

# Brand Building for Financial Advisers



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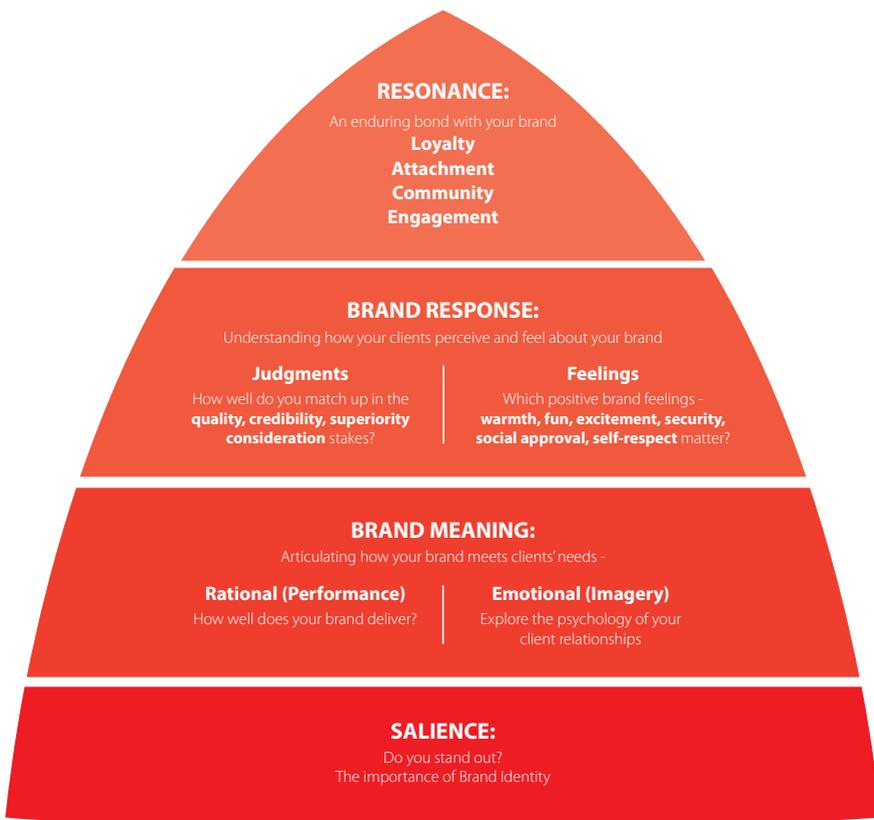
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Enjoy the view

## Customer-Based Brand Equity Model

The Ancient Egyptians might not be the first thing that comes to mind when you consider your marketing, but you have to admit they knew a thing or two about building. Successful marketing strategies are founded on the careful construction of step upon step of well-designed manoeuvres, climbing towards the pinnacle of excellent customer relationships. This is particularly true in the Independent Financial Adviser marketplace, as gaining and maintaining clients' trust is crucial and a well-crafted brand supports this.

These steps towards building your brand are inspired by the Customer-Based Brand Equity Model developed by Keller, adapted here to encourage IFAs to understand and have a go at this tried and tested brand-strengthening sequence. When all's said and done it's basically about the various facets of interaction with your customers, founded on good old human communication. Hold on to your hard hat!



Adapted from the Customer-Based Brand Equity model by Keller (1993)



## Ground floor: Salience

This is just a posh term for the importance of identity awareness, and it comes first as you can't expect anyone to experience your brand or develop any attitudes or behaviours - much less declare undying loyalty to you - if they don't know who you are. Do you stand out?

You don't make your presence felt by accident, you have to be creative in putting your brand out there to the point that you are instantly recognised. But the flipside is that you also need to be recognised for the right reasons, that your prospects and customers perceive your service as it really is. Do they classify you into the right category? These considerations indicate that you have to be very aware of the needs and desires of your customer base, in order to then develop a compelling proposition that offers to satisfy those needs.

Try and get on the same wavelength and truly understand their concerns, then your USP can flow from that. Think about how they go about choosing a service like yours, and what would influence their decision-making process. Recognise exactly who you are targeting and be as specific as you can, incorporating professions and careers, age ranges, family circumstances, aspirations, and the list goes on. Communication of your brand will need to clearly address these aspects and leave no room for guesswork - it should be glaringly obvious from your proposition.

