Ep #263: The Power Of The Niche: Strategically Marketing To Your Ideal Client To Accelerate Your Firm's Growth, The Career of Levi Sanchez

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Full Episode Transcript

With Your Host

Maddy Roche

XYPN Radio with Maddy Roche

Ep #263: The Power Of The Niche: Strategically Marketing To Your Ideal Client To Accelerate Your Firm's Growth, The Career of Levi Sanchez

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Narrator: [00:00:01] Join your host, Maddy Roche, as she brings you into a community of fee-only financial advisors who are successfully building profitable businesses that serve the next generation of clients. Learn from innovative advisors whose unique stories will inspire you to dream big and take action on your goals. Are you ready to live your best life and help your clients live theirs? Then you're in the right place.

Maddy Roche: [00:00:24] Hello and welcome to this episode of #XYPNRadio. I'm Maddy Roche, your host. I'm honored to have XYPN member Levi Sanchez, founder of Millennial Wealth, a fee-only firm in Seattle, Washington on the show today, Levi started his career out of college at Merrill Lynch through their advisor training program. Although he only spent about three years there, he speaks highly of the experience and credits it for training him on establishing real personal rapport with clients. After starting his CFP® curriculum and leaving Merrill, he decided to open up his own RIA with a then-business partner, both when they were just in their mid 20s. Although the partnership only lasted for about a year, Levi serves over 60 clients today on his own. Embracing technology and outsourcing where he can. Levi talks a lot about his marketing strategy and how his commitment to his niche - tech professionals in the Seattle area - has helped keep his focus narrowed. Thanks to his early interest in content creation and SEO, Levi gets over 4,000 unique visitors to his website every month and has intro calls with upwards of one percent of them. Levi is also Native American, and he shares his perspective on how the lack of financial education keeps different populations out of the industry, both as practitioners and as clients. He talks about how he's committed to ongoing professional development and, despite starting his firm at barely 25 years old, how great of a profession this can be for folks who are looking for a really meaningful calling. If you're a young planner and you're considering starting your firm, you won't want to miss this episode.

Maddy Roche: [00:02:01] Avocado toast. Selfies. A mountain of student loan debt. Gen Y is anything but traditional, and with over seventy five million people, it's a population you don't want to ignore. Learn more about how to serve this unique population in our guide called "Attract and Profitably Serve Millennial Clients in your RIA." Discover three key ways to tap into the millennial market and six things that they want from their financial advisor. Visit xyplanningnetwork.com/millennials for your free copy.

Maddy Roche: [00:02:33] You can find any of the resources we mentioned during this episode at xyplanningetwork.com/263. Also, be sure to go to xyplanningnetwork.com/VIP to join our private group just #XYPNRadio listeners. It's the community of advisors we've all been looking for that's there to provide support when we need it the most. Best of all, it's free! I encourage you to check it out again. That's xyplanningnetwork.com/VIP. Without further ado, here's my interview with Levi Sanchez.

[00:03:01] -- swish --

Maddy Roche: [00:03:01] Hi, Levi. Welcome to #XYPNRadio.

Levi Sanchez: [00:03:05] Maddy. Thanks so much for having me. I'm really excited to be on the show.

Maddy Roche: [00:03:09] I am, too. I think you've got so much to offer our listeners; your story's inspiring and, of course, you've built a great firm, so let's dive right in. Levi, why don't you introduce yourself to our listeners, please.

Levi Sanchez: [00:03:22] Yeah, my name's Levi Sanchez. My firm name is Millennial Wealth, LLC. I reside in Seattle, Washington, and I primarily work with younger individuals and families and in the tech space here in Seattle.

Maddy Roche: [00:03:39] Awesome, and Levi, when did you start your first?

Levi Sanchez: [00:03:44] Yeah, I started laying the groundwork for the firm and doing the business plan and all those types of things in May or June of 2017 with the firm officially launching and being able to service clients in December of that year.

Maddy Roche: [00:04:02] Okay-

Levi Sanchez: [00:04:02] So about December of 2017.

Maddy Roche: [00:04:05] Alright! So you've got some good years under your belt. Levi, I want to go back in time to when maybe your first thought financial planning started popping up into your head. Can you tell the listeners what your educational background was, what your academic pursuit was prior to starting your firm?

Levi Sanchez: [00:04:21] Yeah, definitely. So I'm still relatively young in the industry, so I can go all the way back to, you know, right out of college, which for me was about six years ago now. I started- I went to college at Washington State University with the idea of studying agriculture and agricultural economics and eventually going into the family business in agriculture. But after about the first year of studying that, I had other interests and ended up going a different route and it ultimately led me to graduate with a degree in management information systems, which still isn't anything- it doesn't have anything to do with finance, but I eventually found my way into a internship out right out of college at Merrill Lynch through a connection with a family friend who made-made an introduction to a gal there that I eventually worked full time under. So that's really where I got got my feet wet in the industry was in that internship with with Merrill Lynch and where I really started to fall in love with the financial planning industry.

Maddy Roche: [00:05:39] Awesome, and you are young. And for you to say that, I think is smart because there's a lot there. There's so much potential in this industry to capture some of us young people to enter it, and I'll have lots of questions about why this is a great profession for young people. But I'm wondering that jump in Merrill Lynch, it doesn't sound like you were studying finances in college, so I, there, I was there as well, where, you know, you're about to graduate and then you realize you need a job. What went into your decision to going to Merrill Lynch and not say another RIA?

