Competition is fierce today and performance alone won’t set you apart.

Client acquisition and retention are more challenging. It no longer is enough to appeal only to clients’ intellects with facts and figures; you must appeal to their buying behaviors.

Buying primarily is an emotional response. We buy when we feel good about our decisions, when we are comfortable, reassured, and connected. If you want to engage your clients’ buying behaviors, you need to delve deeper into who they are, how they think, and why they make the choices they do.

Show your clients that you understand what they are all about and you will unleash a powerful force in your practice—the power of passion.

To help you do this, we at JPMorgan Asset Management studied the buying habits of affluent investors. We focused our research on lifestyle because it is a rich descriptor of people’s buying patterns. Unlike research that is centered on what people say, passion-based strategy is focused on what people do—their actual behavior.

Emotive Values and Market Segments

Our research uncovered the following five distinct market segments or “wealth signs” that are distinguished from one another by the different emotive values that drive buying behavior.

**Good Life.** Wealth is a symbol of status and success. Emotive values include exclusivity and status.

**Artisan.** Wealth makes it possible to consume, create, and appreciate beauty as well as first-class workmanship in a variety of forms. Emotive values include creativity and customization.

**Unplugged.** Wealth indicates intelligence and provides the means to a simple, balanced, and self-disciplined life. Emotive values include thrift and practicality.

**Legacy.** Wealth is a means to a purposeful, meaningful life. Emotive values include heritage and tradition.

**Wellville.** Wealth is a means to achieving the ideal balance among physical, spiritual, and emotional well-being. Emotive values include balance and harmony.

To help you identify a client’s emotive values and wealth sign, we developed a process for uncovering “passion points”—the wants, goals, lifestyles, and interests that drive clients’ buying behaviors. The process is divided into four simple steps.

**Step 1: Probe and Profile**

**Probe**
Identify passion points by engaging clients in conversation that can

Show some passion

Show your clients that you understand what they are all about and you will unleash a powerful force in your practice—the power of passion.
Tips for Effective Listening

1. Set expectations for listening. Prepare yourself by reviewing what you already know about a client.
2. Position yourself for effective listening. Choose a seating arrangement that allows you and your client to interact comfortably and intimately.
3. Make eye contact. Don’t look at your watch or around the room when listening.
4. Face and lean toward your client. nod your head, when appropriate, to indicate empathy and understanding.
5. Clarify answers with effective feedback. In your own words, restate answers to questions to verify information and feelings.
6. Pause before responding to answers. Resist the urge to interrupt or rush conversations.
7. Listen between the lines. Remember that words are only one form of communication. Learn to listen to a client’s tone of voice and interpret gestures and facial expressions.
8. Be accepting, respectful, and supportive. Acknowledge feelings and beliefs tactfully and sincerely.

Step 2: Follow Up with “Why?”
Follow-up questions are essential to identifying the right segment for each client. If you don’t ask why, you may not know what really motivates a client. In fact, you actually may miss important clues that can strengthen a client relationship or convert a prospect into a valued client. For example, two different clients may make the same buying decision but for very different reasons. If you don’t know “why” then you won’t know what motivated an action. Never assume that you know the driving force behind a client’s decision.

The following is an example:
Q: What kind of car do you drive?
A: BMW
Q: Why a BMW?
A: Because it makes me feel good to drive a luxury car.

or
A: Because it’s sturdy and well made.

One client sees the car as an indulgence while the other values its operating efficiency. These subtle differences in emotive values provide powerful insight into your clients’ thinking.

Step 3: Listen and Learn
All of this probing, profiling, and questioning will be a waste if you don’t listen carefully to the responses. As the old adage goes, “We were given two ears but only one mouth because listening is twice as hard as talking.” Make sure to have your mind silent as you are asking these questions; try not to think about what your next question will be. Bear in mind that listening is an active process—a process that you can control.

The way you listen can influence your clients—and may well determine how they will listen to you. (See “Tips for Effective Listening.”)

After listening carefully you are ready to use this information to identify a client’s wealth sign.

Think about what the client has

>> “SHOW SOME PASSION” CONTINUED
provide valuable clues about what motivates their buying behaviors. Ask probing questions about goals, money, lifestyle, interests, and family. Do not limit yourself to any one type of question. Choose a variety of questions that can help you uncover a pattern in the individual’s emotive values and buying behaviors.

Some sample questions include the following:
• What does money mean to you?
• How important is your work to you?
• Are you involved with charitable causes?
• What do you do with your free time?
• What is your greatest dream; your worst fear?
• Where do you like to vacation?
• If an article were to be written about you or your family, what would you like it to say?

You can initiate the probe in the first few meetings with a new client or during your reviews with an existing client. If clients or prospects inquire about this line of questioning, explain that you can serve them more effectively if you have a better understanding of their long-term goals and immediate concerns. You are looking to enhance your knowledge of what they really want to accomplish.

Profile
Follow a series of probing questions that touch on emotive values with questions and observations that get at the key symbols or “artifacts” of a client’s lifestyle and how these translate to buying behaviors.

