



The Great Marketing Mismatch

2024 Financial Advisor
Growth Marketing Study

EXECUTIVE SUMMARY

Advisory firms are focusing their marketing efforts on the wrong channels.

Top performing firms, those with 2.1x more organic growth than the average RIA, are less reliant on referrals and consistently meeting consumers where they are online. Their strategies match the behavior of the consumers they seek to serve.*

What makes a firm top performing?*

- ✓ Documented marketing strategy
- ✓ Documented client value proposition
- ✓ Documented ideal client persona
- ✓ Documented client referral plan

- Only 29% of consumers require a personal referral to choose an advisor**
- 45% of consumers choose an advisor based on digital marketing**
- Yet most firms still focus on referrals and neglect digital marketing
- Top-growing firms are less reliant on client referrals

Recommendation

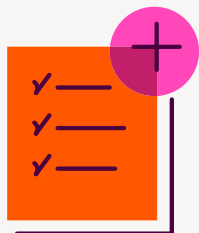
We know that while many advisors may believe they are doing the things we're recommending, the discipline and depth by which advisors do these things has a significant impact on the outcome. Our recommendations are where advisors need to start if they aren't meeting their growth goals.

- Know your best clients
- Document your strategy
- Move from the inside out
- Elevate your digital experience in a meaningful way
- Diversify your lead sources
- Empower advisors to become individual growth channels



*[2024 Schwab Advisor Benchmarking Study](#)

**[Ficomm 2024 Consumer Insights Study: Digital Marketing in Wealth Management](#)



At the end of 2024, Ficomm Partners conducted a survey of 437 financial advisory firms, asking about their marketing practices.

Before we dive into the results of that research, let's recap two critical insights from original and secondary research conducted earlier in the year, that will contextualize the new research findings:

- 1 Firms that are outperforming average growth have greater strategic alignment in their marketing initiatives ([2024 RIA Benchmarking Study](#) — Schwab Advisor Services).
- 2 Consumers are increasingly selecting advisors based on digital marketing rather than personal referrals ([2024 Consumer Insights Study: Digital Marketing in Wealth Management](#) — Ficomm Partners).



Who's growing? And what are they doing differently?

Median organic growth for all firms in 2023 was

4.9%



For top performing firms, organic growth was

12.2%

Top performing firms:

2.4x

new assets generated from new clients

4.8x

more assets generated from existing client

19%

higher marketing spend than the average firm

50%

more likely to have a documented strategy

40%

more likely to have a documented client value proposition

30%

more likely to have a documented ideal client persona

What Top Performing Firms Are Doing

Written marketing plans, ideal client personas, and client value propositions

+67%



Documented client referral plans

+50%

Client feedback gathered

+26%

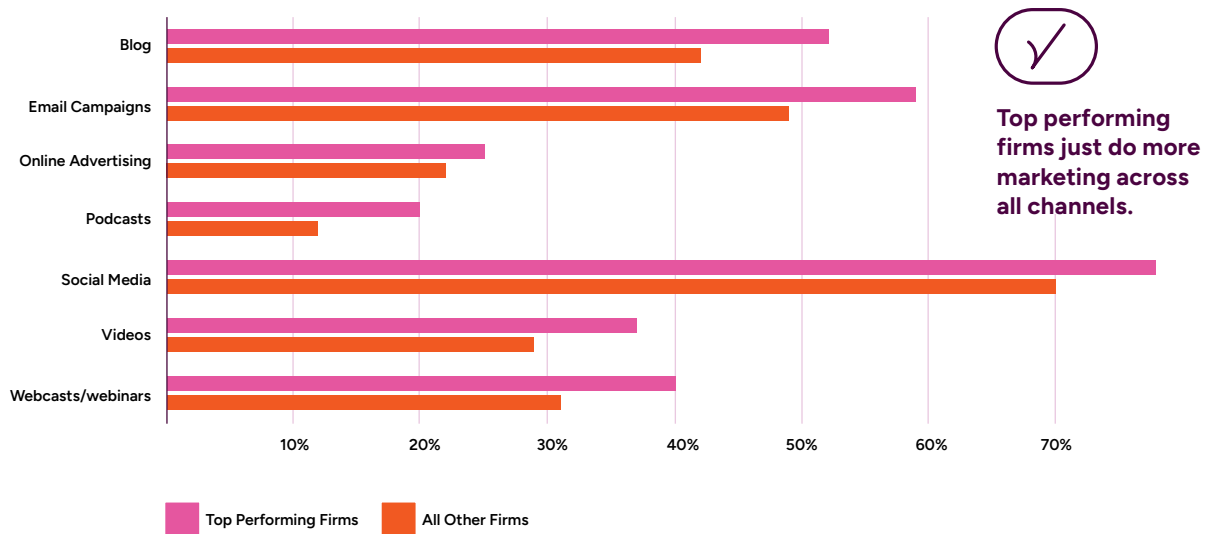
COI referral plans yielded 4.2x more new client assets

