

The importance of Relationships

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What is the lifetime value of a client?

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First purchase

Commission	\$4,000
Clawbacks	-\$350
Adviser	-\$1,500
Other direct	-\$750
Marketing	-\$1,500
<hr/>	
Loss	-\$100

Repeat purchase

Commission	\$4,000
Clawbacks	-\$350
Adviser	-\$1,500
Other direct	-\$750
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Profit	\$1,450

It costs more to acquire a new customer than they are worth on their first purchase.

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Value = Repeat business = Long-term relationship

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We need to acquire **long-term** clients
and earn their repeat business

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Once a client has a bank relationship, why use you?

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1. Expertise
2. Reliable
3. Loyalty

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How good is your Financial
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Do your clients view you ...

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as an **expert** on property and mortgages?

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Will they use you, the
next time they buy?

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EXERCISE ONE

What do you need to **practice** to become an expert on mortgages and property? How will you close your skill gaps?

1. Subscribe to (and read) regular economic commentaries
2. Read a business newspaper (like the AFR) every morning because you want to
3. Research and write blog posts for our web sites (a great way of retaining learning)
4. Attend online webinars
5. Help us arrange workplace learning events

When you help a client buy a property for the first time, what do they think of your service?

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9 out of 10.

Most of our clients love us the first time.

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What about six months later?

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And a year after that?

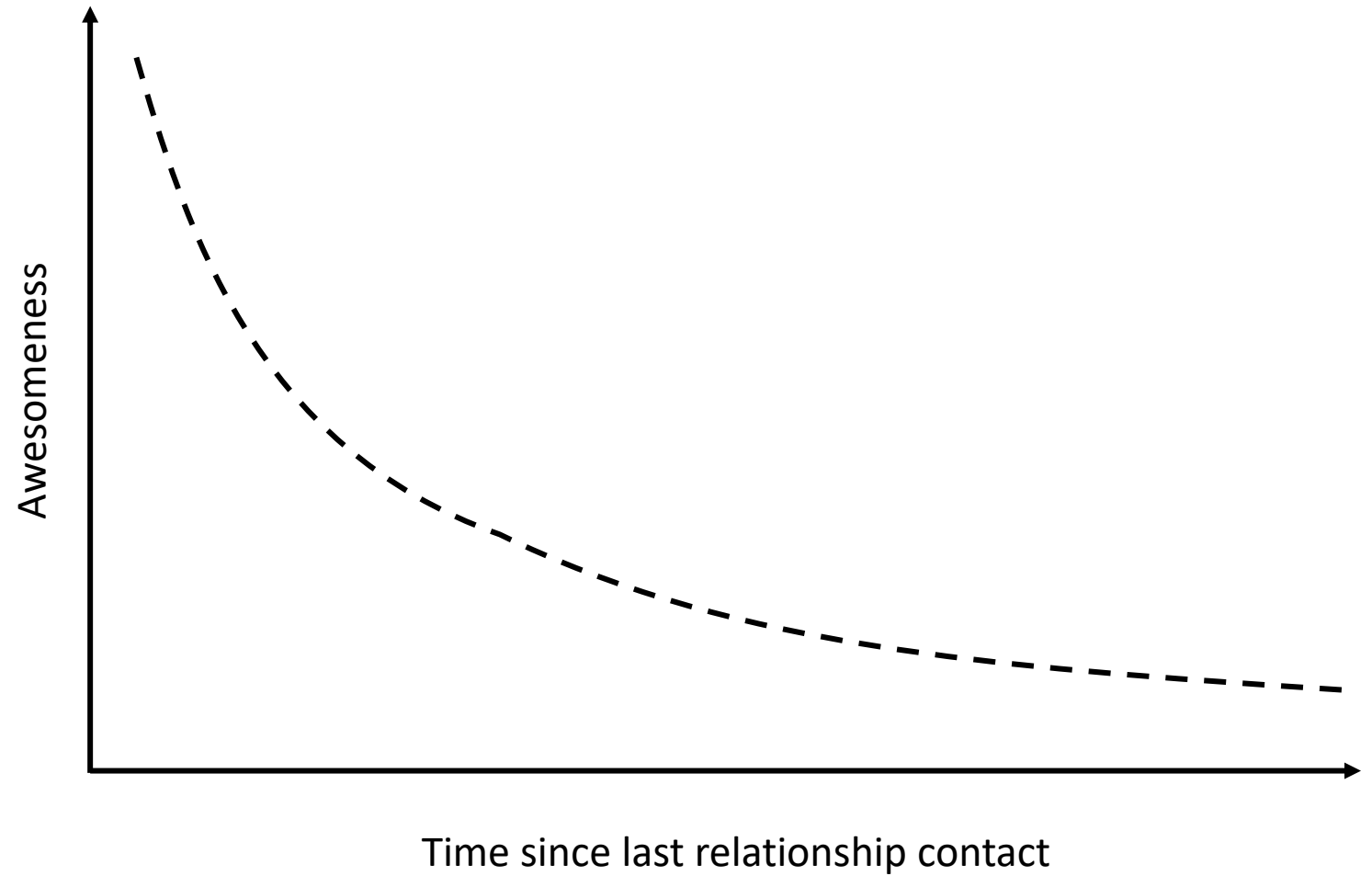
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And two years later?