Levi Sanchez: [00:06:13] Yeah, great question: so I had a couple interviews at the Professional Career Day that they have, you know, in coll-, at coll-, at the college campus, and one of the firms or one of the interviews, I should say, was with us, a firm out of Oregon, and they were hiring for a client assistant type role; I didn't really have any idea what what that actually meant, but they ended up denying my application, but the more and more I kind of spoke with them and did research into the industry, the more I wanted to get into that industry.

Maddy Roche: [00:06:56] Hmm!

Levi Sanchez: [00:06:56] And I realized the easiest way for me, at least because having no experience up to that point, was going to be an internship, and so I leaned on just personal or professional contacts that already had. And that's what kind of put me in touch with someone that. Merrill Lynch. Yeah.

Maddy Roche: [00:07:13] Awesome. Talk to us a bit about that training program because I actually was doing my research about the CFP® and I ran across Merrill Lynch back in the day and it seemed to have like a full blown program. I'm interested in what the curriculum was, what-what were you paid, if anything? Why was it an attractive offer to you?

Levi Sanchez: [00:07:32] Yeah, so the- their program, so after my internship, I got offered the full time job into their program, which used to be called the PND program - Practice Management Development is what I believe it stood for. They may have to changed that now, but I think the guidelines are still relatively the same. So it really focused on getting new advisors up to speed in their sales process and learning their products and learning, you know, the general outline of how they work with, work with clients, so I... But they, but I think the most valuable thing that I learned from that program and what that program teaches is that people skills, so just that sales process or being able to communicate with clients and things like that. I don't think I would be able to do what I did on my own without that kind of experience, because that's just something I don't think you necessarily learn on your own. You have to kind of go through that repetition and work with with clients on the day to day basis to kind of let in those things.

Maddy Roche: [00:08:43] Yeah, I love that, that there's almost this softer skill set that you need to develop that that sounds like Merrill Lynch was able to support you in and that the academics is one thing. Learning how to be a good financial planner is one thing, but the actual experience of picking up the phone, sitting across the table, explaining the subtleties of that relationship... Did you feel like it was, it was, it helped your ability to work with people?

Levi Sanchez: [00:09:09] Yeah, 100%. So we're on the team, so I was actually a, part of a team as well there, so I wasn't necessarily on my own having to, you know, bring in new clients necessarily on my own.

Maddy Roche: [00:09:22] Okay.

Levi Sanchez: [00:09:22] But I had a team supporting me and that I've worked with, and that's really where it kind of took it to the next level was being able to learn from the older advisors and learning, you know, just sitting in on meetings with them and learning from them and how they just communicate with people or with clients. So that was, yeah, huge.

Maddy Roche: [00:09:43] Yeah. What did you see there that prompted you to think that this was a long term career path for you?

Levi Sanchez: [00:09:50] Yeah, I think I just love the interaction with people -

Maddy Roche: [00:09:55] Mhmm.

Levi Sanchez: [00:09:55] - and being able to kind of see the positive impact that we could have on on their lives. And I'm also a huge, a huge numbers guy, so it's just kind of fun being able to dive into the investment side of things or building the process of, actually like building financial plans and kind of seeing how things play out: if you if you do one thing, how does this impact your plan and vice versa. So I really love kind of the analytical side of it as well.

Maddy Roche: [00:10:23] Yeah. And where did you get that academic education? Did you pursue the CFP® while you were at Merrill?

Levi Sanchez: [00:10:29] Yeah. So a lot... So Merrill being a broker dealer, you have to get your license. So FINRA Series 7 and Series 63 I think is what it was. There's two licenses I had to get, including my insurance license -

Maddy Roche: [00:10:45] Ah.

Levi Sanchez: [00:10:45] - so that was know very baseline, I would say very, very baseline education. And then I started the CFP® after that. So I did probably four, three or four of the modules while I was at Merrill and then completed the CFP® program actually after I left.

Maddy Roche: [00:11:05] How did you finance the CFP®?

Levi Sanchez: [00:11:08] So Merrill paid for those modules while I was there and -

Maddy Roche: [00:11:13] Awesome!

Levi Sanchez: [00:11:13] - they would have paid for the whole thing if, if, you know, I'd stayed there. And then when I left, that was just something I had to finance myself - those last two modules.

Maddy Roche: [00:11:24] What was the incentive to get the CFP® while you were at Merrill? Were you hoping to stay there? Was Merrill hoping that you would stay there? How would you use your CFP® if you had stayed there?

Levi Sanchez: [00:11:35] Yeah, I think there was less of a push, honestly, to get the CFP® while there. And that, again, that may have changed. Up to this point or today. But yeah, it was really my desire to get it. When I left and get that, those symbols after, those letters after my name for the credibility, being a younger person, starting their own firm, you know, who's gonna trust this guy? So, so that really helped. I think with the credibility side of things... And my confidence, so my own confidence in believing that, you know, I do offer a valuable service to people who need it or need financial planning help. So, yeah, I would say it was more desire out of my own to get it after at least after I left.