 Firms without
 Firms with

New client assets generated

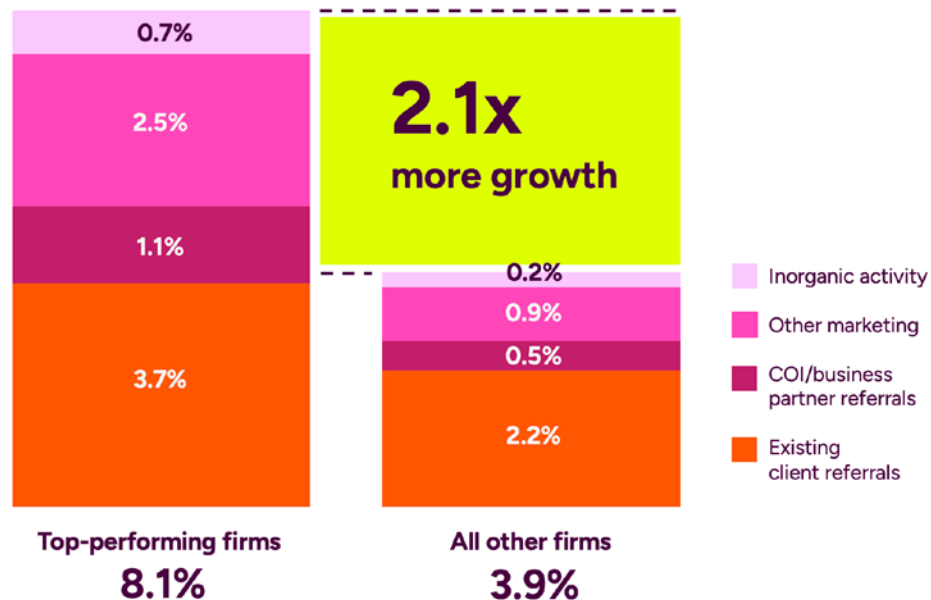


Marketing Channels/Tactics Advisory Firms Are Using



Top-performing firms are generating growth from multiple marketing channels, with a significant difference coming from non-referral marketing. The top-performing firms are also seeing more success in growth through client referrals and COI referrals.

2023 Asset Growth from New Clients by Source



While across all firms, existing client referrals are still the #1 source of asset growth, Ficomm's recent study of the buying practices of financial advice consumers indicates that consumer preferences for referrals are shifting.



How consumers are selecting advisors

While most advisors say that the majority of their new clients come from referrals, demographic shifts in the population are rendering referrals less valuable than they've ever been. Of those surveyed who hired a financial advisor, only 29% say they require a referral.

When you break this down by age groups, you see a clear trend emerging. When asking clients over the age of 60, a full 60% say they will only hire an advisor based on referral. But that's the last age cohort in which the majority requires a referral. For advisors targeting the "nearing retirement" audience, within the next 5 years, they'll be dealing with a new age cohort — where only 29% say they require a referral to hire an advisor...and 45% hired their advisor based on digital marketing.

