

# **The More Than Money Vault Research**

## **Summary**

### **INTRODUCTION**

If you are reading this, chances are high that you have a successful business or are highly motivated to create one. You have wonderful clients who have grown to be friends and provide significant revenue to your business. You are a respected member of your community and someone who enjoys helping others.

This does not mean your business does not face a few challenges, every business does. First of all, that high-net worth client you have, almost every other financial advisor wants to take them from you. The competition in the market is fierce in our industry. And for good reason, clients offer more opportunity, revenue and the chance to earn referrals to more families. Most advisors want a practice that only consists of their very best clients, but so do all of your competitors. This is where Aspida360 and The More Than Money Vault (MTM Vault)) can help your business by offering a platform designed for the “niche” marketplace.

So why are we telling me that I need to change my already profitable, successful and highly-respected business? The short answer, we are not asking you to change a single aspect of your business. We in no way want you to change, stop or alter what is working for your business. We offer the opportunity to expand your business with a simple, elegant and effective technology proven to attract and retain clients. The MTM Vault is an opportunity to increase your revenues from existing clients and relationships while deepening multi-generational relationships.

Our Founder, having a successful financial services and legal practice over the last 16 years, was determined to find a “better way” for advisors to attract and retain clients. Originally, The MTM Vault was created for our founder and his personal practice which is driven to provide a comprehensive solution that addresses a family’s “total wealth”. ‘Total wealth’ includes family legacy, philanthropy, valuable life experiences, family traditions and core values as well as their financial holdings. He is driven to provide “purpose” to the financial wealth for families, to capture the family “story” and The MTM Vault provides that opportunity. After wonderful success in his personal practice, and requests from others in the industry, The MTM Vault is now available for other financial advisors to license.

In 2010, we began conducting primary research with families, their heirs, lawyers, accountants, family offices, financial advisors and family consultants. Upon completion of our primary research we then embarked on an extensive secondary research project. The following is a compilation of recent research conducted by reputable and trustworthy sources, including but not limited to, Russ Alan Prince, The Wharton Family Global Alliance, FA Insight, CEG Worldwide, Capgemini, The Oechsli Institute, Princeton University, The New York Times,

World Wealth Report, Harvard University, Morningstar, Mindscape and the Affluent Investor Study Institute.

This data concludes the most successful financial advisors have implemented a "client-centric approach" and utilize a specific few marketing tactics to market for families. Our data also concluded that advisors want to expand their offerings without any disruption and prefer to leverage existing relationships for business growth. Our research also concludes that clients value more than their money as intangible assets are often (77% of the time as you will see below) more important to them than their financial assets. The MTM Vault is designed to provide all of these conclusions for clients and financial advisors in a well-structured, differentiating, mobile technology.

It was this very data that drove the creation of The MTM Vault. The concept, the 22 digital tactics and marketing materials can be connected back to an element, a theme and conclusions of our research.

The format of this Research Summary is simple: a highly-relevant piece of data is presented and a few sentences may follow illustrating how The MTM Vault was designed to assist the most successful financial advisors elevate their businesses, attract and retain clients and provide irreplaceable value to the family. After all, The MTM Vault was built on the foundation of this in-depth primary and secondary research. The following topics will be addressed:

1. The Marketplace: What could we be missing?
2. Wharton Family Global Alliance (WFGA) recommendations for a sound practice
3. Success of the "client-centric approach"
4. Where is there an opportunity for business growth?
5. Best marketing tactics to attract clients

### **THE MARKETPLACE: WHAT COULD WE BE MISSING?**

*"61% of rate legacy development as a top financial planning need"*  
-Mindscape Study

Data like the above drove us to create specific tactics and entire section of the system directed to family legacy and traditions. Specifically, we created a tool entitled "Family Legacy Defined" that guides each individual to define the legacy they seek to perpetuate and create a Family Mission Statement.

*"When presented with a list of five assets, and only being able to select one, 77% chose leaving 'values and life lessons' as inheritance compared to only 12% who chose financial assets"*  
-Morningstar

The MTM Vault offers two specific tools within the system that address core values and the valuable life experiences each family member learns from. Our "Ethos Statement" tool guides each family member to draft a statement of core values. Our tool, "The Timeline" allows

each family member to enter valuable life experiences with the ability to upload videos, files, pictures, etc and our technology places each life experience in a chronological “timeline” for every family member to learn from.

