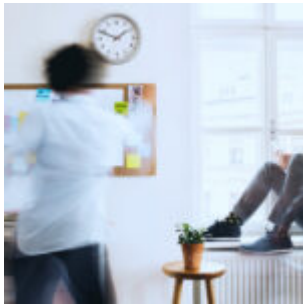


How to Create a Meaningful Value Proposition for Financial Advisors



A business' value proposition is a mission statement that outlines how the business can provide value to its customers. It's designed to attract potential customers and persuade them to choose a company's services or products. A strong and meaningful value proposition is essential for financial advisors because it enables them to distinguish themselves from their competitors by effectively demonstrating their value and capabilities.

As a financial advisor, you play a vital role in helping clients reach their life's financial goals. You provide guidance on investments, retirement planning, estate planning, risk management, and other, sometimes complicated financial decisions. Ultimately, you are working with your clients to develop strategies and execute them in a way that maximizes returns and minimizes risk.

What is a Financial Advisor's Value Proposition?

There are many benefits to using the services of a financial advisor. These include time savings, access to specific expertise and experience, and risk management/protection from losses.

- **Time Savings:** Financial advisors save clients time by researching investments, analyzing markets, and making recommendations on investments that match the client's needs and goals. This time-savings allows the client to focus on other aspects of their business or personal

life.

- **Access to Expertise/Experience:** As a financial advisor, you likely have years of experience and expertise in the financial industry. This allows you to provide clear, proven advice that is backed by both knowledge and experience.
- **Risk Management:** You, the financial advisors, help clients identify risks and create strategies that protect them from losses due to market fluctuations or other factors.
- **Strategy:** A financial advisor helps clients by developing investment strategies that consider the client's goals and objectives. They seek to execute these strategies in a way that maximizes returns while minimizing risk and monitoring and adjusting strategies as necessary.

What Should Financial Advisors Consider When Creating a Value Proposition?

When creating a value proposition for your services as a financial advisor, it's important to consider several factors.

1. Identify your target audience and understand their needs and goals. This will enable you to craft a compelling value proposition that meets those needs and, most importantly, resonates with your target audience.
2. Establish what your core competencies and service offerings are. This will ensure that your clients are turning to you for the services they need, saving both of you time and potential heartache.
3. Always consider the key aspect of a value proposition: **quality** of service. Quality of service should be the primary focus of any value proposition, as this will ultimately determine whether clients are satisfied with the services they receive.
4. Finally, consider other elements of a strong value proposition, such as clarity/simplicity and credibility/trustworthiness. The value proposition should be clear and easily understood by potential clients so that they can quickly assess whether your services are right for them. Financial advisors should also strive to be credible and trustworthy so that potential clients are confident in their abilities.

What Makes a Good Value Proposition for Financial Advisors?

Whenever possible, you should do your best to leverage your experience when crafting your business' value proposition. Professional certifications and qualifications can be used to demonstrate expertise which will help differentiate your services and offerings from other financial advisors in the industry.

Make every effort to also differentiate your services by tailoring solutions to your target audience's objectives and needs. This ensures that the client receives personalized advice, which can help them achieve their goals more efficiently and effectively.

In keeping pace with the ever-evolving technology in your industry, you should consider integrating innovative technology solutions into your service offering. Technology solutions can enhance efficiency and improve service delivery which can help give you an edge over your competitors and your clients an inside track to reaching their goals.

Conclusion

The best value propositions across any industry tend to be straight and to the point. By following the basic outline set forth above you should be ready to create your own value proposition and implement it as part of your financial advisory firm's marketing strategy.

A great value proposition will evolve along with your clients and the overall market, so you'll need to revisit your value proposition from time to time. Instead of making assumptions about your clients today based on their past needs, you'll need to continuously adjust to your clients' pain points in the present.

Still, trying to figure out what makes you different or better? Ask your clients! Ask them, "What problem do we solve better than other firms?" Ask why they chose

you and what was the defining characteristic. These are your customers who trust you and work with you; they will always be your best source of feedback. Getting clear on the value you provide your ideal clients is one of the best ways to “sell” your services and grow your business.

2470-OAT-12/21/2022