



INDUSTRY ANALYSIS

The State of Client Understanding

FRAMING INTANGIBLE CLIENT VALUE

VALUE PROPOSITION CHALLENGES



Many advisors have challenges in conveying differentiated, personalized value propositions to clients.

Typical Advisor Offerings & Client Benefits

Sample Client Benefits

We help you...

- manage your money better and achieve higher returns
- keep on track toward your goals
- get your financial life organized and simplified
- understand your beliefs and behaviors around money
- grow your financial competence
- Improve your well-being

*More abstract (and
client-centric)*

*More concrete (and
advisor-centric)*

Sample Advisor Offerings & Attributes

We offer...

- | | |
|-------------------------|---------------------------|
| ▪ Investment management | ▪ Comprehensive solutions |
| ▪ Financial planning | ▪ A holistic approach |
| ▪ Behavioral coaching | ▪ Decades of experience |

Challenges in Conveying Value to Clients



Challenge: *Many of the benefits promised to clients are intangible and difficult to convey*



Challenge: *Offerings are not easily differentiated or directly meaningful to the client*

Learn more about increasing differentiation by developing client niches in our resource center on **Client Base Management**

FRAMING & MEASURING VALUE: HELPING CLIENTS APPRECIATE PROGRESS



In addition to standard methods for demonstrating a client's financial progress over time...



Portfolio

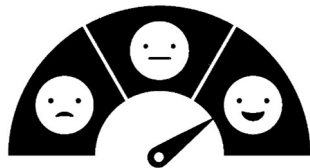
Using portfolio metrics to demonstrate that you are managing the client's money well and achieving appropriate returns



Goals

Using the planning dashboard to demonstrate that the client is on track toward their goals

...some advisors track more subjective “internal measures of client progress” across time to capture the breadth and depth of value they create for clients



“Internal Measures of Success”

Financial Life Self-Assessment

This self-assessment is intended to support your in evaluating progress in your inner financial life. Please rate yourself for each of the following dimensions.

Confidence: How confident do you feel about your financial future now compared to a year ago?

Less Confident ————— More Confident

Organization: How organized do you feel about your financial matters now compared to a year ago?

Less Organized ————— More Organized

Freedom: How much freedom do you feel in your financial future now compared to a year ago?

Less Freedom ————— More Freedom

Sample Dimensions

- General sense of optimism & confidence
- Satisfaction in important life areas
- Alignment with values

Advisors can frame value in terms of making progress on “internal success metrics” and track that progress with self-assessments (e.g., a questionnaire administered annually).

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