



# Your client value proposition

Defining the unique value of your practice



# Creating a unique value proposition for your practice

A client value proposition (CVP) is a short statement that summarises why your clients and new prospects should choose you as their adviser. This document will outline some of the key benefits in having a CVP for your practice and provide you with some help in writing your own.

## Why have a CVP?

A well-defined CVP will answer two big questions for any client:

1. What value do you provide your client?
2. Why should they engage you and your firm, instead of one of your competitors?

Constructing your CVP will clarify the way you view your service delivery and assess markets. It will also help you hone communications with clients and shape your brand. Another tangible benefit is gaining the unique insights of your staff and stakeholders.



**Many advisers may already have an informal CVP. But there are some compelling reasons why you should commit your CVP to paper:**



### **Consistent messaging**

Having a formal CVP enables you to clearly articulate the key benefits to your clients and enables your staff to convey the message consistently. The importance of this increases as your advice practice grows and you are called on to articulate your CVP to an expanding network, client base and referral partners.



### **Differentiate your firm**

A concise well-articulated CVP will give you a competitive advantage, helping you to stand out from other firms.



### **Attract your target client**

A written CVP is a strong addition to your firm's website and will in turn help to attract your target client.

# Writing your CVP

Asking yourself a few brief questions – including the examples listed below – can serve as a starting point by helping you clarify your thoughts, articulate what you do and how you do it, and explain how your offering may benefit your target audience.

Take some time to reflect on the following questions and jot your answers below.

1.

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## Who is your target audience?

It is vital to define who your target client is. There may be some clients you are able to better serve or certain client segments who may be more profitable than others. Clarifying who your ideal target client is will help you avoid the temptation of taking on unsuitable clients, which can lead to a poor outcome both for the client and for your business.

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## What is critically important to these clients?

What are their pain points, what are their goals?

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## What outcomes have you helped existing clients achieve?

It can be helpful to highlight expertise which has helped existing clients achieve their goals.



## 4.

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### **What makes you the right adviser to serve this demographic and client segment?**

Why are you passionate about this target audience?  
What makes you different from your competitors?

## 5.

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### **What is your process?**

Define the way you approach service delivery, and what a client can expect.