When you look at the under-44 audience, there's an even more dramatic shift. Of those who have hired a financial advisor, only 17% say they required a referral. 57% hired based on digital marketing.

Only
29%

of financial advice
buyers say they
need a referral

Only
17%

of financial advice
buyers under 44
need a referral

Only
31%

of financial advice
buyers with incomes
over \$150k/year
need a referral



Digital marketing is converting.

As referrals wane in importance to consumers, digital marketing is steadily becoming the difference maker. The frustration for advisory firms, in many cases, is they're not seeing the same conversion rate from their digital efforts as they have from traditional referrals. If 45% of financial advice buyers are hiring their advisors based on digital marketing, why aren't advisory firms seeing that reflected in their marketing metrics?

The answer may be as simple (and complicated) as how those firms are measuring. From our experience with financial advisory firms, most measure digital marketing effectiveness using last-touch attribution. For instance, if a firm runs an online ad campaign, it credits the lead to the most recent click. This approach overlooks other consumer touchpoints with the digital brand before conversion, such as podcasts, unclicked ads, the website, YouTube videos, and media articles.

As a result, most firms don't have a full understanding of the journey consumers are taking to become a lead. They only know the door that lead decides to enter through after being presented with several connection and engagement points. Advisory firms are usually looking at an incomplete picture.

The last-click attribution mindset often overstates the importance of referrals, too. When a lead is referred by a family member, friend, or other trusted contact, they will validate an advisor online through multiple digital channels prior to reaching out. Yet the direct referral is what most advisors are paying attention to.

45%

**of all financial
advice buyers hired
based on digital
marketing**

57%

**of <44 year olds
hired their advisor
based on digital
marketing**

20%

**of 60+ consumers
hired their advisor
based on digital
marketing**

If a significant number of clients are hiring advisors based on digital marketing, how they come through the door is only one data point...and it may be less important than how they first heard about you, what piqued their interest to start exploring your brand, or what tipped the scales to get you onto their consideration list.



A multi-channel digital marketing strategy is required.

Surprisingly, the study showed that there was no one tactic that outshone another. What emerged, however, is that 64% of effective marketing tactics were digital, and that a minimum of 2 digital interactions were required before the consumer took action — with the ideal number of interactions being 5+.

This is evidence that not only should digital marketing dominate your marketing plan and spend, but you need to be intentionally showing up across multiple channels to convert the prospects who are going to buy based on digital marketing. And over the next 5-10 years, that will be most prospects.

- 29% Referral Only.
- 18% I searched Google.
- 16% I searched Google reviews.
- 15% I visited their website.
- 13% I attended a free seminar they conducted.
- 13% I searched for “top advisor” lists in my area.
- 12% I signed up for their free financial planning software.
- 11% I used their financial calculators.
- 11% I searched YouTube.
- 11% I searched an industry organization website and asked to be connected.
- 10% I saw them on social media.
- 9% I downloaded a free report from their website.
- 9% I clicked on a social media advertisement.
- 9% I clicked on a Google advertisement.
- 9% I subscribed to their blog.
- 9% I received an advertisement in the mail.
- 9% I signed up for a webinar they conducted.
- 8% I read an article they were quoted in.
- 8% They sponsored a philanthropic event I attended.
- 8% I saw an ad in a newspaper or magazine.
- 7% I heard an ad on the radio.

So it's not about the individual tactic. It's about the strategy. And financial advisors and wealth management enterprises can no longer grow without a clear, multi-channel digital marketing strategy.

Already, financial advisory firms are seeing that it's not enough to run a campaign at the bottom of the funnel to drive new leads. These lead generation tactics need to be augmented with upper-funnel digital brand building and mid-funnel content offers in order to be more effective. Speaking to prospects across multiple digital channels so they can experience you before taking action creates a warmer lead who knows more about you and has a higher intent to become a client.



