Travis: Today we are talking about financial planning, and our special guest here is Bob Bonfiglio.

Bob and I have been working together for about six years. He's a tremendous advisor. More importantly, he's just a great person who leads with a lot of care and compassion when he deals with clients and his team. Bob has emerged to a point where he can see some of these statistics. A couple of years ago, he earned Barron's Top 1,200 and has been number one in the state of New Hampshire.

I think this year, Bob, did you score at number two?

Bob Bonfiglio: Yes.

Travis: Okay. So, has been as high as one, but has been number two and number three. He's a CAC advisor. And Bob's doing such a great job, he's now coaching some of our advisors on the model that he has been using to be really successful, and we're going to hear a part of that.

So, thank you, Bob, for being with us today. There's a lot to learn from Mr. Bonfiglio here. So, Bob, any opening remarks before we get started here?

Bob Bonfiglio: No, I'm just excited to be part of this, and I have my secret weapon here, Charlene. She does all the real work. I just get the credit.

Travis: Okay, well, very good.

Bob Bonfiglio: She told me not – I figured I'd get that out of the way right away.

Travis: So, we can teach people how to get credit and also how to do the work, maybe a blend of both. So, when we look at practice management, financial planning and advice is right in the center, so that's what we're focusing in on today. And really, we're going to talk about how Bob does his different levels of financial planning, how he engages clients, and talk a little bit about his client service model. We're not going to spend a lot of time on the financial planning process; that's really about the deliverable side.

You know, I tell advisors all the time that the problem we want to create in anything that we're trying to do for clients is capacity, meaning that the most important thing I want you to gather today from Bob is how he's organized in his value proposition and how he communicates it to clients. That's the main thrust today.

I want to have him help you build some confidence that you can go out and set up – I call it ongoing advice-based relationships. We've evolved to a point where it used to be about the plan, the document. Really, that's secondary on everything we should do; it's really about the advice, how are we delivering it, how are we creating urgency with our clients to make sure they're covering the key areas.

So, Bob, the first thing I'd like to talk about, though, to set up some structure here is, Bob, can you talk a little bit about your menu of services? And really, maybe before you even jump into this, talk about your philosophy and the importance of planning in your practice.

Bob Bonfiglio: Well, right from when I started with Ameriprise or IDS a it was called back then, I saw this as a difference maker in our business. And I was an engineer at the time. So, it kinda just made sense to me that you'd want to have a set of plans before you build your wealth or build your house or whatever you're building; you want to have a set of plans first. So, that was one of the things that attracted me to our firm.

And the other thing is, Travis, I'm sure you're very familiar with these statistics, but planning for clients, we get something like two-and-a-half to three times the amount of business from them. And it makes sense, because if they're paying for the advice, they tend to sit up at attention when you're delivering the advice and are apt to commit to you.

So, when I was trained, I was trained to either do planning with people or walk away from the business. So, this is a philosophy that we still carry.

Travis: Well, and I'll add some statistics to what you're saying, Bob. This past January, at the leadership conference, and they provided the key facts or the evidence, as I would call it, and some things that really jump out here, clients who have completed a plan have typically 45 percent higher total GDC, 55 per cent higher time of sale GDC, and 48 percent higher net flows.

Some other things here that they talked about is what was interesting as a firm, 12.6 percent of Ameriprise clients are in a financial planning relationship, yet they represent almost 45 percent of the GDC and 48 percent of the net flows. So, the ROA is up. I mean the evidence is there, to your point.

You obviously quoted some things specific to you, but even on a national level, we know that having someone in an ongoing advice-based relationship is very productive. Not even get into kinda insulating your client as far as building a moat for competitors, the things that you can do to help on the compliance side as well.

So, very good. So, Bob, talk about your evolution here as – we're showing your current planning menu, but I think it's safe to say it didn't always look like this. So, where were you before you got to this point, and then how did it evolve to where we are?

Bob Bonfiglio: I think when you and I started working together, I was – my top fee was around $1,000.

Travis: That is correct.

Bob Bonfiglio: And this was one of the first areas we addressed. And you had me – at the time, Brent Trentham was helping you do some coaching, and you had me talk to him. And so, this – the menu that I started with then was really kind of borrowed from him or stolen from him, whatever you want to talk about.

