



## FRIEND OR FOE? GETTING THE MOST FROM YOUR WHOLESALER

A strong relationship between the advisor and wholesaler can expand your business and create the best of client experiences

BY CHRIS PARISI AND MATTHEW LEUNG

LET'S FACE IT: KNICKKNACKS CAN be nice when they're used as part of a marketing campaign. They're often a helpful gadget or nifty item you would never think of buying for yourself. But in the end these little tokens do very little to help build your business or foster stronger relationships with clients. Times are changing and wholesalers realize that it will take more than a set of golf balls or a free lunch to get your attention and your business—especially in this economic environment.

Recent efforts of wholesalers have not

gone unnoticed. In fact, an overwhelming majority (79%) of the nation's best 100 branch managers (surveyed as part of the inaugural *On Wall Street* Branch Manager of the Year Awards sponsored by MainStay Investments) claimed that relationships with their top financial wholesalers are excellent.

Indeed, the best wholesalers want to partner with you in your business. But they can't, if they don't know what your needs are. One manager who was interviewed said, "Wholesaler companies have a wide variety of training opportunity

modules that fit their business models. But advisors aren't aware of them."

So for that 79% who said their wholesaler relationships are excellent, what drives their satisfaction? The survey found that branch managers gave "best in class" kudos to those wholesalers that offered unique marketing materials and value-added programs; provided speakers for branch and client events; and offered continuing education credits. These managers went on to say that wholesalers are among the most undervalued educational or marketing

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resources that advisors have at their disposal, and advisors would do well to work more closely with them.

One branch manager said, “I think having outside wholesalers that come in to train advisors from a different perspective has been very helpful.”

### NOT ALL WHOLESALERS ARE CREATED EQUAL

If you take the time to engage your wholesalers about your practice, you’ll quickly find out which wholesalers are willing and able to work with you in building your business and which ones are not.

To avoid wasting your valuable time, identify the ones that offer value-added information and training programs to deal with the nuts and bolts of advisor life, whether that means new techniques for attracting clients or advice on facilitating difficult conversations about intergenerational wealth-transfer issues. One manager advocated the following strategy: “We are selective with our wholesalers because I want to make their time in our office worthwhile for them *and* for us. They bring practice management ideas and help with workshops on tax- and estate-planning issues.”

### ASK AND YOU SHALL RECEIVE

While your wholesaler should be well versed in the products he sells, he should be knowledgeable on a variety of other topics as well. Don’t assume that he can’t help you solve other issues with which you may be struggling. The best wholesalers combine a deep set of product

offerings with a wealth of knowledge and training that can be invaluable to advisors seeking to expand their books of business. Advisors would do well to use this to their advantage.

So if you’re looking for something particular, don’t be afraid to ask. Spend time talking with the wholesalers who visit your firm about your needs, and ask them what tools they have available to help you. Talk to them about the concerns your clients have, or about the challenges you’re facing with your business. You might be surprised at their recommendations. One branch manager said that the wholesalers he deals with “have phenomenal speakers under retainer or contract that are available and interested in helping the advisors expand their talent base and skill set.” He says they can also coach his advisors about executing a strategy.

The top branch managers also believe one of the best ways for advisors to grow their businesses is through referrals, training programs and networking with peers. Many wholesalers have excellent solutions for all of these areas, in part because branch managers have told them what is most useful to their advisors.

If you’re not sure whether your wholesaler will be able to help you with tough practice management issues, consider asking the following questions to get a dialogue going:

- What resources do you offer that other advisors are having success with?
- What tools do you have to help me initiate client contact?
- What strategies do you recommend

for helping me retain assets and foster stronger client relationships?

- What recommendations do you have with respect to prospecting for new business?
- How can you help me expand relationships beyond my client?

### GIVE WHOLESALERS A SECOND CHANCE

A strong relationship between an advisor and a wholesaler can expand business and optimize client experiences. So the next time a wholesaler stops by your office, rather than rushing in for the free snacks and then heading back to your desk, hang around for the presentation or seminar.

As one of the branch managers surveyed said: “Many of the [wholesalers] are available and interested in helping the advisors expand their talent base and skill set.” The wholesalers also can coach the advisors and help them focus on the right clients and the right prospects and the right solution sets, and do what they want to do: grow their practice, the manager said.

Advisors, it’s time to make these undiscovered experts a building block of your practice.



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