



# The Advisor Advantage: Compliant Text Messaging

Challenges, Strategies, and Solutions for Driving Business



# CONTENTS

---

---

**03** / The Advisor / Agent Challenge

---

**04** / 5 ways Texting Helps Drive Business

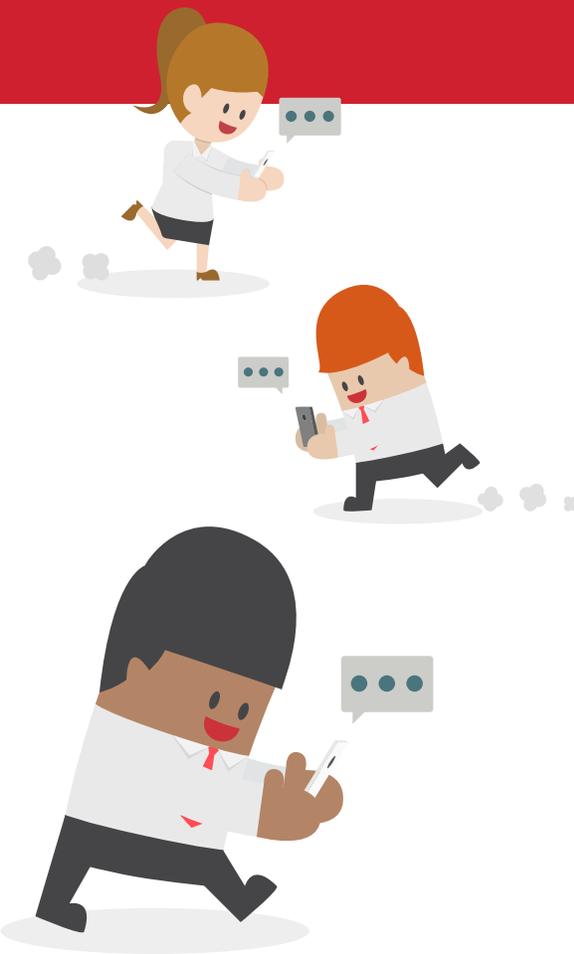
---

**06** / Texting Strategies to Increase Lead Conversion

---

**08** / Solving the Challenge: Hearsay Relate

---



# The Advisor / Agent Challenge

Every day, financial advisors and insurance agents work to grow their businesses and deepen client relationships. But how much time are they actually spending in front of clients, where the deal is closed?

In 2017 we called, visited, surveyed, interviewed, and analyzed thousands of advisors and agents across the country. What we observed was that **advisory teams spend around 70 percent of their time on tedious manual processes**, like figuring out who needs what reminder and typing out the same texts over and over again, day after day. Worse yet, they may opt for typing out the same emails repeatedly that get lost in spam, or leave the same voicemails over and over that never get heard (and you know that phone call is never going to get picked up).

In today's competitive marketplace, wasting time on manual processes is downright dangerous. It's also unnecessary. The world's leading financial services and insurance firms are taking advantage of digital tools to automate these time-consuming tasks so that advisors and agents can do what they do best—talk to prospects and clients. Provide relevant advice and guidance to prospects and clients.

In addition, firms need to make sure all client interactions are seamlessly captured in a central location not just for compliance, but so that corporate sales and marketing teams are able to gain valuable insights to drive customer acquisition, loyalty and other programs.

**In this guide, we explore one of the most effective ways to communicate today: Texting. In an increasingly mobile world, texting has become a crucial part of any high-performing advisor's communication arsenal. Learn how texting drives business and texting strategies increase lead conversion, and discover a compliant solution, Hearsay Relate, that solves the advisor/agent challenge.**



# 5 Ways Texting Helps Drive Business

**1 Text has become the most effective channel to reach prospects and customers.** According to research by Marketing Strategies International, 66 percent of customers prefer communicating with brands by text more than either phone or email.<sup>1</sup> Even more telling is this statistic: The open rate for a text message is a staggering 98 percent compared to 20 to 30 percent (on a good day) for email.<sup>2</sup>