*“64% of financial advisors lose assets under management when the first spouse passes away”*  
-Financial Advisor Magazine

Why? Most advisors do not have meaningful relationships with the next generation of the family. When the first spouse passes away, the next generation move the surviving spouse to their financial advisor. One of the reasons we developed The MTM Vault as a technology is to engage the next generations. Multiple tactics are to be completed by the next generations creating a seem less opportunity to interact with them and build a relationship. As an MTM Vault licensee, you will build meaningful multi-generational relationships and open additional opportunities to scale your core business.

*“Over half, 53%, are concerned about the negative impact of wealth on their children”*  
-US Trust Survey of Affluent Americans

This data, and similar data, buttressed the need for a system like The MTM Vault. Our system creates a well-defined, properly structured “purpose” for your clients’ financial wealth. We shift the family and its heirs from the “destructive mentality of entitlement” to “an attitude of gratitude”. By creating “purpose” for the family, we mitigate this concern for families by making the family wealth a positive, productive, purposeful family endeavor.

*“Families are seeking to teach heirs about philanthropy utilizing financial advisors”*  
-Wall Street Journal, “How to Raise a Philanthropist”

“Seeking” is the key word here. The MTM Vault provides the “how to” for advisors to teach your clients heirs about the importance of philanthropy. How to build a shared family philanthropic vision that entails every family members input. We provide you the system to offer what worth clients are “seeking”. Specific tools, such as “Charitable Declaration and “Philanthropy Impact Report” involve multiple generations of the family to help create a shared philanthropic vision.

*“80% of the believe that teaching heirs that wealth is a social responsibility”*  
-US Trust of Affluent Americans

One of the main concepts of The MTM Vault is that a families’ net worth is more than their financial balance sheet. This concept leads to a conversation about core values, philanthropy and creating a well-defined “purpose” for the financial wealth. Creating this purpose teaches the next generation that financial wealth is a privilege, a responsibility not a right.

*“Many parents feel their children will respond better to an outside, professional opinion.”*  
-The New Retirement Mindscape Study

families need your guidance. In order to transfer all assets of value, both financial and More Than Money, most families are seeking an advisor to help. The best part, most of the parents are open, even welcoming, the concept of an outside, professional advisor to lead the way.

*“families seek family meetings led by professional advisors”*  
-Wall Street Journal, “How to Raise a Philanthropist”

Similar to the above data point, many worth families are looking for advisors to lead family meetings. The tactic “Family Forum” was created to address this very data point and other similar research. Family Forum creates the structure, content and guidance for advisors to implement successful family meetings. Again, The MTM Vault provides “how to” offer what many families are seeking.

*“families want their estate planning to direct values and behaviors”*  
-New York Times, Paul Sullivan

Our research team uncovered a lot of data similar to the above. Our collective experience and research clearly demonstrates families seek to incentivize specific, positive behaviors in their estate plan. The MTM Vault provides guided tactics to define core values, the family legacy and charitable intent via our “Ethos Statement”, “Family Legacy Defined” and “Charitable Declaration” tactics, respectively. Once these valuable More Than Money assets have been defined, our system will guide families to consider the specific, purposeful, positive behaviors they seek from heirs. A specific tactic, “L.E.A.D. Estate Planning” will guide and incorporate these defined behaviors for an attorney to create enforceable clauses. L.E.A.D. Estate Planning is designed to create estate planning clause that incentive positive, purposeful behaviors from heirs. Our licensees serve as the primary advisor coordinating the family's trusted advisor, in this case the estate planning attorney. “L.E.A.D.” is an acronym for Legacy Enhanced Asset Directive.

### **WFGA RECOMMENDATIONS FOR A SOUND PRACTICE**

The Wharton Global Family Alliance (WFGA) is a unique partnership between the Wharton School and leading families from around the world. The Wharton GFA develops in-depth academic research which is motivated by the core issues that families face. Our rigorous scholarly research draws on the practical experiences of substantial global families to address timely, relevant and important issues that make a difference.

Wharton Global Family Alliance recommendations for financial advisors based on their in-person interviews and survey data with families, Wharton offers five recommendations for a sound practice:

*1. Having a purpose enhances performance. Well-functioning families tend to be linked to a strong sense of purpose where it comes to their fortune. This is particularly true when the family*

*invests not only its assets but also its enthusiasm in the pursuit of something beyond mere wealth preservation.*

The MTM Vault works to help families define, measure and improve upon Wharton's recommendations: Simple, elegant and effective tactics to define family purpose thus enhancing performance. Strategies to both support wealth preservation and intangible assets that are worth More Than Money®.