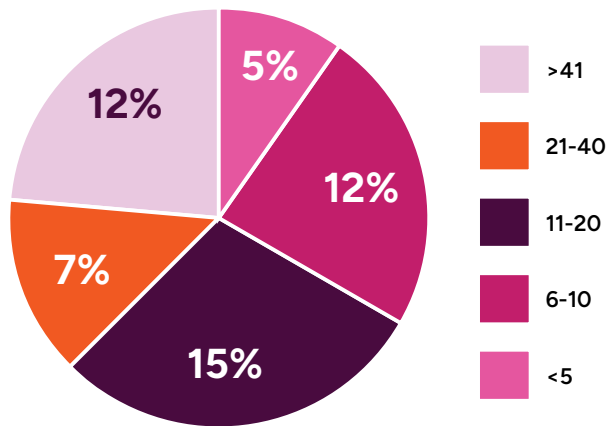
Are advisors marketing to new prospects in the way they prefer? In a word, no. Ficomm's new study of advisor marketing practices indicates that advisory firms are still building marketing strategies that are disproportionately focused on client referrals, while neglecting digital marketing channels that are converting more now and will continue to grow in effectiveness in the future.



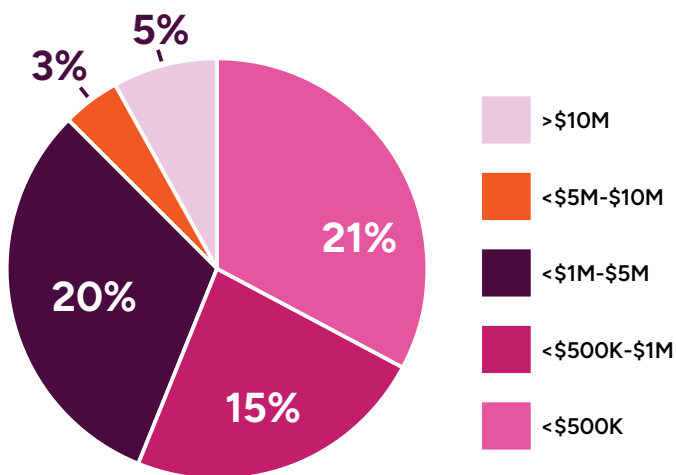
Study methodology

Online survey | 437 advisory firms

Size of Firm by Number of Employees

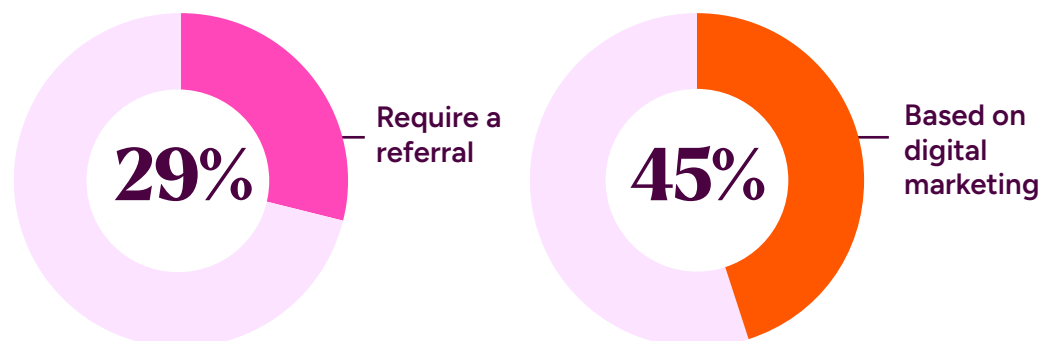


Average Client Size by Firm



Advisor marketing practices vs. consumer buying preferences

Consumers Choosing an Advisor



Advisory Firms Reliant On



What advisors are doing is directly inverse to how consumers make decisions.



What the data shows us is that advisory firms are allocating their marketing resources into channels that are the opposite of how consumers are selecting advisors. While top-growing firms are slightly less reliant on client referrals, the focus on client referrals is still disproportionate to how consumers choose advisors today. This misaligned will become even more pronounced as the next generation ages into “ideal client” status.