And thanks to both the strict permission rules for SMS (text) marketing as well as its more recent adoption by business, spam is only around 1 percent with text. This exponentially lower chance of spam in the text channel versus email is one of the main reasons text messaging is so much more effective. Response times are equally impressive, with the average response to a text message happening in just 90 seconds versus an average of 90 minutes for email.<sup>3</sup>

And don't believe the hype that only millennials prefer text! Ninety-two percent of Millennials, 85 percent of Gen Xers (ages 38 to 53), 67 percent of Baby Boomers (ages 54 to 72) and 30 percent of the Silent Generation (ages 73 to 90) own a smartphone<sup>4</sup>; 81 percent of U.S. smartphone users text regularly<sup>5</sup>; and text messaging is the most popular form of communication in the U.S. for people under 50<sup>6</sup>.

**2 Texting is the most efficient way to get your transactional message across.** The beauty of text is the 160-character limit. Where the wide open space of an email may tempt you to go into details that would be better left to a phone call or in-person meeting, texts are supposed to be brief. They force you to leave the 'meat' of the meeting for a voice or face-to-face (web or in-person) conversation where you can convey the nuances of your message more precisely.

With existing customers, you can 'set and forget' automated texts for things like annual reviews and birthday greetings to save time and help you stay top mind with your clients. With prospects, using text for things like setting up a lunch to review a retirement plan forces you to keep the message concise. You can also save time here by delegating this task to an assistant (if you have the right digital tool). And prospects generally appreciate it when you get to the point quickly.

1. <https://www.sms-magic.com/blog/myth-text-messaging-doesnt-work-for-business-communications/>

2. <https://mobilemarketingwatch.com/sms-marketing-wallops-email-with-98-open-rate-and-only-1-spam-43866/>

3. According to [CTIA.org](http://CTIA.org)

4. Ages as of 2018; <http://www.pewresearch.org/fact-tank/2018/05/02/millennials-stand-out-for-their-technology-use-but-older-generations-also-embrace-digital-life/>

5. <http://www.pewinternet.org/2015/04/01/us-smartphone-use-in-2015/>

6. <https://www.textrequest.com/blog/most-popular-form-of-communication>



### 3 **Texting provides a natural entry point for a first conversation.**

Because texting has such high open and response rates, it's an excellent channel for beginning a serious discussion about financial products and services. Perhaps a client of yours introduced you to his friend Mary at a party. You chatted casually and at the end of the conversation, Mary mentioned she's looking for a new home and would like to speak with you more. She gives you her phone number and asks you to text her, which you do. This makes it easy for her to ask for more information. Since you're highly likely to get a response over text, you can start the conversation about being a first-time homebuyer and follow up over email with information about financial planning. Texting makes for a great conversational starting point for business when prospects want to learn more.

### 4 **Texting strengthens relationships.**

Texting is the most intimate and personal form of communication available to you as an advisor. A text message appears alongside your prospect's texts from his or her closest family and friends. As an advisor, you're often communicating about big life ups and downs – a new baby, a divorce, a college savings plan. These are sensitive topics and being able to talk about them in the same way prospects and customers chat with their friends and family can make people feel more comfortable.

Text also makes you more easily accessible when your customer has a question or concern. It's a tool they use every day, so it's easy for them to pick up their phone and shoot you a quick message when they need you. Nothing builds loyalty like being highly responsive to a prospect or customer's needs.

### 5 **Capturing texts in a central location drives insights for better personalization (not to mention meeting compliance standards).**

Selecting a standard texting tool that captures all advisor-client interactions in a central location provides valuable data for corporate compliance, marketing and sales teams. The right tool can track and measure all advisor texting activity, so sales and marketing leaders can determine which messages and promotions are working (or not) and can help advisors continually refine their text messages and campaigns.

And finally, businesses are only operating the SMS channel at 38 percent capacity. What does this mean for you? Consumers are not yet overwhelmed by business text. Take advantage of early-mover status!

