



Vanguard®

Client  
relationships



# Creating client relationship profiles

## Best practices for building a client relationship profile

Understanding your clients' preferences and communicating with them effectively are essential building blocks of a lasting relationship. In fact, research<sup>1</sup> shows that clients cited poor communications as a leading reason for leaving an advisor.

The **Client relationship profile** helps you enhance the quality of your client communications by allowing you to record details about clients' preferences and expectations that go beyond traditional fact finding to include personal interests, learning style and communications approach.

The information you capture on the profile can help you build a deeper understanding of your clients and engage them in a more personal way.

The profile also allows you to capture the preferences of other key decision makers, such as a spouse or trusted counsellor. Use the **Client network tracker** as a companion piece to map your clients' family members, as well as their business and social networks.

### 1. Understand your clients' goals.

All of your clients have investment-related goals, such as retirement, income generation, and wealth accumulation or preservation. However, to understand their underlying hopes and dreams—or even their fears—the key is to listen carefully.

Every client's goals are shaped by underlying personal experiences that may not always be readily apparent. Recognizing these experiences can be the secret to gaining a deeper, more personal appreciation of your clients' aspirations.

Remember, when advising couples, listen carefully to each partner. Couples don't necessarily share the same goals. Identifying and addressing unique or conflicting goals early in the relationship can benefit you and your clients down the road.

<sup>1</sup> Spectrem Group, in partnership with Vanguard, 2015–2016. *The affluent investor: Insights and opportunities for advisors*. Valley Forge, Pa.: The Vanguard Group.

## 2. Learn about your clients' interests.

Work to make connections between your clients' goals and their interests. For example, clients whose goal is to put their children through private school and university are likely also interested in rising education costs and tax-advantaged education savings opportunities.

Also, don't forget to gather information about your clients' hobbies and community affiliations and even their interests in the arts, sports and travel. The better you understand your clients and what motivates them, the deeper your relationship can be.

## 3. Determine how much information your clients want.

Some clients want to understand the intricate inner workings of a wristwatch, while others simply want to know the time. In other words, some clients prefer detailed discussions, while others insist on just the essentials.

Understanding the depth of information your clients prefer can help you customize your communications with messages and materials that will better resonate with them and ensure your message is heard.

## 4. Become familiar with *how* your clients learn.

Each client has a unique learning style. Understanding how each client prefers to learn lets you tailor your messages to his or her particular style. For example, if you were explaining market volatility, one client may wish to read an article in your newsletter, another might opt for a graphic or other visual illustration, while still another might benefit from a story or anecdote.

Visit the **Handling tough conversations** section of the Client Relationship Centre for practical examples of how you can tailor your communications to your clients' learning styles.

## 5. Learn the *hows*, *whens* and *whys* of client communications.

Client expectations can vary dramatically. Ask your clients how quickly they expect you to respond to calls and emails, as well as how often and under what circumstances they want you to proactively contact them. And once you and your client have agreed to a set of expectations, stick to it.



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