base that is both unresponsive and potentially volatile is the worst possible state of affairs for existing financial services providers,” says George Stylianides, financial services risk and regulation leader at PwC.

Stylianides suggests industry professionals take “genuine and conspicuous steps to satisfy customer goals, priorities and expectations, especially where there is no obvious short term gain — or even a clear cost — to the provider.” He also recommends professionals communicate their value by clearly explaining the services they are providing.
Social Media Tips

By Geoff Evans

3 TIPS FOR SUCCESSFUL EMAIL NEWSLETTERS

Creating a solid email newsletter starts with focusing on our clients’ needs. Unfortunately we tend to focus on the products we sell. We end up sharing articles that, for instance, compare products rather than provide meaningful content about how these products affect our clients.

Here are three tips on how to get beyond products and build a client-centered newsletter:

1. Define your target audience and identify their challenges. A newsletter that attempts to appeal to everyone is unlikely to appeal to anyone. Successful marketing cannot be a catch-all. Create content that focuses on the needs and challenges of the audience you want to impact.

2. Write compelling subject lines. Your content may be great, but it’ll amount to nothing if your email subject line is vague or punchless. General summaries such as “November Newsletter” will garner fewer opens than a phrase that hints at valuable information inside such as, “Three ways to save for your child’s education.” Keep your subject lines short and to the point.

3. Inject your personality. People who subscribe to your newsletter could subscribe to hundreds of other advisors’ newsletters, but they chose yours. Why? Because of you. They value your perspective, your opinions and your experience. Personalization acknowledges the exclusive relationship your email recipients have with you. They didn’t opt in to your newsletter just to receive generic industry content; they subscribed to stay connected and informed in a meaningful way — to spend time with a person they know, like and trust.

As I’ve said before, emails remain an important and effective way to stay connected with your customers. People are willing to open and read valuable and timely emails. But you have to be mindful of their needs. If the email is all about you and your goals, it will fail. If, however, it’s focused on your customer’s needs, then you have the opportunity to develop something impactful for your business.

GEOFF EVANS is founder of Social Media for Advisors (www.socialmediacoach.ca.)
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NEW ADVISOR SPOTLIGHT

Name: Colin Morris, 24
Company: Freedom 55 Financial
Years in business: Two
Place of Residence: Kingston, Ont.

Why did you become an advisor?
In June 2012 I went to the LLQP exam prep course that Freedom 55 offers. On the third day our teacher was discussing how a mass of wealth could be turned into an income by assuming a safe withdrawal rate and living on the interest alone. In that moment it dawned on me what an advisor does: we create financial security for people.

What’s been your biggest challenge?
My biggest challenge has been assimilating all of the knowledge and best practices it takes to be a great advisor. Between making calls and client appointments, you have to work with underwriting and fund companies, keep diligent notes, stay on top of your planning workload, continue studying, and work with your office team. It has been overwhelming at times, but you become a stronger advisor, and I would say, a stronger person.

What’s the best part of your job?
Seeing the progress clients make, hands down. The satisfaction you get from seeing the light bulbs go on in a client’s mind is indescribable. The absolute best is working with those clients who really get it, and who make remarkable changes in a short period of time. It’s exhilarating when you realize you’ve awakened someone’s values and helped them make big life changes.

Why did you join Advocis?
It just made sense. When I started, it was recommended that I get involved. I went to some of the Under Five events in my area. I learned how Advocis has fought for our profession, and how they continue to do so. Now I sit on the board as the Communications Chair for my region.

What’s your advice to new advisors?
Don’t go it alone. Leaning on your support team is paramount to getting things right the first time without too many frustrating paperwork errors, compliance issues. The reality is that no one in the world goes it alone. Even the richest and most powerful people manage teams and inspire confidence. If it wasn’t for the group, those people wouldn’t be so successful. If you learn from as many people as you can, and stick out the tough times, you will find success.