

Communication Evolution:
Financial Professionals and the Future
of Thought Leadership and Social Media





About LinkedIn Marketing Solutions: Financial Services

LinkedIn Marketing Solutions: Financial Services is a business unit within LinkedIn, delivering a comprehensive platform to connect financial services brands with the audiences and issues that matter most. Our targeted full-funnel business development platform provides financial services marketers with unique insights into the preferences, interests and challenges of more than 400 million members. These insights make it possible to build trust with customers and prospects through personal and relevant communication. As the world's most powerful publisher of meaningful content, we have partnered with 380 of the top financial services brands worldwide to help them build mind share and claim a winning position in the marketplace.

About LinkedIn

LinkedIn connects the world's professionals to make them more productive and successful and transforms the ways companies hire, market and sell. Our vision is to create economic opportunity for every member of the global workforce through the ongoing development of the world's first Economic Graph. LinkedIn has more than 400 million members and has offices around the world.

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Since 2000, FPA has been the principal professional organization for CERTIFIED FINANCIAL PLANNER™ (CFP®) professionals, educators, financial services professionals and students who seek advancement in a growing, dynamic profession. Nearly 25,000 FPA members adhere to the highest standards of professional competence, ethical conduct and clear, complete disclosure to those they serve. Through a collaborative effort to provide members with One Connection™ to tools and resources for professional development, business success, advocacy and community, FPA has become an indispensable force in the advancement of today's CFP® professional. Learn more about FPA at OneFPA.org and follow on Twitter at twitter.com/fpassociation.

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Welcome

How are financial advisers using social media today to engage clients and prospects? Are advisers using thought leadership as a way to engage prospects while providing a means to educate consumers? How are consumers using social media and thought leadership to connect with advisers?

These and other issues are the focus of ***Communication Evolution: Financial Professionals and the Future of Thought Leadership and Social Media***, a joint research initiative of LinkedIn and the Financial Planning Association® (FPA®).

This report aims to help financial advisers of all business models understand how their peers are engaging in social media and thought leadership, the connection between business growth and these communication tactics, and what advisers are planning to do moving forward. With 67 percent of high growth firms saying they added new clients directly as a result of social media activity, there is much to learn on how all advisers can realize that same level of growth.

LAUREN M. SCHADLE, CAE

CEO/Executive Director

Financial Planning Association

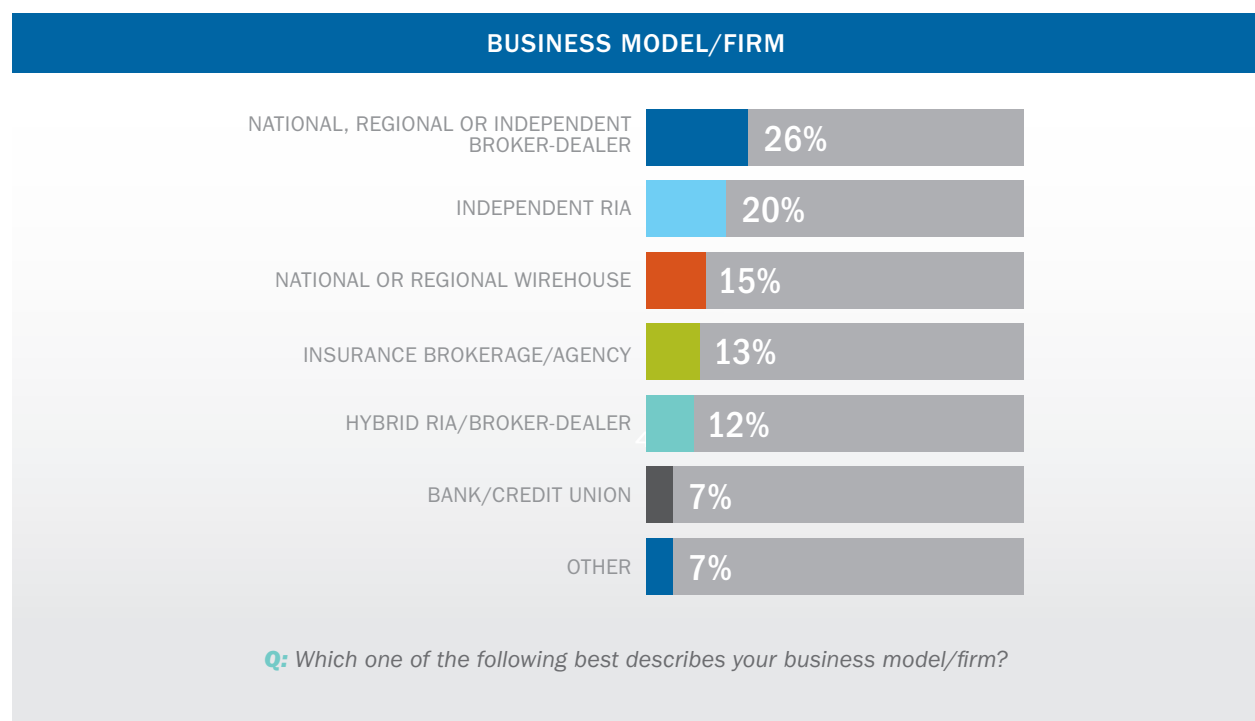
Methodology

This report draws on two sources of data gathered through two separate studies. Both studies were conducted by If Not Now Research, an independent research firm, on behalf of FPA and LinkedIn.

1. Input from financial advisers/planners

Data was gathered from 1,242 respondents from across the country and across channel. Respondents completed an in-depth, online survey in March 2015. The margin of error is estimated at +/- 2.78%.

With respect to channel, the adviser sample breaks down as follows:



To gain insight into the drivers of growth, respondents were segmented based on annual revenue growth in the previous year. A summary of the low, moderate and high growth segments highlighted throughout the report is below.

The overall sample breaks down as follows:

	PERCENTAGE OF RESPONDENTS	MEDIAN NUMBER OF NEW CLIENTS ADDED IN 2014	PERCENTAGE ACHIEVING 20%+ GROWTH IN REVENUE IN 2014
LOW GROWTH	29%	9	5%
MODERATE GROWTH	39%	14	14%
HIGH GROWTH	32%	19	57%

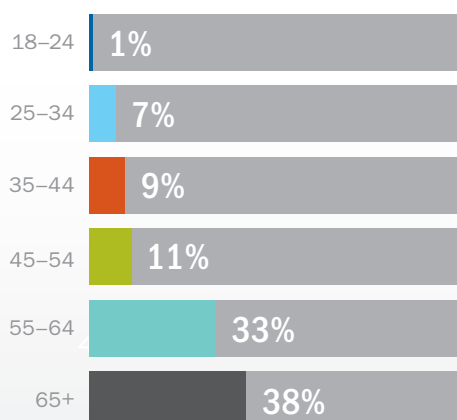
For a full profile of the adviser/planner respondents see Appendix 1.

2. Input from clients of financial advisers/planners

Data was gathered from 1,041 respondents from across the country using multiple, established investor panels. Respondents completed an in-depth, online survey in May 2015. All respondents work with a financial adviser/planner, make or contribute to the financial decisions in the household and meet specific criteria on investable assets. The margin of error is estimated at +/- 3.04%.

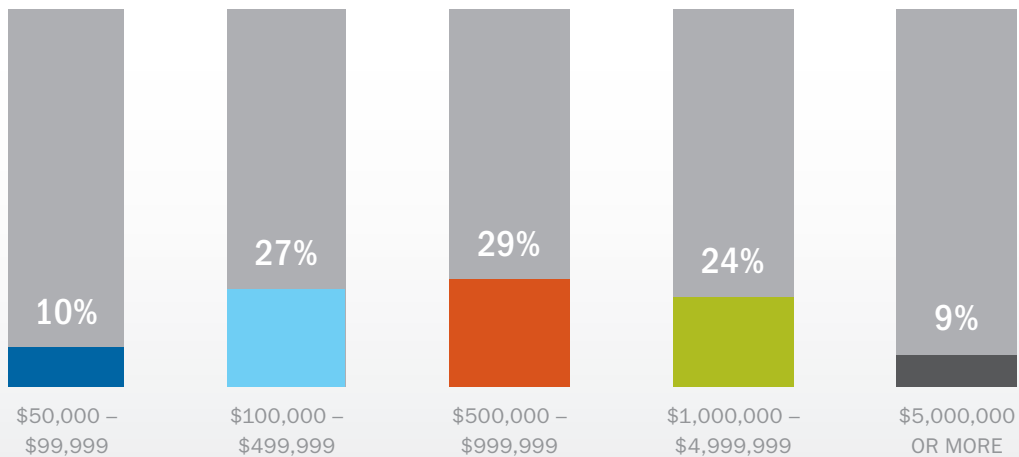
A summary of the age and wealth profile of the investor respondents is shown below; however, a full profile can be found in Appendix 2.