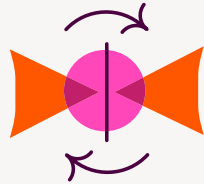
While client referrals are still an important channel, and will continue to be, the preference changes in Generation X and Millennials who are becoming the ideal client for advisors indicates that referrals cannot be the only channel upon which firms rely to drive new business. This study indicates that advisory firms have not yet adapted to that reality.

The data from the 2024 Schwab Advisor Benchmarking Study underscores this. The top-performing firms are the ones who are doing more marketing across all channels, while the average firm is more reliant upon client referrals for its organic growth, with significantly less exposure to other types of marketing.



**How can smart,
growth-focused advisory
firms flip the odds in
their favor for growth?
With a strategy-first
approach that builds
on what works for ideal
clients and prioritizes a
diverse set of lead sources.**





Aligning advisor marketing to prospect preferences: An organic growth roadmap for 2025 and beyond

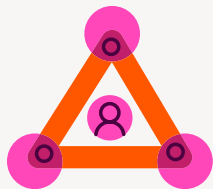
When advisory firms are looking to ramp up their organic growth, they often look first to adding new digital marketing channels, especially given the insights in the above research that shows consumers choosing advisors based on digital marketing. Unfortunately, the attempts of advisory firms often fail and growth leaders are left scratching their heads as to what went wrong.

What are the top performers doing to get digital marketing right that other firms are missing?

Usually, nothing went wrong with the campaigns themselves...it's the closer-to-home strategic infrastructure that needs attention.

Based on both the research outlined in this report as well as our experiences helping 250+ clients pursue their organic growth goals, Ficomm has developed a systematic and progressive approach to organic growth. Each step builds on the one before it, so by the time a firm is ready to generate more leads through digital marketing, that media spend can be as effective and fruitful as possible.





STEP 1

Know your best client

The goal of growth is quality as well as quantity. Advisory firms don't just want more clients. They want more great clients. The first step to that kind of growth is identifying who your best clients are now. This identification goes far beyond just asset level and occupation. Sure, advisory firms will want to look at those things and other basic demographic datapoints.

But it's also incredibly valuable to look at the clients you wish you could clone and ask other questions:

What is their worldview?

How do they see their money?

What are their goals in life?

What are their interests and passions?

What do they do on the weekends?

What's the worse case scenario for them that they haven't even admitted to themselves?

How do they work with you?

What kind of community activities are they engaged in?

What do they value above all else?

Where do they spend their time online?

What content do they care most about?

How do they take their coffee?

Taking all of this — the demographics, the psychographics, and everything else an advisor can learn about their best clients — the firm should build out the Ideal Client Profile (ICP). As we learned from the Schwab 2024 Advisor Benchmarking Study, one of the characteristics of top-performing firms is that they had documented their ideal client. This is the first step in becoming one of those top-performing organic growers.





STEP 2

Document your strategy

Building a growth marketing strategy without a clear understanding of your ideal client is like starting a road trip without identifying a destination. Yes, you're driving and logging miles. But if you don't know where you're going, every turn you make is just a guess.

When it comes to marketing strategy, the ICP is your destination. Because the goal is to attract more of your best clients, every marketing tactic should be aligned to your ICP's demographic profile and psychographic preferences. According to the Schwab 2024 Advisor Benchmarking Study, having a documented strategy is one of the ways top-performing firms racked up such impressive organic growth numbers. So before spending energy and budget on marketing tactics, make sure each of those tactics serves the purpose of attracting your ICP. Documenting this strategy helps keep growth teams focused, and away from tactics that aren't aligned to your best clients.

Beyond marketing channels, an organic growth marketing strategy needs a robust brand messaging framework. Without a clear, differentiated message that's relevant to your ideal client, all of the marketing channels in the world won't generate growth. Another key piece of documentation of the top performers in the Schwab 2024 Advisor Benchmarking Study is a documented value proposition.





