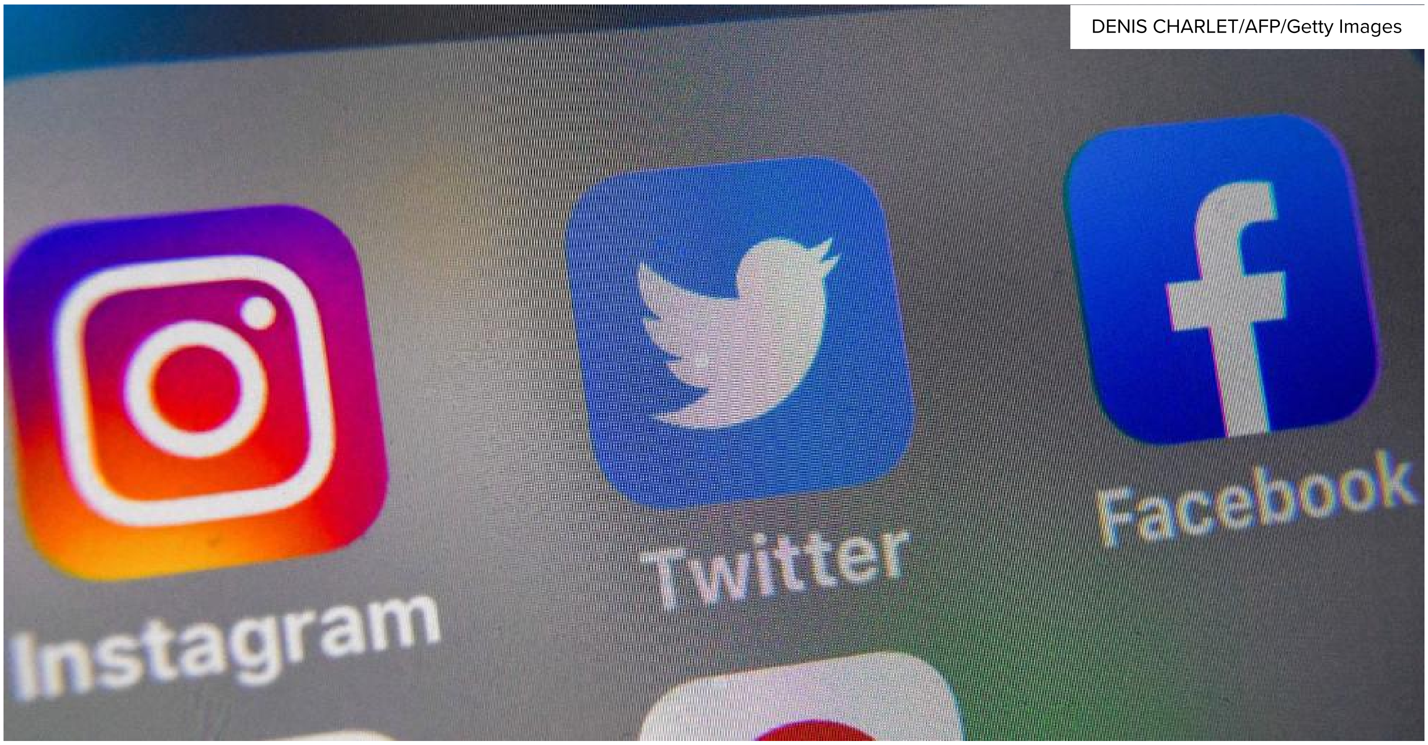

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PRACTICE MANAGEMENT > **MARKETING**

Social Media Study Shows Older Advisors are Savvier on Social Media Than Younger Advisors

Younger advisors may be social media natives, but a recent survey finds experienced advisors are more apt to use the platforms.

Asia Martin | Nov 14, 2019

Advisors with five to 20 years experience are savvier on social media than younger advisors, at least that's what a study by American Century Investments says.

ACI, a global asset management firm, surveyed 301 financial advisors from broker/dealer, independent B/Ds, and registered investment advisors in 2019 about their social media usage .

What isn't surprising is the increase in the amount of advisors implementing social media. The study found 57% are using the platforms, compared to 25% nine years ago.

It's also not surprising that advisors who are not using platforms like Facebook, Twitter and LinkedIn are staying away because of compliance-related reasons—real or percieved.

The surprising news is who reaps a better harvest from their social networking efforts.

According to the ACI study, 85% of advisors with five to 20 years of industry experience use social media for work. Only 44% of advisors with less than five years of exprience are doing the same thing.

In fact, four out of five of the advisors with medium tenure had scheduled a meeting with someone through social platforms. The same number say their social media activity had increased their assets under management in the past year.