Maddy Roche: [00:12:20] Yeah. Great. And I would think that as someone who didn't study it in college, I'm always amazed at the number of folks that come out of college at the CFP® now! What-what an incredible opportunity. But for those of us that went after it afterwards, the-the CFP® really does establish a lot of confidence in your ability to serve clients. So tell me, once you left Merrill, what was your plan?

Levi Sanchez: [00:12:46] Yes, so I'll backtrack just a little bit here. I think what we're what's important for, at least in telling my story, was why I eventually ended up deciding to leave, because I think it resonates with a lot of other younger advisors, too, or people looking for their their path or their direction with their career in this industry. But I didn't think and or nor was there a clear path set out for me and how I would kind of grow within that team. You know, how. What's the next steps here? Where do we go from here? Now that I'm done with the program and how do I grow? And it was very kind of blurry with basically you bring in your clients and you service those clients and you grow. And that's not really what I wanted. I wanted more of a team approach to it because I saw I thought there is more value for clients from a team approach or just doing things a little bit differently. But long story short, that kind of led me to eventually leaving and deciding to go go the route of starting my own independent firm.

Maddy Roche: [00:13:57] Wow. I want to I want to hear more about where this idea came from. And I think it's a really good point that you make that whether it be Merrill or another RIAA, it's so important to show young, passionate, driven employees what their path is and that there is even a path. I know so many people get themselves in a position where they just don't see their future. And all you have to do then is to think about how to create it yourself. So it sounds like you took it upon yourself to do that. Tell me about where did you get the idea of starting your firm?

Levi Sanchez: [00:14:32] Yeah. So it was actually very early on. It was it was a joint approach. So I had a business partner partner starting out and he actually approached me after seeing a blog that I was writing for as a personal finance blog that I had started -

Maddy Roche: [00:14:51] Cool.

Levi Sanchez: [00:14:51] - a website. And he had kind of approached me about the idea of actually launching a full blown right. Because actually, right after leaving Merrill, that it was still kind of up in the air or exactly what I was going to do. So when he approached me, we we we said, yes, let's do this. Let's write the business plan and get and get started. And so we know, like I said before, we launched in December of twenty seventeen.

Maddy Roche: [00:15:19] And may I ask how old your other partner was at the time.

Levi Sanchez: [00:15:22] Yeah, he is or was two years older than me I believe. So we're both both on the younger side. So, yeah.

Maddy Roche: [00:15:29] Alright. And what was that registration process like for you? I imagine it was a totally new world and somewhat of a new language, considering the new space from the broker dealer. What was that like getting yourself registered?

Levi Sanchez: [00:15:43] Yes, so we joined XYPN actually, before we were a registered RIA and XYPN was honestly instrumental in us getting started from a legal document standpoint, so just thinking of the ADV or the client agreement form, you know, being able to use templates or getting assistance from your consultants XYPN there was-was huge because we would not definitely not have been able to do that on our own or if we had, I'm sure several mistakes or just the amount of time that we'd have to put into, into that would have delayed our launch date much, much further.

Maddy Roche: [00:16:30] Yeah. Can I ask her, do you recall what was your financial situation when you decided to start your firm? We talked a lot about kind of being ready to do this. When when you start at XYPN and we talk a lot about not just the financials, but just making sure you're in the right headspace, you've got the support you need. Where were you when you made that decision? And did you did you feel like in hindsight it was where you needed to be to go after this?

Levi Sanchez: [00:16:56] Right. Yeah. So I set aside a good chunk of cash before leaving Merrill Lynch for this purpose so that I would have the ability to, even if it took six to 12 months, to find my next job or which what I was going to do next. That I was going to be OK. So the majority of that ended up going into the business and starting a business and which which can be done. You know, from from XYPN guidance, like at a very cheap cost, maybe. And then what you could do 10 years ago even. So I did have a good you know, what we can call it an emergency fund set aside. And then I'll be completely honest. But I do. I'm also a tribal. Member of the Confederated Tribes of Grand around in Oregon, and I get a small, you know, quarterly relet, I guess I shouldn't call it small because it is helpful. But it checked every quarter that helps kind of sustain the living expenses during this time. During this period of time.

Maddy Roche: [00:18:03] Yeah. Wonderful. I'm wondering and you can go into it as much as you'd like, but what were the decisions around the partnership and how did you structure that? I I'm sensing that we will have more and more partnerships over the years at XYPN. Just because to your point, being on a team is kind of fun. But when when you think about it, another advisor is starting a firm and then considering doing it with a partner, what what hesitations do you have? I know you're no longer with your partner, your business partner. What-what advice do you have around that?

Levi Sanchez: [00:18:38] Yeah, I think the biggest thing I can list, the pros and cons is having gone gone through a partnership and then now both of us being off on our own. I think the biggest thing that we did well initially was we we had kind of clear, dusty emotions of what our day to day look like initially. So this was before before we had, you know, several clients to service or before our marketing channels were really working well. So I think we did a good job of that. However, the longer term planning, so what we didn't do so well, the longer term planning, business planning, you know, understanding each other's personal situations and how much time or effort or finance financial support we can give the business. Those things we didn't dove into as much in. Those were those things are just as instrumental in our partnership over the course of time as as those initial conversations that we did. But the biggest part that I learned from a partnership that I would share with any new advisors or advisors looking to partner would probably be just try-try to be as open, honest and transparent about your situation and the business planning and all of those things from the get go. So doing one year, three year, five year, 10 year plans and trying to brainstorm any hurdles that you might come up that might come up within the partnership during that period of time. And it's a very hard thing to do to anticipate those things. But if you can get ahead of them beforehand, you know the better.