You and your team can usefully reflect on meetings with existing clients to determine the best way of representing your brand. And you can brainstorm amongst yourselves, equipped with a knowledge of competitors' offerings that you've gleaned from market intelligence. It's a time for really getting to grips with what it is that you deliver, what's unique about your service, and ensuring that you can portray this in a way that transmits faithfully to the listening public. Allow yourself the scope for some tweaking and adjusting if necessary, or other actions that ensure your proposition is spot on.

It's also true that it's not simply what you say but also the way that you say it: once you've established your 'voice', your customers will recognise your language, the music of your communications, in short, your style.

$$\text{Brand Salience} = \text{Is your brand thought of / considered?} + \text{Knowledge of what your brand represents.}$$



## First floor: Brand Meaning

Having established your clear, recognisable and accurate identity as an IFA brand, we go up a level into the realms of what that brand means, in other words: what exactly are you? This involves hitting upon the best way of communicating what your brand stands for and crucially how it can meet your customers' emotional and rational needs.

There are two complementary building blocks to this stage: performance and imagery.

**Performance** is to do with how well your service satisfies the requirements of your customers. How does it measure up? Although your customers may not be expressly aware that these forces are at work, there may be a whole range of characteristics that subconsciously affect their thinking: the product's primary and secondary features; its reliability, durability and serviceability; the service's effectiveness, efficiency and empathy; style and design; and price. You can have the most attractive brand in the world, but if it doesn't deliver - or even over-deliver - what it promises and what the customer actually needs, then you've no chance of building loyalty.



**Imagery** is also about meeting customers' needs, but specifically on a social and psychological level. Factors to consider include: user profiles; purchase and usage situations; personality and values; history, heritage and experiences. For existing clients, the imagery aspect may be satisfied simply by their past and current experience with you and your service, in other words, directly; for others, it may come about through targeted marketing or recommendation from happy customers, in other words, indirectly. You'll need to explore how you can best demonstrate and foster trust, such a fundamental dynamic within the relationship between IFA and client.



Both performance and imagery should be harnessed in tandem when you're working on the best way to shape and promote your service. Try to be objective so that you can identify gaps or anomalies, and fix them. It'll result in a well-rounded and credible 'brand personality' which will encourage clients to engage with you. Working within the financial landscape is full of sensitivities as clients may need advice at deeply personal and difficult times.

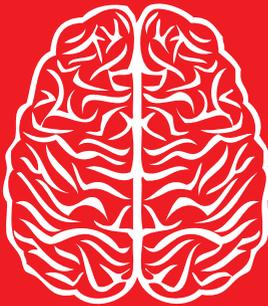
This is where a trustworthy relationship really comes into its own, whereby clients not only know you personally but also know that they can rely upon the services you offer.



## Second floor: Brand Response

By now you've formulated and communicated your stand-out identity, and upon that you've articulated what your brand means in terms of meeting your clients' needs, both rational and emotional. The next step up really gets down to the nitty-gritty of what your customers think or feel about you - and of course you ignore this at your peril! So at this level of the building process, you have the opportunity to take positive, beneficial and practical action, all geared towards that all-important pinnacle of customer loyalty.

Once again, the blocks at this level fall into two categories, judgments (which we could describe as being more objective) and feelings (more subjective).



**Judgments** are taking place constantly about the **performance** and **imagery** of the previous step, whether you or your customers realise it or not. They are weighing up the **quality** of your service, which could be actual or perceived quality; the **credibility**, taking into account expertise, trustworthiness and likeability; they **consider** how closely your service matches their specific requirements; they assess its **superiority** to other brands or competitors. If you can tap into these judgments and thought processes, you have a truly valuable resource to help ensure that your brand is fit for purpose and presented as well as it possibly can be.

