

SYMMETRY

A Guide to Working with the High Net Worth



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Working With the HNW

As the number of wealthy Americans continues to significantly increase, working with high-net-worth (HNW) individuals and families can represent a considerable opportunity to grow your firm. Not only can HNW clients add substantial value and help generate future business, but their need for elevated service, solutions, and support can create ongoing possibilities to strengthen your relationships and demonstrate your value.

Understanding the Demographic

For the purposes of this playbook, anyone with more than \$1 million can be considered HNW. However, there are several defined gradients of wealth:

Mass Affluent = \$200K to \$1 million in liquid investable assets

High-Net-Worth (HNW) = \$1 million to \$5 million in assets

Very-High-Net-Worth (VHNW) = \$5 million to \$30 million in assets

Ultra-High-Net-Worth (UHNW) = \$30 million or more in assets

In the United States, **13.61 million households have a \$1 million or more net worth**, approximately **8,046,000 households have a \$2 million or more net worth**, and around **5,671,000 households have a \$3 million or more net worth**.¹

The number of millionaires in the United States is predicted to grow by 16% over the next five years, with a 27% growth in investors with \$50 million+.²

With more than 22 million investors in the United States with more than \$1 million to invest, there's plenty of opportunity to add HNW clients to your firm.³

1. Griffiths, John, NCEC.com, "What Percentage of Americans Are Millionaires (2023 Updated)"

2. 2023 Credit Suisse Global Wealth Report

3. Sabatier, Grant, Millennial Money, "Millionaire Statistics for 2023"

Working With the HNW

Understanding the Opportunity

While HNW investors often hire financial professionals to manage their money, only 62% of millionaires rely on Financial Advisors to help manage their wealth.⁴ This leaves more than one third who aren't yet working with an Advisor.

Those who are working with an Advisor may not be entirely happy:⁵

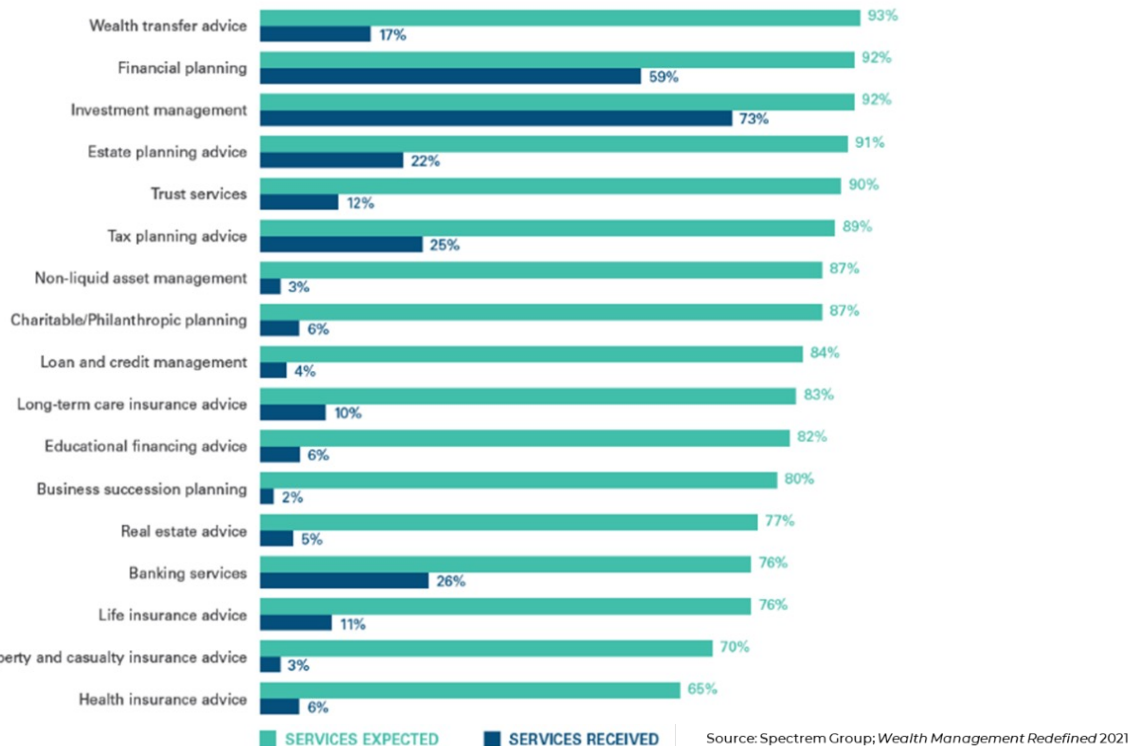
- 46%** plan to change/add a wealth relationship in the next 12 to 24 months
- 39%** switched/added relationships in the last three years

And the reasons for firing an Advisor:⁶

- 66%** wanted increased personalization
- 28%** cited current Advisor's inability to support clients' changing financial circumstances
- 27%** desired access to different products or services
- 22%** were looking for improved digital capabilities

Understanding the HNW's needs and goals is critical to attracting and retaining them. Like any other investor, every HNW investor has a different mindset, needs, and objectives—although there are some similarities.

