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Practical
Ways to
Enhance Your
Marketing
Thanks to the
SEC's New
Advertising
Guidelines

Presented By: Three Crowns Copywriting & Marketing + BackStop Compliance

May the 4th wasn't just Star Wars Day this year—it also served as the day the SEC Testimonial Rule went live!

Quick refresher: RIAs are now allowed to post client testimonials and use third-party survey and rating systems as a way to market their businesses to prospective clients. That's a huge shift from the Investment Advisers Act of 1940, which has banned anything of the sort for the last near-century.

Even though the rule has changed, that doesn't mean there are no rules around testimonials anymore. Your testimonials still must follow some basic rules:

- They have to be real
- No cherry-picking
- No misleading information or intentionally omitting information

Basically, they need to be true and not meant to misinform the public.

How can you do this in a compliant and efficient way? That's what we'll answer this guide.

Let's dive into it with these five practical tips from Three Crowns Marketing and BackStop Compliance.

1 CLIENT TESTIMONIALS

First off, simpler is better.

Short and succinct is key for compliance purposes—and keeping your audience interested. A quick note on your website or social media will typically do more for you than a mini documentary highlighting how great you are.

The testimonial is a way to show real-life clients that work with you and give others that important validation from a third party that people like them work with you, too.

Authenticity is key. Avoid anything that looks too scripted or over-produced.



Longer monologues or off-script anecdotes are more likely to be one-sided and could end up violating the rules.

Video is a great medium for the new rule. Film your clients telling their story, not talking about you. Prospects are not looking for a video about how smart and organized you are. They want to hear people like themselves talk about how you help them.

Think about it this way, going back to Star Wars: If your clients are Luke Skywalker, you're Yoda. Yoda wasn't the hero of the originals, but the hero never could have saved the day without him.

Having a client talk about their goals for their money or their fears about investing will hit home with prospects. Though they may differ from person to person, the simple fact is that when it comes to money, everyone has similar goals and fears. Hearing about the peace of mind a client received from working with you gives someone in the "before" phase what "after" could look like for them.

Once you put the full video together, pull a couple quotes for your website and social media and have the full video handy when appropriate. Make a short highlight version to share in other places as well.

For compliance purposes, make sure the CCO has reviewed all videos and signed off on them. Then make sure all final products are saved in your marketing compliance folder.

In addition, make sure you have updated your policies and procedures to add client testimonial marketing reviews and that those policies are followed for each new testimonial and every time you use them. When using testimonials in marketing campaigns, document who views them and when, and make sure you have client consent on file to use the testimonial.

Check in during your client meetings and thank your client for the video, let them know you are still using it and make sure they are fine with you continuing to do so.

2 PROFESSIONAL TESTIMONIALS

The new rule isn't just for clients. Advisors now can have the centers of influence (COIs) that they work with—attorneys, accountants, estate planners, realtors, etc.—talk about your working relationship.

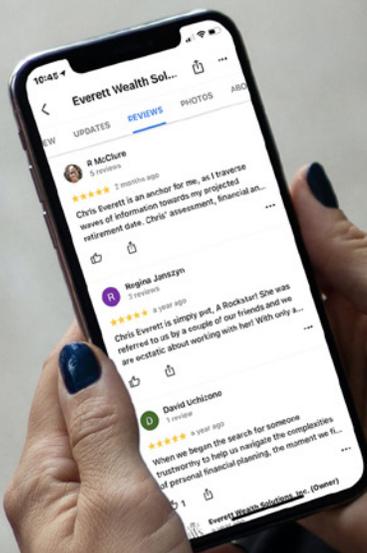
The CPA who refers business to you can now explain on video or in case studies where they see the value of your firm in helping tax clients and why they are comfortable sending their clients for reviews.

Having another professional go on record about why they work with you can be very powerful. A client testimonial highlights how you work with the people you serve, but a professional testimonial shows that other business owners respect your knowledge and client experience to the point of referring a client.

Having buy-in from a business that is itself working to gain and retain clients provides a validation that some prospects are seeking. Same goes for community leaders or nonprofits that advisors work with. For another professional to go on video and talk about why they work with you is a major win in the marketing space for advisors.

Sharing the peace of mind a client received working with you can help someone in the 'before' phase see what 'after' could look like for them.

Community leaders and business professionals typically have a network much larger than the average prospect. Their endorsement shows that you are a standout individual in the community at-large, not just with your clients. That is trust that can only be earned through years of solid work and cannot be faked or bought.



When pursuing COI testimonials, have a plan in place. These are busy people. Even if they say yes when you ask for a testimonial, it's never going to happen unless you set up a way for them to do it. Make it as easy as possible for them. Schedule a time that you will call or go to their office to film.