CLIENT AGE



Q: What is your age?

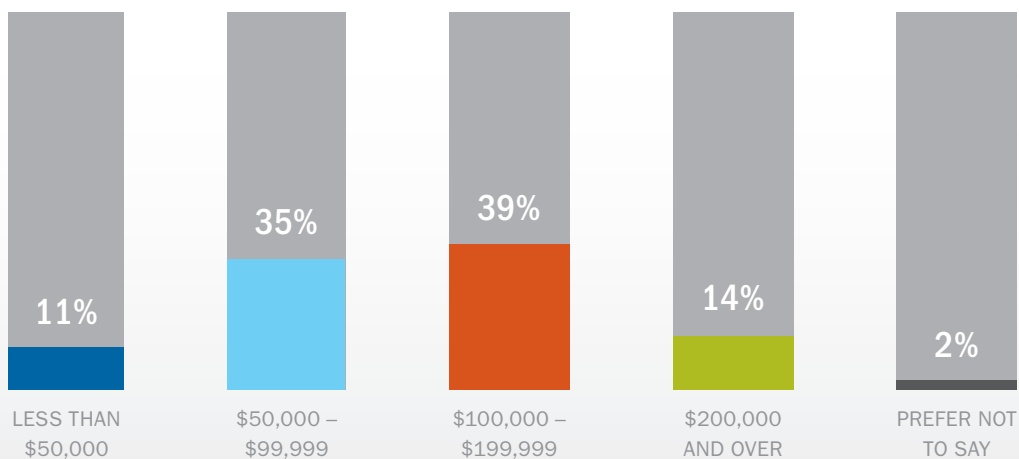
CLIENT INVESTABLE ASSETS



CURRENT TOTAL INVESTABLE ASSETS

Q: Please tell us which best describes your current total investable assets, including all mutual funds, stocks, bonds, 401(k), IRA and other retirement accounts, but excluding real estate?

HOUSEHOLD INCOME



ANNUAL HOUSEHOLD INCOME BEFORE TAXES

Q: Which of the following best describes your annual household income before taxes?



Executive Summary

By examining the behaviors of clients we can predict the strategies that will be used by some of the most successful advisers. Two distinct, but related, changes in client behavior and expectations are driving the fastest growing advisers to invest in thought leadership strategies, executed via professional and social networks. In this study, we examine how client behavior is influencing the way in which the most successful advisers communicate and the tools they are using to take action.

Client and Prospect Behavior

1. The Client

While it is accepted wisdom that many clients choose to work with a financial adviser in order to delegate decision making, the data shows that they look to their advisers to provide ongoing education. Three-quarters of clients say they look to their adviser to provide some form of education, suggesting they not only look to their adviser for expertise, but to also help them make informed decisions. **Client engagement is not only about the adviser's expertise but the extent to which he or she helps clients make informed decisions through meaningful education.**

2. The Prospect

Advisers report that client referrals continue to be the most important source of new business. While there is no sign that this is changing, the referral process is being increasingly influenced by professional and social networks. A third of clients, across all age ranges, say they searched online or via a professional or social network to learn more about a prospective adviser. This number will increase going forward as an increasing number of clients (across all age groups) say that the ability to go online as part of how they validate a decision to meet with an adviser will be important, even when referred. **Social media is becoming a key part of the new business development process, including adviser's ability to attract referrals.**

The Strategic Response to Client Behaviors

The fastest growing advisers and firms are implementing thought leadership strategies in response to the demand for education among existing clients. They leverage that activity via social media to build credibility and attract prospective clients.

High growth firms recognize that they can respond to both client and prospect needs and behaviors by focusing on three key communications strategies. Compared to low growth firms, they are more likely to:

- Offer educational events
- Leverage professional networks on LinkedIn
- Focus on thought leadership activities

The impact of those activities may contribute to the success those firms have achieved. Forty-one percent of the high growth firms—identified in the study—experienced asset growth in excess of 30 percent. Just 11 percent of all respondents achieved that level of growth. A full profile of this group is available in Appendix 3.



The Tactical Response

If thought leadership is the strategic response, social media is the tactical response, providing the fastest growing advisers with a way to efficiently execute on that strategy. And while social media is acknowledged—by respondents—as an important way to communicate with younger clients, it is further seen as a way to build deeper relationships with existing clients and build credibility. The data shows that:

1. High growth firms are more likely to execute thought leadership strategies via social media.
2. Advisers use different professional and social networks to meet different objectives. LinkedIn is seen primarily as a way to find new relationships, Facebook to maintain and deepen relationships and Twitter to listen and learn from others.
3. While many advisers cite compliance restrictions as the reason they do not use social media, almost as many say they are unsure how to use the networks effectively, or they do not feel they are appropriate for business.
4. Going forward, advisers will de-emphasize passive uses of social media (e.g. listening and learning from others) and focus more on using social media to actively build credibility.

The Impact

While 30 percent of advisers do not see any connection between social media activity and new business, the majority of advisers see a direct or indirect link to growth. Only nine percent see social media as leading directly to new business. Sixty-one percent say it supports business development activities, particularly referrals. Forty-two percent of high growth advisers say social media has a positive impact on client referrals. Despite the view that social media is more a support than driver of new business, 67 percent of high growth firms say they added new clients directly as a result of social media activity.



Existing Clients and the Role of Education

Clients are looking to advisers for meaningful educational content and activities, building confidence and driving engagement. That engagement is a core driver of growth in an advisory business.

The study of client engagement is critical for advisers. Clients are not only the most satisfied; they drive all referral growth. And while client engagement is a complex topic, we do know that education is an important driver. Three-quarters of clients say they look to their adviser to provide some form of education, suggesting they not only look to their adviser for expertise but also to help them make informed decisions.

Client engagement is not only about the adviser's expertise but the extent to which he or she helps clients make informed decisions through meaningful education.

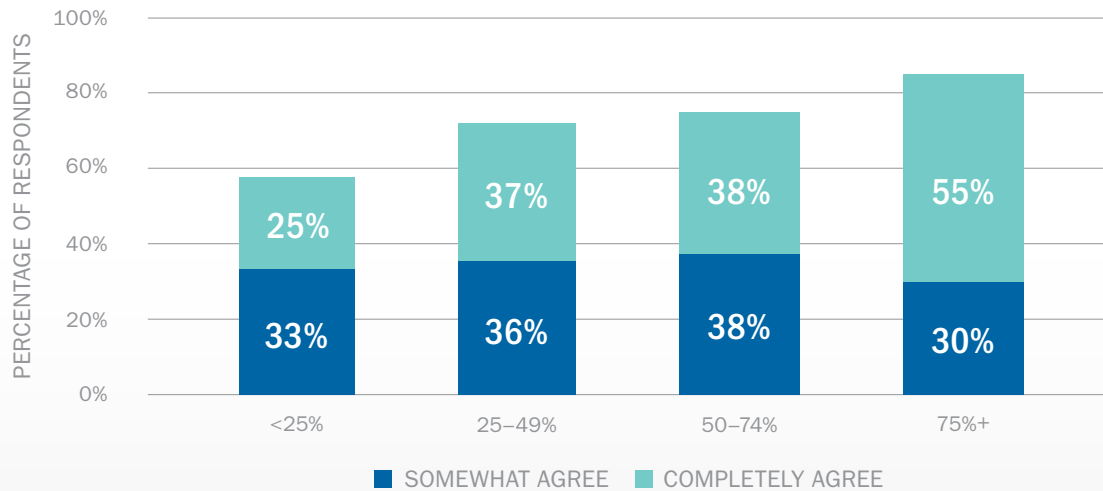
IMPORTANCE OF EDUCATION

	PERCENTAGE OF INVESTORS
NOT AT ALL IMPORTANT	2%
NOT VERY IMPORTANT	4%
NEUTRAL	18%
SOMEWHAT IMPORTANT	50%
CRITICAL	26%

Q: How important is it that your adviser provides you with education related to the market, investments or other financial topics?