7. <https://www.textlocal.com/blog/2017/06/16/5-stats-that-prove-2017-is-the-year-for-sms-marketing/>

# Texting Strategies for Your Advisors to Increase Lead Conversations



## **Get permission to avoid compliance issues and increase conversion.**

Texting is an earned privilege, and regulations require a prospect or customer to opt-in to receive text communications from your company. Firms should consider how these regulations impact their approach and their perspective on client texting – and find a solution that automates this process.



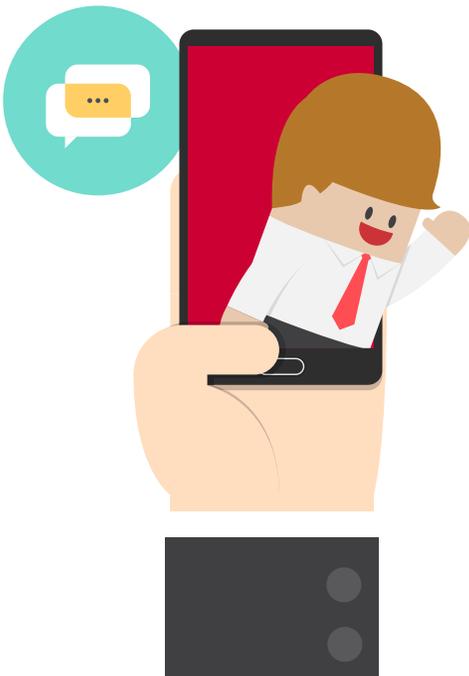
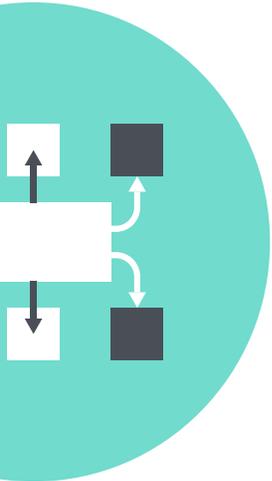
This may make lead acquisition a little tougher, but the quality of these leads is much higher, leading to better conversion rates. In fact, texting once you have permission can improve conversion up to 113 percent over average conversion when following up on leads, according to a study by Velocify.

**Text as part of a broader close strategy.** Use texting as a means to communicate when it makes the most sense. In general, texting is a good way to set up meetings, send reminder messages, or check in about something happening in your client's life without having to make a call. For example, if you want to send a prospect detailed information about a life insurance plan, it might make better sense to send her that article over email. If you can keep your prospect's text preferences in mind, you'll be even better off. Some people will want to catch up or ask you questions over text, while others will prefer a phone call.

**Be aware of timing.** Many people keep their mobile phones next to them at all times, including next to their head on the nightstand while they're sleeping. Stick with business hours for texting unless you've specifically set up another arrangement with a client. And don't forget to apply this rule when you set up automated reminders!

**Don't over text.** Don't become a nuisance. Best practices for texting with a prospect prior to engagement are no more than two to four texts per month. When it comes to customers, work to understand their preferences and abide by them. Ask both prospects and customers directly how often they'd like to hear from you.

**Text with purpose.** Every message you send should have a clear goal, and invite an action and response from your prospect or customer. Be sure that you are only contacting your customers with something that is relevant to them. Add value throughout your conversation.





**Stay professional.** It's easy for texting to feel familiar; it's used to communicate with family and friends daily. As an advisor, though, you need to maintain a business relationship with your prospects. Identify yourself using your name and company name. Will they know who you are if you just say, 'Sarah here.'? Use their name and yours; 'Hi Tom. This is Sarah from Hearsay ...' Avoid all "text speak" and use punctuation. Don't get overly friendly; when in doubt, ask yourself, "Would I text this message to my boss's boss?"

**But be yourself.** Nobody wants to feel like they're texting with an automated machine, and texting gives you the opportunity to be yourself and interact with a prospect casually. Moreover, texting allows you the time to think about what you're going to say (before you type it) and respond thoughtfully. When done right, texting is a crucial component of your digital strategy as a savvy, successful advisor or agent. By texting at the right moments, you can build deeper relationships and convert prospects faster.

**Give clients the option to call instead of text.** A text message is brief. Often there's more to be said. Give your clients the option to call you if they'd prefer to talk it out than put their fingers to work.