The top services expected:⁷



This is just the beginning. The HNW expect a broad range of services from their Financial Advisor. But as the chart above shows, many Advisors are falling far short.

As an Advisor, it's important to determine the needs, expectations, and focus of each HNW client and plan and strategize appropriately to help them reach their goals. If you lack expertise in certain planning areas, develop a network of Centers of Influence (COIs) to create an "expert team."

4 The Advisor Coach, "8 Tips for Attracting UHNW Clients" (as of December 2023)

5 PwC HNW Investor Survey 2022

6 Ibid

7 Spectrum Group Wealth Management Redefined, 2021

3 Tips to Attract HNW Clients

1. Focus on a Niche

Advisors who focus on niches tend to earn higher revenues—an average of 12% more—as opposed to generalists. Those who specialize also generate 20% higher stand-alone planning fees than generalist Advisors.⁸

After identifying your niche—business owners, female professionals, next-generational wealth, multi-generational wealth, or professionals such as physicians and attorneys—focus on understanding and meeting these HNW investors' unique needs. These should be niches you have a connection with as well as experience serving.

And be sure to develop a deep understanding of what these clients need. For example, if you're working with business owners, Mitch Kerr, CFA®, VP, Associate Head of Wealth Advisory at Brinker Capital, recommends asking five key questions:⁹

1. When do you plan to retire?
2. What is your exit strategy?
3. Have you planned for your exit?
4. How do you plan to maximize your business?
5. What is your plan once you exit the business?

By responding with value and insight to the answers to questions like these, you help establish yourself as a valuable business owner expert.

And, according to 77% of those with \$1 to \$4.9 million in investable assets, providing comprehensive wealth management advice creates client loyalty.¹⁰

You will also need a strategy for showcasing and communicating your specialized expertise—which can include articles, whitepapers, blogs, videos, social media, and webinars.

And you need to be committed to the niche. Many Advisors dabble in niches without doing the necessary work to acquire (and highlight) deep expertise. Developing a true niche can provide you with long-term, highly differentiated value.

For example, Mira Ma, Founder and Principal of Marim Wealth Planning, LLC, uses her background in taxes and real estate to provide financial advice about real estate purchases specialized expertise—something not all Financial Advisors are knowledgeable about. “We bridge the gap between investment managers and tax preparers,” she explains.

8. Berman, Jeff, ThinkAdvisor, “Kitces: Why Advisors Must Specialize Now,” 2022

9. Symmetry Summit, “Make Yourself Indispensable: Keys to Improving Client Relations,” October 19, 2023.

10. CEG Worldwide, Play to Win with Industry Intelligence Report, 2023

3 Tips to Attract HNW Clients

2. Earn Referrals

More than 50% of wealthy investors were referred to their Financial Advisors—but only 10% of Advisors ask for introductions.¹¹

A referral from an HNW individual is valuable because their peers trust them for wealth advice. Clients who are friends with their Advisor are 21% more likely to give referrals—and when they do offer referrals, these are the top reasons they typically provide them:¹²

Top Reasons the Affluent Refer

1	I like being a resource to my friends and family
2	I enjoy helping my Financial Advisor
3	My Financial Advisor rewards me for referrals
4	My Financial Advisor asks me for referrals

Referrals Given Past 12 Months

0	6%
1	11%
2	24%
3	58%
Unsure	1%

When asking for an introduction, be specific about your request. Firms with a documented ideal client persona and client value proposition attract more new clients. A defined niche also makes you more referrable.

Developing connections with COIs through networking and relationship-building can help you remain at the forefront. “The key is building relationships around your clients,” emphasizes Brian Cote, Founding Partner at Gramercy Park Wealth Advisors, LLC.

Think about those who have professional relationships with HNW clients—and not just CPAs and Attorneys. Consider other professionals who work with the affluent such as Realtors, Contractors, and Luxury Car Dealers.

