

Human-Centric Investing Podcast

Episode 44 – Hosting Virtual Events with Local Professionals

August 2, 2020 (22:17)

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- Intro This is the Human-centric Investing Podcast with John Diehl, where we look at the world of investing through the eyes of our clients. Over to you, John.
- John Diehl: Hello, financial advisors. This is John Diehl, Senior Vice President of the Applied Insights Team, Hartford Funds. Welcome to Episode 44 of the Human-Centric Investing Podcast.
- Joining me for today's call is Mike Lynch. Mike and I have worked, I don't know, how long has it been now, Mike?
- Mike Lynch: It's probably 20-plus years, John.
- John Diehl: Twenty-some years and we work closely together in our task on the Applied Insights Team of educating financial advisors and their clients about many of the things that we talk about on this podcast, kind of trends, be they planning trends, be they of emotional trends, technology trends that are happening in the financial services marketplace, obviously with our focus on the financial advisor.
- Mike brings, as we just mentioned, decades of experience. But today I've asked Mike to talk about this topic of hosting virtual events. Some of you may have listened to an episode that I did recently with the gentleman named Curtis Ranta who was talking about hosting longevity panels and Curtis mentioned now those panels seem to work really well physically and he was going to start trying them virtually.
- But, with Mike, today we're going to talk about virtual events with centers of influence, and not just centers of influence that we already have, but really is a prospecting strategy both for the center of influence but also for potential new clients. So, Mike, I want to thank you for taking the time to join us on the podcast today.
- Mike Lynch: Sure, thanks, John, I appreciate it.
- John Diehl: So let's jump in. Mike, a lot of people use the term "centers of influence," right, but it can mean different things to different people. Can you tell us what it really means for a financial advisor?
- Mike Lynch: Sure, I think specifically for an advisor, it really means those people and maybe organizations that can help boost their market access. I think their credibility, certainly referrals, maybe some testimonials.
- But I think what's most important is really that allows them the opportunity of building a partnership to leverage and to get introductions. I think referrals are great, but introductions really are the key. And I think for some advisors, they've done it for years where they may have—and I've literally seen it where maybe on the left-hand side is the CPA, the right-hand side is an attorney, where those are the two go-to people and those are kind of the centers of influence.
- But I do think as we continue to evolve, as our client's needs continue to increase, a lot of advisors are really thinking about, "This has worked in the past, but can I expand my centers of excellence? Can I think about maybe the non-traditional types of folks the maybe I should be partnering with, that can be great centers of influence and maybe even stronger than my CPA or attorneys, or to complement those folks in that relationship?"
- John Diehl: I would think like the virtual world actually would give them expanded geographical reach as well, right? So let's say you had a pocket of clients in the area of the country not near you, but maybe you're exposed to centers of influence in that area where physically it'd be a challenge to get there, but

virtually you could kind of build that relationship, right?

Mike Lynch: Yes, I think certainly with the summer, right, and if you're in the Northeast but you've always had an interest or a passion and you thought maybe this is the summer where I'm going to rent a house, or maybe think about a beach house in the Southeast, having the virtual opportunity to maybe connect with local realtors in that area to maybe bring somebody on who's an expert in that area and to do it remote.

I think we've seen certainly over the years it's been great, but I think sometimes it's kind of challenging from a time perspective to get to a location to host an event where the centers of influence now have the flexibility, maybe it's during the day, maybe it's early in the evening to just jump on.

And to your point, I think it's great because attendees can be anywhere as well. So if I've got some clients but I may think that "Gosh, traditionally, summer is a little bit slower because they're out-of-state. Well, I can still have them connecting virtually." So I think it goes both ways and I think that's where we see really great attendance and really the reception of this has just been broader and broader.

John Diehl: So, Mike, what types of professionals do you see included in these center of influence events? So I'm assuming the traditional centers of influence, accountants, the estate planning professionals, are they included? I shouldn't assume anything, and then what other areas of interest do you see?

Mike Lynch: Yes, I always think of them kind of as the building blocks or the foundation. I think it's important to have great relationships with a few CPAs, with a few attorneys in the area especially the estate planning. We continue to hear unfortunately special needs attorneys, right, and the opportunity they represent. So I think having those is the foundation.

But, now, I think kind of consider what's going on the small business marketplace and thinking about relationships with lenders, or maybe it's a local small business administration person. Folks are thinking about maybe downsizing or upsizing. So having relationships with good attorneys or good stagers in the area that can share ideas to help people maybe buy home or sell a home more efficiently.