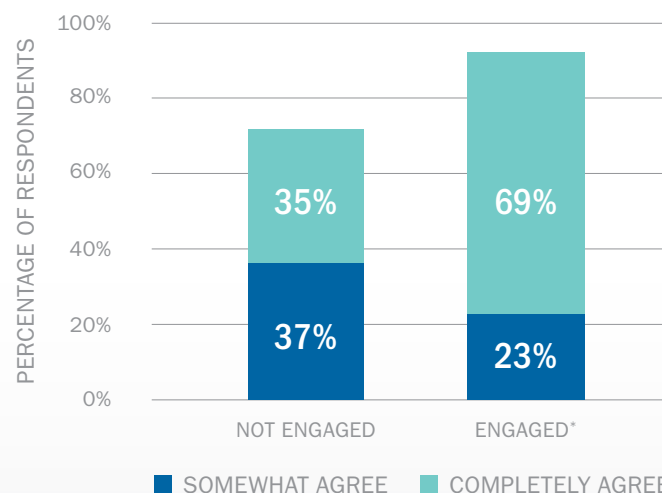
More importantly, we can see that the extent to which advisers are satisfying the demand for education is tied directly to key engagement and growth metrics such as engagement, referrals and share of wallet.

SATISFYING DEMAND FOR EDUCATION



Q: To what extent do you agree or disagree that your adviser provides you with education related to the market, investments or other financial topics?

CONNECTING EDUCATION AND SHARE OF WALLET



Q: To what extent do you agree or disagree that your adviser provides you with education related to the market, investments or other financial topics?

*** Engaged clients are defined as those who are very satisfied (5 out of 5 on overall satisfaction) and indicate they provided a referral in the last 12 months.**



How educational content is delivered varies by adviser; however, clients generally agree that in-person workshops and seminars have the highest value. Clients who are over the age of 55 tend to value receiving relevant articles, whereas those who are between 45–54 are more likely to respond to information shared via blogs or professional networks.

COMMUNICATION PREFERENCES BY AGE

	CLIENT AGE			
	AGES 18-44	AGES 45-54	AGES 55-64	AGES 65+
RELEVANT ARTICLES	33%	56%	55%	36%
ADVISER BLOG	23%	44%	16%	13%
INFORMATION SHARED VIA PROFESSIONAL NETWORKS (e.g. LinkedIn)	23%	40%	10%	5%
IN-PERSON WORKSHOPS/SEMINARS	54%	56%	48%	43%
ONLINE WORKSHOPS/SEMINARS	40%	56%	37%	8%

Q: How would you rate the value of receiving information from your adviser via the following methods?
Shows percentage rating 'somewhat or very valuable'.

Financial planning topics are the most popular type of content to share, dropping significantly down to investment-related topics. Forty-three percent of advisers say they create or curate content on non-financial topics.

Prospective Clients and the Role of Social Media

While client referrals are still the primary source of new business for advisers, prospects are turning to social media to research an adviser before meeting or to validate the decision afterwards. This trend spans generations.

Today, there is a clear connection between age and the way in which prospective clients seek out information on an adviser with whom they may want to meet. Younger prospective clients (under age 44) were about four times as likely to use online searches or professional or social networks to learn about their adviser prior to contacting or meeting with him or her than those who are 65 or older.

SEARCH PREFERENCES AND AGE

	CLIENT AGE			
	AGES 18-44	AGES 45-54	AGES 55-64	AGES 65+
ONLINE SEARCH (e.g. Google)	35%	17%	15%	10%
CHECKED FOR INFORMATION ON PROFESSIONAL NETWORKS (e.g. LinkedIn)	24%	10%	6%	4%
CHECKED FOR INFORMATION ON SOCIAL NETWORKS (e.g. Facebook)	18%	4%	2%	1%

Q: Which, if any, of the following did you do to learn more about your adviser prior to contacting or meeting with him or her?

It is only when we look forward that we uncover the real trend. At the time many clients started working with their current adviser, the use of online searches or professional networks may not have been an option. When we look forward, an increasing number of investors say that access to information via social/professional networks would be important if they were looking for an adviser today. That trend is clear across all age groups. While fewer than five percent used professional or social networks when they found their current adviser, 21 percent responded that this would be important going forward. That number doubles for those clients under the age of 45.

IMPORTANCE OF ONLINE PROFILES BY AGE

	AGES 18-44	AGES 45-54	AGES 55-64	AGES 65+
NOT AT ALL/NOT VERY IMPORTANT	27%	47%	50%	51%
NEUTRAL	31%	25%	30%	27%
IMPORTANT/CRITICAL	43%	28%	20%	21%

Q: If you were looking for a new financial adviser today, how important would access to information via social/professional networks be in researching a prospective adviser?

Age also impacts when prospective clients go online to research an adviser. Younger clients are more likely to search prior to making any contact with an adviser, while older clients are more likely to use these networks as a way to validate their thinking after meeting with the adviser.

TIMING OF ONLINE SEARCHES BY AGE

	AGES 18-44	AGES 45-54	AGES 55-64	AGES 65+
PRIOR TO MAKING ANY CONTACT	51%	46%	50%	29%
AFTER CONTACTING BUT PRIOR TO MEETING	39%	46%	38%	41%
AFTER MEETING BUT PRIOR TO MAKING A DECISION	10%	8%	8%	29%

Q: When did you seek out information on your adviser using professional or social networks?
N= those who sought information using professional or social networks



Social Media and the Next Generation

The age differentials—that the data highlights—are not lost on advisers; most see social media as an important way to target younger clients. Three-quarters of advisers see the use of social media as an important way to target younger clients and younger clients agree.

In order to understand the impact of age, we turn back to the client and examine if and how they are using different networks for both personal and business use. Perhaps not surprisingly, younger clients report using social networks more extensively, supporting the industry’s view that this is an important medium. Usage is significantly different across age groups; however, it is important to note that significant numbers of older clients are also using social media.

SOCIAL AND PROFESSIONAL NETWORK USAGE BY AGE

	AGES 18-44	AGES 45-54	AGES 55-64	AGES 65+
LINKEDIN	62%	55%	42%	33%
FACEBOOK	86%	74%	66%	59%
TWITTER	55%	30%	16%	13%
PINTEREST	51%	42%	20%	14%
INSTAGRAM	46%	19%	10%	4%

Q: Which, if any, of the following do you use in your personal or professional life today?
Shows percentage responding ‘yes’



For younger clients, higher usage translated into an expectation that their adviser should have a presence on social media, particularly LinkedIn.

EXPECTATIONS FOR ONLINE PRESENCE BY AGE

	AGES 18-44	AGES 45-54	AGES 55-64	AGES 65+
LINKEDIN	42%	25%	18%	11%
FACEBOOK	25%	11%	5%	6%
TWITTER	22%	5%	4%	4%

Q: How important do you think it is for your adviser to have a presence on the following networks?
Shows percentage rating somewhat/very important.

The Strategic Response: The Role of Thought Leadership

The fastest growing advisers are focusing on thought leadership strategies in response to the demand for education among existing clients. They leverage that activity using social media to build credibility and attract prospective clients.

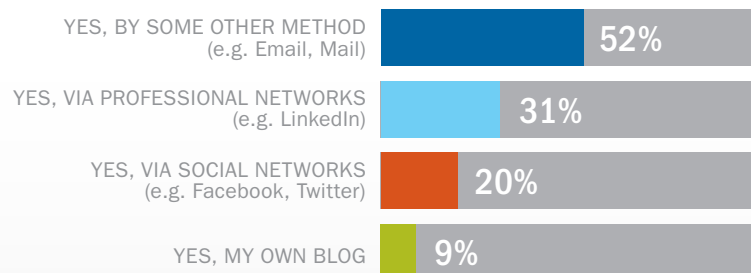
Two key implications emerge from the assessment of client behavior.