When the time comes, have a template ready to go with some key points you would like them to address. Allow for their own voice to be heard, but make sure it hits the notes you're looking for.

For compliance purposes, you'll set yourself up much better for success by providing a laundry list of do's and don'ts. Financial services is one of the most heavily regulated industries and many COIs do not have the slightest idea what they can say. Providing that template makes it easier for them to get through and helps RIAs in getting usable content that fits into firm compliance and the new rule.

3 GOOGLE REVIEWS

[Eighty-one percent](#) of consumers do research online before making big purchases, and the same goes for your prospects. Chances are most of your prospects have been to your website before they ever set foot in your office.

Having a clean, professional website as well as active social media accounts is highly important for any business as they provide the first impression many prospective clients get of you.

Featuring your firm's Google reviews on your website can add an additional layer of transparency and authenticity that prospects will likely notice. How can you tap into this for your firm?

Follow these three easy steps.

1. Start off by [creating a Google My Business page](#) for your firm.
2. Next, write an email to your clients that includes the link to your GMB page and ask if they would be willing to fill out a review. Build this ask into your client meetings and phone calls. Your goal is to have as many review as you can so it doesn't look like cherry-picked clients such as families and friends.

Client surveys are the easiest and most efficient way to hear back from clients.

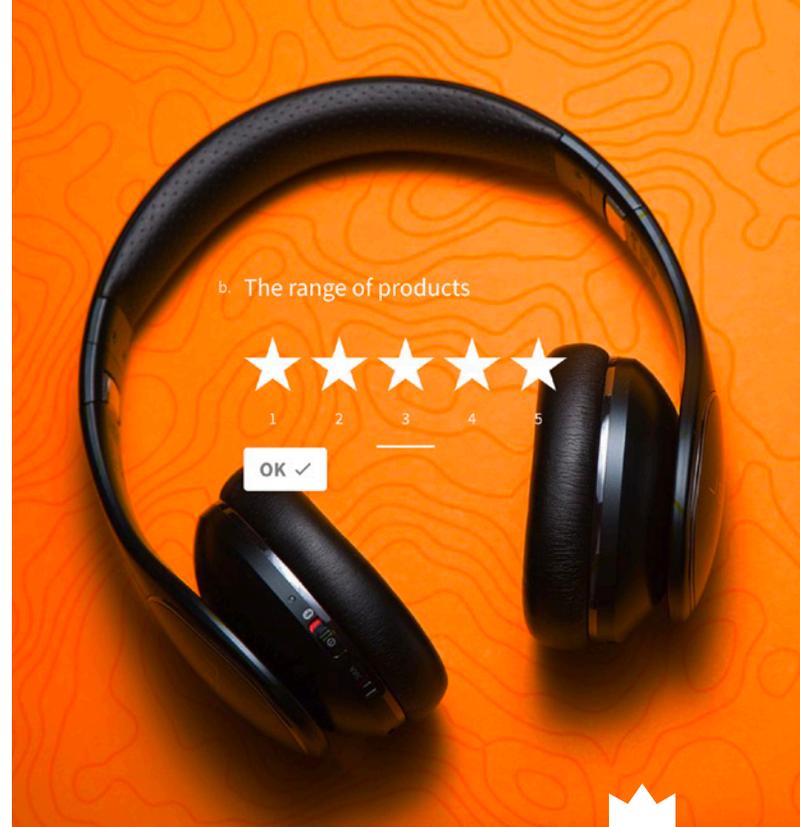
3. Last, take a few steps for compliance's sake:
 - Build out your policies and procedures to include your GMB reviews into your marketing compliance.
 - Keep a list of clients you have asked to fill out a review and who has done so.
 - Ensure that all clients have access to review you for transparency and for record keeping.

One of the main caveats of the new Testimonial Rule is that testimonials cannot be cherry-picked. True, you cannot control who does or does not write you a review, but if a regulator asks, you need to be able to prove that all clients had the same opportunity. Document in your CRM and marketing compliance folder for records.

Lastly, know that not all reviews are good, and if you get a bad one, you're stuck with it. Deleting bad reviews or hiding the review option from specific clients is a major red flag and should never be done.

If someone leaves a fake review, there are ways (albeit difficult) to address that and get it removed, but if the client has a difference of opinion on your services, you cannot make those reviews disappear. You also need to be on the alert for potential client complaints that may appear in a review. Any review that crosses into the compliance realm must be forwarded to the CCO for investigation and possible action no different than if that client is emailed or called in.

Review any and all Google reviews for misleading statements and accuracy as soon as they post to stay on top of your marketing compliance. As with all compliance policies and reviews, just having the process isn't enough—you have to do it.