And as Travis knows, I spent time in what I call the fetal position when I was coaching with him, because it just scared the dickens out of me to think about raising fees from $1,000.00 to $2,000.00 or whatever it was at the time.

So, this was not and is still not an easy thing for me. But through Travis' coaching and some direct threats from him, I was able to do it. And lo and behold, people said, "Okay." When I worked out what I wanted to say, and how I wanted to say it, and how it was in the best interest of them to do it, the clients went along with the inquiries.

Travis: Well, I think the key to what you just said is that last part, Bob. Despite my threats, it really came down to you figuring that out. Right?

Bob Bonfiglio: Right.

Travis: How to build this and how to articulate to the client based on how it's in the best interest of them to do this.

Bob Bonfiglio: Yes.

Travis: So, when we concentrated on the talking points, the questions, ways to create urgency, ways to tie back the process and the advice, the success came. Correct?

Bob Bonfiglio: Right, exactly.

Travis: So, how did you arrive, then, at the pricing? because you were, at the highest fee, about six-and-a-half years ago, of $1,000.00. Now if you look at where you are, how did you begin to place more value on your advice? Walk us through that thought process.

Bob Bonfiglio: Well, of course, I scan the marketplace, and I look at my peers and what they're doing. I look at the team that we have, that we bring to the table – you know, Charlene is one of our four AFAs. And we meet together with clients.

So, there's always two of us that are meeting with these top clients. And I just think that we're doing more in terms of the education we bring to them and social events and the whole package. And clients talk about that.

You know, we're not – this might be more than they're hearing from other people, and I just say – I just tell them I'm not the cheapest game in town. So, you know, when I look for a dentist, I'm not looking for the cheapest dentist to work on my teeth; I want quality.

So, that's how we kind of arrived at it. And then what you're seeing here is a new fee schedule we put in place this year. And so, we're working into this as we speak. because I was at – when we did this fee schedule back five or six years ago, whenever it was, Travis, the lower fee of my tier was $1,200.00. And then I think it was $1,200.00, $2,000.00, and $4,000.00, something like that.

So, now I've bumped that up. And what I've found is kind of the easiest way to get a lift is – so, I was trying to get above $1,000.00.

So, what I did is I made my minimum $1,200.00. And this is really a crutch for me.

So, as I said, Brent Trentham shared his schedule with me, but he doesn't even use the schedule with clients. But again, I'm kind of a wimp at this. So, I needed this to show the clients and let them pick what level they want to be at, and it just made it easier for me. It was, as I said, kind of a tool or a crutch for me.

Travis: How about we call it a prop, Bob? It sounds better if it's a prop.

Bob Bonfiglio: Okay.

Travis: And what I'm hearing you say is you actually use this in front of the client.

Bob Bonfiglio: I do. Not everyone does, but I do it that way, yeah.

Travis: Yeah, so, to distinguish what Brent Trentham, a former client and coach and great friend, still my own advisor, is that he memorized it. And basically, he didn't want to show it to the clients; he wanted to bring it to life.

And he would use it primarily behind the scenes, so that if – you know, like when myself and Christy do business, and we sign up for the $5,000.00, then he would hand that to his team behind the scenes, so they knew, on the frequency, and topics they could document all that so they can get all that working behind the scenes.

How do you use this behind the scenes? Do you use that similarly, Bob, when someone signs up? I mean how does your team know?

Bob Bonfiglio: Well, behind the scenes, what we do is we have a segmentation for our client service model. And depending on the fee they pay and the assets they're bringing in and some other criteria, we'll assign them a segmentation, and that dictates what the meeting and call schedule will be and frequency of contact and so forth.

Travis: Okay. So – and I know we're going to show Charlene's here in a minute, but how do you bring this to life with clients then? If it's an existing client, it's probably maybe a little bit different the way you might bring it to life as opposed to a new client.

So, let's talk for a moment on the existing client side. How are you engaging them? How are you starting the conversation? How are you – what questions are you asking? How are you leading them to this direction? Can you speak to that?

Bob Bonfiglio: Well, first of all, have a value conversation with them. So, if we're in a typical case, we assess the fees in our annual review meetings. So at the beginning of the annual review, I'll remind them that this is our annual review, and they know what that means. They know that that means the fee is due.