- 1. Educational activities are a critical part of client engagement.** While it is easy to assume that clients do not value education because they have opted to work with an expert to help them make informed decisions, this is not the case. Clients choose to work with an adviser but still want or demand meaningful education to increase confidence in their own decision making.
- 2. Having a robust online presence is no longer a “nice to have.”** If you are targeting younger clients, the information they find online is your calling card; it may be the determinant of whether they reach out or not. For older clients, the information they find online will help validate their decision or move them toward a decision.

Thought leadership is, in part, characterized by sharing meaningful content with clients and prospects. Today, about 70 percent of advisers share content with clients or prospects in order to build credibility, raise awareness and deepen relationships with existing clients; however, they rely primarily on traditional methods of distributing that information, such as email.

While many advisers are providing clients with meaningful content, they rely on email to distribute the content.

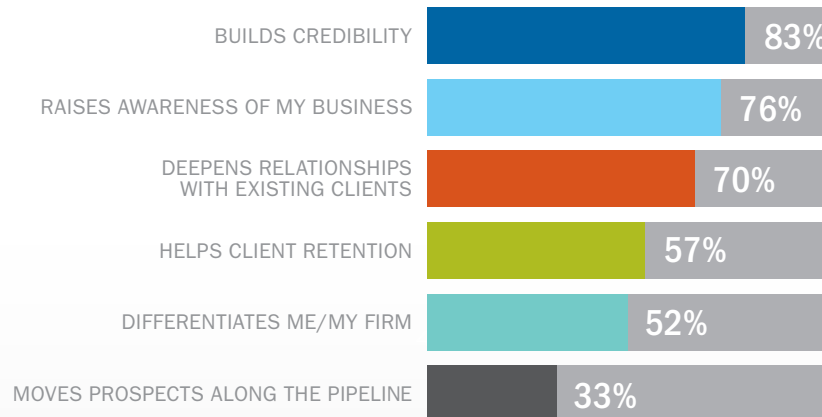
METHODS OF CONTENT DISTRIBUTION



Q: Do you author or share content (e.g. articles) with clients or prospects?

The objectives for sharing content include building credibility, raising awareness of the firm or building deeper relationships with existing clients.

IMPACT OF SHARING RELEVANT CONTENT



Q: What impact do you believe that sharing and/or authoring relevant content has on your business, clients or prospects?

Winning Strategies from High Growth Advisers

By examining advisory firms that have experienced higher growth, we are able to identify strategies and tactics that may be more effective.

In order to understand the drivers of growth, the study isolated the third of respondents who were experiencing the most significant growth. Growth rates varied dramatically across advisory businesses in 2014; 23 percent of respondents reported revenue growth rates of 20 percent or higher and a third less than 10 percent. On the basis of the data provided, we created three segments, using asset growth as a proxy for overall growth. Forty-one percent of high growth firms experienced asset growth in excess of 30 percent. Just 11 percent of all respondents achieved that level of growth.

The overall sample breaks down as follows:

	PERCENTAGE OF RESPONDENTS	MEDIAN NUMBER OF NEW CLIENTS ADDED IN 2014
LOW GROWTH ADVISERS	29%	9
MODERATE GROWTH ADVISERS	39%	14
HIGH GROWTH ADVISERS	32%	19

The Winning Strategies

High growth firms differed in two substantial ways:

1. They were more likely to use almost every form of communication with clients and prospects; they simply communicate more frequently.
2. They were more likely to focus on education and thought leadership leveraged via professional networks.

Today, advisers use a range of activities as part of their overall communications plans. The top three forms of communication and the percentage of advisers using them are:

- Client appreciation/social events 57%
- Direct mail/email 49%
- Educational events 41%

However, the communications and activities that characterized the past will look different in the future. Looking forward, few high growth firms see an increase in the use of advertising and direct mail/email, opting for more engaging activities. Specifically, high growth firms see increased emphasis being placed on:

- Leveraging professional networks on LinkedIn
- Thought leadership/content strategy (e.g. blogs, sharing curated content)
- Leveraging social networks

While high growth firms may be early adopters when it comes to thought leadership and social media, there is evidence that this reflects a more generalized trend among advisers. Sixty-six percent of all advisers say thought leadership will play a more important role going forward.

RELATIVE IMPORTANCE OF MARKETING STRATEGIES

	ALL RESPONDENTS	HIGH GROWTH ADVISER
LEVERAGING MY PROFESSIONAL NETWORK ON LINKEDIN	72%	71%
THOUGHT LEADERSHIP/CONTENT STRATEGY (e.g. blogs, sharing curated content)	66%	70%
LEVERAGING SOCIAL NETWORKS (e.g. Facebook, Twitter)	72%	68%
SOCIAL EVENTS/CLIENT APPRECIATION	59%	66%
PUBLIC RELATIONS	51%	63%
EDUCATIONAL EVENTS (live or webinars)	55%	54%
SPEAKING ENGAGEMENTS	47%	46%
ADVERTISING	24%	29%
DIRECT MAIL/EMAIL	18%	20%

Q: Looking forward in the next three years, how do you think about the relative importance of the strategies you are using today? Shows percentage selecting 'Will become more important' for high growth firms.

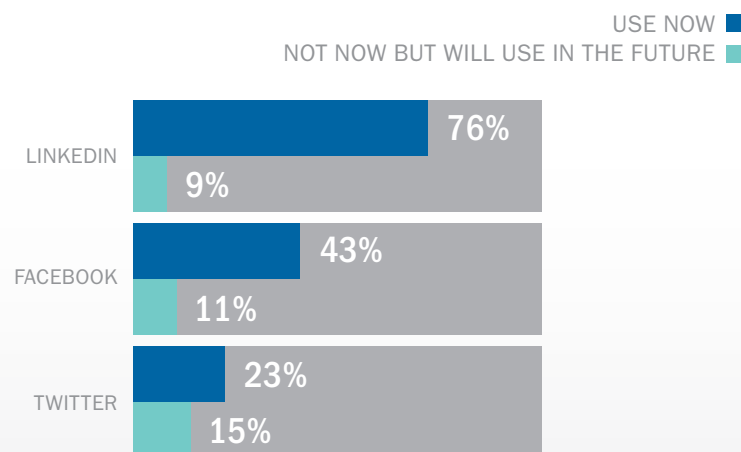


The Tactical Response: Using Social Media

If thought leadership is the strategic response, social media is the tactical response, providing the fastest growing advisers with a way to efficiently execute on thought leadership strategies. And while social media is acknowledged as an important way to communicate with younger clients, it is further seen as a way to deepen existing relationships and build credibility. In this section, we examine both the use of social media generally and the key differences for high growth advisers.

Perhaps not surprisingly, LinkedIn is the dominant network being used by financial advisers. While lower in terms of current usage, advisers expect to increase use of both Facebook and Twitter.

SOCIAL AND PROFESSIONAL NETWORK USAGE: ADVISERS

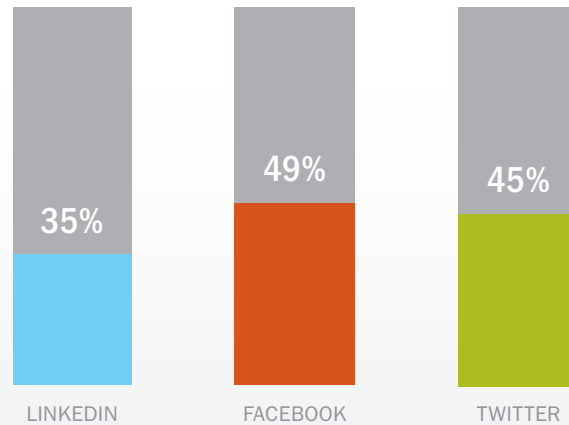


Q: Which, if any, of the following do you use in your personal or professional life today?

When asked why they don't use specific networks, many respondents indicated they were restricted by their company; however, this result was influenced by channel. Registered Investment Advisers (RIAs) are less likely to be restricted; full-service brokerage firms and broker-dealers are much more likely to restrict Facebook and Twitter than LinkedIn.

RESTRICTIONS ON SOCIAL AND PROFESSIONAL NETWORKS

RESTRICTED NETWORK USE



Q: Please indicate the reason or reasons for not using <network> for business purposes.
Shows percentage responding 'My company restricts use of this network for business.'