4 CLIENT SATISFACTION SURVEYS

This is the gold mine for collecting testimonials from clients. Client surveys are the easiest and most efficient way to hear back from clients.

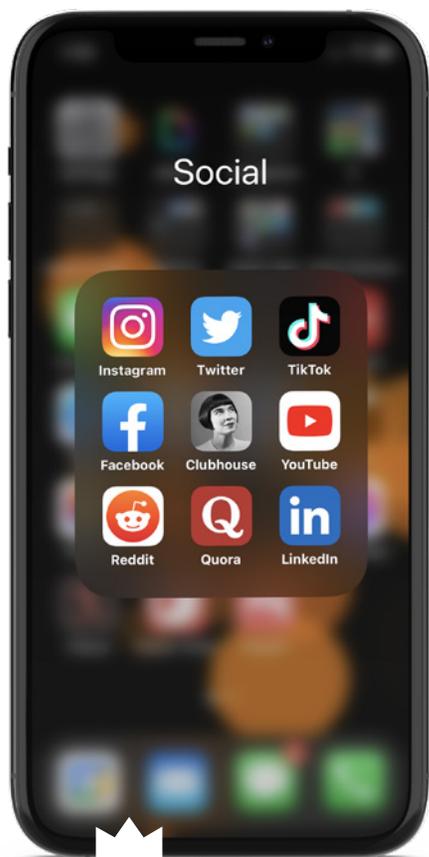
Good clients will be honest with you and can provide you information on where you are doing a great job and where your firm can improve.

Asking clients to share their thoughts on your business shows that you respect their opinion and honor that they chose to work with you. Inviting a professional into their finances is a deeply personal thing and you want to be the advisor who recognizes that and shows that you simply don't see them as a business revenue source but as people who entrust you to help manage their financial lives.

Consider using a Google form or [Typeform](#) to get to the most out of your survey. Making your survey easy for clients to fill out will help more of them actually complete it.

If you decide to use anything from a client survey in a testimonial, reach out to the client to confirm that they are okay with you doing so **before** you use their words.

Again, make sure that all clients have equal opportunity to access the survey, keep lists of who receives it and when and read through answers for any potential complaints or issues. Compliance thrives on documentation and examiners will be looking for that documentation on surveys, reviews and testimonials to ensure that you are following the guidelines of the new rule.



5 SOCIAL MEDIA INTERACTIONS WITH CLIENTS

One key advantage in the new testimonial rule is about social media interactions with clients. Advisors need to be social and this rule gives you more freedom to actually interact with clients rather than post something and go silent.

Social media is a great place to display your personality, interests and depth of knowledge. It

shows you are a human who happens to work in finance. Advisors are often nervous about what they can share on social media, which often makes people see them as robotic, but no more.

Clients and prospective clients want to know that you have family and friends and hobbies beyond numbers on a spreadsheet. The best way to build the business you want is to be yourself.

Make sure social media is a part of your marketing but avoid going overboard. Nobody wants a financial advisor who spends all day on Twitter and not working for their clients.

Social media is another place where people can post reviews of your firm—both bad and good.

Commenting on the positive notes is simple: don't exaggerate, don't lie and don't omit key information. Where it gets trickier is dealing with the bad notes. If you get a bad review make sure that you forward onto your compliance department and if needed bring in outside consultants and subject matter experts to help address the issue.

The best way to build the business you want is to be yourself.

You may respond if the negative review is flat out wrong by either addressing the incorrect information or calling out false reviews as they are and you can try to work with Google or whichever service provider to remove those reviews.

When in doubt, consult an expert and never delete or hide anything until a proper review is completed.

Putting your business out there for comments and reviews is important but comes with certain risks. However, the benefits far outweigh the negatives. Be smart, be authentic and be transparent 🏰

About Three Crowns Copywriting & Marketing

Three Crowns Copywriting helps financial professionals grow their businesses through comprehensive digital content marketing services. With a focus on the complete communication cycle from first contact to ongoing relationship management, Three Crowns helps amplify your value with services like website creation, strategic consultation, digital advertising campaign management, and original content creation.

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About BackStop Compliance

BackStop Compliance Consulting provides compliance solutions and education to RIAs, FinTech firms and industry consultants. We focus on coaching and providing the resources needed for industry professionals to feel confident in their internal compliance program and testing. BackStop helps advisors create a culture of compliance, build solid and scalable compliance programs, coaches reviews and documentation and provides mock examinations.

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Always consult and follow your firm's internal policies and procedures for communications with the public and advertising. Verify with your Chief Compliance Officer before implementing any changes to your firm's marketing. The recommendations in this guide should not be taken as advice, directives, or a substitute for your own compliance procedures.



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