STEP 3

Move from the inside out

Once a firm has its ideal client figured out, has the right message to reach them, and has documented the channels and tactics it will use to deliver that message, it's time to make sure the message works. The best way to do this is to start with what's already inside your firm — your current best clients. Craft a message that appeals to your best clients and distribute it on the channels where those clients are spending their time.

This “best client” messaging platform and channel strategy can be used for:

- ✓ Client communications
- ✓ COI nurturing
- ✓ External marketing to new prospects

A strong client communication program is powerful driver for more client referrals. For most firms, a client communications program may mean periodic emails, micro-events, social media content, educational webinars, or any combination of those. And as noted in the Schwab 2024 Advisor Benchmarking Study, top performers have a documented plan for driving greater client and COI referrals. COIs, incidentally, can be added to the firm's client communication program so they can see clearly who the firm is targeting and the value created for that audience.





STEP 4

Elevate your digital presence in a meaningful way

Knowing what message resonates with ideal clients and which content is important to them positions firms to make the best possible use of their digital presence. From website updates that put your differentiated message front and center to social media profiles that share the kind of high-value content your ideal client wants, elevating a firm's digital presence in a meaningful way is typically more about content than it is design.

Firms that prioritize educational content on their websites can get even more for their content investment by "atomizing" the content and spreading it across other channels — social media, email, YouTube, podcasts, webinars, and more. This allows every firm to meet clients where they are. Managing this with a clear content calendar and repurposing plan allows firms to publish massive volume with minimal effort.

One area where most advisory firms can upgrade their digital presence is online testimonials. This powerful display of social proof is becoming more important to consumers as personal referrals become less of a necessity. While 99.9% of consumers use reviews when shopping online and 50% of consumers trust online reviews as much as personal recommendations, fewer than 10% of advisors reported using testimonials to the SEC, up from just 2.2% in 2022. Reference [here](#).

99.9%

of consumers use reviews when shopping online

50%

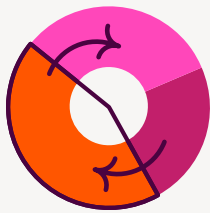
of consumers trust online reviews as much as personal recommendations

<10%

of advisors currently use online testimonials

When a firm infuses its digital presence with reviews from clients — across their website, on social media, in proposals, on YouTube — they're continually reinforcing the value they provide in a way that consumers trust.





STEP 5

Diversify your lead sources

When a firm is producing content across its digital ecosystem that speaks to its best clients and resonates with great prospects, they're ready to diversify their lead sources. Why wait till Step 5 for something that so many firms are anxious to start doing now? Because once Steps 1 through 4 are done, you have built the infrastructure, tested the process, and optimized the content for Step 5 to actually work. The firms who are skipping straight to Step 5 are the firms who are seeing expensive client acquisition costs and low conversion rates.

At this stage, running paid lead generation ads, buying leads from aggregators, hosting prospecting events as ways of bringing in new leads will leverage the same tried-and-true messaging that firms have already seen convert effectively with clients, COIs and prospects. These are firms who know they have a strong message that works and a clear understanding of where their ICP hangs out — they're well positioned for lead generation success because they had the patience to build their marketing infrastructure first.





STEP 6

Empower your advisors to become individual growth channels

With content and leads being effectively generated at the firm level, we turn to individual advisors as the next level of growth and massive scale. Tooling each advisor with the knowledge to create their own story (that aligns with the larger brand) and share it across their individual social media ecosystems opens a scalable source of marketing that complements what the firm is already doing. When each advisor has a clear content mandate and the tools they need to create and distribute that content, the sky's the limit when it comes to firm growth.





Ready to become an organic growth top-performing firm?

Let's talk about how a systematic, progressive approach
to growth marketing can help you...

- Nail down your Ideal Client Profile
- Create a unique, differentiated message
- Maximize client and COI referrals
- Elevate your digital presence
- Diversify your lead sources and build an inbound lead engine
- Achieve growth at scale through your advisors



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