Eldercare social workers, folks in the medical profession, now you certainly get a doctor or nurse, but is there a physician's assistant who works for the go-to orthopedic organization in the area? How do you get in? How do you fill up the paperwork? So I think really the sky is the limit.

I think one of the challenges sometimes is that we think and broaden the centers of influence almost too much and it's something that we can't really get our arms around, where I think as an advisor, you need to think about what's going on in your area, what are the needs and concerns of your clients, and then thinking about where my gaps are for centers of influence.

I'll give you an example. I talked to an advisor recently. He said, "I have a great relationship with the local general manager of a car dealership," and I kind of paused and he said, "I thought I'd get that response." He said, "Many of my clients are starting to think about upgrading their cars, changing their cars, doing some things."

He said, "I really didn't know a general manager in the area of a good car dealership, started talking to some of my clients, come to find out they have a common theme as far as a brand." So I reached out to the general manager and said, "Hey, I've got some clients that have some interest. Would it make sense for maybe us to partner up, maybe do a call, maybe have something in person, or you can bring out a couple of cars?"

So I do think one of the caution things as you're trying to open it up to too many people, I think you want to have a good solid team, and then think about where the gaps are and opportunities as your clients are looking for these needs, opportunities that you can expand on new people.

John Diehl: So, Mike, I know you're a strong believer in these types of events. I know you've been doing them for years physically, now we're talking about virtually, but what's the goal from the advisor standpoint?

What's the end benefit to advisors to take the initiative and the time to put one of these events together?

Mike Lynch: Yes, I think a couple of areas... I think what we hear from MIT is their clients really want an advisor and prospects too. They want a financial advisor that can educate them and can provide them access to resources in the area, right, and kind be that go-to person. So really educating them and providing information and providing resources are so important.

So I think it's tough as an advisor to know a little bit about everything rather have good centers of influence that can help educate some of your clients. So I think the upside is it just brings that increased value from an advisor perspective that they listen to the client, that they understand the client wants the education, that the client wants access to resources in the area.

And rather than you or I picking up the phone and kind of trying to figure out who the best person is, wouldn't it be great to just kind of funnel that through my advisor who has a couple relationships, maybe not recommending one versus another, but has a couple relationships in the area.

And I think as I mentioned prospects, I think that's where the biggest opportunity really lies is it's a great prospecting tool. I've seen it firsthand live where we do stand-up events and now we're doing virtual events where all parties are bringing the attendees and the opportunity to really kind of cross-sell or to meet some new prospects or meet some new ultimate clients. I think really that's where the value is.

John Diehl: And Mike, what would you say is the initial response of advisors when you talk about this concept, is it kind of like gung ho, "Let's go do it," do most people feel some hesitancy, how do you usually see advisors responding?

Mike Lynch: Yes, I think especially in the virtual world, there's a little bit of hesitancy. So I think it's, "How do I set this up? What's the best content? Who should I be talking to?" And I think that stuff that we can help our advisor consultants in the field and our internal advisor consultants as well can really help walk through the process.

I think it's—I kind of try and remind them of any stand-up types of meetings or any traditional types of meetings where they brought in the guest speaker, what worked, what didn't work, what would you do differently, and now think about ways that we can do that from a virtual world. It's very cost-effective. Again, time-wise, it opens us up to more flexibility or maybe we could do a lunchtime event or maybe traditionally we weren't able to do that because of certain locations.

So I think it's trying to overcome some of the hesitancy and I'm a big believer if can discuss the idea, discuss the opportunity, start small, let's try and do a test. I think prep work is always good. Make sure all the parties are involved and can get on. But then just trying to do a smaller intimate type of thing and see what works, what didn't work, evaluate it, and then kind of go from there, was the topic applicable, where there enough folks on the phone that you think doing the virtual event that was worth everybody's wow, what would you do differently, and then just continue.

I think everyone you do gets better and better so I think you continue to improve, and as long as you volunteer some feedback and be flexible, I think it's going to work for in the long run.

John Diehl: So, Mike, when I think about it prior to 2020, my guess is that most of the center of influence meetings that we did were physical in nature, right? I actually can't remember having done one virtually. I've been on some conference calls and things. But then since like February, I know especially for our team, things really changed in a matter of a week or two.

So talk about the virtual aspect, let's separate the content, and who would I invite from the fact that it's virtual? Do you think the fact that it's virtual adds complexity or does it make things simpler? And do you think from the ones you've done, do you find that advisors and clients enjoy the virtual format?

Mike Lynch: Yes, and I think the initial one, maybe there's a little complexity. I will say some of the software resources that are available today, whether it's WebEx or Zoom, make things very, very easy. I think

what we'd encourage advisors to do is maybe have an assistant or have somebody on your team sit in a different location, or try this at night and just see the process.

