

Koch breaks down the barriers

Victoria Young

THE PRACTICE

Boutique practice Koch Financial Services uses clever marketing to break down the barriers built around financial advice.

"In the first instance, many people are wary about seeking financial advice. Something we often hear is that people believe they need a lot of money in order for financial advice to be worthwhile," principal Rod Koch says.

Multiple marketing channels deliver a range of financial planning information to engage new and stimulate current clients in Cairns.

Talkback radio is a particularly effective medium. The firm's second financial adviser, Don O'Bryan, a retirement planning specialist, makes regular appearances providing general information to listeners and promoting seminars.

The practice holds regular seminars in Cairns, Innisfail, Mossman and the Tablelands.

"Our seminar program is very thorough. Rather than just giving an introduction to our practice or pushing a product, the focus is on providing educational information to a targeted audience," Koch says.

Recent topics include the new superannuation legislation, gearing and asset allocation, retirement income streams and social security entitlements, and non-commutable allocated pensions.

"Unless our advice can have a positive impact on an individual's finances, it's not much use – that's why we spend time ensuring our information and advice has meaning for our local market," Koch says.

Koch is a wealth accumulation specialist and O'Bryan is an authority on retirement planning and superannuation.

Referral sources, such as local accountants, send clients to the seminars, and existing financial planning customers are encouraged to bring someone along.

"Don is a terrific public speaker and his knowledge, particularly on retirement planning, is unrivalled in our local area," Koch says.

"He engages with his audiences and has been able to teach me a great deal about the art of public speaking. Together we've been able to establish ourselves and the practice as prominent fixtures in the local community."

Koch is particularly pleased to be recognised as a community figure. He is a proud fourth generation Cairns resident; his grandfather was the first doctor in the North Queensland hub.

Although presentations by expert financial speakers are sometimes requested, Koch and O'Bryan stand by their own knowledge.

Experts could reduce the standing of their financial planning advice in clients' opinions and it could look like the advisers are simply rubber-stamping someone else's ideas, Koch believes.

"For us, marketing is a constant avenue for conversation with our clients, both potential and existing. It provides an ongoing means of engagement, overcoming barriers to present the genuine opportunities financial advice can deliver," he says.

The firm has 600 clients; 80 per cent are retirees. They regularly receive personalised letters and promotional material to keep them informed of wealth creation opportunities and legislative changes.

The business takes material on topics, such as legislation, market returns and current financial issues, from the Charter Financial Planning website and badges it before sending it out.

"One of the worst things we could do is to give the impression of mass-produced messages," Koch says.

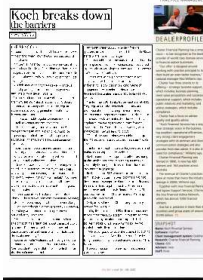
The firm also publishes a quarterly newsletter and maintains a comprehensive website.

Koch Financial Services prides itself on providing quality advice, not product pushing. Its advisers are constantly learning and focus all their efforts on providing quality advice.

Koch began in 1986 working for former insurance firm National Mutual. He then became a business development manager for National Mutual Financial Planning in 1992, a job he held for three years, before he established Koch Financial Services. The business was the first Charter Financial Planning practice in Queensland.

O'Bryan was hired in 2001, having previously worked for Centrelink.

Today the practice has \$65 million in funds under advice and three support staff. Koch plans to grow the business by recruiting more support staff to bolster his back office, enabling the advisers to



maximise their client-facing time.

"We're not going to grow the business by putting on a big sales force. We will grow, but it'll be by bringing people into the practice and training them," he says.

However, he admits there is no firm succession plan in place yet. □

DEALERPROFILE

Charter Financial Planning has a simple vision – to be recognised as the leading provider of world class licensee services to financial advice businesses.

"Our offer is designed around working with practice principals to help them build an even better business," national manager Paul Williams says.

Charter has three strands to its offering – strategic business support, which includes business planning, client value proposition and succession; operational support, which includes public relations and marketing; and advice strategies, which includes compliance.

Charter has a focus on adviser quality and quality advice.

"Koch Financial Services has a very clear strategic vision in the business. It has excellent operational efficiencies, very strong client engagement strategies with its seminars and client communication strategies and also provides first-class advice. It is also A-rated for compliance," Williams says.

Charter Financial Planning was formed in 1996. It now has 420 advisers and 164 practices across Australia.

The revenue of Charter's practices grew at more than twice the industry average in 2006, Williams says.

Together with Axa Financial Planning and Jigsaw Support Services, it forms the Axa Financial Advice Network, which has almost 1000 financial advisers.

Axa has a presence in more than 60 countries and group assets of around \$1295 billion. □



SNAPSHOT

Name: Koch Financial Services

Software: VisiPlan

Client management system: Goldmine

Research: Charter Financial Planning

Clients: 600

Advisers: two

Staff: three