And then at the end of the meeting, I'll ask them to share with me the values they've received in working with us. And typically, they'll come up with something. Right? They'll say a few things. And I make sure, if it's a couple, I get feedback from both sides of the couple.

But if they can't come up with a lot of stuff, I have, in my back pocket, some of the things we've done for them, "We were able to diversify your investments with different product lines. We're diversifying you also from a tax standpoint on the tax control triangle that I've shared with you. We've got you into the long-term care. We were able to set up that second-to-die policy so you are taking care of your kids from a tax standpoint upon your demise. We've blah-blah-blah."

Whatever we've done for them, I want to make sure that they have fresh in their mind that there's been value received, value delivered, and value recognized at that time.

Travis: So, is that a part of your meeting prep then, Bob? Is your thinking in terms of you need to jot some of those things down so that you're ready to help answer that question for them?

Bob Bonfiglio: Yeah, particularly if I'm going in for an increase, I want to make sure that that's there, in case I need to pull that out of my back pocket. In case they can't come up with anything, I want to make sure that I have that ready.

Travis: So, a key learning for everybody here, when you're dealing with existing clients, and you've done previous work for them, as a part of your meeting prep is we need to go ahead and document the value that we've already offered or they've received from us. Okay? What's next, Bob?

Bob Bonfiglio: So, then I'll tell them that I am continuously working with my best clients. And in fact, that I'm in the process of reducing how many clients that I'm working with, and that I'm having some of my clients go work with my team members and so forth. But I would like them to continue working with me, "But as such, I've made a revision to my fee schedule, and given the work that you are having us do –"

Actually, what I do, Travis, at that point, is I also have another fee schedule where I – it's the same fee schedule as this, except for I don't put the prices on it. I don't have the $2,400.00, $3,600.00. So, I'll put that in front of them and just have them pick what level of fee – what level of service they want to be at.

And so, they're able to pick that level without seeing the fees on there. And then I show them the next page which has the fees on there. So, it doesn't –

Travis: Sway them.

Bob Bonfiglio: – sway them one way or the other. I do that more for new clients. But for the existing clients, you know, they're at a certain level. So, if I know I already know them, and I already know what we're doing, I might just point out the level that they're at.

And for the same level they're at, instead of paying $2,000.00, they might pay $2,400.00 or $3,600.00, whatever the case might be. But that would be the new fee for them.

Travis: So, if I'm hearing you correctly on the new clients, what I'm showing on the screen right now would look – everything would be the same, except it does not have the fee at the top of each segment.

Bob Bonfiglio: That's correct. That is correct.

Travis: So, I like that idea. I think that's something that we should pick up on is Bob's basically not making price an issue. He's talking about the value. He's already talked about the value they've received. Now, as he gets them to where they're going to be, he's letting them choose.

And then what happens, Bob, when you flip it over and someone questions that fee, "Oh, gee, Bob, I didn't know it was going to be $3,600.00; maybe I don't need that"? How do you handle that situation?

Bob Bonfiglio: Well, we just start talking, "What is it that you're looking for? If I understood you correctly, you wanted me to look at this, this, and that. And if those are still important to you, this is the level that would be appropriate. If, however, you don't want me to look at tax planning for you, or whatever the case might be," we might pick one and throw it out, "then maybe we can go to this next area here." But they're not going to get the same work for a lower fee.

Travis: Okay. So, at that point, you started asking questions and confirming what they wanted from you, and then has that changed. All right, I'm going to stop for a minute, because we've been going here for about 19 minutes. I want to open up some questions from the group to Bob specifically about menu of services, maybe how to create it as well as how to bring it to life. Who might have a question they'd like to ask Bob?

Audience: Hey, this is Sarah. So, how does this fit in with the investment piece? What kind of conversation does that look like typically with the client? Because I see on the first one, for example, a fee of $2,400.00. And that's usually in the range of half-a-million to a million in assets. So, do you ever look at what the total fee for the client looks like, or is that part of that annual meeting conversation?

Bob Bonfiglio: So, what I do when I first meet clients, I explain to them that I get paid in two ways. And I'm famous for drawing on the whiteboard. So, everything I do, I draw on the whiteboard. So, I just put a T-Chart on the whiteboard, and I show I get paid two ways.

