

HOW TO WIN THE BIG GAME OF **HIGH-NET-WORTH?**





Foreword

Investable assets are the Holy Grail of wealth managers and financial advisers. Any trail to the Holy Grail however is not an easy one.

As a financial adviser, meandering into the economic and social circles of the rich first needs proper understanding of the market. Luckily enough, the current market is a green grass pasture for investment portfolio managers.

According to the **MSCI World broad-based index**, investors with a portfolio worth \$400,000 in 2008 would have **over \$1 million in investable assets today**. The impact of social media on every other channel has democratized wealth into the hands of a considerable population of Gen X and successive generations.

Millionaires are growing by the number around Asia and the world. With the right set of tools today, financial advisers can grow their companies if only they know how.

The purpose of this guide is to break the “How” down to a simple step-by-step format that will help you build your business with the crème de la créme and earn their trust in the long run.



Dear Reader,

Continental Associate Network was built to empower professionals serving High Net Worth Individuals. We provide advanced strategies and integrated internal financial solutions for your affluent clients.

Our mission is to build an accessible, comprehensively supported partnership with leading Insurance and Financial Institutions, plus empower individual financial advisors who share our vision and commitment to providing tailored financial solutions and quality advice to their HNIs clients.

About the eBook

Our industry has tracked High-Net-Worth loyalty for decades. Most advisors know that their clients have relationships with other advisors. That means your competition is increasing everyday and hence also the benchmark of your clients' expectation.

That's why our team of experts has created this eBook that seeks to inform you of how you can attract high-net-worth clients and retain them. And what a firm or financial advisor needs to adapt or change in its value proposition.

Chapter 1 - Be their Investment Genie

Chapter 2 - 4 Steps to win them over

Chapter 3 - Keeping them hooked

TAKE THE NEXT STEP

Speak to one of our experts to discuss your objectives and goals, at our expense. Additionally, learn about how you can qualify for our premium solutions and become a partner of CAN without paying any fee. Visit www.canetwork.com/global-partnership for more information.

Chapter 1

Be their Investment Genie



High net-worth and ultra-high net-worth individuals have investable assets anywhere between \$1 million and \$25 million or more.

As a financial adviser, targeting such clients should be guided by one simple mantra: You are their investment Genie. And your firm/ network is the magic lamp.

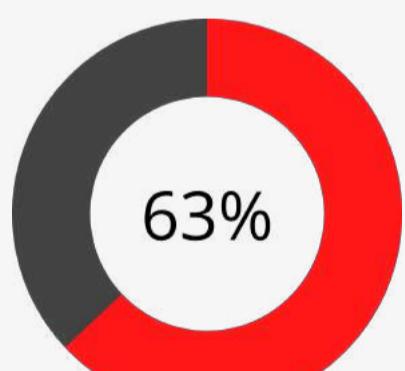
Clients across the wealth spectrum have their own needs and goals. It is your duty, like any good Genie, to find out the best way in which you can make their wishes come true. That is the only way to attract and retain high net-worth clients.

The question is how do you go about it?

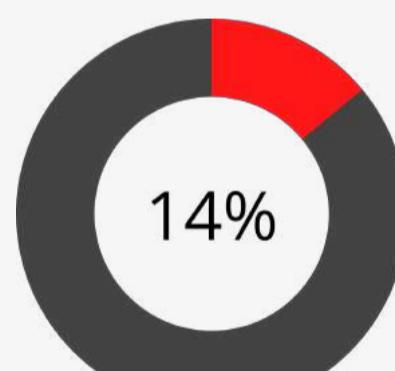
Delve into demographics

To serve any people, you must know the demographics.

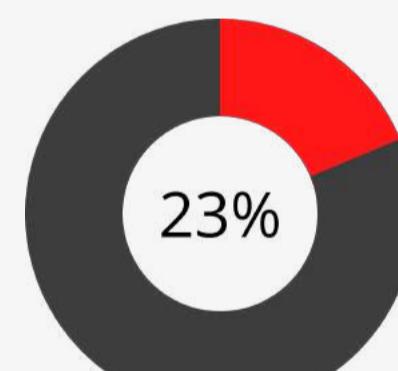
Spectrem Group research has concluded that:



**HNWIs are
retired**



**Consider themselves
semi-retired**



Working

However, when it comes to the understanding of high net-worth client needs by wealth managers, Asia lags behind other continents.

According to a Capgemini study, 88% of wealth managers think they understand what their clients want; on the other hand, only 73% of high net-worth individuals actually believe their financial advisors understand their need.