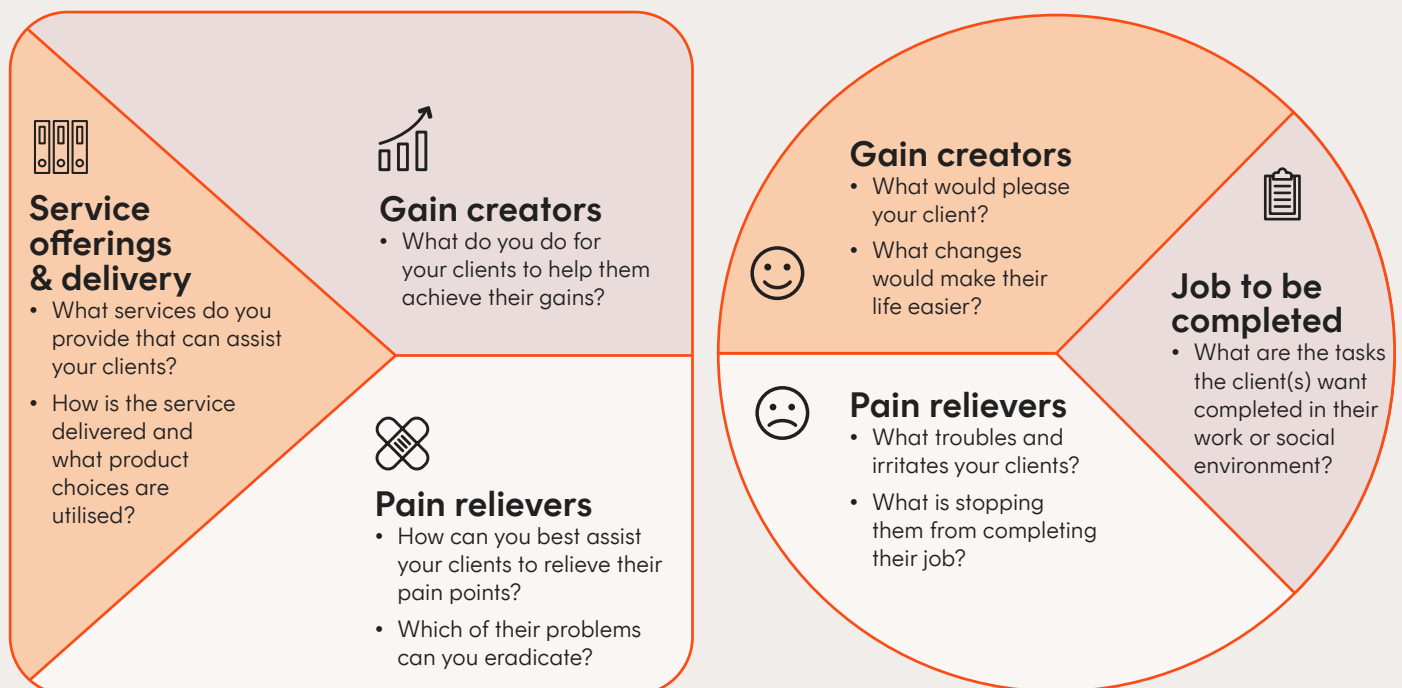
# Exercise: Putting it all together

Over the next few pages we have collated four practical exercises which will help you in developing your own CVP:

## 1. Value proposition canvas

A useful tool is the 'Value Proposition Canvas'. By completing each step, you will begin to clarify and better understand your unique points of difference.

This tool was created by Alex Osterwalder, a Swiss business theorist. It is a strategic management template to help businesses describe their service models. The framework is centred around your clients and assists you in understanding the problems your clients face and the solutions you can or should offer them.



Source: Strategyzer, Business Model Canvas



Don't be afraid to ask some of your clients these questions. You may well uncover some highly valued attributes about your firm that you can use.

As an example, let's break down each component for a hypothetical financial planning firm.

Element	Purpose	Examples
<b>Job to be completed</b>	Important issues and tasks clients are trying to perform or solve	<ul style="list-style-type: none"> <li>• Obtain financial security (emotional job)</li> <li>• Need to consolidate superannuation (functional job)</li> </ul>
<b>Customer pains</b>	What gets in the way of your client before, during and after getting a job done	<ul style="list-style-type: none"> <li>• Lack of time to choose and meet with an adviser</li> <li>• Does not enjoy paperwork</li> <li>• Concern about how to pay for the services on an ongoing basis</li> </ul>
<b>Required gains</b>	You need these gains to complete the jobs to be done	<ul style="list-style-type: none"> <li>• Understanding asset classes</li> <li>• Ability to understand and take on risk</li> <li>• Desire to work with a professional CFP qualified adviser, protection of assets for children/grandchildren</li> </ul>
<b>Service offerings and delivery</b>	Everything you offer to the customer	<ul style="list-style-type: none"> <li>• Insurance, super, SMSF, investment platforms/election, direct equities</li> <li>• Gold/platinum service packages</li> </ul>
<b>Gain creators</b>	Describes how your product or service will ensure the gains are achieved	<ul style="list-style-type: none"> <li>• Regular tracking and benchmarking against clients' financial goals, risk-managed portfolios for clients who want extra security, detailed estate planning to ensure wealth distribution</li> </ul>
<b>Pain relievers</b>	Describes how your products and services take away the clients pain	<ul style="list-style-type: none"> <li>• Provide different options for levels of service</li> <li>• Meeting out of hours/weekends, or home visits</li> <li>• Pre-populate all forms and collect data from different sources to prevent client having to fill out paperwork</li> </ul>

## 2. Customer value driver analysis

Once you have completed the 'Value Proposition Canvas', use it to undertake a Customer Value Driver analysis. You can use the below template.

The goal should be to focus on the areas where you have a competitive advantage (at a firm level) and where the customer value drivers are also high.

In the 'firm performance' column, you should consider attributes that help you excel and that are also profitable.

The 'firm uniqueness' column relates to activities that you undertake that very few of your peers can – it is what sets you apart.

If possible, you should make mention of your geographic location (and location of the clients you serve). Percentages and numbers should be used in the CVP as evidence.

Customer value driver	Firm performance	Firm uniqueness
Direct equity portfolios	High	Medium
Bespoke SMA	Medium	High
At-home visits/weekend appointments	Medium	Medium
In-house solicitor	Low	High
Mortgage solutions	High	Low







### 3. Firm descriptors

#### What do you do, and what approach do you take with your clients?

A good CVP should impress upon people the activities you undertake with clients (your core areas of expertise) and how your completed work will leave them feeling (the emotional benefits). This combination can be considered as your “approach”. Once you have a clearer picture of your activities and the results you could achieve for clients, you may wish to include these when constructing your own CVP.

