

The Three Levels of Trust

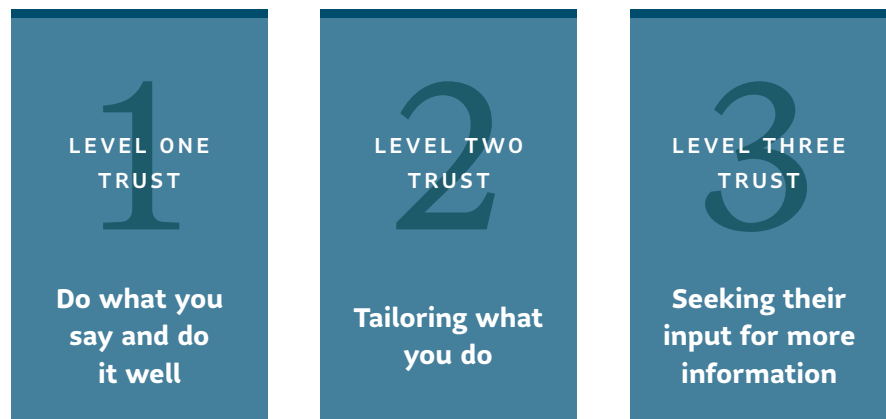
Empathy-based listening

"Increasing trust unlocks the opportunity to add more value."

ERIC MADDOX

Attaining the highest level of trust to unlock the opportunity to add more value

Trust and value impact our ability to influence clients and prospects. Without trust, people won't give you an opportunity to offer value; without proving your value, they won't give you an opportunity to build trust. In other words, increasing trust unlocks the opportunity to add more value. So how do you build trust? You must first understand the levels of trust.



"Much of that future behaviour is based on past behaviour."

ERIC MADDOX

LEVEL 1 TRUST:

Do what you say and do it well

Trust is based on predictable behaviour. When we trust someone, we can predict their behaviour to some extent. Much of that future behaviour is based on past behaviour. That's why we examine resumés, references, degrees, accomplishments, and awards. If we see value in a person's past behaviour, we trust they will perform similar tasks in a similar fashion in the future. Based on this past behaviour, we see value and trust this value will be produced in the future. This trust is Level One Trust.

“Tailor your value to better meet their needs.”

ERIC MADDOX

LEVEL 2 TRUST:

Tailoring what you do

Most of our relationships have deeper levels of trust than Level One. When you understand the specific needs of a person, you tailor your value to better meet their needs. This is Level Two Trust. As advisors and assistants you gather detailed information about clients to help build a detailed plan to work towards achieving their objectives. Typically, you might ask clients or prospects a few questions or have them fill out a form. These tools are fantastic, but they are built for efficiency. In effect, you have created an avatar — a model — to represent clients. While you may have correctly assessed and modeled your clients, you are not reaping the ultimate benefit of great trust — i.e., more assets, hot referrals, etc. Why? To be efficient, you demonstrate a basic understanding of clients, but you don't sacrifice your time to fully understand them. You make assumptions then align those assumptions with your value proposition. You may get some of it right, but you will most certainly miss some, which can frustrate clients. While you have built a deeper level of trust through a partial understanding of your client, attempts to persuade them that you have a deep understanding of their goals and needs may yield limited results.

“Seek their input for information that reveals their deepest needs.”

ERIC MADDOX

LEVEL 3 TRUST:

Seeking their input for more information

Level Three Trust requires that you are good at your job and do what you say (Level One), but instead of using past data to determine needs (Level Two Trust), you seek their input for information that reveals their deepest needs. This provides numerous psychological benefits key to building trust. First, it gives them a strong sense of control of the relationship. Second, everyone values another person's willingness to let them talk. It shows that you like them, respect their input and find value in the relationship. Finally, you recognize their needs have nuance only they can communicate. This is the third and highest level of trust: seeking to understand another person's perspective throughout a partnership. This practice is so rare and scarce that Level Three Trust is significantly more influential and powerful than Level Two. Level Three Trust unlocks the opportunity to add more value.

There are additional levels of trust: Level Zero Trust and Negative Trust. Level Zero is trust that neither harm nor favour will be done. This level exists by simply coexisting with another party. Negative Trust is when you believe a person is incapable of delivering on any claim or statement.

Understanding Three Levels of Trust

LEVEL OF TRUST IN ACTION EXAMPLES

1 LEVEL ONE TRUST

Advisor: How did you hear about me?

Prospect: A friend referred me. She said that you've done a great job with her retirement plan.

Advisor: That's great to hear! Let me tell you about how I manage assets.

Good news!

You've demonstrated that you're competent. Level 1 only.

2 LEVEL TWO TRUST

Advisor: How did you hear about me?

Prospect: A friend referred me. She said that you've done a great job with her retirement plan.

Advisor: That's great to hear! We work towards achieving our clients' objectives. It's what is going to help us live out retirement dreams, right?

Prospect: Absolutely, and I don't feel like my last advisor really understood me.

Advisor: It's funny you say that. We really don't have to advertise our team. We get so many referrals to people who feel the exact same way as you. We have built processes and are committed to knowing the needs of all our clients.

Great news!

You communicated that you seek to understand your prospect's needs. Level Two only.

3 LEVEL THREE TRUST

Advisor: How did you hear about me?

Prospect: A friend referred me. She said that you've done a great job with her retirement plan.

Advisor: That's great to hear! I'm curious, did she say in particular what made her feel that way?

Prospect: Yes, she said you all actually listen to her and really understand her. That's what I need.

Advisor: Are you not getting that now?

Prospect: I don't think so. I just feel a disconnect.

Advisor: Do you have an idea where the disconnect is coming from specifically?

Prospect: Good question. I feel like, for me, I need a focus on more than my retirement account and my advisor doesn't get that.

Advisor: Let me ask you this: Within your world, what are some of the main areas you feel need better focus?

Prospect: Well, it's hard to explain, but I'm more concerned with setting up my children now than them receiving a large inheritance when I pass.

Congratulations!

You demonstrated the ability to listen with empathy and discover the one goal which your prospect most wants to focus. And, before you ever solved their goal, you built the highest level of trust. Level three. *(Did you notice, the last example was not much longer than the second, but the trust is much higher).*



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