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June 2009

Gleanings . . .

By Chip Kispert,
Editor of The Beacon & Managing Director of Beacon Strategies, LLC

Do I Partner with a Big Firm or a Little Firm? That is the Question.



Recently it seems to me that I have been having a number of conversations with broker dealers on whether they should partner with big firms or little firms. For over fifteen years I have watched this tug of war and believe that both big firms and small firms have strengths. I must say both also have weaknesses. At Beacon Strategies, we are fortunate to have a high number of broker-dealers and advisor relationships with a certain "inside" access to watch the performance of partners, both large and small.

Big Firms. "No one gets fired for doing business with IBM." That is a quote that over the years has influences a great many partnerships, both good and bad. Big firms bring perceived stability. In theory they have more solid financials. They have a more mature infrastructure. They have more sophisticated customer service. And they tend to build products that have fewer bugs. Yes they do, sometimes. Other times, we have seen big firms that have suffered financially. We have seen firms that have changed their business model. We have seen firms that have had catastrophic infrastructure failures. We have seen evolution slowed by internal debate. And we have seen "buggy" deliverables.

Small Firms. Thomas Watson said, "Once an organization loses its spirit of pioneering and rests on its early work, its progress stops. Small firms bring a large degree of the pioneer in their creative single mindedness to solving a problem. They tend not to have development by committee. They tend to have more "hands on" customer service. On the other hand, financially they can be more exposed. They can have less sophisticated infrastructures. And likewise in an effort to get product to market they can release deliverables too early.

So what is the right decision? Do you choose the Big Firm or the Small Firm as a partner? Well, there is no set formula. But what you do need to do is have discussions within your firm that set expectations for your decision process. I have been in situations where folks look at solutions and say "that's cool", without understanding the true nature of the solution and how it fits into the broader set of firm demands.

Understand the problem first. Then look at chemistry based on your firms needs for interaction and support. Look at how potential partners can integrate within your environment. Look at how the solution positions itself and you versus the competition and the future. And yes, look at the financials. But make sure in your decision you weigh both chemistry and financials based on the expectations you have set for your firm prior to the buying process.

In this edition we are focusing on marketing tools. We are fortunate to have pieces from Peter Montoya, Discovery & Strategic Advantage. Given their "white paper" nature, we know these will be beneficial in helping you look at marketing in a new or refreshed

way.

Please call or email if you have any questions.

All the best,

Chip Kispert, *Editor*

[Link to The Leading Industry Strategy Group for Broker-Dealers](#)

Developing an Effective Marketing Plan ---It's Never too Late

By Karen M. Hays,
Marketing Director,
Discovery - The Financial Information Group Inc.

Discovery
Essential Intermediary Sales and Marketing Solutions

Its midway through the year and the perfect time to review, or in some cases, develop your marketing plan. Having a marketing plan in place will ensure integration of your marketing efforts with the overall goals, initiatives and budget of the firm. A marketing plan will help firms develop and prioritize tactics that will help actively market their products and services. Tightened budgets may have caused cut backs in your marketing efforts, but it is essential, now more than ever, to market to your clients and prospects. These efforts will strengthen the awareness and momentum needed to build and maintain success.

Before you start working on your marketing plan, there are some questions you should first address. Some of these questions include:

- Who do you want your market to be?
- Who is your best target client?
- Why do they buy?
- What do they want?
- Who is your competition?
- What are your competitive advantages?
- How do you plan to reach your market?
- What distribution methods will you utilize?
- How much budget is needed to successfully market?
- Who is going to implement the marketing plan?