11. The Advisor Coach, “7 Client Referral Ideas to Help You Get More Referrals” (as of December 2023)

12. Oeschli Institute, “5 Marketing Trends for Financial Advisors,” 2023

3 Tips to Attract HNW Clients

3. Develop a Digital Strategy

Traditional marketing methods have been enhanced, if not superseded, by digital methods. The digital world has increasingly become a hub to showcase much of what you do, especially when it comes to prospecting HNW clients.

An engaging digital strategy with impactful brand resources can help ensure you're top of mind. These typically include:

Website	Email campaigns
Social media	Articles and blogs
Online ads	Press releases

Your website is your most important brand resource because it's the "home base" for most of your online assets. When looking for an Advisor, 98% of investors say a website is somewhat/very important when making their choice¹³ and 43% will search online.¹⁴

Your referrals will also search for your business online—and if they can't find you there 62% will disregard your business.¹⁵

Ideally, at minimum, your website should have the following four pages:¹⁵

- 1. Home** – creates your first impression
- 2. About** – includes your brief company history and mission/vision as well as any niches you work with
- 3. Blog** – enables you to showcase your expertise
- 4. Contact** – drives and captures leads

Your social media is another essential asset. It's a long-term investment in your brand's personality, a way you can showcase what makes your firm stand apart from others, and a tool you can use to build relationships with your target audience.

Nearly 50% of investors say social media impacts who they hire as a Financial Advisor.¹⁷ They're viewing your social media to learn about your business and the value you provide.

With that in mind, your social media shouldn't just be promoting your services. The 80/20 rule advises that your content should be 80% educational and informative and 20% promotional.

High-level social media best practices include:

- Creating a business page separate from your personal profile
- Defining your target audience
- Creating a content calendar
- Connecting and engaging with clients and prospects
- Having strategic objectives such as awareness, building relationships, or showcasing expertise

Every part of your digital strategy should include a call to action (CTA), which is essentially the next step you want your viewer to take. It can be as simple as providing a "Learn More" button or a link to schedule a consultation. But the more specific the offer—a guide, whitepaper, or checklist—the better.

Once you've attracted HNW clients, the work of serving them and delivering an excellent client experience begins.

3 Tips to Serve HNW Clients

1. Offer Exceptional Service

When it comes to service, the HNW expect a high-quality and high-touch experience. The nature of their caliber requires more communication, consistent service, personal attention, and personalized customer onboarding.

Consumers base 70% of their purchasing decisions on how they feel they're being treated.¹⁸ For the HNW this is even more important. They expect that you'll provide outstanding service, which involves prioritizing them and providing time-saving solutions.

HNW clients need to trust that you can seamlessly, discreetly, and reliably handle their financial issues. The more trust is built, the more likely they are to refer your services to other HNW individuals they know.

Managing, maintaining, and preserving a HNW client's assets takes more effort because they have diverse investments, complex financial portfolios, and unique financial goals that an average investor may have. It's worth it, especially because 86% of the HNW will pay more for a great customer service experience—and they're willing to pay a price premium of up to 13% (and as high as 18%) for luxury and bespoke services.¹⁹

When it comes to managing their investments, estates, and taxes, the HNW can afford to spend more for customized services. They want to work with an Advisor they trust who can problem solve, strategize, and prioritize managing their money.

13. Rivera, Valerie, eMoney, "2020 eMoney Consumer Marketing Survey Results: Financial Professionals Must Adapt Their Prospecting to the New Reality," 2020

14. The Oechsli Institute, "The Affluent Digital Code: Online Strategies to Acquire High-Net-Worth Clients," 2019

15. Safari Digital, "18 Local SEO Statistics That Matter in 2023"

16. Patel, Neil, HubSpot, "The 4 Most Important Pages on Your Website (& How to Optimize Them)," 2021

17. Longo, Tracey, Financial Advisor, "More Investors Are Vetting Their Financial Advisors on Social Media," 2021

18. DeMers, EmailAnalytics, "77 Customer Service Statistics to Know," 2023

19. SuperOffice, "32 Customer Experience Statistics You Need to Know for 2024," 2023

3 Tips to Serve HNW Clients

2. Educate

Investing can be complex, and planning topics such as taxes, estate planning, and philanthropy can be even more complicated. But many of the HNW want to be educated and empowered by their Advisor.

Strategies used to educate clients about the markets and financial planning also help support new business efforts.

Here's how top-performing firms educate their clients (the most successful firms use an average of five of these strategies):²⁰

- 92%** – one-on-one education
- 80%** – newsletters
- 68%** – engage with next-generation/family
- 62%** – website articles/blogs
- 58%** – social media
- 43%** – white label materials from partners
- 38%** – educational workshops
- 18%** – podcasts

HNW investors expect relevant and timely updates, increased transparency, and real-time interaction and conversations with Advisors.

