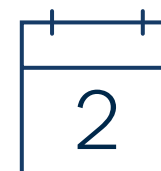


The Role of Influence and Persuasion in Good Client Outcomes

In his book 'Influence - The Psychology of Persuasion', Robert B. Cialdini describes the research undertaken to identify 7 principles which help us build trusted, influential relationships with others.

Ethically influencing clients towards good outcomes aligned with their goals is a key component of a financial adviser's role.

This summary offers ideas on how these principles can be demonstrated to your clients.



For more information visit
www.columbiathreadneedle.co.uk/adviser-edge/



Reciprocation

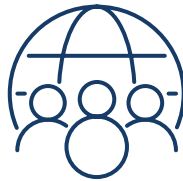
WHAT DO WE MEAN? When we are given something - a gift, a service or a certain behaviour, we feel a sense of obligation to respond in the same way - to reciprocate and give back.

HOW CAN WE DEMONSTRATE THIS?

Behaviours - welcoming, caring, interested, giving time, supportive, following up with additional info/links/articles/sales aids

Gifts - coffee, lunch, dog treats, wine, cards, reviews, testimonials (for their business), connection requests etc.

Services - your advice process, research, analysis, risk profiling, portfolio construction, fund selection, ongoing progress reviews. Explain what's involved in your research and recommendation.



Social Proof

WHAT DO WE MEAN? If we are told that others in a similar position to ourselves have responded in a certain way, we feel the desire to fit in and do the same as others.

HOW CAN WE DEMONSTRATE THIS?

Website Case Studies/Testimonials.

Reviews - Google, Facebook, Trust Pilot etc.

Referrals - mentioning that you often have clients come to you by referral from existing clients.

"I'm speaking to more and more clients currently about... they're finding the approach we take to planning, really helps them address their concerns positively."



Liking

WHAT DO WE MEAN? We tend towards people that we like and make decisions about liking based on similarities between us - common ground, similar interests etc. We like those who are warm and complimentary towards us.

HOW CAN WE DEMONSTRATE THIS?

Links to the behaviours under Reciprocation. Consider birthday and Christmas cards, special occasions, holidays etc. More personal connections.

Be complimentary - about existing progress with financial planning, house renovations, success of business etc.

Common ground - local area, schools, hobbies, holidays, kids etc. etc.



Authority

WHAT DO WE MEAN? We tend to respect authority figures. We are more likely to listen to those who we believe to be experts in their field. We are more likely to follow those who dress smartly and use other devices to project their authority.

HOW CAN WE DEMONSTRATE THIS?

Find ways to reference your qualifications, how you stay up to date, events you attend and what you learned etc.

Share relevant articles and information. Find ways to explain them in language the client can easily understand.

Consider the image you project with your environment and personal presentation. Ensure it is congruent with the image you wish to project.



Scarcity

WHAT DO WE MEAN? We develop a sense of urgency when we feel that an opportunity is closing. Where resources are scarce or time is running out to act, we generally become more decisive.

HOW CAN WE DEMONSTRATE THIS?

"I'm currently looking to take on a couple of additional clients."

"I have a couple of gaps remaining for meetings next week."

"My diary is pretty full due to the imminent changes to CGT/end of the tax year and clients being keen to use their ISA allowances efficiently before the deadline."



Commitment & Consistency

WHAT DO WE MEAN? We like to be consistent in our actions and follow through on things we have committed to, particularly if they are public commitments.

HOW CAN WE DEMONSTRATE THIS?

Running client meetings with noted actions and owners.

Asking clients to recap what they understand are their next steps.

Reconfirming areas of agreement and mutual understanding.



Unity

WHAT DO WE MEAN? We like to feel part of a community and to have a shared identity. We also like the sense that we are part of a team, with others on our side and aligned towards a shared goal.

HOW CAN WE DEMONSTRATE THIS?

Ensure you fully explore client's life goals and priorities. Frame any recommendations in that context.

Consider opportunities to bring clients together at events or seminars.

Look for and support local community groups and initiatives. Ask your clients which charities or local projects.



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