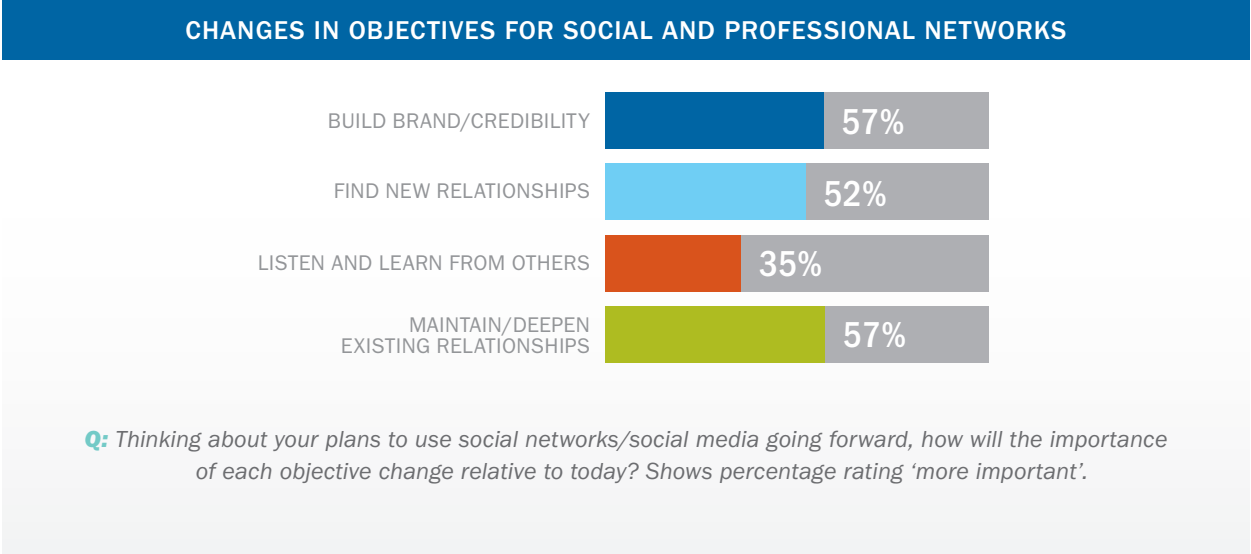
Often we refer to 'social media' usage as if it is a single strategy with cohesive objectives. The reality is that advisers use different networks to meet different objectives. They range from more passive goals, such as listening and learning from others, to more active, such as finding new relationships. LinkedIn is seen primarily as a way to find new relationships, Facebook to maintain and deepen relationships and Twitter to listen and learn from others. They are seen as being equally effective in building brand/credibility; however, based on the objectives identified for each network, advisers consider LinkedIn and Facebook more effective than Twitter.

REASONS FOR USING SOCIAL AND PROFESSIONAL NETWORKS

	LINKEDIN	FACEBOOK	TWITTER
FIND NEW RELATIONSHIPS	48%	14%	9%
MAINTAIN/DEEPEN EXISTING RELATIONSHIPS	12%	48%	8%
LISTEN AND LEARN FROM OTHERS	9%	7%	45%
BUILD BRAND/CREDIBILITY	28%	25%	25%

Q: Which, if any, of the following do you use in your personal or professional life today?
Shows percentage responding 'yes'

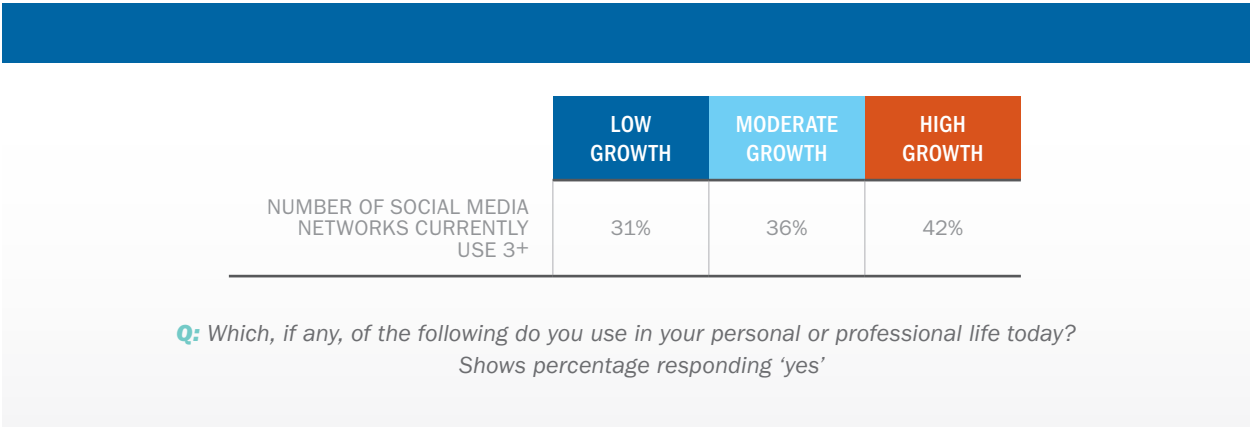
Looking forward, there are clear changes in how social media will be used more actively not just more frequently. Advisers acknowledge the increased role of social media in building credibility, building deeper relationships and finding new relationships, whereas they don't see as big a change on "listening and learning," which is a more passive activity.



Executing a Social Media Plan

Exactly how professional and social networks are being used varies; however, we can learn from high growth advisers.

1. High growth advisers are more likely to use multiple professional/social networks.



2. High growth advisers actively engaged with clients and prospects

In general, advisers use social media to research people, connect with clients and follow clients. They typically rely on their firms to provide that information or curate publicly available information. High growth firms are more likely to:

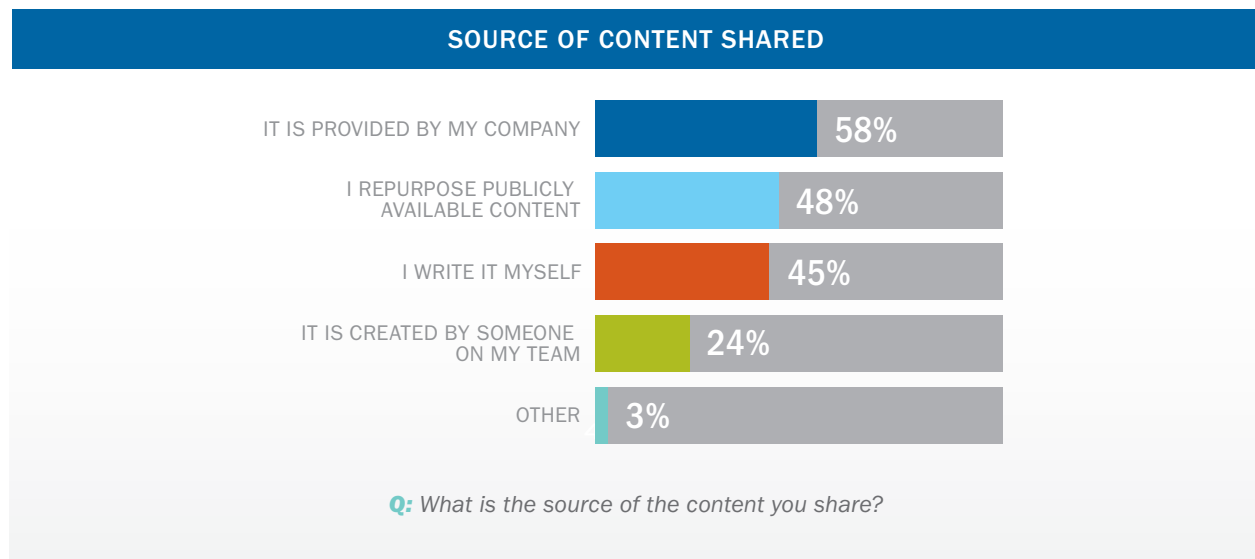
- Connect/engage with clients
- Follow clients and prospects
- Consume content posted by peers or others

REASONS TO USE NETWORKS BASED ON GROWTH PROFILE

	LOW GROWTH ADVISERS	MODERATE GROWTH ADVISERS	HIGH GROWTH ADVISERS
SHARE BUSINESS INFORMATION/UPDATES	29%	32%	31%
SHARE ORIGINAL OR CURATED CONTENT	22%	27%	31%
FOLLOW CLIENTS	35%	39%	45%
FOLLOW PROSPECTS	31%	29%	40%
CONNECT/ENGAGE WITH CLIENTS	38%	39%	47%
CONSUME CONTENT FROM ASSET MANAGERS AND OTHER SERVICE PROVIDERS (e.g. Whitepapers)	24%	21%	28%
CONSUME CONTENT POSTED BY PEERS AND OTHER MEMBERS	30%	31%	40%
PARTICIPATE IN DISCUSSION GROUPS	15%	14%	11%
LOOK FOR NEW PROSPECTS	38%	36%	46%
ADVERTISE JOBS	5%	9%	14%
RESEARCH PEOPLE OR COMPANIES	52%	50%	57%
CONDUCT DUE DILIGENCE ON PRODUCT PROVIDERS (e.g. Asset Management, Insurance Companies)	8%	8%	10%
STAY ON TOP OF BREAKING NEWS AND/OR MARKET PERSPECTIVES	33%	31%	43%
IDENTIFY POTENTIAL BUSINESS PARTNERS (e.g. Centers of Influence)	36%	31%	40%

Q: Which of the following specific activities do you do on social networks for business purposes?