# Solving The Challenge: Hearsay Relate

Hearsay Relate is *the* mobile productivity app for advisors, moving business forward with compliant texting and voice.

## Efficient compliance coverage

Hearsay Relate seamlessly integrates text conversations into existing enterprise archiving systems to comply with FINRA, the SEC (USA), MFDA and IIROC (Canada). Compliance teams can also mitigate risk by ensuring compliance with TCPA (USA) and CASL (Canada) through built-in compliance workflows that capture client consent to receive commercial text messages from your advisors.

Supervision teams benefit by automatically blocking problematic text messages before they are sent to clients. The supervision dashboard also allows supervision teams to have access to the entire text thread to evaluate any blocked conversations. This provides supervision teams with the full context of the conversation.

## Manage mobile client communication as a team

Texting using Hearsay Relate creates efficiencies for advisors because the solution also enables assistants or other team members in their office. While advisors are out of the office during the day spending time with clients and prospects, assistants can set up meetings and schedule appointments with Hearsay Relate, saving advisors' valuable time. With Hearsay Relate, advisor teams can:

- Bulk schedule and personalize common text messages like birthday wishes, meeting confirmations and billing reminders.
- Schedule meetings directly from a text message with calendar integration.
- Rapidly respond to client outreach with automatically recommended messages.



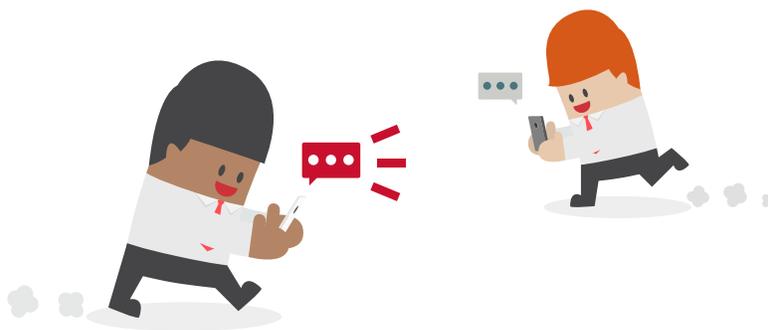
### **Follow-up with high-quality cellular voice**

VoIP solutions can be reliable in your advisor's home or corporate office. However, advisors are frequently on-the-go, and reliability becomes a significant challenge with that technology. Once an advisor is in an area with low bandwidth, they regularly experience dropped calls or robotic noises on the call.

**Hearsay Voice uses the advisor's underlying cellular network to connect client calls. This means that no matter where your advisors are, they can connect with their clients from their business number and experience a high-quality connection on the much more reliable cellular voice networks.**

### **Improve advisor recruiting, retention and success rates**

Today's promising Millennial recruits entering the financial services industry will only join and stay at firms that provide them with the essential tools and technology they need to succeed. Text messaging is an everyday communication channel that the younger generation of advisors expect. And, new career advisors getting started need to connect across both social and mobile to successfully prospect and build their books of business. Hearsay Relate makes it possible for firms to enable this channel efficiently and effectively to empower the next generation of advisors and agents.





# About Hearsay

Hearsay Systems offers the Hearsay Advisor Cloud for financial services, empowering advisors to efficiently and compliantly use social media, websites, text and email to engage with customers, build stronger relationships and grow their business. Hearsay's prescriptive technology processes and prioritizes data from across digital channels and data systems, providing actionable suggestions for advisors on how they should engage with clients next. Built for the enterprise, Hearsay connects these advisor-client interactions and data to corporate CRM systems and digital marketing programs, and provides efficient compliance supervision and review workflows – all on a secure, enterprise-ready platform.

Hearsay is used by more than 150,000 advisors and agents at the world's largest financial services and insurance firms. The company is headquartered in Silicon Valley with offices throughout North America, Europe and Asia.

Get your team on the road to texting compliantly today:



social



@HEARSAYSYSTEMS



phone

415-692-6230

TOLL FREE: 1-888-990-3777



web

CONTACT@HEARSAYCORP.COM

HEARSAYSYSTEMS.COM