For example, look at your client’s watch. Is it a Timex or a Rolex? Or is it an antique? A client may wear a Timex because he values thriftiness rather than design. Look at an assortment of artifacts to observe or question in order to uncover a pattern in an individual’s emotive values and buying behaviors.

The following are examples of client artifacts:
• Brand of watch
• Brand of shoes
• Make and model of car
• Neighborhood
• Restaurants frequented
• Clubs and memberships
• Charities
• Favorite wines
• Hobbies

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Think about what the client has
said, which emotive values have been elicited, and which wealth sign is represented by those values. The following are some examples of how to listen and learn:

**Step 4: Say and Do**

Once you identify each client with an appropriate market segment, personalize your communication and marketing strategies to demonstrate your new level of understanding. Make each touch point you have with your client a customized experience (i.e., communications, events, and meetings). We are living in an experience-based economy and it no longer is enough to provide good service—you must provide your clients with a highly satisfying experience. Thus it is imperative that you engage your clients’ and prospects’ emotive values in every exchange.

For example:

<table>
<thead>
<tr>
<th>WEALTH SIGN</th>
<th>WHAT YOU SAY</th>
<th>WHAT YOU DO*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legacy</td>
<td>Use a formal approach; refer to tradition or family values.</td>
<td>Invite to museum, ballet, or symphony event; golf outing.</td>
</tr>
<tr>
<td>Good Life</td>
<td>Choose conversations that make them feel important. Be a good listener.</td>
<td>Suggest a wine tasting, a designer fashion show, or a preview of luxury autos.</td>
</tr>
</tbody>
</table>

*Be sure to check with your compliance department and understand your firm’s limits/rules pertaining to client entertainment before scheduling an event.

**TABLE 1** A Sample “Passion Points” Conversation

<table>
<thead>
<tr>
<th>STEP 1</th>
<th>STEP 2 FOLLOW UP WITH “WHY?”</th>
<th>STEP 3 LISTEN AND LEARN</th>
<th>STEP 4 SAY AND DO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q: What does money mean to you? A: Money is my freedom.</td>
<td>Q: Why? A: I can travel when I want—and follow my interests.</td>
<td><strong>Emotive values</strong> Creative, expressive, sense of beauty = Artisan wealth sign</td>
<td>• Avoid formalities • Use visual tools in meetings and presentations • Offer additional “hand holding.” • Events that involve the arts, crafts, independent films and theater, fine dining experiences • Wine tasting</td>
</tr>
<tr>
<td>Q: What’s your idea of a good time? A: Shopping off the beaten path; discovering a new artist</td>
<td>Q: Why? A: I am attracted to exotic places and artistic experiences.</td>
<td>• Avoid formalities • Use visual tools in meetings and presentations • Offer additional “hand holding.” • Events that involve the arts, crafts, independent films and theater, fine dining experiences • Wine tasting</td>
<td></td>
</tr>
<tr>
<td>Q: Favorite artifact? A: Antique watch</td>
<td>Q: Why? A: Its unique design</td>
<td><strong>Emotive values</strong> Practical, thrifty, hardworking, low key = Unplugged wealth sign</td>
<td>• Use a formal approach in meetings and presentations. • Do your homework, stick to the agenda, focus on the details. • Interesting learning experiences • High-level bargain hunting</td>
</tr>
<tr>
<td>Q: What does money mean to you? A: Money is to be used wisely and well.</td>
<td>Q: Why? A: I’ve worked hard for it.</td>
<td><strong>Emotive values</strong> Practical, thrifty, hardworking, low key = Unplugged wealth sign</td>
<td>• Use a formal approach in meetings and presentations. • Do your homework, stick to the agenda, focus on the details. • Interesting learning experiences • High-level bargain hunting</td>
</tr>
<tr>
<td>Q: What’s your idea of a good time? A: An educational cruise</td>
<td>Q: Why? A: I like the idea of combining learning with pleasure.</td>
<td>• Use a formal approach in meetings and presentations. • Do your homework, stick to the agenda, focus on the details. • Interesting learning experiences • High-level bargain hunting</td>
<td></td>
</tr>
<tr>
<td>Q: What do you dream of doing someday? A: Going back to school</td>
<td>Q: Why? A: Learning is a life-long adventure.</td>
<td>• Use a formal approach in meetings and presentations. • Do your homework, stick to the agenda, focus on the details. • Interesting learning experiences • High-level bargain hunting</td>
<td></td>
</tr>
</tbody>
</table>
Putting it all together

Table 1 shows a sample “Passion Points” conversation with two different hypothetical clients. Note that the same question is asked in step one. The answers are different—and lead to different answers to the “why” questions in step two. See how this information then is translated into a wealth sign and a marketing plan in steps three and four.

Do not think of this system as having to be different from the person you are. All you need to do is be yourself and adjust your communications and presentation skills to your clients’ viewpoints.

Put this system into place for those clients you wish to “clone,” retain, and/or increase wallet share. It will take some work and practice, but we have found the effort to be more than worth it.

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