Advisers who say they share original or curated content often use content provided by their firm or that is publicly available; however, a relatively significant proportion is created by the team.



Peer to Peer

In addition to sharing content, advisers shared examples of how they engage with clients and prospects to increase followers or connections on professional or social networks.

ADVISERS SPEAK OUT: BEST PRACTICES FOR USING PROFESSIONAL NETWORKS	
Active engagement. Take social media off autopilot. Be authentic.	
Actively look for new contacts using existing network.	
Be a resource.	
Blogs written by team members.	
Change the content as much as possible.	
Commit time to building a larger network.	
Content on Twitter, leading back to our website/LinkedIn/Facebook and increasing the use of mobile apps which have additional information on the Twitter content.	
Daily interaction.	

ADVISERS SPEAK OUT: BEST PRACTICES FOR USING PROFESSIONAL NETWORKS – CONTINUED

Direct invitations to follow me.

Engage in discussions.

Great headlines.

I join professional networks on the social media sites to add to my credibility and increase search exposure.

I request connections almost immediately after meeting business or personal connections.

Joining groups, writing comments.

Looking at others' profiles a day or two before inviting them to connect.

Name searches both by industry and my niche companies.

Offer valuable content that helps the follower/connection increase their profitability.

Post consistently and follow up in a timely manner.

Posting really good/interesting content with photos. People love photos!

Posting social and family activities.

Proprietary content has increased the number of followers significantly.

Providing reliable, non-biased financial education and counseling.

Reaching out to centers of influence.

Share others posts and comment on those posts. Do not always send industry content, but personal content to show you are a person.

Strategic alliances who share a common goal to help each other grow their business.

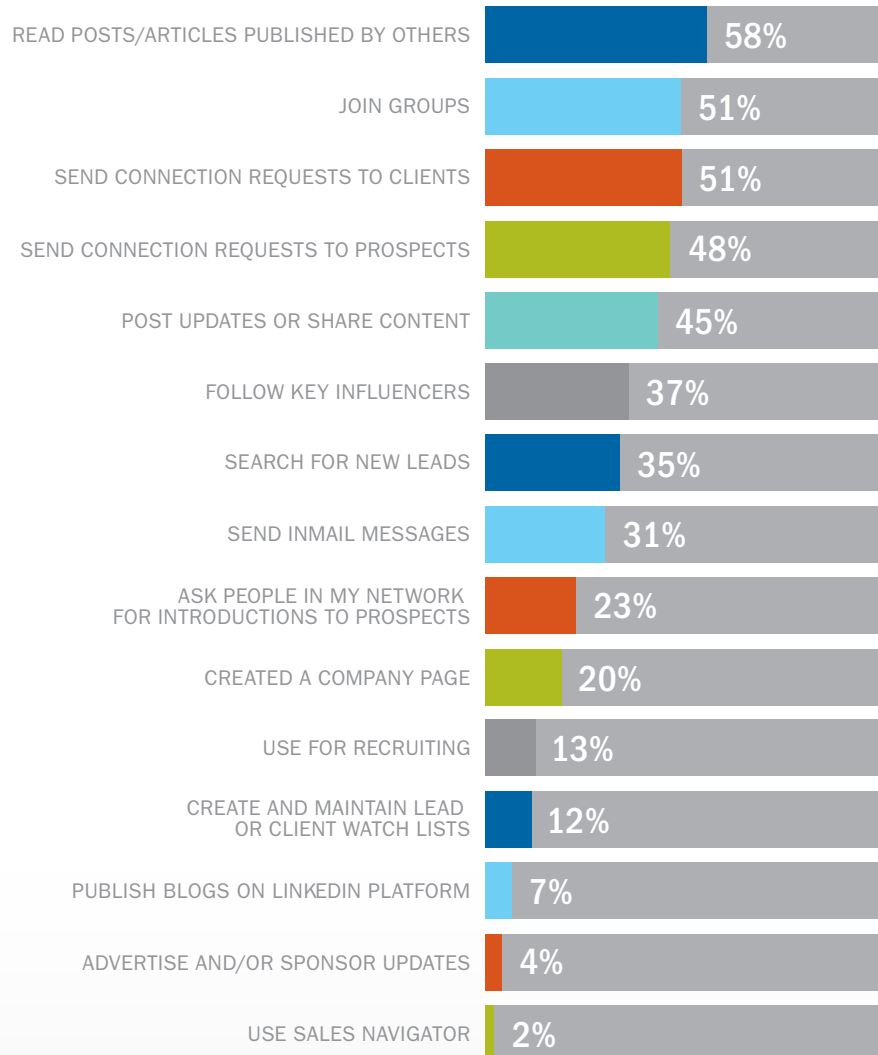
Writing about a subject and asking for feedback/interaction.

Q: *What have you found to be the most effective ways to increase followers/connections?*

Focus on LinkedIn

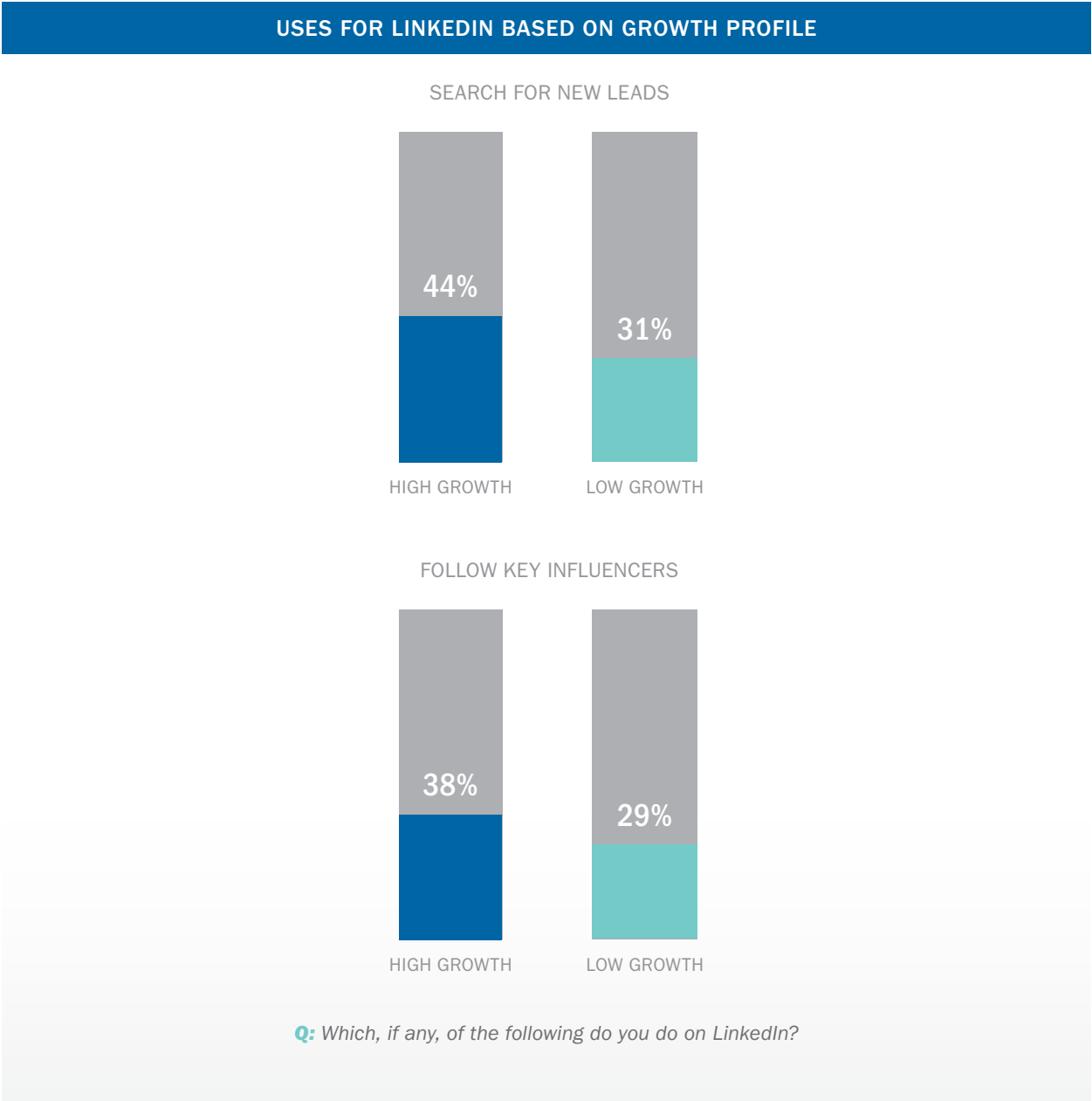
Given the importance of LinkedIn to adviser strategies, respondents were asked specifically about how they use LinkedIn to meet their goals.

