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## Marketing

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# HOW TO USE DISTINCTIVE EVENTS TO E—X—P—A—N—D YOUR REFERRAL NETWORK

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The dynamics of the stock market in the past 5-6 years have had a subtle impact on financial advisors' referral business. Not only did some consumers distrust all advisors after the market fell, but they talked about investments less in their everyday, water-cooler conversations. People didn't want to publicly disclose how badly their portfolios had been bloodied. Advisors I work with started to hear comments like, "We just don't talk about financial matters with people outside the family."

Prospecting by other means such as seminars and cold-calling have become more expensive due in part to saturation, new regulations like the Do Not Call List, and the increasing impact of call-blocking technologies. As a result, referrals have become comparatively even more vital than any other method of prospecting.

We have reached a historic convergence point where the need for referrals and the resistance to giving them has never been higher. What can you do to solve this dilemma?

To re-engage clients in the referral process, you must excel at utilizing a broader range of referral strategies that they perceive as easy and risk-free. You also must distinguish yourself in serving the needs of specific groups of people and providing a compelling reason for your client to introduce you to a group to which he or she belongs. A name and a number is no longer enough. You must find a way to involve the client more personally in the introduction process. I suggest that you hold a Referral Event.

A referral event is a distinctive, interesting experience to which your clients want to bring friends and colleagues. You should seek to have least three referral prospects for every client in attendance at the event, a ratio significantly different than at a client-appreciation-type event.

A referral event differs from a traditional prospect seminar because your clients drive the invitation process after consulting with you about who they should bring. Referral events also differ by what is presented and how they are conducted.

Referral events are proving to be very productive because they accelerate the referral process. They compress the time it takes to get introduced to dozens of people within a client's network.

Consider this example. A working professional has a network of approximately 50 people of similar economic standing. If the client gives you two referrals every year, it will take you 25 years to get

introduced to all those with similar standing. If you hosted a house-warming, how many of those 50 people could you meet in a single evening? What used to take 10 years can now be done in 10 weeks!

Another important advantage of referral events is that they allow you to influence who attends, if you provide guidance to your clients on who to bring. You can precisely target referral events to specific people with attractive networks or to your target market, and tailor your presentation much more effectively than at a general public seminar.

Referral events also make it much easier for clients to "refer up." This becomes critical when you want introductions to people with higher standing in an organization, such as a boss or chief of staff. A junior physician or mid-tier executive may not feel she has the standing to recommend you as a financial advisor, but she can feel comfortable inviting her boss to an event that you host.

Referral events do not have to be expensive. Be creative. You can conduct referral events for small groups, and you can conduct them in very inexpensive ways. Hosting a guest expert to conduct an exclusive briefing for the executive team of a target company can be done inexpensively.

Where do you begin? Identify clients who are well-positioned to introduce you to a dozen or more quality prospects. Look for event ideas that are both fun and have personal meaning for them. Consider hosting a birthday party. If a client is nearing retirement, host a retirement party.

Times have changed. Advisors need to recognize this and update their marketing toolkit. With referral events, you can save money, have much greater control of the quality of prospect you attract, and intelligently build a strong position in whatever market you desire. **NA**

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*Michael Brizz, CMC is creator of The Referral Mastery System® and author of Attract High-Quality Referrals with Distinctive Events: How to easily host referral events that are fun, flawless, and lucrative. More information is available at [referralmastery.com](http://referralmastery.com) or at 800-865-2867 or by writing to [info@referralmastery.com](mailto:info@referralmastery.com).*