*2. Families with a long-term vision tend to rally together to ride out adverse external factors, such as financial crises, political turmoil, and war. Families lacking such consensus and/or ambition are less likely to provide the right leadership under unfavorable outside conditions. They are also more prone to internal strife.*

The MTM Vault focuses upon both short and long term visions: The MTM Vault creates security with tactics specifically focused on protection from financial crisis, involving multi-generations and supporting entrepreneurship. The MTM Vault will define transfer and protect a family's "long-term vision" (legacy) by implementing our twenty-two simple, elegant and effective tactics.

*3. The families with a clear purpose for their wealth, and hence more incentive to stay informed and in control, seem to have structures (Single Family Offices) that enhance this, allowing them to concentrate on the big picture while advisors sort out the details. Freed from day-to-day management, and with reliable expert advice at their fingertips, family members can better combine the wealth of their intellects, inspiration, and experience with that of their fortune, creating more of a chance to add value to both their fortune and to society.*

The MTM Vault helps structure the family for success. The MTM Vault increases your clients control and frees them from the complexity and stress of managing considerable wealth. Strategies that allow you to focus upon big picture management and the integration of tangible and unquantifiable wealth. Tactics that save client time and add to the family intellectual wealth.

*4. Seek excellence in every activity. Some families have closely analyzed their strengths—considering their background, experience or asset mix—and then structured their family (SFO) to capitalize on these. They employ an in-house pool of experts to focus on areas of strength and then, as needed, outsource to tap excellence in other spheres.*

There should be no place for nepotism in a family. Yet some families appeared to be compromising this for reasons of family politics or even penny-pinching. In terms of high net worth families structure, strict separation of function seems to enhance performance. The MTM Vault provides a clear structure to address and avoid any indicia of nepotism. The MTM Vault will develop a family advisory board, Family Constitution and a perpetual estate plan that

incentivizes positive behavior in every future generation. Tactics include elegant, innovative structures and time efficient assessments.

*5. Keep it simple. Many families preside over very complex corporate structures. One single family in our pilot interviews dealt with 200 non-active (holding) companies. This can create problems for family members wanting to supervise, let alone direct decision-making properly. Many simply do not have the time, interest or expertise needed to find the devil in a huge amount of detail.*

The MTM Vault helps to simplify the complex and ensure successful multi-generational wealth transfer. The MTM Vault aims to minimize stress and improve life experience, strategies help decision making processes and provide greater control and tactics include easy to understand, technology applications and traditional pen and paper.

### **SUCCESS OF THE CLIENT-CENTRIC APPROACH**

A client centric approach focuses on the needs of the client beyond their liquid assets and traditional estate planning. Until 2009, data indicates most professional advisors adopted an investment centric approach that was more focused on traditional planning strategies. This approach leaves financial advisors to be judged by clients mostly on investment return. The economic downturn returned many to focus on their assets beyond money which provides an opportunity for financial advisors to add value and expand the nature of your client relationship.

FA Insight, in their book entitled Growth by Design, stated, the "Client-Centric focus is key for sustainable growth".

The following are excerpts of data illustrating how even the most successful, well-respected elevated their business:

*"Wealth management is not just about breadth of product, but also about the depth of information and resources. If your expertise is in investment management, to be a successful wealth manager, you must be willing to step outside the footprint of your current business and expand your capabilities. It's a complicated and frustrating process, but done properly, can deliver impressive results."*

Russ Alan Prince. Recognizing The Opportunity Page 23

The MTM Vault is a client-centric process, that focuses on capturing family assets such as legacy, traditions, life experiences, philanthropy and more while mitigating the 91% wealth transfer failure rate every family faces. In addition, The MTM Vault allows financial advisors to maintain their current technology and planning processes while stepping "outside the footprint of your current business" by incorporating the unquantifiable values of legacy, philanthropy and ones life's experiences.

*“Like a rising tide that lifts all boats, we believe the client-centric shift under way has the potential to enhance the success of all financial advisors as they better serve their clients and increase their clients' satisfaction.”*

CEG Worldwide. The Client-Centric Approach.

*“Knowing as much as possible about your wealthy clients is a step toward higher-quality interactions and more targeted communications and recommendations. The Whole Client Model (Client-Centric Approach), and other similar practices, is at the center of the most successful wealth management businesses.”*

-Russ Alan Prince. Recognizing the Opportunity. Page 47.

