



dynamicDIRECTIONS[®]
Building a Better Life and Practice for Financial Advisors

CREATING A REFERRAL TREE



Connectors are the people who link us to the world, who introduce us to our social circles and have the special gift of bringing the world together.

Referral Tree Exercise

Most disappointments that advisors express in terms of marketing happen when client referrals do not result in leads. At the root of this problem is the fact that not all of your Top Shelf Clients are willing to network for you. To overcome this problem, first, don't get frustrated with clients who are not comfortable introducing you to others – not everyone is wired that way.



Second, find those clients who actually do enjoy networking and making introductions for you. Once you identify these clients as your biggest advocates, spend as much time and energy as possible cultivating these relationships for client growth.

In his book *The Tipping Point*, Malcolm Gladwell says Connectors are the people who link us to the world, who introduce us to our social circles and have the special gift of bringing the world together. Connectors know lots of people, and all of us can reach them in only a few steps because, for one reason or another, they manage to occupy many different worlds and sub-cultures and niches.

To keep matters simple, let's call the Connectors of your practice the clients who "get it." We'll call the clients who are not comfortable introducing you to others the ones who "don't get it." The objective of this referral tree exercise is to help you pinpoint those clients in your practice who "get it."

In the Top Shelf Client exercise, you identified your top 15 clients who refer you to others. Transfer these Top 15 clients into the first column below. Review your entire client base to see how many clients each of the Top 15 clients have sent you. (You should also view the expanded list of Top Shelf Clients you created beyond the first 15.) Then list the names of each client who can be directly connected to each client advocate from the first column. Continue this exercise until you have identified all the clients who have come from referrals (use more paper if necessary).

EXERCISE

If you need more room, [click here for an expandable spreadsheet version of this table.](#)

CLIENT ADVOCATE (GETS IT)	NUMBER OF CLIENTS REFERRED TO YOU	NAMES OF CLIENTS REFERRED	TOP SHELF CLIENT YES OR NO
1.		1. 2. 3.	1. 2. 3.
2.		1. 2. 3.	1. 2. 3.
3.		1. 2. 3.	1. 2. 3.
4.		1. 2. 3.	1. 2. 3.
5.		1. 2. 3.	1. 2. 3.
6.		1. 2. 3.	1. 2. 3.
7.		1. 2. 3.	1. 2. 3.
8.		1. 2. 3.	1. 2. 3.
9.		1. 2. 3.	1. 2. 3.
10.		1. 2. 3.	1. 2. 3.
11.		1. 2. 3.	1. 2. 3.
12.		1. 2. 3.	1. 2. 3.

EXERCISE

13.		1. 2. 3.	1. 2. 3.
14.		1. 2. 3.	1. 2. 3.
15.		1. 2. 3.	1. 2. 3.

Top Shelf Clients



Identify the remaining Top Shelf Clients you want to ask for referrals whom you have not asked before, and list them below.

REFERRAL GOAL SETTING

Review all of your Top Client Advocates (clients who “get it”), and then list below the ones you want to duplicate or who may refer you to more Top Shelf Clients. Set a referral goal for each client and make a note of when you will ask them about introducing you to some of their friends and family.

TOP CLIENT ADVOCATES	12-MONTH GOAL FOR NUMBER OF NEW CLIENTS FROM CLIENT ADVOCATE	WHEN WILL YOU INQUIRE ABOUT INTRODUCTIONS?
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

**On a separate sheet, continue your goal setting with additional Top Shelf Clients who are not in the top 10.*

Summary

You have now identified your best referring clients and the Top Shelf Clients you want to ask for referrals who you haven't asked before. You have also set goals around generating new clients from your top referral sources.

These exercises help you maximize your marketing efforts by ensuring you are inviting the right clients to events – clients who understand the importance of bringing qualified candidates to your practice. These important lists also tells you who you need to take care of most in your practice.

Even if some of your Top Client Advocates don't meet all of your Top Shelf Criteria (specifically the financial criteria), you should strongly consider treating these clients like your Top Shelf Clients to reward them for their efforts that help you grow your practice.

The next step in the referral process is for you to work on how to ask for referrals by using the D2 Referral Workbook. [Click here to go to the D2 Referral Workbook.](#)

Whatever success looks like in your mind, we can help you get there.

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