

Multigenerational marketing

Marketing to beneficiaries and future business owners



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We're in the middle of a massive transfer of wealth. Starting back in 2007 and running through 2061, approximately \$59 trillion will be passed down to heirs, charities and taxes. This according to a study from the Boston College Center on Wealth and Philanthropy and referenced by CNBC on May 28, 2014.

Some of that \$59 trillion is going to Baby Boomers, surely, but most will be handed down to subsequent generations, the Gen Xers and Millennials that may be underrepresented in your client base. Don't miss out.

This white paper offers a series of strategies and tactics that will help position you as a valuable resource to both younger family members and business successors so your services are retained beyond the death of your current clients.



A huge opportunity that's here to stay

According to a Generationallnsights.com article, between 2030 and 2045, about 10 percent of the total wealth in the United States will change hands every five years.

That means your investment in multigenerational marketing today can pay off for years to come.

Many seasoned insurance producers fail to effectively communicate and contact the younger generations for a myriad of reasons, including:

- A focus on the older generation - their original and primary clients
- Age difference is too much of an impediment
- Lack of understanding of the beliefs, ideas, ideals and values of the younger generations
- A false assumption that they will continue to manage the transferred monies
- Another false assumption that the younger generations will certainly find peers/friends to manage their finances because they have their own connections
- Just being too busy or satisfied with their current business level

All of the above reasons for not going after the younger or future investors are understandable. However, if you want to participate in the ongoing wealth transfer of trillions of dollars then you'll need to have a systematic, effective approach to make new connections by becoming a trusted friend of the entire family. You can embark on this journey today.

While it may be hard to prospect the newer generations, it's a lot easier if you position yourself as a trusted advisor and family friend.

Now is the time to start or increase your efforts

“The best time to plant a tree was 20 years ago.
The next best time to plant a tree is today.”

Strategies for families

Multigenerational marketing to families falls into three basic categories:

- 1. Client appreciation events**
- 2. Client education**
- 3. Value-added strategies**

1. Client appreciation events

These are periodic events, which can be arranged for one or multiple families. The goal is both enjoyment and making personal connections.

Typical events include dinners, wine tastings, picnics, etc. Basically, clients and certain family members get to know you and you get to know them while having pleasant experience. It's one of the many ways of saying, “Thank you for your business.” Unfortunately, most producers only focus on the clients themselves and miss the opportunity to engage with the rest of their family members.

Consider events that involve or might be intriguing to a large number of family members:

- Rent a movie theater, and invite clients and their entire family for a children's movie.
- Offer a special, closed tour of a museum, aquarium or local place of interest.
- Bring in a magician or other entertainer for a private show.
- Invite your clients and their families to an exclusive engagement with a motivational speaker or to a unique workshop.
- Host a food-tasting party.
- Provide tickets to an athletic event that you can attend together.

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Case study:

One insurance producer discovered that he could rent the Clinton Presidential Library in Little Rock and arrange for tours for the firm's clients in the evening. *"We held a large reception, invited clients to come, had a speaker for them, and they were able to tour the Clinton Library— and do it in private. It was a tremendous event with about 400 clients attending. They absolutely loved it."*²

Whatever the main act is, you'll have the opportunity to deliver some preliminary remarks and give all the members of the family a memorable experience. You can take it a step further and hire a couple of photographers and offer photos to each family member with your compliments. Your branded memorabilia may be kept for years to come.

The more unique the event, the greater the attendance. More parents will be involved if children are the focus.

² Eric Hutchinson quoted in *The Trust Equation: The Savvy Investor's Guide to Selecting a Competent, Ethical Financial Advisor* by Steven Drozdeck and Lyn Fisher ©2005 Financial Forum Publishing

2. Educational strategies

There is a huge need for financial education in this country, especially for younger generations. Surveys regularly show that the majority of people are financially ignorant or misinformed. If you can help educate your clients and their families, you can reap the rewards of trust and loyalty. Your effort need not be limited to luncheon seminars promoting a particular product or service. Do a web search for "financial education," and you'll see numerous resources available to you as well as topics people are interested in or problems that different age groups face. Then, offer a course to appropriate client family members.

You can leverage your efforts by recording key financial lessons and offering the recording to other clients along with a simple, easily created workbook with your branding. As you create mini courses for different age groups, you will develop a number of workbooks and recordings that will be very useful in your marketing, client retention and multigenerational wealth retention strategies. As children mature, you can drip market higher-level courses while keeping your name in front of them.

Educational events for adult clients

This is where most financial professionals spend their time—and rightly so. The trick is to make sure that you're educating more than just your primary clients and involve as many others within a family or business as possible.

Again, when conducting a seminar, make sure you record it and make the recording available to other clients. Try to create an enhanced transcript (formatted nicely, more formal writing style, additional examples or case studies, branded, etc.) of the recording to send to key clients and their families. Basically you want to produce something that will be distributed to various family members — allowing them to become more familiar with you.