Providing the simple, elegant and effective tactics of The MTM Vault will deepen your knowledge and relationship with your clients. In elegant, guided tools, your clients values, desires for their family legacy and the experiences in their life that were most impactful and educational are now a critical aspect of the comprehensive, client-centric planning process.

*“Both previous industry studies and our own anecdotal experience tells us that affluent individuals are most interested in working with financial advisors who provide a comprehensive wealth management experience. That is, they want assistance in addressing the entire range of their financial concerns-not just investments-and they want this assistance in the context of a consultative, long-term advisor relationship. The financial advisors who can provide this wealth management experience are well-positioned to win and keep the business of these affluent clients and enjoy resulting higher levels of success.”*

-CEG Worldwide. The Client-Centric Approach

This excerpt is further evidence that financial advisors adopting a client-centric process that addresses "the entire range of their financial concerns-not just investments-" are enjoying "higher levels of success". We could not agree more, as the research states, even dictates, a families net worth is More Than Money (SM). The unquantifiable assets of legacy and life's experiences are important to your clients.

*“Over the past ten years, the importance of a taking a client-centric approach in order to better serve clients and enhance financial advisor success has become a common theme in the training programs of many financial institutions. Numerous articles and books have been published on the topic. The action behind the argument is straightforward: When financial advisors foster deeper client relationships, they gain fuller knowledge of their clients' financial concerns-including those beyond investment management- and are thus better able to effectively address these concerns. The enhanced client satisfaction that results sets the stage for financial advisors to request additional assets to manage as well as referrals for qualified prospects. What is good for the client is clearly good for the financial advisor.”*

- CEG Worldwide. The Client-Centric Approach

Russ Alan Prince concurs with CEG Worldwide:

*“Anecdotally speaking, wealth managers can be the single point of contact for the broad range of products and services the affluent need. The extent of services delivered allows the wealth manager to become more involved in the client's life and, therefore, more knowledgeable about the client's circumstances, potential problems, and objectives. This heightened awareness can lead to a more consultative and responsive relationship between the client and the wealth manager, which, in turn, leads to higher quality interactions and higher client satisfaction. Ultimately, these enhancements can lead to the wealth manager assuming a more prominent role, having access to a greater portion of the client's portfolio and more business opportunities.”*

- Russ Alan Prince. Recognizing the Opportunity. Page 21.

*“Our research tells a story of an industry shifting-gradually but perceptibly-to reorient its focus on serving its clients well. Some are leveraging the new client-centric focus better than others, but we believe that all financial advisors-and, just as important, their clients-stand to benefit from the shift.”*

- CEG Worldwide. The Client-Centric Approach

The MTM Vault incorporates and enhances your existing financial planning process by maintaining, and not changing, the core of your current business model, while integrating the invaluable assets of legacy, philanthropy and core values of the family. The MTM Vault defines, transfers and helps protect all assets of value for the prospect.

### **WHERE IS THERE AN OPPORTUNITY FOR BUSINESS GROWTH?**

The MTM Vault creates many benefits for financial advisors: creating differentiation from competitors, scaling your core business, increasing residual revenue streams, building valuable multi-generational relationships. The MTM Vault also creates the opportunity to “stand out” in the ultra-competitive marketplace to facilitate an inflow of clients. As an MTM Vault Licensee, you will have the ability to assist families, with turn-key guidance, to define their legacy, core values, philanthropy and valuable life experiences with prospects and centers of influence at the cocktail party or any interaction. The adoption of The MTM Vault will separate your business from your competitors providing a distinct marketing advantage. We also provide our Licensees with professionally designed, personalized marketing tools to tell the story and illustrate the benefits of The MTM Vault to centers of influence, prospects and clients.

Please consider the following data:

*“Our findings have also indicated that although today's affluent want a 'go to' financial advisor overseeing their family's financial affairs, approximately three-quarters don't feel their primary financial advisor is serving in that capacity.”*

- The Oechsli Institute. Affluent Investor Study. Page 17

*“We often hear advisors lamenting the lack of wealthy clients and prospects. It's a pervasive complaint, but an unfounded one. Based on our analysis, there has never been a time nor a place with as many rich people as the United States has today.”*

-Russ Alan Prince. Recognizing the Opportunity. Page 3.

*“...our findings have also indicated that although today's affluent want a 'go to' financial advisor overseeing their family's financial affairs, approximately three-quarters don't feel that their primary financial advisor is serving in that capacity.”*

-The Oechsli Institute. Affluent Investor Study. Page 17.

