

# Social Media Best Practices for Financial Advisors



Can social media really help financial advisors get clients?

The short answer is yes. The long answer is more interesting.

Social media still has a reputation in some circles as being a place for cat photos and posts about favorite recipes—overall, a less serious channel of communication.

But social media has a firm foothold in the lives of a majority of people on the planet. Facebook alone had more than 2.7 billion monthly active users in 2020.

When it comes to investing, a majority of social media users make investment decisions with information from social media.

Social media for financial advisors, though, isn't just another sales technique. It's an opportunity to build credibility, establish authority, and show your authentic personality to attract prospective clients.

## Choosing Social Media Channels for Your Advisory Business

The question on the minds of most financial advisors is: “Which social media channel should I use for my advisory business?”

The answer, which might frustrate you a little, is: It depends.

Every decision that your firm makes about your marketing—from the content you create, to how often you create it, to where you post it—should be done with your

ideal client audience in mind.

And your ideal client audience will be based on who your ideal clients are. When you use social media, you want to choose the channels most often used by your clients.

Understanding the demographic data behind each social media platform can help you easily make your decision about where to spend your time online.

- Facebook: Used by two-third of adults in the U.S.
- Twitter: Only 12% of its users are over 50 years old, so this isn't your best bet if you only work with retirees.
- Instagram: Its highest user demographic is among those who make over \$100,000 a year in household income.
- LinkedIn: Used by 41% of millionaires in the United States.
- TikTok: The current media darling, 62% of its users are younger than 30 years old.

## **The Best Types of Content to Post on Social Media**

Go to where your audience is going, and then post what they want to see. The next step in building your social media presence is to understand which types of content are most likely to get strong engagement and positive reactions.

It's probably not a surprise that posts with images or videos tend to get the most interactions from social media users.

According to research, tweets with videos get ten times more engagement than those without, and LinkedIn users are 20 times more likely to share a video post than any other type.

Posting video by itself isn't enough, of course. Your posts still need to be tailored to the interests and needs of your ideal audience.

# Publishing on Social Media with Compliance

A unique consideration for financial advisors is how to interact with compliance to get social media posts pre-approved before they go live.

More than any other communication channel, social media seems to create the most headaches for advisors and their compliance departments.

Hopefully, however, the new SEC advertising rule will relax some of the frustrations caused by compliance approval in the past. If your compliance runs through a broker dealer, though, you may need to pay special attention to writing posts ahead of when you want them to publish so you leave enough time for your compliance team to do their job and review what you've written.

If your posts do need to run through separate compliance reviews, it's helpful to plan ahead and keep a few pointers in mind:

- As much as possible, write promotional posts for a few days in advance so you have time to address any questions or concerns from compliance.
- Avoid making definitive statements in your posts so there isn't a concern about making a guarantee.
- Avoid pointing to performance returns or offering specific investment advice that could be misconstrued.

Social media can be one of the most advantageous marketing channels for your firm if you have a strong grasp of who you want to reach.

If you want to increase engagement and pull in more prospective clients through social media, put in the time and effort to understand your ideal audience and create content that speaks to problems they're experiencing.

Market\*r, Orion's powerful marketing automation engine, does the social media heavy lifting for you by creating professionally designed social media posts that you can easily customize to your firm. Ready to learn more? [Click here to request your demo of Market\\*r!](#)

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