

What Financial Advisors can Learn from Starbucks, Apple and SoulCycle



David J. Petoskey, RFC
President, Wealthcare Management Services

People don't go to Starbucks for the coffee.

Millions of people make Starbucks a stop in their morning routines. They pass other nearby shops with similar quality coffee in order to wait in line at Starbucks. Why do so many people choose Starbucks? It's not for the coffee – it's for the experience. Starbucks has created an entire brand identity around delivering a predictable, rewarding experience for customers across their 13,000-plus locations nationwide. They've mastered what's been coined the “experience economy.”

More and more financial advisors are taking note. Advisors and their firms are moving beyond talking about performance and reporting to improve client satisfaction and instead looking to the experience economy. Clients care about performance and expect results, but increasingly don't see it as a differentiator.

In fact, when asked why they switched financial advisors in the last decade, leading client responses were “lack of personal attention” and “poor customer service”, second only to “high fees”, according to [Qualtrics Experience Management research](#). For millennials, the lack of personal attention was the number one reason to leave their current advisor.

Clients expect performance, but crave experiences. With the right approach, financial advisory firms can adapt and scale best practices from experience-driven brands. Here's a closer look at how Starbucks, as well as Apple and SoulCycle, have put their own spin on creating novel and enduring experiences for customers and how advisors can borrow these concepts to better serve clients.

**CLIENTS EXPECT
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STARBUCKS – COMFORT AND CONSISTENCY

When customers visit Starbucks, they're seeking comfort and consistency. They have their usual order and know their morning beverage will be made the same way each day. Many customers don't realize it, but Starbucks actually offers a more rewarding experience for visiting more often. The barista learns your name and remembers that you take soy milk in your latte. You develop a favorite place to sit where you know you'll get more work done.

Financial advisors can take a page from Starbucks' book by creating a consistent experience with lots of personalization. Clients should know what to expect from every interaction with an advisor – the challenge is making this consistency reassuring rather than repetitive.

Advisors can create a stronger connection with clients by digging deeper to understand more about the client's personal short- and long-term goals, and using that insight to create a customized financial planning experience. And a key part of this personalized experience is a structured and repeatable review process that centers on a client's life goals and priorities. Any advisor can have a great pitch for winning new business, but creating a superior experience means replicating that tailored service in every review meeting. That comes down to good client relationship skills, from remembering key dates to understanding family history and investment preferences.

APPLE – THE POWER TO CREATE

When people buy an iPhone or visit an Apple store, they're not just looking for a flashy tech gadget. They're looking for a tool to help them create. These tools don't compromise on quality and utilize a clean, consistent design that makes it easy and intuitive to edit a video, run a blog, keep up with your business or simply browse the web. If anything goes wrong, experts at Apple's Genius Bar are trained to resolve the problem.

**FOR ADVISORS TO HELP CLIENTS
CREATE THE LIFE THEY DESIRE,
THEY MUST CONNECT FINANCIAL
PLANNING TO SPECIFIC
MILESTONES, PLANS AND PRIORITIES**



If a new laptop can generate an empowering experience, the potential for financial advisors to inspire their clients is nearly limitless. But for advisors to help clients create the life they desire, they must connect financial planning to specific milestones, plans and priorities. The right strategy goes beyond projecting when clients can comfortably retire – it allows them to determine how and to what extent they can do things like pay for their grandkids' tuition or take a vacation to Europe without compromising the quality of that retirement.

Clients should feel that their wealth management approach is enabling them to maintain a certain quality of life, set priorities and effectively prepare for the future. And if the markets take a turn or a life event threatens that plan, they should feel like a proven expert is available to help them get back on track.

SOULCYCLE - COMMUNITY AND CULTURE

When people take a SoulCycle class, they're not just getting a workout, they're joining a community. There are plenty of ways to burn some calories, but SoulCycle devotees place a high value on the company's high intensity mind-body approach, creating an instant bond with fellow cyclers. And because people become so enamored by the workout and the results, the company has built a strong network of brand advocates on social media.

Advisors can follow SoulCycle's lead by creating a strong brand around the experience they provide. Clients should be bought into an advisory firm's overall wealth management approach. Plus, the easier it is to understand, the easier it is to describe to others, which can drive referrals. Clients often find it difficult to brag to their network about how their advisor generates alpha. But they may find it much easier to share positive experiences resulting from an approach that lets them prioritize and track their life goals and make adjustments where needed. With the right branding, clients can feel like they're part of a community that's taking a smart approach to meeting their financial goals.

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SCALING THE EXPERIENCE

There are plenty of comfortable coffee shops with friendly baristas. Numerous companies offer tech tools with great support. Many gyms have great workout classes with excellent instructors. What truly sets companies like Starbucks, Apple and SoulCycle apart is their success in scaling their experience across countless locations and customers.

It's the same in financial advisory. Individual advisors can provide a great experience for individual clients. But scaling that approach to accommodate growth and consistency across all clients is often the more challenging task. Advisors looking to create repeatable experiences for their clients should consider these best practices:

- **Establish a consistent platform** – A good first step is to make sure there's seamless consistency in the tools advisors are using to develop financial plans and investment strategies, and communicate with clients. Both advisors and clients should be familiar with the platforms and feel comfortable navigating their respective systems.
- **Formalize the client experience** – It's essential to create familiar, valuable client experiences during in-person meetings and online interactions. Including branded elements on a client report or establishing a structure for every meeting goes a long way in creating a process that clients recognize and appreciate.
- **Don't neglect the internal experience** – Advisors, firm leadership and back-office employees must all be fluent in the brand messaging – able to discuss the process, the firm's differentiators and how its team delivers personalized client experiences.

TAKEAWAY FOR ADVISORS

Advisors can take a cue from brands that have embraced the experience economy. Wealth management clients are seeking many of the same things as everyday consumers – comfort, consistency, community and empowerment. Advisors who can effectively deliver client experiences with these elements will be better positioned to enhance client relationships and ultimately scale their business.

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This framework, combined with Wealthcare's suite of practice-management support services and industry-leading technology, empowers advisors to create an experience clients will want to be part of and talk about.

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