Maddy Roche: [00:20:30] Yeah, absolutely. So today you are a solo partner, as we call it, to your servicing clients on your own. How long after the partnership did you wind down the partnership and then pursue this on your own?

Levi Sanchez: [00:20:45] Yes. So it was a little over a year, if we start to talk about from when we started working on the business plan. So I believe we ended up parting ways in November of 2018 around that time period of time.

Maddy Roche: [00:21:04] Okay, and in 2018, did you have clients at that point or did you really begin this again on your own?

Levi Sanchez: [00:21:12] Yeah, we probably had... I would guess, somewhere between 15 to 20 households, and the way that we were kind of splitting things up in terms of relationship management or client management was, you know, if someone comes in, you take you take this prospect off, I'll take the next and so on and so forth. This kind of splitting leads down the middle. So, yeah, we were probably at about 15 to 20 households. And and when we went through this split, you know, naturally, the clients that my former partner was working with, he took those with him. And then I ended up maintaining the ones that I was working with.

Maddy Roche: [00:21:57] Great. So let's fast forward to today. How many clients are you servicing?

Levi Sanchez: [00:22:04] We're at about. Err, I'm at about 61-62 households.

Maddy Roche: [00:22:11] Wow, Levi! That is a lot of households and that is big major growth over the past couple of years. Talk to me about what it's like to service 60 clients. Just are you... Do you feel like you're hitting capacity?

Levi Sanchez: [00:22:26] Yeah, it certainly has been a period of fast growth and I've had to outsource for other areas of the business so that I can focus more and more -

Maddy Roche: [00:22:37] Hmm.

Levi Sanchez: [00:22:37] - on, on clients and, and what-not. But that's you know, that's ultimately what I wanted to do anyways, was spend most of my day-to-day work directly with clients or new clients, so I'm happy to outsource area, other areas, the business, so that I can do it.

Maddy Roche: [00:22:55] Hmm.

Levi Sanchez: [00:22:55] And now that, now that I'm servicing about 61-62 households, you know, it makes, it more feasible from a revenue standpoint to be able to outsource some of those other areas. But yeah, it's, it was an adjustment. You know, there was some months where I was taking on too many, onboarding too many at one- at a time where, you know, I just felt stressed out and I don't think there should be hesitation on my end or for other advisors who are experiencing that sometimes rapid growth to put a cap maybe on how many you taking each month or maybe spread out your meetings a little bit more and I learned, had to learn to do that as well.

Maddy Roche: [00:23:38] Wow. Did you end up putting a cap on? Or a waitlist?

Levi Sanchez: [00:23:42] I haven't used a waitlist, so to speak, but I'll just instead of saying, you know, "it'll take me a week from March 2nd or 3rd meeting to finish your plan and we'll reconvene then. Let's get a meeting on our calendar", instead, I'll say, "you know, this is a rough outline of when we might be done with your initial plan" and I'll extend that date out to maybe a month and a half instead of like three weeks, so I'm a little more lenient or- on how quickly we'll go through the process.

Maddy Roche: [00:24:11] Mhmm. Mhmm.

Levi Sanchez: [00:24:11] The initial process.

Maddy Roche: [00:24:16] I'd love to hear, Levi, what your marketing has been and what's driving so many clients your way. You want to give the listeners kind of an overview of where you are and where people can find you.

Levi Sanchez: [00:24:28] Yeah, yeah. So, as I mentioned, one of the... How I actually got connected with my partner was through a personal finance blog that I started prior to even launching the firm and that, that was, the inspiration was just wanting to educate more people about personal finance. And then secondly, I love the idea of inbound marketing, earning money maybe from ads, things like that, that that was the idea behind the blog. Obviously with the, with the RIA, now I don't have ads on my website or anything like that, but the idea is to drive traffic to the website, X amount of visitors gets you X ad dollars, affiliate marketing, that kind of stuff. And that led me down the path of researching SEO and really how to optimize that. So I learned a lot, a lot about SEO and content marketing early on and applied that then to the RIA and the, and the free, you know, blog that I have on the website now.

Maddy Roche: [00:25:40] Yeah, absolutely. Your, your website - I mean, everything from the name of your firm, Millennial Wealth, to, to how clear your pricing is on your website. I mean, it's, it's a really well-packaged proposal to these prospective clients. Do you have any idea what your stats are in terms of close rates for the folks that are contacting you? Do you have a way of tracking how successful your conversations are?

Levi Sanchez: [00:26:08] I would, but I'd have to spend time to really see, so I- off the top of my head, I could say I probably get on average now about 3,000 to 4,000- That's a big range, but to 4,000 unique visitors to my website per month.

Maddy Roche: [00:26:27] Wow.