Nevertheless, the demand for professional advice from wealth managers is far more in the region, which makes it important for wealth management firms to set pace on wealth growth and transfer from them. Financial advisers must also learn to study the market, whether bullish or bearish, and offer solutions accordingly.

For 2021, the high net-worth market is showing considerable wealth response. More and more of the ultra-rich are making money even though the rest of the global economy suffers a slowdown/ recession.

In the current conditions, the main point that financial advisers must determine is the age of their high net-worth client and figure out their affinities accordingly.



Understanding needs of the rich

Similar conditions give way to similar patterns.

Wealth managers with ambition must study the investment patterns of the ultra-rich and offer them a spectrum of wealth management solutions that are most profitable and efficient at the highest levels.

Let's take a look at the most common investment requirements that these clients have:



Estate planning, management, and succession

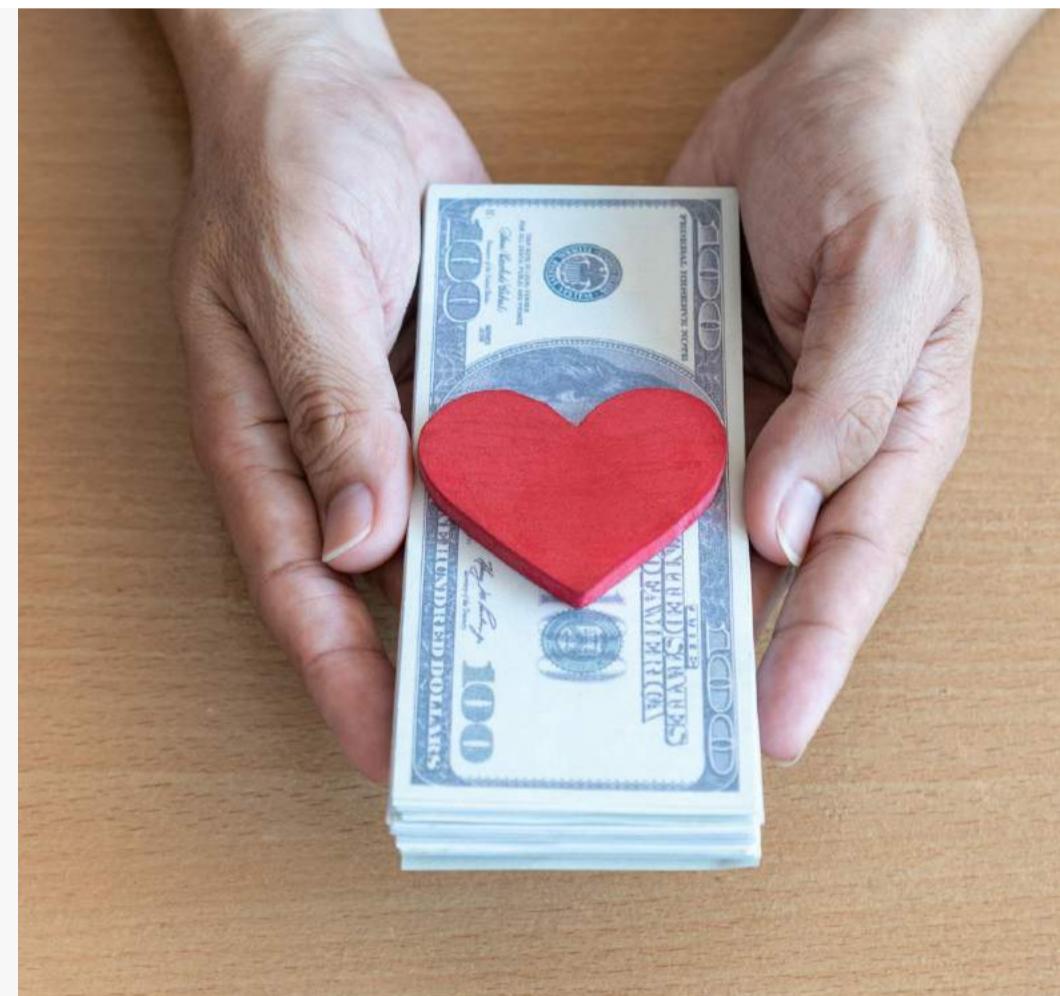
Considered among the top service requirements, estate planning, management, and succession solutions is needed for high net-worth individuals throughout age groups. The amount of wealth these persons command is often unmanageable unless professionals look into its growth and transfer.

Offering your high net-worth and ultra-high net-worth client's options in this particular service will automatically help you get similar clients. The social circles of this economic group are small and most of them are likely to refer other people if they are satisfied with the work you do.