And the first way is for financial planning. And that – they charge a fixed fee for financial planning, and that covers that whole process that I just went over with you for 12 months. And our meetings for 12 months.

And the second way I get paid is based on investments and insurance. So, I get commissions for the work that we do if you place investments through me or insurance through me. And at that PMM, or the initial meeting, I have no idea what I'm going to be recommending to them.

So, we don't get into any specifics on that; that would come later when I'm ultimately recommending products. because as you know, the products all pay differently. So, it's kinda hard to say.

But if you're asking me do I add up for the client how much they pay, I don't do it that way, no. However, we do send a letter at tax time to clients. We send them a notice that shows what they paid for a fee and what they paid for their management fees so that if they want to report that on their tax return, they can.

Audience: Okay, thank you.

Travis: And, Sarah, I do know of advisors that do that, though. They do – they split the services up. They talk with Bob, and they'll give them, maybe, if they're moving into a managed account platform, based on what they know, especially if it's a new client, they say, "Look, that –" if they ask about that, I think you do want to talk about a range of fees.

And also, you may want to combine all the fees to show them, "Look, typically are all in at this price." And I've found the best practice is to use percentages of assets or net worth, because I think clients relate to that much more effectively. Of course, the landscapes changed –

Bob Bonfiglio: We also have a schedule, like a grid for different levels of assets, where we don't really show that to clients; it's more internal. So, everybody on the team knows what we're charging based on household assets. In other words, if we have a million bucks in household assets, and we're doing a rapid account, we'll charge 1.5 percent. Or if it's $500,000.00, we'll charge 1.75.

So, we all know what that is. So, it's consistent amongst the team. But that's more of an internal document. If the client asks me, I'll answer the question, but it's not something I'm starting with.

Travis: Okay. So, let's bring Charlene on. Charlene, you're obviously there, affiliated with Rise Private Wealth Management. You're part of Bob's team, so, let's talk between you and Bob here, the evolution. because if you look at this, your minimum fee's $1,000.00 compared to $2,400.00. So, walk me through how – why that's different and how you arrived at that.

Charlene: Well, not everyone knows how I started out, but I started out as an administrative assistant, and then I moved myself up the ranks. And Bob helped me along with that by assigning me clients that were his.

He started out by assigning me clients that are retired, and I got really good at doing cash bucketing and getting their retirement income and things like that. So, there really wasn't a lot of work more to be done with those clients. The fee didn't warrant a $2,000.00 fee or whatever.

So, I had to have some of mine in the lower realm of things, which really I started out, I think, at $600.00. So, now I'm up to $1,000.00, but I really charge $1,200.00 is really my minimum. I just still have some clients that there's not much to do, and I keep them at that lower fee. So, that's why it's at $1,000.00.

But most of my clients are in the $1,200.00 range. My average is just under $1,200.00; I've brought it up.

Travis: Okay. And so maybe you can expand a little bit more, Bob, from your end, the differences on the two pricing scale – or schedules that you have.

Bob Bonfiglio: Yeah, so, typically the clients are also going to be lower-asset clients that Charlene's – I mean that's not all of them, but the ones that she's talking about also have some lower assets; so, we have a lower fee schedule. As Charlene said, there's not as much going on; so, there's less service that we need to provide.

The other thing is there's a number of clients that Charlene has that I used to have, and she was meeting with me and helping me as a case manager on those clients. So, the transition was easy to make to Charlene; she already had a relationship with them.

But in some cases, getting back to – you would ask me, when I had my fee schedule up, if they were balking at the fees that I'm charging. You know, there were some cases where we said to them right out straight, "If you want to work with me, it's my fee schedule, but if you want to work with Charlene, we'll work with her fee schedule, and I don't care either way."

And so, it might have been 1,000 bucks for Charlene and 2,000 bucks for me. And I don't know, probably have of those people picked me, and half of those people picked you.

Charlene: Yep.

Bob Bonfiglio: So, we weren't saying, "Pay the higher fee or you're out of the practice," but we're giving them an option.

Travis: So – and I bet that's probably happening, to a certain extent, in a lot of the practices that are on this phone call, where there are handoffs of clients like you're doing. And so, I like the way you've done that, where you've structured a fee structure differently, because it sounds like the main thrust on that is obviously account size and complexity.