Levi Sanchez: [00:26:27] Of those 3-4,000, let's say, you know, it's, it's less than 1% schedule a meeting. So even if it's 1% per year though, that's about 360 meetings per year. That's still on the higher end, but, you know, you only need, let's say, half a percent to schedule those meetings. And with that amount of traffic, if you're mark-, if your, if your copy on your, on your website is directed to the right people and the right people are visiting your website, you should have good leads or good prospects to meet with. But, yeah, I don't, I don't have my conversion rate really figured out. Again, my focus was just really on: am I getting the right people in front of me? If I'm getting the right people, I should be getting new clients. If I'm getting new clients and then I'm happy. (laughter)

Maddy Roche: [00:27:21] Yeah. And so I've heard you say "we" a couple times, and I know you are no longer with your business partner. Do you have a team that you're currently working with?

Levi Sanchez: [00:27:33] So I've, I've tried a few iterations and I, I know I say "we" - it's almost as if I think of the entity of Millennial Wealth as another person.

Maddy Roche: [00:27:43] I love that.

Levi Sanchez: [00:27:43] So sometimes when I say "we" (laughter) I think of Millennial Wealth and myself.

Maddy Roche: [00:27:48] Yup.

Levi Sanchez: [00:27:49] But I've had a couple other, you know, I've mentioned outsourcing some work to people, so I did have a virtual assistant for a while or virtual assistants, bookkeepers, I've worked with XY Tax Services now. so when I say "we", I think it's a collection of the people and the services that Millennial Wealth can provide.

Maddy Roche: [00:28:10] Great, I too use "we" as if -

Levi Sanchez: [00:28:13] Yup.

Maddy Roche: [00:28:13] - I was an advisor. I am, I am not an advisor, but it's a, it's a nice way of being inclusive.

Levi Sanchez: [00:28:21] Yep.

Maddy Roche: [00:28:21] I'm so, Levi, impressed with the number of folks that arrive at your website and just how well packaged everything is. I'm wondering: how much do you credit your niche towards your growth?

Levi Sanchez: [00:28:35] I think my niche has been huge for the, for the growth of the firm. When I think of my marketing or, let's just say, yeah, my content marketing, so the blogs, the videos, the reporters or quotes that I give to other websites or, yeah, reporters, everything I do is centered around "would my ideal client or prospect have a question about what I'm writing about or what the answer I'm providing or the quote I'm providing?" and if so, then, then it's worth doing it in my eyes. So, so it's always been you know, everything I do is about that ideal prospect or client, which, which is somebody that's young, has a family or is about to start a family and works in the tech industry in Seattle. And really hammering down that message, I think, allows current clients to refer easier because they know -

Maddy Roche: [00:29:41] Mmm.

Levi Sanchez: [00:29:41] - exactly what you do. Too, it's when someone goes to Google - "what should I do with my RSUs?" - into Google, I'm one of the first, you know, websites to pop up there.

Maddy Roche: [00:29:53] Oh!

Levi Sanchez: [00:29:53] That's, that's huge. So that all, it all kind of ties back into that SEO strategy too; it's all, you know, kind of inter-tangled, but the niche is the, is 100% a part of that growth.

Maddy Roche: [00:30:09] Absolutely, and, and that sets the bar high. When you ask yourself that question: "does this actually answer a question my ideal client wants to know?" You really end up being able to filter out a lot of the noise. Do you think so?

Levi Sanchez: [00:30:24] Yeah. 100% because if I, if I think, you know, if I started the business just saying I'll serve, serve anybody and everybody, there's just, you know, sure, I can probably do plans for anybody and everybody, but am I really going to be the best for that particular client? Like when I think of a new physician that just recently graduated the residency -

Maddy Roche: [00:30:48] Mmm.

Levi Sanchez: [00:30:48] - and I've had it all, you know, reach out to me and I think of all the hours I would have to put into learning specifically like their student loan situation -

Maddy Roche: [00:30:59] Mmm.

Levi Sanchez: [00:30:59] - and how that's different than someone in the tech industry. Other than me spending the time to do all that, I know someone else and XYPN can serve them better and vice versa. Maybe some other advisors will think of me instead of working with the client that may not fit their niche.

Maddy Roche: [00:31:17] Right! I think that, that there's such evidence of the abundance mentality that so long as you're clear on who you're looking for -

Levi Sanchez: [00:31:24] Right.

Maddy Roche: [00:31:24] - it certainly isn't everyone!

Levi Sanchez: [00:31:26] Right.

Maddy Roche: [00:31:26] And the ability to, to actually have some references in your back pocket that you can give to prospective clients, what a value-add, even if you're not servicing them to be able to say, "actually, no, I do know someone that that actually works with other people in their hospital." Things like that how helpful -

Levi Sanchez: [00:31:41] Right... Yeah, 100%.

Maddy Roche: [00:31:44] I'm wondering - why do you do this work, Levi? What, what is it about working with these clients that feeds your soul?

Levi Sanchez: [00:31:51] Yeah. So for me, I think what I enjoy most is, is, you know, after completing that initial plan and having worked with the client through a few meetings and really getting to know them, seeing their face light up when they, when you show them the path ahead. You know, we all, we don't we all don't like uncertainty; we like being told, like, this is gonna be okay. This is how we get where we want to be, and being able to do that for clients is, is awesome. And I know for younger professionals, obviously, that's different. It's a different conversation than what I was having while I was at Merrill working with, like retirees or pre retirees where really the conversation is "do I have enough money for this to last?" With younger professionals, you know, it might be, "do I have enough funds to buy a house? Am I- Do I have enough funds set aside to have a baby and grow my family? And are we- or do we have insurance policies in place if something were to happen to me" or... you know, things like that. And being able to, to help people with those, those a big, bit questions -

Maddy Roche: [00:33:04] Mmm.