Philanthropy

Another high net-worth financial service that gets attention is philanthropy. People with money have tax liabilities and philanthropic solutions offered by wealth managers help them reduce the liability and also help charitable organizations achieve their ends.

In this scenario, a wealth manager's job will be to ensure that they are well-connected with NGOs and other social organizations with credibility and cause attuned to their needs.



Multi-family offices

Another popular line of financial assistance among high net-worth individuals is the requirement for multi-family offices. These firms and organizations offer an array of financial and allied services for a very select group of clients. These individuals are ready to pay the price for special treatment, quicker communication, and prioritized assistance.

Everything from security to leisure management, business management, and legal services come under the massive purview of these specialized firms designed only to serve the top 1% of the world.

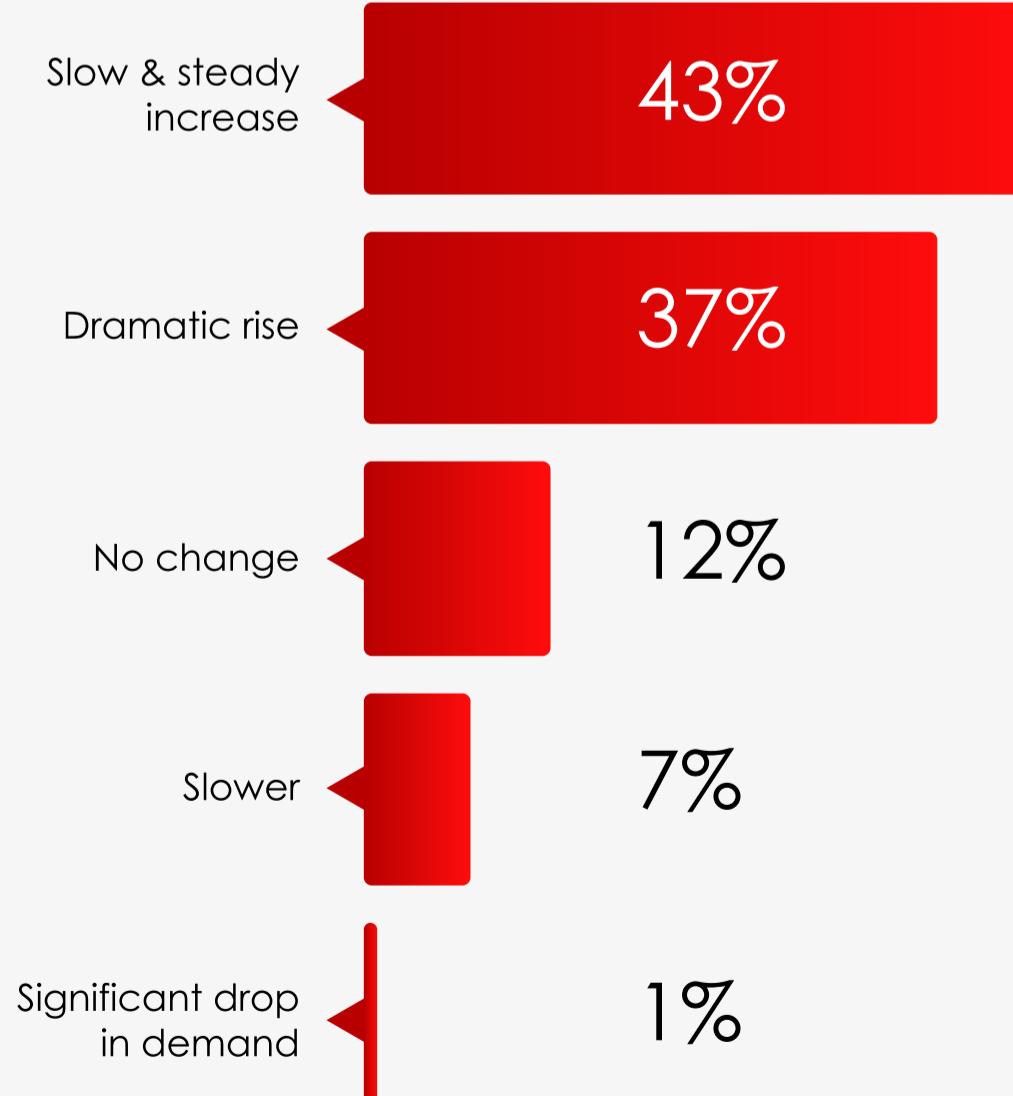


Investment advice and learning

Every person works for a better tomorrow. In the field of high net-worth investments, advice and learning could be the difference between more client business or termination of services. People with a high quality of life today will want to ensure the same for the future. While the pace and goals of things might differ, this is the universal truth.

