

Marketing For Plan Providers: What It Can Do And What It Can't

By Ary Rosenbaum, Esq.

For retirement plan providers, good marketing is essential. It's so essential that there are marketing gurus out there that work in the retirement plan space to help providers out like Sheri Fitts and Rebecca Hourihan who do top notch work for their clients. While marketing is essential for a growing practice, great marketing won't fix problems in your organization, marketing can only do so much. This article is about how good marketing for your practice can work and why it's not a cure all for your problems.

Marketing can be a difference maker

Whether it was starting my own practice or being the Vice President of a local Synagogue, I knew that marketing can be a difference maker. Good marketing helps you stand out whether you're selling retirement plan services, baseball cards, or hummus. When you're among competition, any type of advantage will help you garner more business. Without marketing, I certainly would have failed as a solo ERISA practitioner because if people didn't know about me, they

wouldn't contact me looking for legal help. While marketing can be a difference maker, it's good marketing that will allow you to stand out among the competition. Marketing is about developing the right message for the target audience. The target audience is potential clients and those professionals that can be sources for referrals. Too often, businesses such as retirement plan providers are too wide in who they target or they're missing the right target. I spent the

first year or so of my law firm practice doing a lot of small business networking and it was a bad fit because it's hard to get work from sole proprietors who don't have money to save for retirement and if they did, they used a small business IRA product that is free with the local financial custodian.

Developing a niche

Good marketing is important, but what I also found important is finding the niche I'd be as an ERISA attorney. I see develop-

need to target which part of the market you want to serve and what types of clients you want, and that's something less vague than clients who pay. When I was a Vice President of a Synagogue in a village that didn't have many Jews, I knew that I wanted the Synagogue to be a Jewish Center for not only where it was in Rockville Centre, but also the surrounding communities that no longer had a Synagogue or a Synagogue that didn't fill the needs of those who wanted to join one. Since we had lower

dues and waived them for new Hebrew School parents for a year, I marketed that we were the "Friendly Synagogue" (more on that later).

Find potential clients where you can find them

Marketing is great and targeted marketing is great, but you have to make sure that you can reach out to potential clients where you can find them. When I started out as an ERISA practice, I saw how many different businesses out there wanted my money. Whether it was marketing companies or search engine optimization firms or

professional organizations who wanted me to sponsor a table, there was always someone who wanted access to my wallet. While I never paid money to sponsor a table at an event, I had fellow retirement plan providers do that at certain events I've attended and regretted the experience. There is nothing wrong with sponsoring a table or a booth at an event, but you have to make sure it's an event that help to get clients or meet other professionals that can



ing a niche as a marketing hook, a hook to get new clients. A niche is all about where you see yourself in the marketplace as a retirement plan provider. As an ERISA attorney, I knew Exxon-Mobil wasn't going to knock on my door and if I didn't want to scare away small to medium sized businesses with unexpected legal bills. I'd started offering flat fee billing, which is a complete change from the typical law firm model. As a retirement plan provider, you

help get you clients. I've never spent a nickel for a booth or table at one of these retirement industry conventions because the fees were too high to justify the cost. As a solo practitioner whose wife complains that he charges too little for services, I don't have the heart to bankroll something that isn't going to pay off. That's my budget woes, not yours. When it comes to marketing dollars, you need to spend wisely and you shouldn't spend it in areas where you won't get clients from it down the road.



Marketing can't mask poor customer service

My daughter went to the same day camp for 6 years. The owner's daughter was in charge of marketing and social media and she did a great job in promoting the camp. The reason why my daughter no longer goes there is because she wasn't happy with it anymore and also because they poorly handled a complaint I had about one of their photographers. I complained that the photographer was taking too many pictures of her children at the disadvantage of other kids. Since parents spend good money for camp, I suggested that other parents maybe concerned that there aren't enough pictures of their kids while the photographer was taking many pictures of her kids even though the rules stated she could only take one a day. Rather than investigate what I was saying was true, they just ignored me. When I brought it up again, I was told I was harassing the owners of the camp. I have to admit that I never was so badly treated by a company I used for such a long period of time. Marketing is all about promoting, but it can't hide or fix poor customer service. If you services aren't up to snuff, no amount of marketing is going to cure that.

Bad culture beats out good marketing and good ideas

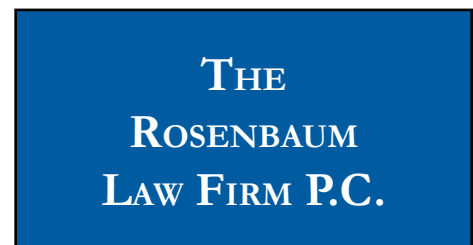
When I got involved with my Synagogue, I did it because I thought I could contribute with marketing ideas and ideas for events. I started with a comedy show that raised a few thousand, Friday night dinners that didn't feature the typical Sabbath night

food, and a crazy idea of a comedy show starring Sal the Stockbroker from the Howard Stern Show that was a major hit. However, no matter how I tried in increasing our visibility, increase our fundraising, and recruit new members, I knew I was going against a culture there of failure. It was a culture at the Synagogue of board members doing nothing except maintaining a title and I was surrounded by leadership that had one hand or another in running down our membership rolls from 750 families to 300 families. When they tried to bring back the last President as a Vice President again, I balked because other than reducing costs, he was an absolute failure as President. You can't cut your costs into growth. No matter how great my marketing was, it couldn't hide the fact that it was a Synagogue dominated by people who had no interest in having the place survive. No matter hard I tried, I knew I could never fully succeed because of the culture of the place where the leadership had no interest other than slowly dying. No matter how many great ideas and great marketing you can develop, it's hard to fight a culture in the place that won't support it. I had the same thing working at my old law firm trying to create a national ERISA practice where they had zero interest in supporting it. Bad culture will always beat out good marketing and good ideas.

It's not 1977 anymore

The old ways of marketing maybe a little behind the times and you need to get with the times. When I talk about old time mar-

keting, I think about ads in the yellow pages or the local newspaper. New marketing is the use of social media through blogging, online articles, and interacting with other plan providers on LinkedIn. When I was at Synagogue, there was a Vice President who thought the old ways of having events and zero recruitment was the way to go. I always told her that it wasn't 1977 anymore and you have to actively target potential members in a new way. She was stuck to old ideas that no longer worked. Of course when I left, they made her President and from what I gather was ousted after a year. In order to be successful in growing your practice, you have to be open to change. You have to be open to the idea that the ways to market your practice has changed. I'm amazed by the plan providers who still don't have a website and plan providers that just have a bare bones website. The new ways of marketing are more cost effective than newspaper advertisements and costly sponsorships. Be open to change because the retirement plan business is an industry that constantly changes.



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