



Media contact
Marvin Pollack
press@familyoffice.com
312-327-1200

Wealth Advisors Adopting a Stronger Sales Culture

Family Office Exchange Study Identifies How MFOs Are Addressing Growth Opportunities

CHICAGO, September 20, 2011 – Family wealth advisory firms, long populated by professionals trained in delivering integrated wealth advice, are adding a new focus on the sales process to meet the increasing demands for growth, according to a study released today by Family Office Exchange (FOX), a leading provider of research, education, and networking support to wealthy individuals, family office executives, and wealth advisory firms.

“Up to now, many firms have not had a strong sales culture. Relationship managers have been responsible for supporting current clients as well as courting new business. While these managers have not viewed sales as their first priority, their organizations have recognized the need for more new business, which is leading to a change in sales models and greater specialization in sales roles,” says David Lincoln, managing director of research for FOX and lead author of the study, “The Enterprise Sales Process: Best Practices in Business Development.”

This study, the fifth in an ongoing series of FOX studies on the structure and operation of integrated wealth advisory businesses, finds the need for growth is leading to stronger sales cultures and reinvigorated sales efforts. Driving these changes is the need for firms to be able to capitalize on new revenue opportunities, compete for the industry’s top talent, overcome the inconvenience of having to pre-empt management resources as sales opportunities arise, and maintain market share in a growing industry.

Although sales teams and sales processes vary considerably from firm to firm, nearly all wealth advisory firms are clarifying – and strengthening – their sales-related roles and responsibilities. Some firms are adding one or more business development officers to work exclusively with wealthy individuals. Firms that use their relationship managers extensively to develop new business are refining incentive plans for business development activities and providing new sales training and coaching tools.

Wealth advisory firms still depend on their top talent to close business. Relationship managers at 76% of firms have some type of sales responsibility; at 88% of firms, most or all prospective clients meet with senior managers during the sales process. Given the importance of strong interpersonal connections to wealthy individuals, senior managers and service team members are likely to remain involved in sales to

some degree. However, firms are increasingly judicious about how they involve their top employees in sales, especially as they grow.

“More sophisticated marketing and referral efforts, combined with early sales cycle qualification and vetting efforts, ensure that senior and star talent spend their time meeting with higher-quality, better-fit prospects,” Lincoln says.

Demographic trends are likely to reward those firms that are investing today in their sales function, Lincoln says. “The family wealth advisory business is unlikely to ever abandon its service first ethos, but with greater balance between sales and service, a niche financial services business may yet realize its full potential.”

“The Enterprise Sales Process: Best Practices in Business Development” is available in its entirety, and at no cost, to FOX Multi-Family Office Council™ members as a benefit of membership. Members of the wider wealth advisory community may download a free copy of the executive summary at www.familyoffice.com/SalesCulture.

About Family Office Exchange

Family Office Exchange (FOX) is a global membership organization dedicated to supporting ultra high net worth families and their advisors with research studies, consulting services, collaboration opportunities, and education on key topics such as managing wealth, family governance and best practices for running family offices. FOX currently serves 500 families and their advisors from headquarters in Chicago and London with offices in New York and Boston. For more information about FOX, call 312.327.1200 (Chicago office) or +44 20 7170 4235 (London office) or visit www.familyoffice.com.

#