And I think once they go through that, they realized from a virtual perspective it's really easy to pass the ball, to share slides. So I think it's an opportunity to kind of do that dress rehearsal. But I think they will find that maybe there's a little hesitancy, but I think they'll find that it's much easier to coordinate than to do a mass mailing to 5,000 people, try and walk into the event, find out do we have enough chairs and tables, the food is laid, it's cold.

There are a lot of downsides to stand-up types of presentations where I don't think you really have to worry about that. We've all done meetings where there isn't enough parking; or the place closes at a certain time, we weren't aware of it; or there's another meeting going on same time and have a cloth dividing the rooms as opposed to some physical things.

So I think all those things you don't really have to worry about those and you can set those aside doing virtual. I think you're much more in control than you ever were in any other prior event, and what I'm finding and I'm pleasantly surprised is the participation rate continues to climb. Clients are asking questions. They enjoy the format.

I think for so many of us, we're kind of stranded in our house for lack of a better term. The opportunity for us to connect visually with somebody else to maybe learn something new, to hear from someone just to some extent not physically, but be able to get outside and connect with somebody else I think is so important.

So I think you'll find that when we run this from virtual perspective, as you mentioned, you'll be able to get people that may be were in a certain location, you'll be able to get access through those folks. But I do think clients are going to enjoy this. The ones that we've seen and the ones that we've done, clients have been very, very receptive to the idea.

John Diehl: So, Mike, just so I'm clear for our listeners, when we talk about one of these events, we're not talking about an event where you're only inviting the CPAs or the estate planning attorneys like in a group of four or five in estate planning. You're talking about inviting a center of influence on either with your clients or you're inviting some of their clients or both, what that usually look like, or are you talking about a straight professional-only meeting?

Mike Lynch: I'm talking about inviting your existing clients that maybe are thinking about some technology in the home and you've got a good center of influence that you've worked with in the past that's kind of your go-to person, whether it's some modifications. People like a smart home. The next phase is kind of safe home. So there's some technology in the home that can keep folks safe. Maybe it's a representative from like a ring doorbell and security system or local person in the area, or it's somebody from the Best Buy.

But I do think the ones that work the best is when we invite an advisor and just starting to advice clients that have interest. I would certainly have them open it up to any of their friends, or relatives, or neighbors that maybe they've talked to in the past and had some challenges or concerns. But I would encourage whoever is coming out on the phone, whatever center of influence to have them invite some folks as well.

If you're covering a topic like that technology, they probably have some folks that have come into their store or have called them on the phone with some questions that you may find some commonality, so you may want to invite them as well. So I think the best ones are really the opportunity to educate your existing clients, but then to meet some new clients.

And I think it goes both ways. If you're doing a small business type of event and you bring on a local lender, that lender hopefully is going to bring some small business clients that they have. Yes, it's a new relationship, a new opportunity for you to meet them. But your existing clients are on the phone, the lender just to meet them as well. So I think it's kind of the quid pro quo, if you will.

I think all parties – the ones that do it effectively can really have the opportunity of meeting additional folks. So I think sometimes depending on the topic, you may want to just invite your existing clients.

But I'm always a big fan of letting the centers of influence know, "By the way, we have some room on the line," or whatever the opportunity is to say to them, "Hey, if you've got some clients, maybe three or four folks that you know of, I'd love to have them on the call as well," and then the opportunity going forward to maybe thank them for being on the call and follow up with them. I think those are really the most beneficial events honestly is when everybody bring some folks in.

John Diehl: So, Mike, can you from a high level walk me through a typical event, how long do they last, how long does everybody talk, do you do Q&A, all that kind of stuff?

Mike Lynch: Yes, I think ideally what we're finding is a half an hour is kind of the cap. I think our attention span sometimes wanders off and certainly life gets in the way. I think an advisor then opens it up and maybe has a quick market update or has some type of prepared comments, and then turns it over to the center of influence. And whether it's engaging back and forth like we're doing now with the conversation, or if it's doing 15 minutes on a particular topic, and then the opportunity to open up to questions. I think those are the ones that we find work the best.

And I do think the advisor to some extent, if they're hosting the event, they really are the driver of that event. So they want to make sure they can control the questions and control the time, and really be the moderator of that type of event; or again if it's a Q&A which I think those are always the best. I always like having that interaction, having that back and forth. I think those are good as well.

But I do think you want to leave some time at the end, depending on the topic, you may get flooded with questions or you may get just a handful. Sometimes folks are reluctant to sharing questions on an open line, but there's that opportunity to really follow up and to maybe let them know that if they have individual questions, that you're certainly available to handle those.