From training heirs to new product knowledge and a wide variety of investment sectors in the portfolio will help you win the trust of your customers.

To what extent has interest & demand for life insurance been rising in Asia since the pandemic has taken grip globally?



Source: HNW & UHNW Life Insurance in Asia - Opportunities & Challenges for the World Ahead

Bespoke Life Insurance

Today, with the impact of the pandemic, life insurance has slowly moved from an investment product to a more vital category of "necessity."

Here's a look at a pie chart that shows how interest and demand for life insurance is rising in Asia since COVID-19.

Offering bespoke life insurance solutions to your high net-worth clients can help you garner the momentum you need to attract and retain more clients.

Customized or personalized life insurance solutions are also essential to estate transfer and succession planning. This gives wealth advisers the unique advantage of packaging investment solutions in a way that best suits their clients' future plans.

Chapter 2

4 Steps to win them over



We have dived into market conditions, demographics, and the expectations of high net-worth individuals. However, like we promised, our book is the master key for financial advisers who want to attract and retain the rich investors.

To help understand and ease the process further, we have designed a 4-step formula to win them over and serve their businesses for the times to come.



Step 1: Setting your target

Financial advisers and wealth managers who are aiming to serve the high-net-worth and ultra-high-net-worth clients must understand the importance of setting and acquiring targets to impress and nurture.

As discussed earlier in the book, that is done best with the help of referrals from current clients. To encourage more referrals, you can offer your existing clients loyalty benefits like billing discounts for successfully referring their family and friends.

However, if that falls short, the next best place to look would be strategic partnerships or centers of influence. These are firms or professionals that provide allied services to a similar financial clientele and they might be able to introduce you to a few.

You could also purchase high-net-worth databases or join networks of similar wealth managers to meet more clients. Also, do not discount the efficacy of cold calls and emails – they are still a powerful tool, if you know how to attract the attention of clients with the right copy!



Step 2: Add value to their wealth, lives, and goals

Today's financial adviser does not just help with finance. They offer a multitude of solutions and their aim is to add value to their wealth, lives, and goals. Pitching clients with what makes you different, how you are more competent than your competitors, and how you can help them achieve their goals allows them to build familiarity.

HNW clients are geared towards people who are motivated and have a plan that executes to their liking and delivers. When wealth managers position themselves clearly and demarcate the value, they believe they can add, high net-worth clients tend to be more impressed.

A few check-boxes that the ultra-rich are looking to tick are: maintain good staff to client ratio, have a single point of contact, deliver multiple services, and provide prioritized assistance. As a successful wealth manager, you must never forget that the rapport you create with your high net-worth clients is almost sacrosanct. The only other person who probably knows as much about your client is his/ her doctor.

Step 3: Avail potential solutions

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Step 4: Negotiate the right contract



According to experts **Spiegelman and Simon**, high net-worth individuals are more steered towards value than bothered about price. However, they do have a tendency to prejudge low fees services, even if they are up to the mark.

A study by **Price Metrix** concluded that investors who charge **75 to 100 basis points** of invested assets get the same amount of business from their clients compared to wealth managers who charge **50 to 75 basis points**.

Therefore, it is advisable for wealth managers and firms to charge for transactions, wire fees, and a fee for assets under management.

Chapter 3

Keeping them hooked



70% of high net-worth individuals are likely to use financial advisers. However, close to **50%** of them **under the age of 30** find it difficult to trust their firms.

For those individuals that use financial advisers, **over 60%** of them **above the age of 40**, and **31%** of them **under the age of 40** get help from multiple sources.