Levi Sanchez: [00:33:04] - is awesome, I think.

Maddy Roche: [00:33:06] Yeah, absolutely. I'm wondering: what do you do for continuing education, Levi? Considering you may be in this profession, you may have this business for another 40 some years! What are you doing actively to remain relevant and helpful to your clients?

Levi Sanchez: [00:33:24] Yeah, I think it's important, too, so for my niche working with the tech industry within the tech industry, a lot of clients are compensated with equity. So whether that's RSUs or stock options or maybe they have ESPP plans, those are very common questions or situations that I come across, so I always want to make sure I'm at the top of my game when it comes to understanding how those plans work or the tax implications of those types of things, so I been a member of MyStockOptions.com and they have a lot of great content that you can read through that they produce, you know, weekly almost or monthly. So just staying on top of your game within your specific niche and the services you need to provide that niche, I think it's huge. And then I've also spent time looking at other designations above and beyond the CFP®. So probably about a year, year and a half ago, I also got my Behavioral Financial Advisor™ designation, which focuses on the behavioral side of personal finance or investing, so it was a really unique take, or unique study material that I think has also helped me a lot in servicing my clients.

Maddy Roche: [00:34:51] Wow, I haven't heard of that. The Behavioral Finance designation. Can you tell us a little bit more about that?

Levi Sanchez: [00:34:57] Yes, and it's, it's a pretty qui- relative to the CFP®, I think it's a pretty quick designation to pick up. It was through Kaplan. It only took about a month to a month and a half I want to say, looking back, but it, it, it also gets you, you know, continuing education credits for the CFP®, so that was part of the reason that it's also to go after it, I might as well get another designation along with the CE. But, yeah, it's, it's, it does, it focuses a lot on biases - you know, how does our innate human emotions impact our ability to invest and invest well or to -

Maddy Roche: [00:35:40] Hmm.

Levi Sanchez: [00:35:40] - manage our personal finances? So it's very interesting and very applicable, I believe, to working with clients.

Maddy Roche: [00:35:48] Fascinating. Have you seen that using those tools has changed the way your clients respond to you?

Levi Sanchez: [00:35:56] Yeah, it definitely has, and I think it's come into use with the recent downturn that we've had in markets or the market volatility because investing in personal finances, I think a lot of it has to do with perspective. So we, we all have a perspective in terms of our, let's say, investments built upon our experiences up to that point or maybe our education up to that point. So if you can help your clients change their perspective, that will go a long ways to helping them succeed as long term investors or achieve their goals, and what I mean by "changing that perspective" is really helping them understand what biases they might have or, or when it comes to their investments or -

Maddy Roche: [00:36:53] Hmm.

Levi Sanchez: [00:36:53] - giving them that long, ability to truly see their portfolios a long term investment, instead of focusing on what's currently going on on the day-to-day or month-to-month in their portfolio.

Maddy Roche: [00:37:08] Awesome. I, I can sense and I, I see you know your expertise in your area and you've definitely done a lot of work in here. I'm asking for any of the younger advisors that are listening to this: how do you deal with "imposter syndrome"?

Levi Sanchez: [00:37:27] Yeah, I think, I think, you know, the confidence piece is big, so when I, I guess going back to getting the CFP®, that really helped me personally with the confidence side of things: knowing that this you know, I put a lot of time in, I got through all the education, I passed the test, I know these things, I can provide a valuable service, and just trying to reiterate that, whether through, through continuing education or, yeah, just trying to stay on top of your game with any new laws, tax laws, anything like that, or adding to your services. So I'm always looking to add or improve the services that I already offered clients, I think can help kind of combat that.

Maddy Roche: [00:38:18] Yeah, and I think your your self-awareness that you mentioned a couple answers ago about just referring people out that aren't right for you, that you can't you can't have an expertise in everything, you can't, you know, you can't be "a mile, a mile wide and an inch deep" on things, and so even just recommending that, you know, use your clients seek out advice from someone else is a testament to hear your professional growth and comfort.

Levi Sanchez: [00:38:45] Right. Right. Yeah. And one of my favorite... And I have totally blank on where I read this or who I heard this from, but you don't have... To be an entrepreneur, you don't have to have a novel idea; you just have to maybe execute on that idea a little bit better than someone else. And, by having a niche, that allows you to really perfect those services for that specific niche and hopefully allow you to do a little bit better than some other advisors out there.

Maddy Roche: [00:39:20] Mhmm. When people choose their niche, they often want to choose people that are like them and they want to work with clients that are similar to them or, or at least interesting to them. Which came first for you? Was it, was it you being based in Seattle, kind of the tech hub of our country, or did you always have an interest in talking tech and working with RSUs and things like that? Which came first?