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After two years with little or no contact, most of your clients will no longer think you're awesome.

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What do you do to
maintain your client
relationships?

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EXERCISE TWO

How could you manage your client relationships better to increase the opportunity of repeat business?

REFERRALS

If your clients think you are awesome,
they will refer others

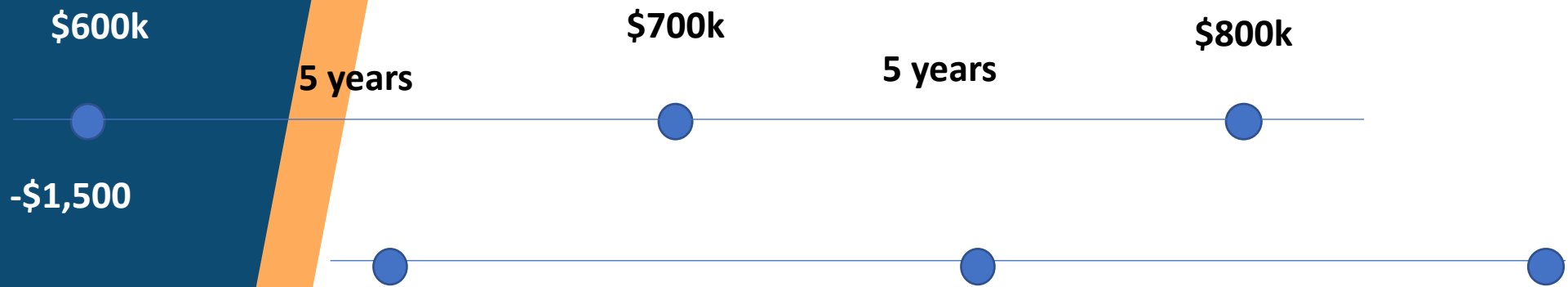
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Value = Repeat business + Client referrals

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Over 80 percent of referrals settle.

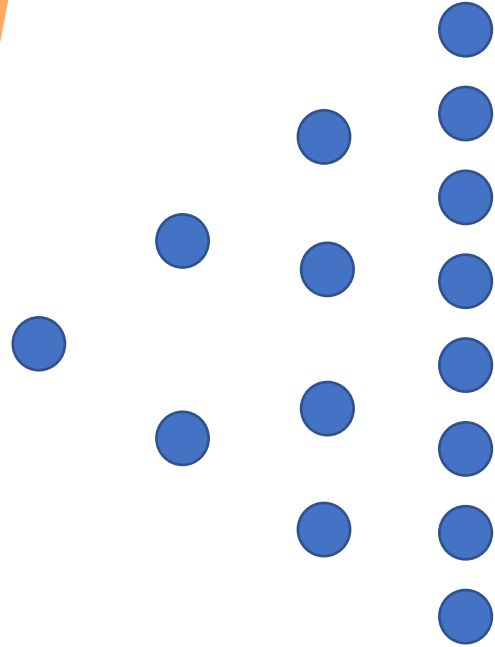
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If one client refers in two more,
and so on..

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16

32

64

128

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Within seven years of being a Squirrel adviser you should be capable of settling \$80m per year without taking any centralised leads.



Insanity is doing the same thing,
again and again,
and expecting a different result

It is not the number of leads you take that will ultimately define success but the **quality** of the client **relationships** you build.



Spend more time looking after your existing clients, and (in time) you will win more new business, than you will chasing new leads.

Why would a client refer to you?

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A **great** experience that **exceeded**
expectations

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They **liked** you

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Knowing this ...

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Do you know **who** are your raving advocates?

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Do you invest more time in these relationships?

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EXERCISE THREE

How could you build a stronger referral business?



1. Identify your best clients
 - a) They will like you
 - b) Have high value friends and work colleagues
2. Remember their milestones
3. Check in with them regularly (at least twice a year)
4. Contact them by phone
5. Thank them for referring