Also, by providing these investors with expertise—market and economic trends and commentary, new product information, and product performance updates—you can establish yourself as a thought leader, a valued and trusted resource, and a true partner.

3 Tips to Serve HNW Clients

3. Provide Ongoing Advice

Change is a constant—and your HNW clients' lives are constantly changing. That's why providing ongoing advice is essential to retaining them.

As their Advisor, you're not only monitoring their financial situation, but you're also observing market trends, the availability of new solutions, and investment performance—all as part of the work you seamlessly handle for your clients.

Through your monitoring efforts, you can identify potential opportunities for growth, tax optimization, and risk mitigation, helping you safeguard clients' financial well-being and reach their financial goals.

This is particularly valuable since 58% of affluents lack the knowledge and support to make investment decisions during times of volatility, nearly 42% aren't aware of investment-related risks, and their investment strategies aren't aligned with their life goals.²¹

In terms of communication, here's how the HNW prefer contact from the Financial Advisor:²²

37% – phone or video call

22% – mobile app or chat

21% – email

20% – in person

And they typically want frequent contact—as often as two or three times a month. The advice you provide centers around your connection with your client.

By checking in periodically, you can keep track of their changing life situations, determine their current focus, and manage their expectations. With this deep understanding, you can adjust their plans and portfolios as needed to help ensure their ongoing stability and growth.

21. Capgemini, "World Report Series 2023: Wealth Management"

22. PwC HNW Investor Survey 2022

Delivering HNW Solutions

Symmetry seeks to provide investment strategies and solutions to help you scale your practice, provide a better client experience, and attract and retain HNW clients. This may include:

Direct Indexing solutions such as [Symmetry's Axiom platform](#), which provides flexible, personalized Direct Investing that allows investors to create portfolios tailored to their unique values, needs, and situations.

Tax Alpha strategies like [Symmetry's Tax Alpha program](#), which can help HNW investors minimize the impact of long-term capital gains taxes and address situations including transitioning from a highly concentrated portfolio, transitioning from one portfolio to another, or delivering a tax-efficient overlay. For UHNW investors, the [Delphi Plus solution](#) can help build wealth with a diversified multi-strategy portfolio designed to generate diversifying sources of return WITH potential tax savings!

Customized solutions that are tailored to meet HNW investors' specific needs. For instance, if you're working with an HNW individual with Environmental, Social, and Governance (ESG) concerns, Symmetry can help you create a value-based portfolio that aligns with their principles and goals.

A high-touch consultative approach guides almost everything we do. We work closely with Advisors to develop detailed proposals for their portfolios and, if desired, bring in our team of experts to present with you and help you win—and keep—the business.

Marketing to the HNW

Need help developing a marketing strategy to target the HNW? Do you find yourself asking these questions:

- How do I begin to attract HNW clients?
- What expertise/solutions do I need to support HNW clients?
- What type of service model do I need to support HNW clients?

[Symmetry Marketing Group](#) provides marketing and branding—as well as digital marketing expertise—to help you reach this unique audience.

Your [Symmetry Regional Team](#) can also provide business intelligence and bespoke consulting to help you solve the complex financial needs of almost any HNW investor.

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Program Risks:

Environmental, Social, and Governance (ESG) Investing Risk: ESG investments may not be perfectly correlated to the broader market indexes they seek to replicate. Stocks screened by the index sponsor for ESG criteria may underperform the stock market as a whole or particular stocks selected for the Index will, in the aggregate, trail returns of other funds investment strategies screened for ESG criteria. The individual companies deemed eligible by the index provider may not reflect the beliefs and values of any particular investor and may not exhibit positive or favorable ESG characteristics. The components of the Index are likely to change over time.

Axiom Program Risks:

The Symmetry Axiom program provides clients with individual security portfolio solutions designed around individual client preferences. The Axiom separately managed accounts (Axiom SMAs) can be index- or factor-based. The index-based solutions are designed to give clients exposures similar to popular market indices with far fewer individual security positions. The factor-based solutions are designed to emphasize those factors the Research/ Portfolio Management team believes will optimize risk-adjusted return. Both the index-based and factor-based portfolios hold individual securities. All factor information is available in the Symmetry Form ADV Part2A located at www.symmetrypartners.com.

Tax-loss harvesting involves certain risks including, among others, the risk that the new investment could have higher costs than the original investment and could introduce portfolio tracking errors into your accounts. There may also be unintended tax implications. Prospective investors should consult with their tax or legal advisor prior to engaging in any tax-loss-harvesting strategy.