And, Charlene, at least the ones it sounds like Bob's handing off, they do have a lower account size and less complexity. Is that what I'm hearing?

Charlene: Yep. Some of them are higher, but that's just because they didn't want to pay $1,500.00; they'd rather pay me $1,200.00. So it works out well I think.

Travis: Okay. How many planning engagements do you have now, Charlene?

Charlene: Oh, I'm not sure. We've just transitioned so many new clients, I think it’s 75-80.

Travis: Okay. All right. Any questions for Charlene? I know she's on – in the program with everybody. But I was glad to have Bob and Charlene here together, because you'd hear how Bob's already built – what he's built on his menu and his client relationships, and how he's worked together with Charlene to create a similar menu, but on the pricing it's quite different and how they work together in the different segments.

And then one other thing is – talk to us a little, Bob and Charlene, about your menu services as it relates to non-planning, whether a managed account or a non-managed account.

Bob Bonfiglio: This was in the deck we sent you, but honestly, we don't even use this. We don't show this. I mean we don't – we're not promoting this as an option, but we obviously have some of those.

Charlene: Typically, it's kids of parents or an older client who's 90 that you're not going to give them up at this point.

Bob Bonfiglio: So, if I have a client who has good assets, and they're – we're getting paid based on their managed accounts, I'm still going to meet with them semiannually, and I'm going to try to convert them to planning. We're continuously trying to do that.

But if it's a kid or low assets, and they don't have managed accounts, we're just meeting them once a year. It's someone we don't want to have out of the practice.

And as you know, we're pretty aggressive about moving people out of the practice if they're not stepping up, they're not engaged. We're don't keep dead assets on the books, and just people hanging around. It's just – it's service and compliance issues is what I've found. We want people engaged and doing planning if at all possible.

Travis: So, let's talk then – how do you get people engaged in planning? I know, Bob, you said with existing clients you talk about the value. And we kinda jumped ahead, then we went right into the menu of services.

But what are some questions, or what's your thought process on how to get clients to open up about their goals, their challenges, their assumptions, what's most important to them? Share with us how you go about doing that.

Bob Bonfiglio: Well, I'll tell you what. Since there are AFAs on the call that maybe are getting clients transitioned to them, I think that transition is a great opportunity for you to treat that first meeting like an initial meeting, like a new prospect.

So, if you just go into the meeting as if they're a new prospect, what we do first is we talk about their goals. "What are your goals? What are your dreams? How can I – what are your challenges, and how can I help you meet those challenges?"

And if you approach it that way, it's a lot easier to then get into whether or not planning is appropriate for them, and at what level of fee. So, the transitions that I've managed are when we bought practices. We bought seven practices in the last eight years, and many of those were from advisors that didn't do planning.

So, Dave's practice, we brought in – we only brought in, like, 75 of his clients. And I think between Charlene and I, we probably did 60 plans on that practice, and he wasn't doing any. And I was getting $2,000.00 in fees from many of these clients that were not doing planning at all. And this is $2,000.00 recurring. This is not one time; this is the recurring fee.

So, whenever you have a transition like that, I think it's a great opportunity. Or if the client has a transition, there's a life event in their practice or that signals an opportunity to reopen that conversation.

Travis: Yeah, I've called those "triggering events," Bob. And those could be positive or negative. Right? Positive: new job, bonus –

Bob Bonfiglio: Like someone in my office, when he bought his big practice a couple of years ago, he was saying, "Well, I think what I'll do is I'll meet with them a couple of times, and then, when they get comfortable with me, then it's time to spring planning on them."

And I told him, I said, "You know, I've already tried it that way, and it doesn't work." because once you start doing things for free again, that's their level of expectation, and it's harder to move to that planning level and charging a fee. So, I think doing that right from the start, right when you get these clients, to me is just a lot easier to set that level of –

Charlene: Yeah, it was a great opportunity for me, and I just treated these clients like a PMM. And I told him about me, and I told him about our team and what our goals are as a team, and that we do work on a financial planning basis.

And they actually really liked the fact that they have more than one advisor looking at their account, because we do meetings on Wednesdays as a team, and we review cases and whatnot. So, they like that. So, by pointing out the things that make you unique as well, compared to other advisors, helps.