Once you have started giving thought to these questions, the first step to developing an effective plan is to recognize the core components of a marketing plan. Having these components in place will keep you on your marketing path and not lose sight of your goals. These components are as follows:

- **Mission Statement** - What is the purpose of your marketing efforts and what do you hope to achieve?
- **Situation Analysis** - Evaluate the general environment, the industry environment and your internal environment.
- **Competitive Analysis** - Include a SWOT (Strengths/Weaknesses/Opportunities/Threats) analysis as well as identify your direct and indirect competitors.
- **Strategic Analysis** - Develop and evaluate alternate strategies.
- **Development of Tactics** - Define your integrated marketing communications plan and determine what tactics you will utilize.
- **Financial Plan** - What are your benchmarks? What analysis will you use? What are your sales forecasts and your budget?
- **Implementation** --Set realistic timelines, measurable objectives, identify best and worst case scenarios and assess/realign as needed.

Once you address these questions and outline your marketing plan, you are ensuring a systematic approach to your product and service development - -which will satisfy your client and prospect needs. Be sure and remember that a marketing plan is not

something you develop and then put in a file folder until next year. You should be looking at the plan on an ongoing basis to ensure structure in your marketing efforts.

About Discovery

Discovery - The Financial Information Group Inc. has been providing sales and marketing tools to the country's leading financial institutions for over seven years to help ensure their marketing plans are met. Discovery provides a comprehensive overview of the intermediary marketplace, encompassing registered investment advisers, registered representatives, broker/dealer firms, trust companies, insurance agents and banks.

- With a 15 year average industry staff tenure, our knowledgeable and experienced team members can assist firms with strategic and tactical business planning.
- Our diverse base of over 440 clients are across 20 different vertical markets and utilize our 9 product lines and service offerings.
- Discovery-MAX, a tactical outsourcing service, provides sales and marketing expertise to assist financial services firms in successfully implementing their marketing plan.
- We accumulate information every day from a wide variety of sources, actively work to ensure the quality and accuracy of the data and provide state of the art tools to use the data efficiently.

[Link to Discovery . . .](#)

Smoking Marketing Campaigns

By Peter
Montoya,
CEO of Peter
Montoya, Inc.

How a campaign designed to stop people from smoking can show you how to smoke your competitors

PeterMontoya Inc.
The Financial Services Marketing Firm

Want to see strong advertising at work? Take a look at California's anti-tobacco campaign. If you lived in or visited California in the late '80s or early '90s, you know what I'm talking about. You couldn't pick up a newspaper, turn on your radio or television, or step outside without bumping into the campaign. The ads personally attacked tobacco executives, and massively impacted public opinion. Statewide, the word "smoker" practically became a slur.

Even the most militant smokers had to admit the campaign worked. Analysts say the campaign succeeded because of the quality and impact of its ads, and from widespread, long-term exposure.

Some solid lessons for Financial Professionals. Quality marketing, when used properly and consistently, can change peoples' behavior and promote new habits. The best Financial Services marketing is personal - something that emotionally encourages investors to change their behavior.

Many view marketing as a battle, to be fought when time permits. By using poor marketing materials inconsistently, they never realize the extent of victory they can achieve by waging a solid, full-time marketing campaign.

Good marketing requires discipline. It takes time and money. But in the end, like all well-considered investments, it will pay for itself in quantitative terms.

- Invest a quarter of your earnings in a high-quality marketing campaign.
- Select an audience you want to work with most, and target your marketing towards their unique needs and goals.
- Build a constant image of quality in the hearts and minds of your consumers.
- Use your marketing materials consistently for stronger returns.

You won't be the only one spending marketing dollars to recharge your career. One successful Advisor, (who wishes to remain unnamed for fear his marketing techniques will be stolen by competitors), was previously having a hard time chasing down high-end prospects. Then, one day, he opened his mail and found a dynamic, four-color brochure from a competitor.

He got inspired - fast. He started a consistent, full-color, direct mail campaign targeting his wealthy niche. Within eight months, he had recouped his direct mail investment tenfold, and he budgeted 25% of his increased profit to a newspaper campaign sustaining the tone and message of his Personal Marketing campaign. Next he set up an informative website and began promoting the domain name in 100% of his ads. After that - he bought commercial airtime on local cable.