Levi Sanchez: [00:39:45] Yeah, I think, I think I've always had an interest in tech, so I've always been a techie in terms of, you know, computers or video game or whatever it might be. I've always been really interested in tech, and I think that helped to maybe push me in that direction initially. But I, I would be lying if I didn't say, you know, being in Seattle and how big of an industry it's been over the past 10 years or 15 years, that that didn't sway my decision either. So it's just such a fast growing industry here in Seattle that there's just so much opportunity to help these people. There's so many people that need the help in that space.

Maddy Roche: [00:40:30] That's awesome. I'm going back to something you said when we were preparing for this interview, you said that you have no active marketing going on, but really I sense that that's not totally true. It sounds like you've got some great marketing directly towards your clientele. Are you doing any sort of networking with those folks and maybe are you doing webinars or in-person events with any of the potential clients that you hope to work with?

Levi Sanchez: [00:40:58] Right, so I haven't done any, any sort of active marketing outside of, you know, writing content or creating content. And it all, it all ties back to that initial strategy of SEO and wanting my website to rank very high on that first page of Google. Whenever someone types in a question that I'd be able to help with. So I just... You know, I was very, very active on that SEO side and making sure even the content that I was writing, so let's just say it's a blog post, what is, what specific keyword am I targeting with this blog post -

Maddy Roche: [00:41:38] Mmm.

Levi Sanchez: [00:41:38] - in order to try to rank high on? So I was very deliberate in what I was writing and keywords I was targeting from the get-go.

Maddy Roche: [00:41:49] Great. I think that SEO scares a lot of people when they jump into XYPN that this whole world of online marketing is-is just a totally different world to them. And I think it speaks to your age and your passion for this and in your comfort zone of where you've been and who you're serving that-that allows you to kind of embrace this as is the main marketing channel, because it certainly seems to be paying off. What other advice do you have for younger advisors who are thinking about trying to build a business in a similar fashion to yours? I think lots of people will hope to have the kind of growth that you had. What other tactics or pieces of advice do you have for someone who's maybe only three or four years out of college and they're considering going out on their own?

Levi Sanchez: [00:42:35] Yeah, I think it ties... again, it ties back to just being deliberate about your marketing goal or strategy. So outline maybe one, two, three different strategies that you think that you would be passionate about that you can do day in and day out and just try to execute that as best as you can. So for me, another driver, it was just I didn't want to do that active marketing. I didn't like that part of going out to happy, like when I was at Merrill Lynch, going to maybe happy hours or just trying to put my physical self in front of as many possible people that I could ;I didn't enjoy that part, so I wanted to focus on a marketing strategy that would allow me to be or, you know, allow clients basically to come to me. So I would say just be deliberate, have a strategy, write it down. This should be part of your business plan because you can you can spread yourself. Then you can go a million different directions with marketing, but you need to have a have a strategy in place and just see it through to the end.

Maddy Roche: [00:43:51] Awesome. As you think forward about your firm, Levi, where do you hope to go over the next 10 or so years?

Levi Sanchez: [00:43:59] Yeah, it's, I'm at a point where I'm definitely asking myself that question more and more. So initially I wanted to, and I think XY is doing a great job, you know, writing, writing content or providing advice for advisors who are hitting this point in time where you have to decide "do I want to maintain a solo practice? Do I want to have kind of a small boutique firm or do I want to grow into that enterprise type firm?" So I'm kind of at that tipping point or getting close at least to where I want to start being deliberate about which direction I want to go, and I've gone back and forth a few times; so originally I wanted to... I wanted to get big, I wanted enterprise firm. Yet now more, more and more, I love the flexibility that I have working for myself and being by myself, not having to manage other people necessarily, so it's probably going to end up being a mixture of that - so maybe in the middle - but I'm leaning more towards the, you know, a smaller kind of boutique firm.

Maddy Roche: [00:45:15] Wonderful. Why do you think, Levi, that this is a good profession for young people to enter into?

Levi Sanchez: [00:45:23] I think there's such a, such a huge... Well, obviously like I think there's a huge opportunity with the just the age gap in general for financial advisors, so, you know, the majority... There's just gonna be such a big chunk of advisors as they've aged over time retiring over the next couple - or I should say next decade - so that leaves a big opportunity for younger advisors to get in and help service those clients that were previously being serviced by the older generation of advisors. It's also a time of great innovation in the tech side or in the FinTech side. So, you know, for tech-savvy young advisors, they can jump in, learn these things quickly and hopefully be successful.

Maddy Roche: [00:46:23] Mhmm. Mhmm. I agree. Levi, you mentioned that you're affiliated with a tribe and Native Americans are hugely underrepresented in this industry, both in terms of practitioners and clients. How do you think we can change this, not just for Native Americans, but really all underrepresented groups, whether we change this industry to making it more accepting for us to practice financial planning as practitioners or even just engage with it as clients? Do you have any thoughts on that?

Levi Sanchez: [00:46:52] Yeah, I've. I've, I think I can speak a little bit maybe for like within the Native American community or -

Maddy Roche: [00:47:00] Mhmm.

Levi Sanchez: [00:47:00] - within my tribe itself. But I would, I would think that it also applies to other areas. I think education is huge, so, again, we could speak generally, I think. I think we can all agree that personal finance, education is lacking, and even more so, I would say in the tribal community; the way that a lot of tribes work is that, you know, they, they give or have these trust funds or whatever you want to call it, funds to kids essentially when they turn an age of majority, and a lot of irresponsible financial decisions are made because there is a lack, a huge lack of education when they receive these funds. So I always kind of fall back to education and that being the biggest thing, I think, from that standpoint.