If you have any strategic partners such as attorneys, accountants or bankers, consider hosting a series of ongoing seminars where different financial topics (retirement funding, estate planning, etc.) are looked at from a multi-disciplinary approach. Using a multigenerational theme, you can address problems, opportunities and strategies at various life stages. Of course, record the sessions and make available to clients who couldn't make it in person.

Note: When conducting seminars or presentations, be sure to have the material approved by your applicable insurance carriers.

3. Value-added strategies

Value-added approaches differentiate you and your practice from your many competitors. Consider some of these to further develop your presence within a particular family.

Sponsor or lead a family retreat where stories and values are shared among generations and recorded for posterity. Of course, as the sponsor/organizer, you can be the Master of Ceremonies and become known to all involved. Such retreats are used by some very wealthy families and are employed to ensure that family values and traditions are passed from generation to generation. Since many wealthy families are involved in philanthropic activities, offer to help educate younger family members in financial considerations when making philanthropic decisions. Your advice and education positions you in a unique place – as one of the stewards of the family fortune.

Producing a client newsletter is another value-added strategy. Some advisors write a monthly or quarterly newsletter that offers financial information as well as features one or more client relationships. Systematically interview and feature different clients. Let them tell about their family, their goals and objectives. Then frame the article for those interviewed or mentioned, and give it as a gift. They'll probably cherish it forever. In some households, it may even be prominently displayed. A side benefit of such a newsletter is building a community of loyal clients who learn about each other. Your other appreciation and education events will become even more impactful.

Strategies for businesses

As in families, leadership and ownership changes hands over time. Businesses are sold. Directors change. You want to be as pertinent to the potential new owners/directors as you are to the current ones. You want to maintain your relationship with the organization no matter who is in charge.

Today's middle managers become tomorrow's senior managers. People move up the ranks and to other companies.

Here are some quick ideas to consider:

- As with families, host business/employee appreciation and education events. Retirement counseling is always a hot topic. Consider providing education on business financing strategies. Try to have an interdisciplinary approach.
- If possible, become specialized in the retirement programs of any major corporations in your area. For example, one insurance producer in Rochester, N.Y., learned more about the Eastman Kodak retirement program than the HR people knew. He taught numerous seminars there on a multitude of financial topics relating to pre- and post-retirement. He became a highly regarded "experts' expert." Even though there had been many management changes over the years, his knowledge of the Kodak retirement plan ensured that employees requested, and HR recommended, his services. Additionally, as some managers and executives retired or moved to different companies, they often continued to use his services and introduced him to others.

More strategies for businesses

- **Sales training and business development:** You've probably already received training in these and other topics that small businesses could struggle to provide on their own. Why not help them grow their businesses and make more money? Pick up a couple of books on selling for a list of key topics and then teach from the book while adding your own expertise. It beats taking someone out to lunch. It makes you a partner in their growth.

Connect with the Small Business Administrations' SCORE program⁴ and offer your services to the community while aligning yourself with other business experts.
- **The Golden Rolodex:** You may have some excellent connections. Give referrals. Introduce people to each other. You'll be appreciated by both. This is also useful for families.
- **Interdisciplinary business succession planning strategies.** Selling or buying a business is a complex activity that should be considered from multiple angles. Have a team of experts (attorney, accountant, marketer, etc.) be available to help clients through the process.
- Offer some of your **educational content to their employees and customers** as a gift. Co-brand if necessary.

⁴ The SCORE Association "Counselors to America's Small Business" is a nonprofit association comprised of 13,000+ volunteer business counselors throughout the U.S. and its territories. SCORE members are trained to serve as counselors advisors and mentors to aspiring entrepreneurs and business owners. These services are offered at no fee, as a community service. Learn more at: <https://www.sba.gov/offices/headquarters/oed/resources/148091>

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Find your true North

In all probability you've forgotten more than most people know about financial matters. Just realize that their employees, as well as the employees of their customers and your strategic alliances, probably all have similar needs. Help ALL of them with financial education. (As mentioned in the family section, record your presentations so that you can re-purpose the information in different media formats such as audio files, articles for company newsletters, blogs, etc.)

This relates to working with future business owners and managers because you are being introduced and endorsed to the business equivalent of an extended family, and some of the employees will become the owners and business leaders of tomorrow.

It's important to remember that ideas similar to those above are more than mere marketing strategies even though they can bring you additional business. If your goal is to help people develop their businesses, then they and their employees will see you as a trusted ally and someone that can be relied upon in the future.

In conclusion

None of the ideas presented here are difficult to implement. Most are quite inexpensive. Pick one or two, and you could see the results as your practice grows.

Using these types of approaches to business development and retention can be a lot more effective than banging on doors, cold calling and trying to initiate new relationships from scratch.

Think of the long-term benefits if you could retain even a modest percentage of the assets that will be changing hands over the years to come.

Call Sales Support at
866.322.7066
to further discuss your business.



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