Travis: Okay. And then when you – is there a certain line of questions that you like to use, then, to begin the discussion around finding out what's important? Are there tools that you're using to get to the goals? Talk us through that process.

Bob Bonfiglio: There's an old model that I learned years ago when I trained new advisors. It's – the initials are EVNUC: emotion, vision, need, urgency, and commitment. Emotion, vision, need, urgency, and commitment.

So, think of it as a funnel. So, the emotion and the vision questions are big-picture type questions. And as you go down the funnel, you're getting more narrow in your focus and figuring out if they're really going to do something about this if you're able to put a plan in front of them.

So, if the client says retirement is important to them, an emotion question is, "Why is that important to you? What's important about that to you?" The vision is, "If I were videotaping a typical day in your retirement, what would I see?"

People love that question. They start looking at each other, and they smile, and they say, "Oh, we'd be on a beach somewhere," or, "We'd sleep in," or whatever they say, whatever's fun for them, they're going to be talking about that. And you're getting that – you're getting them to visualize being in that retirement.

And the need is, I'll ask, "Have you ever thought about what kind of cash flow you're going to need to have this lifestyle?

And almost always the answer is, "No."

"Have you ever thought about the pile of money you're going to need when you get to retirement to be able to do this?"

"No, not sure. Well, I read in *Money* magazine I need $1,000,000.00, or $2,000,000.00." You know, they don't typically know.

Urgency is all about – so, if they have these grand goals, are they doing any – are they actually doing anything about it now? So, I want to know, "What are you doing so far to get to this goal? You have a 401(k). Do you have a pension? Do you have IRAs? Do you have savings?" So, that's where I get – find out what they're doing now.

And I can show them or try to – try to paint a picture of what the gap might be for their retirement. So, let's say they want to live on $100,000.00 a year. And $1,000,000.00 at 4 percent, that's going to deliver $40,000.00 a year. "So, how are we going to fill that gap? Have you given this any thought?"

And then commitment is, "If I can show you some strategies that will help you get from where you are to where you want to be, is this something you want to work on right now?" I also might ask them, "If you put your minds to it – without even looking at your budget, if you put your minds to it, do you think you can save more on a monthly basis? Do you think you could squeeze out a couple hundred bucks a month, or 500 bucks a month? Do you have a feel for that?"

And if they say, "Yeah, definitely we can do that, and we're ready to," the thing to say is, "Are you ready to do it?" So, we're trying to get a feel for not only do they have the goals, but are they ready to do something?

Because if they're not – if I don't feel like they're ready to do anything about it, they're not going to do the planning, I'm not going to do the plan. It's not worth it to me – where we're at right now, it's not worth it for me to do a plan for nothing, for no assets. It's just – it's a lot of work to do – put these plans together, as everybody knows.

Travis: So, what Bob just gave you is a golden ticket there. Because in my experience, whether it's dealing with an advisor or AFA, those line of questions is where the magic happens. Because that's where you're ultimately helping them to create and discover their own need.

And to me, when we get to – fast forward to the menu of services, the reality of it is you get them to answer those questions, and then you can talk about a rehearsal technique, where you play back the answers. You know, "Bob, what I heard you say is this and this. Did I get that right? Great."

At the end of the day, when you say it's $1,400.00, $1,200.00, $3,600.00, the price becomes less and less relevant because now you know the problem you need to solve for them. I would suggest if you're struggling at all, or just want to get better and refine how to create urgency or build this need, we're going to send you a copy of this webinar today. This section right here is probably the most critical as it relates to how do you bring this to life.

Bob, what other observations or insights do you have about just having the conversation with the clients? That's really good stuff what you brought in.

Bob Bonfiglio: So, then, once we go – I'll usually go through, you know, whatever their goals are. So, let's say it's retirement and education, whatever it is. It might be two or three goals. And then I'll say, "All right, so, the way I look at those goals is that's Plan A. Plan A means everything's going well. We figure out the strategies to get you to your goals. You're saving for the goals. Everything's great.

And then I'll say, "But my job is also look out for Plan B. What's Plan B? Plan B is if something bad happens. What if – what if, God forbid, one of you passes away, one of you gets sick or hurt and can't go to work, or you lose your job? You know, one of those bad things. Tell me about the preparations you've made to address those issues." Then we get into a discussion about what they've done in the insurance side of things.