*“From a prospecting angle, this (client-centric approach) signals another window of opportunity for advisors who are interested in acquiring more affluent clients. If today's affluent investor wants a comprehensive planning approach and isn't receiving it, an ideal opportunity is presented for the financial advisor who is delivering and communicating these services.”*

-The Oechsli Institute. Affluent Investor Study. Page 17.

*“Only 25% of financial advisors are perceived by their affluent clients to be providing a very comprehensive planning approach to managing their finances.”*

-The Oechsli Institute. Affluent Investor Study. Page 2.

The MTM Vault creates a tremendous prospecting opportunity to offer a client-centric, comprehensive platform the are seeking, however, 75% have yet to find. Best of all, and this is so important, advisors leverage their existing relationships to grow their business with The MTM Vault. We allow you to “stay in your comfort zone” and show those in your network of relationships how you have expanded your business.

## **BEST MARKETING TACTICS TO ATTRACT CLIENTS**

The following data supports the marketing tactics we developed for The MTM Vault as being the most effective for securing clients.

### **THE “INTIMATE” SOCIAL GATHERING**

*“When asked which type of client event they would prefer to attend, small social events were at the top for both attendance and willingness to bring a guest.”*

- The Oechsli Institute. Affluent Investor Study. Page 1.

*“Financial advisors should take note; when it comes to inviting today's affluent clients to an event, they are most likely to attend an intimate social event (36%) and to bring a guest (42%).”*

-The Oechsli Institute. Affluent Investor Study. Page 6.

*“55% of elite (\$500K plus income) Financial Advisors utilize intimate social gatherings for introductions to qualified prospects compared to 34% of non-elite Financial Advisors. The elite Financial Advisors obtained a new client with 1 million plus investable assets 58% of the time.”*

-The Oechsli Institute. Affluent Investor Study. Page 8.

Licensees will have access to our step-by-step guidance on how to host a Legacy Dinner from the invitation to hand written follow up notes.

### **FOCUS ON EXISTING RELATIONSHIPS**

*“Personal introductions are the most effective by a wide margin, whereas cold calling and direct mail were extremely ineffective.”*

-The Oechsli Institute. Affluent Investor Study. Page 1

*“Work to develop personal relationships with CPA's, attorneys and other professionals. This goes beyond a simple business arrangement.”*

-The Oechsli Institute. Affluent Investor Study. Page 5.

*“66% of elite (\$500K plus income) Financial Advisors leverage personal and professional relationships for introductions to qualified prospects compared to 30% of non-elite Financial Advisors. The elite Financial Advisors obtained a new client with 1 million plus investable assets 87% of the time.”*

-The Oechsli Institute. Affluent Investor Study. Page 8.

The MTM Vault is a turn-key marketing and planning platform with simple, elegant and effective tactics, a client-centric methodology and defined marketing tactics. We created a turn-key small social gathering to gather prospects/clients in an intimate environment. In addition, Licensees will have marketing materials designed specifically for valuable centers of influence including attorneys, accountants, family office executives, etc. The materials are setting forth why its in the best interests of a center of influence to refer a MTM Vault family to you. Our marketing materials positioning Licensees as an indispensable business asset to centers of influence.

### **THE BELOW DATA SUMS UP THIS RESEARCH SUMMARY PRETTY WELL....**

*“There seems to be a "tipping point" for financial advisors. On one hand, by making the necessary adjustments as suggested in this report (offer a client-centric approach, small social events and referrals from professionals work best for financial advisors to attract more affluent clients), a financial advisor has the opportunity to become the indispensable primary advisor for their affluent clients. This will strengthen the loyalty of these affluent clients, which by itself is statistically significant for acquiring new affluent clients. Loyal affluent clients are very willing to introduce and refer their primary financial advisor to family members, friends and colleagues.*

*On the other hand, this "tipping point" presents a tremendous opportunity for acquiring affluent clients of those advisors who aren't making the requisite changes. The days of the one-dimensional advisor (sells investments, insurance, financial plans, etc.) are over. If history is any indicator, change is very difficult, and many financial advisors, for what-ever reason, will not make the changes necessary to become the indispensable primary financial advisor for their affluent clients. And herein lies a prospecting gold mine for financial advisors who are willing to learn the fine art of selling their client-centric services to these dissatisfied affluent investors.”*

-The Oechsli Institute. Affluent Investor Study. Page 21

For more information on the client-centric platform, The MTM Vault, please visit [www.MoreThanMoneyVault.com](http://www.MoreThanMoneyVault.com) or call 443-857-7050.