

CENTERS OF INFLUENCE



At Bedrock Investment Advisors, we pay close attention to studies and surveys that may impact our industry. Some of that research led us to discover that COI (Centers of Influence) referrals generate less than 12% of all new clients. We think this is a shame considering that COIs, insurance agents, CPAs, attorneys, and other professionals can be reliable and valuable sources of referrals.

Why Aren't COIs Referring? There Could Be Many Reasons:

- COIs aren't aware of your ideal client.
- They are already referring to other advisors.
- Your unique selling proposition hasn't been fully explained.
- COIs may not understand what they'll get in return.
- Certain COIs may want to avoid the risk in case the referral goes poorly.
- You simply may not have asked.

Share Your Referral Process

Usually, COIs feel much more comfortable referring when they understand how the process works. Through a simple document, you can explain:

- The Mission statement of your company
- Why referrals are important to you
- Your services
- Benefits for the COI
- Ideal client description (account minimum is not essential at this stage)
- How COIs should refer
- Contact information
- The process for referrals that don't work out
- Your privacy policy
- A brief overview of the company (accolades and rewards, work in the community, etc.)

Steps to Developing Professional Referrals

- 1** | Speak to COIs and ask if they would recommend your service to clients. What would compel them to use you as the advisor they refer to their clients? Does this present a conflict of interest?
- 2** | Create case studies showing how you helped clients overcome specific challenges – develop a story to explain why you are a thought leader on the subject matter and, therefore, a reliable choice for referrals.
- 3** | Review the performance of current COIs and differentiate between general contracts and referral partners.
- 4** | Meet with all COIs to discuss new referrals, your ideal clients, and ensure they understand who to refer – you can also discuss following up with prospects.
- 5** | Keep COIs close and include them in newsletters, events, and quarterly updates. After meeting a referring client, contact the COI to tell them. A drip email marketing campaign is also an effective way to stay top of mind. Engage in marketing outreach like drip emails, matching the content of the marketing to credibility-building efforts.
- 6** | Think about the less traditional COIs; examples include multi-family offices, P&C insurance providers, and real estate experts.
- 7** | Ask COIs to sponsor social occasions such as client appreciation events where they all come together.
- 8** | Meet up with COIs once a month to discuss business and referrals.
- 9** | Develop case studies and events for professional development and CE credits.