Travis: Excellent – life and and disability and long-term care type of things.

Travis: Is there any assessments or tools you're using, Bob, either before the meeting, at the meeting, to bring all this to life, or is this you kind of just having these processes committed to memory?

Bob Bonfiglio: Just a conversation we're having. What I'm talking about now is kind of an initial meeting. Whether it's a prospect or a new transition client that we're working with, these are the things we'll talk about.

And then if it's a couple, you have to make sure you talk to both sides, and what would you do if something happened to Joe? You know, Mary, what would you do? Would you stay in your house? Would you want to continue to work? Would you take a few years off and then –"

And they're not going to know for sure, typically, but what I'm doing is trying to get them to think about that, trying to visualize what life might be like. And a lot of people just think they're just going to have to accept whatever comes their way unless we put a plan together – you know, a contingency plan for them.

And as you know, I'm doing a lot of insurance, and I'm guessing that 90 percent of the advisors out there just don't even have that conversation.

Travis: Mm-hmm. Well, the statistics show it in the overall scheme of things. So, I think the average advisor's only doing about six percent in insurance GDC. Go ahead, Bob.

Bob Bonfiglio: Yeah. No, as I say, when we started our conversation today, for this webinar, you were asking me how I start that fee conversation with clients. When I ask them the value of what we're providing, a lot of times they bring this insurance up. So, even if they don't do it, even if maybe they don't do everything, they still value the fact that I was willing to bring them those ideas and to force them to think about it.

Travis: Very good.

Bob Bonfiglio: So, I would encourage you to add Plan B conversations to your meetings. And then once I go through Plan B, I'll – as I'm going into my close, I'll say, "Do you feel like we have a good understanding of your picture, your goals? Is there anything that I missed, or is there anything else you want to share with me that's important?"

And they'll say, "No, I think you got a really – they probably have a better understanding of their goals, because they probably haven't talked about it.

Charlene: Most of the time, they look at each other in the meeting, and they're like, "Hmm, I didn't know that about you," or, "I didn't know that's what you felt."

Bob Bonfiglio: So, I'll say, "Do I have a good understanding?" Assuming that's yes, I'll then say, "Okay, at the beginning of our meeting I asked you – I said my goal for the meeting was, one, to figure out if I can even help you and, two, whether you want me to help you."

And I'll say, "Yes, based on what I found today, I think I can help you, but before we get into that, I want to just point out some things that you're doing really, really well. You're saving on a regular basis; you have a good cash reserve; you're putting money in your 401(k); you have this life insurance."

Whatever I can come up with to give them a pat on the back, and then say, "However, I have a few concerns. I found some gaps here where you weren't really sure how much you really needed for retirement and whether you're on track or not. You weren't really sure about that, and that seems really important to you, to make sure you're on track.

"We identified a gap where you really think it's important to have a long-term care plan, but you don't have that in place right now, and that was important to you. And then finally, we talked about your tax control situation and that you're kinda lopsided in have all your money going into pre-tax, and you wanted to create a tax-free bucket. So, those are the things I can really help you with. Do you think that would be of value?"

And along the way I'm asking for confirmation that we're on the right track, "Do you understand how that can be of benefit to you? Do you think that this would be of help? When I explain the process of how we can work together, do you think that would be of value to you?"

So, I'm just doing these trial closes along the way before I ask them for the fee. But by the time I get to the fee, they've said yes to me however many times. And I'm not –

Travis: Excellent.

Bob Bonfiglio: – expecting them to say yes the first time they see the fee.

Travis: Right. You're gaining commitment along the way so that the final question, it's an easy question to answer at that point, because they've said yes so many times.

Bob Bonfiglio: Correct.

Travis: All right, we only have a few minutes left here, Bob. Tremendous value today in what you've added as it relates to how you bring this to life. And just for the group's purposes, how many engagements are you doing a year and how much in fees are you guys generating?

Bob Bonfiglio: Well, as a team, we have about – we have north of 300 – 300-some engagements last year. I think we were close to 500 in fees – in the 400s, or maybe even 500 in fees last year.

Travis: So, that's a business.

[End of Audio]