

Sales Model vs. Advisor Model



In the financial services industry, there are two different types of financial professionals that emerge: The Sales Model and The Professional Model.

The Sales Model

The typical approach in the financial services industry is the sales approach.

The salesperson has a single goal: to make the sale.

As a result, many financial advisors simply motivate clients to buy a product that will satisfy a need. However, after closing the deal, the salesperson is back to square one. They use sales tactics to play on the investor's fear of the market, their fear of not having enough to retire, or their fear of an uncertain future. When it comes to greed, some sales people commonly rely on tactics to promise more than they can actually deliver (and perhaps without fully considering the associated risk).

To stay in business, the salesperson needs to re-motivate existing clients, and to find new clients, because not all of the existing clients will want to do business again. This typical sales approach is a core reason why many existing clients are hesitant to introduce friends and family to their financial advisor. Would you? As a result, the salesperson constantly repeats the same process and is unable to develop a business that is predictable, sustainable and duplicable.

Unfortunately, most investors have been trained to expect this approach when they meet a financial advisor for the first time.

The Advisor Model

By acting in a consistent and congruent manner and ensuring the client experience is consistent across all aspects of the operations, a professional builds a trusting relationship with a client.

The advisor has a different goal: to build relationships.

Advisors take time to learn about a client, better understand their needs and their future goals. As a result, clients attain high degrees of confidence in you - the financial advisor. "Clients" become "Advocates" who will ultimately bring future business and who will encourage others to do the same.

As a result, advisors achieve the goal of predictable, sustainable and duplicable business.

Refer to the Sales Model vs. the Advisor Model diagram on the following page.

SALES MODEL

Rapport

Trust

MOTIVATION

PRODUCT-CENTERED

(Focus: Closing the Sale)

Sale

Repeat Sales Process

ADVISOR MODEL

Rapport

TRUST

MOTIVATION

CLIENT-CENTERED

(Focus: Meeting the Client's Needs)

Partnership

Predictable, Sustainable,
and Duplicable Business

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