Maddy Roche: [00:48:04] Great. Levi, as you look to the future of this industry, where do you hope it goes to? I think we're, we're all kind of living in this experience of this financial planning becoming finally a conversation more and more people are having. We see it just in the growth of XYPN members and know that the 100X impact can change lives in terms of clientele. But I'm wondering, where do you think our industry is headed?

Levi Sanchez: [00:48:33] Yeah, I think, you know, as more and more FinTech, I think the FinTech space has been blowing up and there, you know, there's more and more software is that you can use for specific services and it's made it or it's allowed individual advisors like myself to serve more and more clients because they're specialized software that we can kind of fall back on to save a lot of the time. So we're, you know, 10, 20, 30 times more efficient than we were probably 15 years ago prior to my time. But I think, you know, things just are going to get more and more efficient, so there's gonna be better and better software providers to do the analytical side of this business, but there will always be the human-to-human interaction. I think that that's going to be important, so that's that part. And building relationships with clients and being able to communicate with clients will always be a differentiating factor between you or us, I guess, and maybe a robo advisor or a purely automated financial advice system.

Maddy Roche: [00:49:46] Yeah, I agree. The human component is the differentiator here, and especially someone that can speak a language that resonates with the clients in terms of what they're specifically going through, whether that be, you know, complicated stock options or otherwise. I agree with you that that-that is going to be really what the value is. And so I heard you mentioned that you've outsourced different components of your business. What do you think is next on the chopping block in terms of what you don't want to be doing since your passion is really working with your clients?

Levi Sanchez: [00:50:19] So for me, it's... My biggest pain point, or I guess least desirable part of managing the business or owning the business, is-is the compliance side.

Maddy Roche: [00:50:32] Oh! (laughter)

Levi Sanchez: [00:50:32] Obviously. And I think that's probably a common answer, but it's obviously a necessary part of the business, but it is kind of boring, to me at least.

Maddy Roche: [00:50:47] Mhmm.

Levi Sanchez: [00:50:47] So hopefully I'll be able to have someone eventually who is very excited or does like, like that part and then have them be able to kind of manage that or whether I outsource that or have it in house, I'm not sure, but that, that's always kind of been one of my least favorite parts.

Maddy Roche: [00:51:09] Mhmm. Yes, I understand that sentiment. Lots of members come in, both scared of compliance, and then by year four or five, they're kind of over compliance. Unfortunately, -

Levi Sanchez: [00:51:19] Right, right.

Maddy Roche: [00:51:19] - it's the one thing you can't, you can't totally outsource, but you can certainly keep it within your firm and delegate it.

Levi Sanchez: [00:51:27] Right.

Maddy Roche: [00:51:27] And we hope to at least make compliance fun and not be something that you're spending that much time on, but I so appreciate that comment. Any last words of advice, Levi? This conversation has been so insightful and I really commend you on the business you've built and the processes you have in place. Any final words of wisdom to advisors out there about what to expect when they jump into this crazy world of starting and running your RIA?

Levi Sanchez: [00:51:52] Right. Yeah, I think, I think hopefully my conversations, our, our conversation will resonate well with the younger advisors or maybe younger advisors who are thinking about starting, starting their own firm. I would say to them specifically, you know, don't... Don't be scared to take the risk.

Maddy Roche: [00:52:16] Mmm.

Levi Sanchez: [00:52:16] Now is a better time than ever. When would be the right time? Obviously, make sure you have the... You do some planning in terms of your personal financial situation. Make sure that's all feasible, but don't be scared to take the risk and just, just go for it. And then, you know, for me, I also think of what, what, what kind of kept me going even during the times of uncertainty. For me, it was always drawing back on why I did it in the first place -

Maddy Roche: [00:52:49] Mmm.

Levi Sanchez: [00:52:49] - have that motivating, that motivating cover-piece that drives you day to day or week to week to continue to build your firm. What- what is that for you? You really identify that and just write it down somewhere. And when things get tough, take it out. Review it. Is that still motivating you? Hopefully it still is. And that should keep you on the path.

Maddy Roche: [00:53:13] Mmm! Well said, Levi. Levi, thank you so much for sharing your story. I've always admired you in the network and for your drive to build a great practice. And you've been a total joy to talk with over the past hour. And I trust that this has been helpful to our listeners. Thank you so much for the work you do. And I. You have a wonderful rest of your day.

Levi Sanchez: [00:53:34] Yeah. Thank you so much, Maddy. I really appreciate you having me on. I've been a big fan of the show for a long time, so it was a great honor to finally be on, and hopefully, like I said, a lot of people can take a few tips of advice from here and it'll be helpful to them.

Maddy Roche: [00:53:51] I trust that they can. Thanks so much.

[00:53:53] -- swish --

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Narrator: [00:54:42] You are not alone and you are not crazy. It's scary starting, building, and growing your own financial planning firm. And that's why we put together a free private community just for you, the cutting edge financial planner. Go to xyplanningnetwork.com/VIP or text XYPN Radio to 33344 and join a network of thousands ready to change the lives of Gen X and Gen Y clients.