USES FOR LINKEDIN



Q: Which, if any, of the following do you do on LinkedIn?

On LinkedIn, high growth firms are more likely—than lower growth firms—to be doing two activities: searching for new leads and following key influencers.



Going deeper, respondents provided specific examples of how they are using LinkedIn to reach specific goals and objectives.

ADVISERS SPEAK OUT: WAYS TO USE LINKEDIN

CONNECT TO PROSPECTS

Connecting to new clients through referrals generated from current professional network members.

Former clients have found me using LinkedIn and have become new clients.

Getting a message out to a large audience of people I am not connected with through targeted groups.

Great tool to see someone else's network and ask for introductions.

I made appointments after connecting on LinkedIn.

Maintain contact with individuals I meet in the community.

Make contact with individuals I do not know. I use it to identify key-decision makers within an organization.

ENHANCE KNOWLEDGE

Participation in peer discussion allows me to remain confident in my knowledge and abilities.

Staying aware of changes in the industry.

PROFESSIONAL REFERRALS

I have used LinkedIn to set up meeting with potential referral sources.

Identified centers of influence who can help me break into the workplace seminar circuit, and engaged them to assist me in providing introductions to people on their LinkedIn contacts list.

Strengthened relationships I have with power partners and helps them make referrals.

Promote the business.

Creates a solid place for people to understand what my business can provide and my credentials.

Described myself in ways that have allowed organizations and individuals to solicit me as a speaker.

Helping me build my brand and increase awareness of what I do with casual contacts.

Set up networking events.

ADVISERS SPEAK OUT: WAYS TO USE LINKEDIN – CONTINUED

RECRUITING

Finding quality candidates for new hires.

RESEARCH PROSPECTS

It allows me to find specific targeted prospects at the companies that I work with.

Making contact with prospect before calling for first time.

Prepare for sales meetings.

Terrific tool for identifying people in my current circle of contact that can introduce me to people I'm interested in meeting.

Was able to find information on prospect prior to initial meeting.

When I plan on private client dinners or entertainment, I look through my clients or prospects connections for suggested couples for them to invite.

STAY CURRENT WITH CLIENTS

Connecting with people who have changes in their life, such as job changes, births, marriages, etc.

Updated when somebody switches jobs/career update/retire, etc.

STAY TOP OF MIND

I post something via a company approved message about once a week. My goal is to continually drip on clients and prospects and I think this does a great job of doing exactly that.

THOUGHT LEADERSHIP

Allows us to extend thought leadership and engagement to a very select target.

Post articles that I have written.

Post information on best practice and wellness topics on our group page that group members and learn and discuss.

Sharing relevant content. Positioning myself as a subject-area expert, and a go-to source for relevant content.

Q: What have you found to be the most effective ways to increase followers/connections?



The Impact of Social Media

The issue of the return on investment on social media has been debated across the industry; many have questioned whether the use of social media has a measurable impact on growth or client engagement. What is clear from the data is that while advisers may not believe that social media leads directly to new clients, they do see it as a critical part of the business development process.

Just over half of advisers who use social media said they had added new clients directly as a result of the use, averaging five new clients and \$3.5m in new assets in the last year. Despite that, a small minority of advisers see the use of social media as leading directly to new business; rather, they see it supporting new business development. This is true across all growth segments.

IMPACT OF SOCIAL MEDIA

	LOW GROWTH ADVISERS	MODERATE GROWTH ADVISERS	HIGH GROWTH ADVISERS
IT LEADS DIRECTLY TO NEW CLIENTS	10%	9%	9%
IT ACTIVELY SUPPORTS OVERALL NEW BUSINESS DEVELOPMENT ACTIVITIES, BUT DOES NOT NECESSARILY LEAD TO NEW CLIENTS	59%	59%	68%
NEITHER, IT'S NOT ABOUT NEW BUSINESS	30%	32%	24%

Q: Which of the following best describes your experience in using social media, specifically as it relates to business development?

In particular, high growth advisers see social media as a support for client referrals.

SOCIAL MEDIA AND REFERRAL ACTIVITY

	LOW GROWTH ADVISERS	MODERATE GROWTH ADVISERS	HIGH GROWTH ADVISERS
CLIENT REFERRALS	29%	33%	42%
CENTER OF INFLUENCE REFERRALS	22%	31%	34%
OTHER PROSPECTING ACTIVITY (NOT REFERRALS)	29%	32%	40%
LEADS THAT CONTACT YOU DIRECTLY (NOT RELATED TO THE ABOVE ACTIVITY)	22%	26%	30%

Q: To what extent do you think your business development activity was positively impacted by social networking? Show percentage rating some or significant impact.
Shows percentage rating 'some' or 'significant' impact.

While high growth firms are no more likely to say that social media leads directly to new clients, they were more likely to have added new clients as a result. The reality is, however, that a fairly high percentage of advisers do not know the economic impact of their activity.

RETURN ON INVESTMENT FOR SOCIAL MEDIA

	LOW GROWTH ADVISERS	MODERATE GROWTH ADVISERS	HIGH GROWTH ADVISERS
ADDED NEW CLIENTS	52%	56%	67%
NO NEW CLIENTS	3%	1%	1%
I DON'T KNOW	45%	43%	32%

Q: What was the result of your social activities in 2014

How do advisers measure success? They are more likely to measure the effectiveness of social media based on positive feedback from prospects and clients (37%) or the level of engagement from friends/followers (33%) than on the number of new clients (24%).



Conclusion

Too often, research that incorporates data on social media starts and ends with the tools being used. While important, that data is not the end of the story. To understand if and how advisers need to think about engagement, we need to start with the client and create strategies that respond to his or her core needs.

We know from examining client behavior that clients demand education and that prospective clients are going online to research advisers. The highest growth advisers have responded to those distinct but related trends and are increasingly focused on thought leadership strategies—executed via social media. In so doing, they respond both to the demand for education and the need to have a robust online presence.

For advisers who are looking to stay ahead of the trends, the focus on how high growth advisers are executing on their thought leadership strategies becomes most important. Across the board, we see that advisers are using different social networks to meet different objectives and those who, have seen the highest growth are more actively engaging with both clients and prospects.

Change does not happen overnight. The analysis of both client behavior and adviser activities suggest small but important changes in current behavior and clear changes in the perceptions of advisers going forward. Today we have a choice; to watch how the change plays out or to take action and be part of the change. The data suggests that the leaders are the high growth firms that are reaping the rewards of driving the change.

Your Action Plan

The study highlights a range of activities as it relates to thought leadership and the use of social media. Consider the following to lay the foundation for a more active strategy in the future or to enhance what you are doing today.