John Diehl: And Mike, I think as opposed to physical world where sometimes advisors think that if they can't put 20, 25, 30, 40 people in a room, it doesn't make sense to hold the event. It seems like in virtual world, those groups can be possibly a little bit smaller and more intimate, right?

Mike Lynch: Yes, and I think those are ones we found that have been most successful. And what I see sometimes we don't even know our presentation style, the topic really isn't going to change. So I think that's the best part about it is that you don't have to really worry about the attendance.

So like we did one recently and one person hosted the line and they had I think about 10 people in a room and it was on a speaker phone and I'm not sure why they did it that way. But if we look at it, we saw just one participant, but there actually were more participants behind the scenes. I think that's probably where the norm is getting 10 or 15 people on the call, but I do think that that's where - it really is cost-effective regardless of how many people you get.

John Diehl: And I think sometimes in virtual world, having too many people can almost be an impediment unless you're really used to managing that meeting. Like if at the end of the meeting, you have 40 people on the line, you say, "OK, we're going to open up the lines now," and you get the lawnmower in the background, right, the doorbell ringing and the dog barking, and it can kind of get unruly pretty quickly.

But I think this kind of format really allows a half hour, right, to really an intimate event that is very valuable to some of your best clients and prospects. I think it's a great idea.

Mike Lynch: Now, I was just going to say I think trying to get 50 or 100 people is a bit intimidating sometimes too, and then the center of influence is starting to think, "Well, gosh, how many people do I have to invite?" I have to make 25 calls or 50 calls to get 10 people versus know if I can bring three to five people, those are three to five quick phone calls or maybe just quick emails to say, "Hey, here's the event we're doing," and get my best and my closest relationships. I think it just takes the pressure off of them as well.

John Diehl: And Mike, can you share with us some of the response or results that you've seen coming from some of these virtual COI events?

Mike Lynch: I think what we've seen is kind of clarification. I've seen it and I've - when I've done some traditional

types of events, I've heard from clients firsthand saying, "You know, I know my advisor knew a lot of people and did a lot, but I didn't really know the team that he or she had available until I saw this." And I think we're hearing that the same way from a virtual world.

I'm also hearing from advisors saying, "You know, I'm really impressed with that center of influence." They invited five or six people where I thought they were only going to maybe get one or two. So we're hearing from advisors saying this is clearly working. Prospecting in a virtual world is going to be the normal, right? It's not necessarily a new normal. It's going to be the normal going forward.

And I think when you can work out the bugs and start to really go through the process, it's not going to be "If I do this event," hopefully it's going to be, "When I do this event," because we're really going to have to think about alternative ways to get in front of these folks. And the success has really been such that advisors have said, "This is really working and I'm meeting new folks, and I'm getting new relationships." So it's definitely worth their while.

John Diehl: So, Mike, two questions as we bring this episode to a close. The first is if I missed anything, right, is there information that you have other than what we've already shared that you want to make sure we know? And then the second one is if I'm an advisor who has never down an event like this, what would you recommend us maybe the most important first step towards trying to do one?

Mike Lynch: So as far as pieces, we've got – in Hartford Funds, we got some great resources available. We just developed a new piece, "Need Prospects? How Virtual Events With Local Professionals Could Be the Answer." It's a terrific step-by-step on how to get these events going.

I think the best resource honestly really is your advisor consultant. Your advisor consultant has probably done these types of events, so rather than me trying to do it alone and then struggling with the phone line and this didn't work, or I had this challenge like you said with the lawnmower at certain time, work through your advisor consultant kind of the pros and cons, what topics are working, what time of day works best, what may be technical format works best.

There may be some from their firm, but what's the best type of audience to invite, how is this the most successful? I think they truly can be a terrific partner in the area and you may have thought of them from an investment perspective. But I think of them as a center of influence as well where they can really bring the expertise, the things they've done in the past and really talk about the successes.

And I think advisors to reach out to advisor consultants will benefit from maybe some other ones that did this early on and some of the challenges that they've had, they can share that and kind of eliminate some of those stumbling blocks.

John Diehl: Well, Mike Lynch from the Applied Insights Team at Hartford Funds, Mike, thanks for taking the time to share with us on the podcast today.

Mike Lynch: Thanks, John, I appreciate it.

John Diehl: And for all of you listening, as always, our website www.hartfordfunds.com has a wealth of information and resources about this topic as well as many others. And I want to thank you for taking the time again to listen to the podcast and we look forward to joining you again for another episode of the Human-Centric Investing Podcast. Thanks very much.

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