



SMART FINANCIAL PLANNER

BITE-SIZED COURSES FOR REAL FINANCIAL PLANNERS

The Best (and Scientifically Proven) Strategy To Make Your Promise Far More Interesting

To engage our clients a financial planner's initial, and very sensible instinct, is that we emphasize the deals we have done, the experience we have and the studies we've successfully completed.

Via Dan Pink: To Sell is Human:

But in a fascinating paper by Stanford University and Harvard Business School, another approach is suggested to be more compelling to your target audience.

What we really should be doing is to *emphasize our potential*.

For example, the researchers put participants in the role of a National Basketball Association general manager tasked with awarding contracts to players. Some participants had to offer a contract to a player with five years of experience who had produced some impressive stats.

Others had to offer a contract to a rookie who was projected to produce those same statistics during his first five seasons of play. Participants, on average, gave the veteran player with solid numbers a salary of over four million for his sixth year. But they said that for the rookie's sixth season, they'd expect to pay him more than *five million* dollars.

Likewise, the researchers tested two different Facebook ads for the same comedian. Half the ads said the comedian, Kevin Shea, "could be the next big thing." The other half said, "He is the next big thing."

The first ad generated far more click-throughs and like than the second. The somewhat peculiar upshot of the research, the scholars write, is that **“the potential to be good at something can be preferred over actually being good at that very same thing.”**

People often find potential more interesting than accomplishment because it's more uncertain, the researchers argue. That uncertainty can lead people to think more deeply about the person they're evaluating and the more intensive processing that requires can lead to generating more and better reasons why the person is a good choice.

So next time, you give a promise to your client, don't fixate on your designation and on what you achieved yesterday.

It's more important to emphasize the promise of what you could accomplish tomorrow.

Let's make financial planning matter,

Ronald