So if social media works as a marketing tool, shouldn't the most saavy social media users—generally speaking, younger advisors just starting out in the business—be taking to it in droves? Why are more than half staying away?

ACI's vice president of client marketing, Diane Gallagher, said that perhaps new advisors are comfortable with social media personally, but not as comfortable with social media for business, and they make a distinction between the two arenas. Plus, it doesn't help that many young advisors may not have received social media training or guidance from their firms.

“The more experience you have, the more confident you are in saying things, perhaps even the more creative you can be in saying things," across social media, says Douglas Boneparth, president of Bonafide Wealth in New York who has been in the business 15 years, and is an active presence on social media with 29,000 Twitter followers and nearly 4,000 LinkedIn followers. “You get 280 characters to say something plus an image, or a gif of your choosing. So, when you’re limited in the space you have to convey a message. I’d argue that this where that experiential component will come into play.”

“I could see younger advisors with less experience and less understanding of the rules being timid about it,” he said.

In other words, when people are aware of what they don’t know, they tend to talk about it less, until they get more clarity, which leads to more confidence. The study found 41% of advisors of all experience levels who don’t use social media say they fear making a mistake.

Boneparth believes these less experienced advisors can still build a brand on social media. He suggests newbies use their early years to figure out how they want to position themselves, or even whether they want to use social media to market at all. If an advisor does decide to use Twitter or LinkedIn, he recommends that they keep it authentic and funny. While new advisors may see a difference between social media for work and for their personal life, prospective clients don't make that distinction; it is, after all, a relationship-based business.

“A lot of the times the winning content is humor, and linking what’s going on with pop cultural references,” said Boneparth “The more you stick with it the more you figure out what works.”

Rookies playing it safe by choice or force (i.e. compliance), however, should not overestimate what taking the plunge would do for their business. Even with his robust social media following, Douglas has only received two or three clients this year that signed up for his fee-only financial planning services.

“Getting clients from social media, or any kind of media, is incredibly difficult. It’s not like a flood gate opens,” he said. Boneparth has made a side-hustle out of blogging and speaking about his experience and strategies using social media.

Kashif “Kash” Ahmed is an LPL Financial broker and investment advisor with 15 years of experience. Based in Bedford, Mass., Ahmed has a decent following on Twitter with 600 plus followers , over 1,700 followers on Linkedin, and says he’s managed to pull in two clients and $2 million in assets from his presence on social media. Social media may be one brick in the path to his door, but it's not the only one.

“For opinionated people like me Twitter was a godsend,” he said. But Ahmed, who is the founder and president of American Private Wealth, uses social media to get his personality out there and to educate his clients. He considers social media the first impression for prospects, so they know basically who they’re getting before he even meets with them. He also sees it as a frequent touchpoint with all of his clients, since he may not meet with them often.

“Throughout the year we may talk to a client once, but they see me everyday on LinkedIn and Twitter,” he said. “Financial advisors are really mistaken when they think clients and prospects connect with their profiles. We’re human beings. We connect with other people.”

Social media can act as an accelerant for financial advisors' traditional referral networks, says Ahmed. He only meets with prospects who have been introduced to him via a mutual connection - and increasingly, that connection is found over social media. When a prospect who like Ahmed came to his office and asked to become a client, Ahmed encouraged him to see if they had a mutual connection on LinkedIn that could vouch not only for Ahmed, but also for the prospect. It turned out there was and that connection made the introduction.

Ahmed doubts most advisors, new or experienced, are using social media in an effective way.

“If I were a client and I hired a planner, I’m not interested in some white paper. I’ve already trusted you with my money—just take care of it. What I am interested in is your life, and what you are doing on a day-to-day basis,” he said. Instead of whitepapers or canned marketing content that some advisors may use to compensate for a lack of experience on the platforms, Ahmed posts photos of experts and associates he works with as one way of showing what he does for his clients.

But even experienced advisors with large social media followings, with tweets that go viral, have never received a new client from the medium.

George Papadopolous went "Twitter viral" after his controversial namesake in the presidential administration pled guilty to charges brought by the FBI over Russiagate. The firehose of attention he recieced promoted him to pin a tweet to his timeline that he was “not Trump’s foreign policy adviser ” in 2017. That lead to an opportunity to go on The Daily Show with Trevor Noah (turned down because of a scheduling conflict) and it added 2,000 more followers to his account. He was also interviewed by several news outlets. Papadopoulus, who is located in Novi, Michigan, said he’s had multiple prospects ask him to be their advisor on Twitter, but none turned out to be a good fit for his business.

He has, however, gotten clients from his *Wall Street Journal* column, he says, showing that social media is fine, but sometimes, traditional media still carries more weight.

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