**Feelings** have equal clout in how customers may respond to your brand, in a sort of heart versus head scenario. The model suggests six positive brand feelings: warmth, fun, excitement, security, social approval and self-respect. Clearly some of these appear more relevant in the IFA field than others, and it's a good idea to reflect on which feelings are the focus of your brand strategy, and whether that works. Again, it's well worth seeking feedback from clients so that you gain a real understanding and a rounded picture of how they respond to your service. If necessary, you can then use that intelligence to amend or enhance your performance and imagery.





The way in which you gather this invaluable feedback needs careful thought and planning. You can use surveys, feedback forms - as prescribed for compliance with the FCA - or client forums, and each case should be viewed as a genuine opportunity to ask open questions and get to the heart of what matters to your customers.



Preconceived ideas are off limits! The outcomes should shape the key benefits and even the service offering you promote, so it's important in building customer loyalty to take this seriously and get it right.



You can make use of external sites such as Vouched For, in which clients rank your performance, and a sample of your clients should be surveyed quarterly, in accordance with the FCA's Treating Customers Fairly principle. More revealing still, perhaps, are focus groups or client forums, as these allow you to explore defined issues in greater depth. They are challenging to run but provide a dynamic situation where people's ideas can spark off and stimulate each other - in other words the whole can be greater than the sum of the parts.



Then don't lose sight of the need for outcomes! Have a plan in place to capture and scrutinise your data and use it to make improvements or even develop new services.



## Penthouse: Brand Resonance

Congratulations, you're approaching the top of the brand-building ladder! By labouring away at the **Identity, Meaning** and **Response** levels of the Customer-Based Brand Equity pyramid, you've reached the point where the real and long-lasting benefits kick in. Capping-out ceremony, here we come!

Brand resonance is about clients deciding how much of a connection they would like to have with you. Ideally at this point you have truly fostered a strong loyalty, such that it becomes natural for them to have an ongoing relationship with you.

In the IFA market, make sure you don't overlook the crucial role of intergenerational connections. Be careful not to get so wrapped up in nurturing and servicing your existing clients and building short term demand, at the expense of the long game. Remember that much of financial planning and wealth management is about passing assets down through the generations. If you encourage a family-wide approach to investments there's a strong chance of business staying within your organisation in the long term, and if you've established that depth of relationship there'll be peace of mind all round.

This resonance doesn't come easily, though. Fashioning this most desirable of penthouses has to be worked at, but when you do, it speaks of a deep psychological bond with your brand. On top of the hard graft of the previous stages, it comes about through a thoughtful approach to strengthening four further categories. What can you do to increase all of these?

**Resonance is an enduring bond with your brand which comes from:**

Behavioural Loyalty

Attitudinal Attachment

**Behavioural loyalty** - this is where clients repeatedly buy from you. Perhaps you have found that clients test the water by securing your advice around small sums of money for investment initially, and the development of a successful relationship could lead to entrusting you with a much more significant pot in due course.

**Attitudinal attachment** - this is about customers loving your service or brand, viewing it as particularly significant in their lives. It not only relates to what they're getting for their custom but how they're getting it, in other words the whole customer experience. Make yourself and your team irresistible by being a delight to work with.

**Sense of community** - this is a sort of tribal loyalty, where clients feel connected to people associated with your brand, whether your team or other customers. You might consider mounting activities and events which tap into this community aspect: not only strictly work-related such as presentations from investment specialists, but also social functions marking special milestones in your firm's history or cultural occasions that simply demonstrate the firm's interest in its community. What you choose to do will be based on a good understanding of what you clients would like.

**Active engagement** - this is about your brand being part of the fabric of your clients' lives, even when they're not buying from you, and is a particularly important indicator of brand loyalty. In today's online world, it's especially evident in social media circles, where clients follow your platforms and engage with share worthy content.

At an even more active level, you could instigate a client committee or steering group which contributes to the direction of your organisation - a sure fire way of making people feel involved!



## Enjoy the view

Brand laddering works if you tackle the stages carefully and in the right order. The Customer-Based Brand Equity model builds a solid edifice that embeds your clients' experience, attitudes and behaviours from both a rational and emotional perspective, and the end result is the kind of customer loyalty that is gold dust to your brand.

But remember that the Pyramids weren't built in a day! Think like an architect (or engage a marketer to help), draw up those plans, keep an eye on your project management, don your hard hat and get building!





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