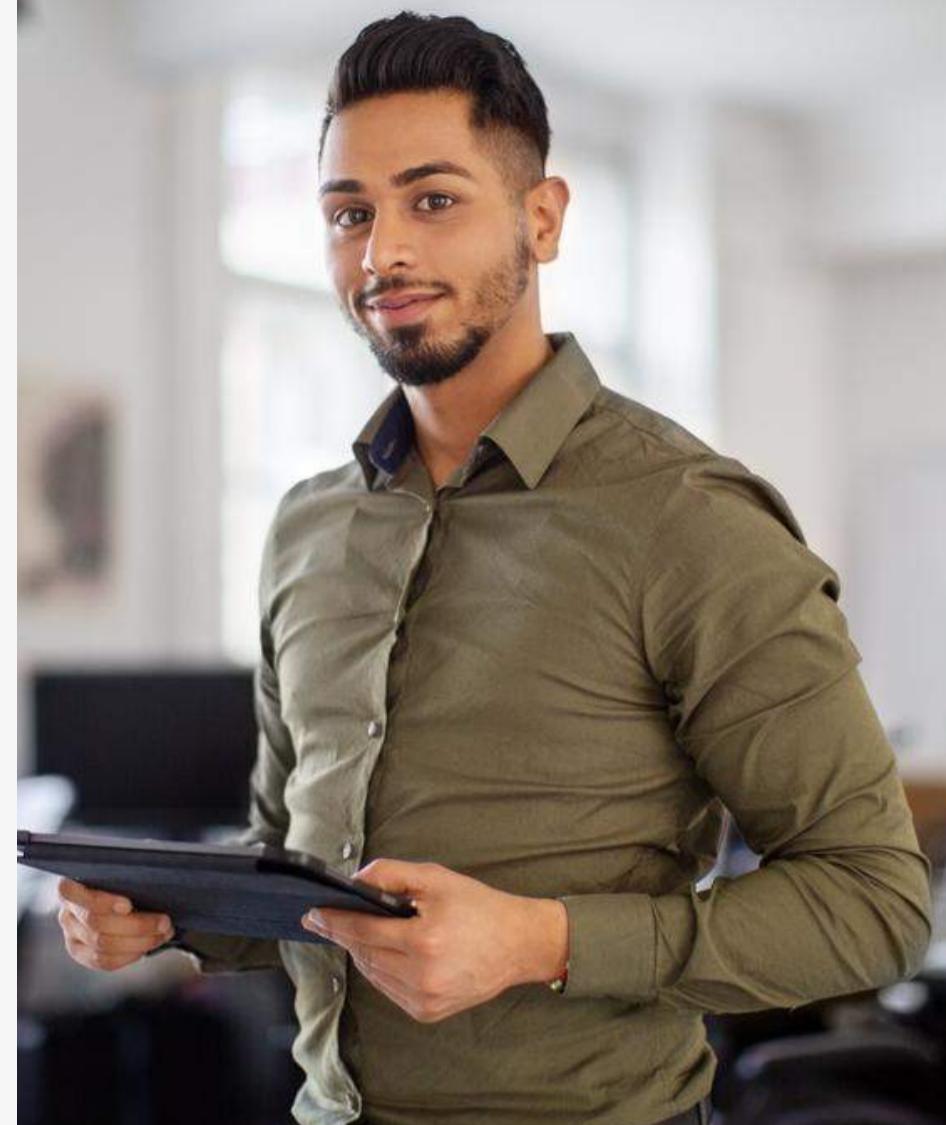
The cash-rich class is more opportunity oriented than risk fearing. Which is why around **80%** of high-net-worth individuals are okay with terminating their present adviser if their needs and goals are not being met.



To retain clients in this market, where the transfer of wealth is fast flowing towards the younger people under 40, one must focus on communication. Laying down the exact needs of the client is essential in ensuring that both of you are crystal clear on the goals that your investment portfolio is set to achieve. A few important high net-worth retention tips for wealth managers are:

Be ready on your feet

Retaining the rich is only possible when you deliver them with quick and ready services. The only thing that matters more to ultra-rich investors more than money is time. Make sure that you and your team of advisers are always ready to react to the market and do the best to help your client's investments grow.



Priority care

A personal touch goes a long way, especially if you have clients that are used to being pampered and celebrated wherever they go. The success and affluence of high net-worth individuals deserve priority birthday messages, anniversary messages, and other seasonal greetings.

Not only does priority care help bring you closer to your clients but also imbibe in them a sense of security that their services are always open.



Personalized communication

Since UHNW clients prefer personalized communications, offering them gifts and memorabilia that will excite them can become loyalty benefits for them and conversation starters for further business.

Wealth managers must remember that it takes almost 4 times more expense to attract a new client than to retain and increase the business side of the old one.





Partner with **Continental Associate Network**



The work of a financial adviser or wealth management firm is quite elaborate, time consuming, and dynamic. To improve, one must constantly upgrade various facets of the business from technological implementation, investment options, and a network of allied services.

Join the **Continental Associate Network** and get access to our community of wealth managers along with bespoke premium universal life solutions for estate planning, life insurance, and legacy solutions from the best sources in the world.

Key benefits:

- Available to residents in over **150 countries**
- Access to the **world's largest insurance carriers**
- **Full flexibility**; contributions can be single, regular or bank financed
- Policies may be owned by an **offshore trust or personal investment company (PIC)**

Additionally, get free access to our global sales and marketing teams in the network, which allowed our advisors to close more sales, and this resulted in up to a 300% increase in sales revenue.

Schedule a one-on-one consultation and qualify for tailored solutions for your wealth management business. Visit www.canetwork.com/global-partnership or email us at hello@canetwork.com.