

The Insurance Marketing Department Ltd

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In this guide, we will be looking at the way IFAs can develop and maintain relationships with Professional Introducers and looking at some of the arguments why they might like to do so. The main emphasis will be on smaller practices, who do not wish to go into the joint venture area.

For many years, a number of IFAs have successfully worked with Professional Introducers as a way of developing their businesses. This is hardly surprising, since Solicitors, Accountants and other professionals – such as Business Transfer Agents, Private Client Investment Managers and Stockbrokers – already advise clients within the same target groups as IFAs.

The reason this can be so attractive to IFAs is that the clients of such fellow professionals are likely to be either high net worth or high earners and are generally familiar with the concept of paying for advice. This does not mean that all IFAs must

charge fees, when working with the clients of Professional Introducers, simply that it is easier to do so, in this case.

The question of whether fees are appropriate in respect of financial services is not one for discussion here. What is important is that those to whom advice is given recognise that they are paying for it in some way or other. The idea that financial advice might be free is hardly constructive to the industry. After all, few people value what they don't have to pay for and if we allow clients to think that what we offer does not cost them anything, we invite them to consider it worthless.

For the balance of this guide, we will be discussing Solicitors and Accountants as the primary form of Professional Introducers. However, much of what is covered would be equally appropriate to others, subject to modification of the details.

What sort of clients?

Looking at Professional Introducers, we may be tempted primarily to think of

their individual – as opposed to corporate – clients. This can, of course, be correct. After all, with the possible exception of those Solicitors dealing primarily with conveyancing (who will be of primary interest to mortgage brokers) the type of clients generating most business for other professionals are likely to be personal ones. Solicitors will be dealing with divorce, testacy and trust issues, Accountants with personal taxation and related financial matters.

However, although perhaps of lower numerical significance, the bulk of many professional practices' income may well come from corporate clients. For example, Solicitors may be involved in setting up new companies and partnerships and most Accountants will be involved in preparing company accounts.

What classes of business?

This diversity means that the range of advice that can be given to Professional Introducers' clients can easily cover a wide range of business classes. This is important, because it will give us a clue, later on, regarding how