1. Gather input from clients to help you tailor your education and thought leadership activities on the issues that will have the greatest impact. Specifically assess:

- a. Interest in gaining access to educational activities or information
- b. Specific topics of interest
- c. Key concerns
- d. Preferences regarding how information is consumed (e.g. live events versus articles)
- e. Current social media activity (e.g. what networks are they using and for what purpose)

You can gather input formally (e.g. a survey) or informally (ask during review meetings) and assess the results based on the age of the respondent to identify important trends.

2. Map out a simple educational plan based on the information gathered in Step 1. Choose one or two ways to tackle client concerns, focusing on how they consume content today. You might choose from:

- a. Live events (in person or webinars)
- b. On-demand events (webinars)
- c. Curating content (articles, blog posts)
- d. Writing original content (articles, blog posts)

3. Alert clients to content that you share socially so they are aware of what you are creating and can easily share with friends and family.

4. Audit your online presence to ensure:

- a. You have a presence on social and professional networks used by your clients
- b. Your messaging is consistent across all networks
- c. Your messaging is focused on the issues that matter most to your clients
- d. Content is easily shareable

5. Actively engage with clients and prospects on professional and social networks

- a.** Follow/connect with key clients and prospects
- b.** Engage with key clients and prospects by commenting or sharing their content
- c.** Join relevant groups

6. Make a start. If you are not active on professional and social networks, take a few small steps forward. You may choose to start by “listening and learning” and then move to more engaging activities.



Appendix 1

Participant Profile

ADVISER ROLE

CEO/PRESIDENT	17%
SENIOR FINANCIAL ADVISER	57%
JUNIOR/ASSOCIATE FINANCIAL ADVISER	55%
NON-ADVISER MANAGEMENT	4%
SUPPORT STAFF (INCLUDING TECHNICAL)	2%
OTHER	4%

Q: Which of the following best describes your role?

ADVISER AGE

UNDER 30	8%
30–39	16%
40–49	24%
50–59	29%
60–64	12%
65 OR OVER	9%
I PREFER NOT TO ANSWER	1%

Q: Which of the following describes your age?

ADVISER GENDER

MALE	76%
FEMALE	22%
I PREFER NOT TO ANSWER	2%

Q: Which is your gender?

ADVISER TENURE

LESS THAN 2 YEARS	6%
2-4 YEARS	8%
5-9 YEARS	14%
10-14 YEARS	14%
15-19 YEARS	16%
20 YEARS OR MORE	40%
I PREFER NOT TO ANSWER	1%

Q: How long have you worked in the financial services industry?

ADVISER REVENUE

UNDER \$250K	43%
\$250K-\$499.9K	22%
\$500K-\$999.9K	15%
\$1M-\$2.49M	12%
\$2.5M-\$4.9M	4%
\$5M+	4%

Q: What was your gross revenue in 2014?

ADVISER ASSETS UNDER MANAGEMENT

UNDER \$50M	48%
\$50M-\$99M	19%
\$100M-\$249.9M	17%
\$250M-\$499.9M	7%
\$500M-\$999.9M	4%
\$1B+	5%

Q: What were your individual assets under management on December 31, 2014?

BUSINESS MODEL/FIRM

NATIONAL, REGIONAL OR INDEPENDENT	26%
INDEPENDENT RIA	20%
NATIONAL OR REGIONAL WIREHOUSE	15%
INSURANCE BROKERAGE/ AGENCY	13%
HYBRID RIA/BROKER-DEALER	12%
BANK/CREDIT UNION	7%
OTHER	7%

Q: Which of the following best describes your business model/firm?

Appendix 2

Profile of Investor Respondents

CLIENT GENDER

MALE FEMALE

56%

44%

Q: Are you...?

CLIENT AGE

18–24

25–34

35–44

45–54

55–64

65+

1%

7%

9%

11%

33%

38%

Q: Are you...?

CLIENT WEALTH AND INCOME

\$50,000 –
\$99,999

\$100,000 –
\$499,999

\$500,000 –
\$999,999

\$1,000,000 –
\$4,999,999

\$5,000,000
OR MORE

10%

27%

29%

24%

9%

Q: Please tell us which best describes your current total investable assets, including all mutual funds, stocks, bonds, 401(k), IRA and other retirement accounts, but excluding real estate?

LESS THAN
\$50,000

\$50,000 –
\$99,999

\$100,000 –
\$199,999

\$200,000
AND OVER

PREFER NOT
TO SAY

11%

35%

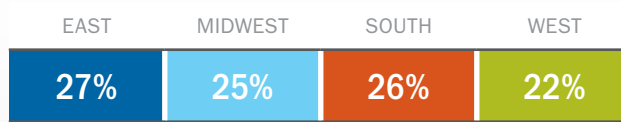
39%

14%

2%

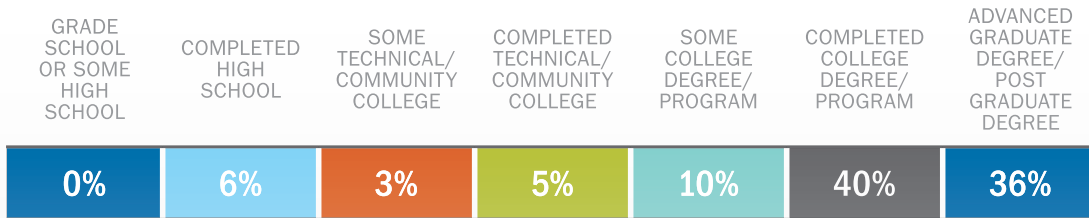
Q: Which of the following best describes your annual household income before taxes?

CLIENT REGION



Q: Where do you live?

CLIENT EDUCATION



Q: What is the highest level of formal education that you have completed?

Appendix 3

Profile of Growth Segment

The profile of those firms is below:

ADVISER ASSETS UNDER MANAGEMENT

	LOW GROWTH ADVISERS	MODERATE GROWTH ADVISERS	HIGH GROWTH ADVISERS
UNDER \$50M	54%	40%	45%
\$50M–\$99M	24%	22%	14%
\$100M–\$249.9M	21%	24%	9%
\$250M–\$499.9M	0%	6%	14%
\$500M–\$999.9M	0%	5%	7%
\$1B+	0%	3%	11%

Q: What were your individual assets under management on December 31, 2014?

ADVISER REVENUE

	LOW GROWTH ADVISERS	MODERATE GROWTH ADVISERS	HIGH GROWTH ADVISERS
UNDER \$250K	46%	32%	40%
\$250K–\$499.9K	27%	25%	16%
\$500K–\$999.9K	18%	18%	12%
\$1M–\$2.49M	7%	16%	12%
\$2.5M–\$4.9M	1%	5%	8%
\$5M+	0%	3%	9%
NOT APPLICABLE/I DON'T KNOW	2%	2%	3%

Q: What was your gross revenue in 2014?

ADVISER REVENUE GROWTH RATE

	LOW GROWTH	MODERATE GROWTH	HIGH GROWTH
NEGATIVE GROWTH	8%	2%	0%
NO GROWTH	13%	2%	0%
1–4%	22%	8%	1%
5–9%	33%	20%	6%
10–14%	14%	35%	17%
15–19%	6%	17%	16%
20–29%	3%	10%	23%
30%+	2%	4%	34%

Q: In 2014, what was the net percentage growth rate of each of the following?

ADVISER ASSET GROWTH RATE

	LOW GROWTH	MODERATE GROWTH	HIGH GROWTH
NEGATIVE GROWTH	5%	0%	0%
NO GROWTH	11%	2%	0%
1–4%	30%	3%	0%
5–9%	55%	9%	0%
10–14%	0%	51%	11%
15–19%	0%	34%	11%
20–29%	0%	0%	37%
30%+	0%	0%	41%

Q: In 2014, what was the net percentage growth rate of each of the following - Assets?

ADVISER NUMBER OF CLIENTS

	LOW GROWTH	MODERATE GROWTH	HIGH GROWTH
NONE	4%	1%	0%
1–4	28%	13%	7%
5–9	30%	26%	18%
10–14	14%	24%	21%
15–19	7%	13%	11%
20–29	8%	9%	16%
30+	8%	14%	27%

Q: How many clients did you add in 2014?