These descriptions are useful to potential clients as it allows them to begin assessing whether you are the right match for them. A client who is confident in investing may simply want a sounding board for their own ideas, which is very different to a client who is a novice in running their own finances.

#### Some additional questions to consider include:

- Do you control, lead, or take charge? Or do you work collaboratively, patiently and in conjunction with clients?
- Why do your clients value your work? Is it to free up their time, to help them understand and be more educated about investments? To reduce complexities, or achieve security and comfort?

Take some time to reflect on your firm’s descriptors/activities and desired results for clients by completing the table below.

Firm descriptors / activities	Results for clients
Estate planning strategies	Peace of mind for asset protection.
Monitoring and oversight of goals	Provides confidence that strategies are on track to achieve financial goals.
Focused on security analysis	Outsourced decision-making and time saving.

# Common problems to avoid

It can be difficult and time-consuming to create a CVP. However, we believe it is a useful exercise for every advice practice to undertake. There are some challenges that advisers commonly face when constructing their CVP.

**Avoid generic information.** This can create a disconnect between your firm and prospective clients. Use of empty phrases can make it difficult for prospects to differentiate between your services and those of other firms. Some phrases are also simply impossible to prove. Phrases such as the following should be avoided as they will be claimed by almost all financial advisers and won't differentiate your firm:

“We are your partners”

“We offer tailored solutions”

“Financial strategies to fit your needs”

“Achieving your goals and aspirations”

“We'll keep you on track and accountable”

“Best ever...”

**Don't exaggerate.** Further to this, try not to make promises or statements that can't be delivered on, as clients will hold you to account.

## CVP examples

It can be useful to see examples of other firms' CVPs.

Consider a hypothetical financial planning firm that specialises in servicing doctors all over the country. It focuses heavily on investment selection and has a seven-person, in-house investment committee. It recognises that doctors are short on time and therefore need monthly reviews to keep on track.

At XYZ Financial Planning Melbourne, we service over 50% of all Australian doctors. We are specialists at controlling strategies for high-net-worth healthcare workers, to give you more free time. We take the emotion out of investing and use external research providers, as well as our seven-person in-house investment committee to invest your funds.

**Now, let's look at some real firm examples and assess them.**

Example	Assessment
“Focus on individuals, families and small businesses. We believe that financial success can be achieved when you're able to make investment related decisions easily.”	This example states who the firm works with, but the phrase ‘financial success’ is generic. ‘Making investment-related decisions easily’ is a firm descriptor and shows desired results for clients.
“Our value proposition is to provide that of an enhanced culture and a holistic wealth management company led by Advisers on behalf of Advisers, allowing them to do their job independently through a network of shared resources” – Dealer Group	This has some generic elements and doesn't explicitly state what type of adviser the firm services. However, it does mention gain creators and jobs to be completed.
“Only by placing you at the core everything we do can we truly meet your needs. And we do this by learning about you and your family and providing fully objective advice, deep experience and strong fundamentals in fee-only custom financial planning and investment management.”	This has some generic elements and doesn't really describe who the firm works with or the geography it works within. However, it does touch on some jobs to be completed (learning about you/objective advice). Its ‘deep experience’ is a firm descriptor/pain reliever, while ‘investment management’ somewhat describes the service offered.

## 4. Your turn

A good CVP should be short and succinct – no more than a few lines or a paragraph. Take some time now to reflect on the previous exercises and write the first draft of your own CVP.

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### Review your CVP

Once you have established your CVP, you should evaluate and test it before taking it to market. Gather feedback from peers, colleagues and some trusted clients to make sure it resonates. Ask yourself the following:

- 1. Is it unique?**  
Does it describe what sets you apart from the competition?
- 2. Is it specific?**  
Does it really describe what you do and how your clients feel?
- 3. Is it punchy?**  
Is it short, easy to remember and easy to share?
- 4. Is it relevant?**  
Does it describe the majority of your ideal clients and work?

**Client Value Proposition =**  
**Client (segment) + the job to be completed + your solution**

### Spread the word

The last step is to circulate your CVP. Here are some suggested channels you could consider to keep your CVP top of mind with both clients and staff.

Collateral	Digital
SOA documents/Fact-find	Website
Review documents	Socials/Instagram/Facebook/ LinkedIn
Promotional materials	Email signatures
Brochures	Electronic surveys
Client newsletters/surveys	Referral partner communications
Voicemail/office hold messages	Electronic advertising materials

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