After four years of consistent growth, and hiring two personal assistants, I asked him what made his campaign so successful. He told me: "I never substituted quantity for quality. I wasn't willing to cut corners. Every marketing piece I did was consistent. It had a consistent image." And though a marketing campaign may seem like a major undertaking, it's becoming common among Financial Service Professionals. Those who invest the time and money in their careers are raising their production to a new level.

Peter Montoya is the author of "The Brand Called YOU" and "The Personal Branding Phenomenon."

[Link to Peter Montoya Inc, MarketingLibrary.net and Marketing Pro..](#)

Using Public Relations to Beat Your Competition

By Dale
Jones, CEO
of Strategic
Advantage



Simple Steps to Create a Buzz for Your Business

Why are they always in the press? Why are they always writing about their products not ours? Why do they ask him for his opinions and quote him in features when our business is better and my views are more interesting? Why is he asked to speak at conferences? Why is his business better known in the trade than ours even though we spend just as much on advertising?

Many business people have asked me these questions. It is fascinating how the competitive nature of business comes out when they regularly see one of their competitors' names in the media!

Former CBS journalist and later National Public Radio commentator Daniel Schorr once noted, "If you're not in the media, for all intents you don't exist."

Every company can benefit from publicity.

For most businesses, public relations may well be the difference between failure and success in a fiercely competitive market. A prospect will be more likely to open a direct mail piece or listen to a sales pitch if they just read about the company in the trade press. News about your business, the executives, products or services can attract the attention of potential customers in a way that advertising cannot.

A sound public relations strategy combined with effective communications tactics leads directly to beating the competition. Here are some simple steps for you to use to create a buzz for your business:

1. Make sure your product or service is ready. This is your immediate priority

before you even start to think about PR. You need to make sure your product is ready for public consumption - get it out, make sure it works and does something that people care about.

2. Know your market. Successful PR is all about reaching the right audience with a message that is appropriate and meaningful to them.
3. Learn about the media outlet before you contact them. In defining your target audience, you will also know what they read, what radio programs they listen to, what TV programs they watch and what websites they visit.
4. Your message. The center of your PR campaign is your message. Make sure it's clear, concise and brief. If your message can't be summed up in a few sentences, it's too complicated and editors won't read it.
5. Getting media coverage. Getting media coverage or a mention of your new product or service can go a long way towards creating a buzz. Target both the local and national press as well as your industry's trade publications. Often, the coverage you get in a trade publication will create the biggest buzz, as its read by all of your competitors and investors.
6. Develop a relationship with and use the local media. Your relationship with journalists is very important and is the basis of your interaction with the media. These relationships take time to develop, and this time should be viewed as a long-term investment.
7. Write a feature article. Write an article for your local newspaper or trade publication on a subject that relates to you or your business. If the article is well written and is specifically targeted to the readers of that publication, it could bring you the publicity you seek.
8. Public Speaking. Give talks or teach classes about your profession or business to local groups such as the Chamber of Commerce, or at industry trade shows, roundtables and conferences

Quality public relations is not a tactic, it is an essential part of your strategic business plan to beat your competition.

Strategic Advantage Public Relations and Marketing Communications offers a wide variety of public relations, media relations, and marketing communication services for startups, mid-market and large businesses. We have a strong focus in financial services and technology organizations.

Strategic Advantage Public Relations and Marketing Communications provides these services to our clients at an affordable rate. Our clients receive the highest level of quality services, backed by the direction of and implementation by professionals with over 25 years of experience.

[Link to Strategic Advantage . . .](#)

Editorial Calendar

Our monthly calendar and the subject matter we will cover in 2009:

- **February** - Forms Management & Account On-Boarding
- **March** - Imaging Systems
- **April** - Compliance
- **May** - Data Aggregation
- **June** - Marketing Tools
- **July** - Client Relationship Management
- **August** - Commission Processing
- **September** - Email Surveillance
- **October** - Financial Planning
- **November** - RIA Reporting



- **December** - Training
- **December II** - Best of . . .

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