

# How To Be A Big Thing In The 401(k) Plan Business Or Play One On TV

By Ary Rosenbaum, Esq.

**A**s a retirement plan provider, you need to stand out in the crowd because of the competitive nature of the business. Marketing is very near and dear to my heart because I built my practice with the eye on standing out in the crowd of ERISA attorneys and offering a national retirement law practice at a flat fee for plan sponsors and plan providers. Despite what you may think, I have never taken any marketing class in college or law school. I'm very lucky in the sense that I knew what would generate attention among retirement plan sponsors and plan providers. This article is all about how you can stand out in the crowd and be a big thing in the retirement plan business (or play one on TV, which is a joke based on an old Vicks Cough Syrup commercial).

## Get busy living or get busy dying

One of my favorite movies of all-time is *The Shawshank Redemption*. I always say that it's the movie that got me through the last year and a half of law school by inspiring me because we all have a prison at one time or another that we have to break free. One of the best lines is: "get busy living or get busy dying." That line reminds me of my time working as an associate at a semi-prestigious Long island law firm (sorry, Lois). My goal was to start a national ERISA practice and the biggest part of that was going to try to sell my services to the existing law firm clients. Since so many of the partners at the firm still acted as if they were solo practitioners, they did little to help me market my services (even though they would receive 50% of my fees for their clients). Since I didn't have a client base to depend on, I realized my only hope was to generate goodwill with other retirement plan provid-

ers by writing articles that these providers could use to distribute to potential and current clients. By providing articles to these providers, the hope is that they would remember me when their clients needed the help of an ERISA attorney. It took me to start my practice to develop the publication of these articles because of the bureaucracy of that law firm. The articles (like this one) was going to be drafted in a language that either the plan sponsor or the plan provider could understand because I'm the attorney



that speaks English and not ERISAese. Developing a retirement plan practices that you hope to be successful isn't easy and you always have to think of ways you can expand. Some ideas work and some ideas will fail, but you should always try because you either get busy living or get busy dying.

## Remember it's a relationship business and relationships takes time

The retirement plan industry is a very close-knit business. While national in focus, it's small enough that your name may carry very far. Since it's close-knit, it's a relationship-driven business and most meaningful relationships take time. These mean-

ingful relationships take time because these relationships take trust. The advisors and third-party administrators (TPAs) that have referred me work usually have developed over time to the point that these other providers had enough confidence that referring me business was good for their clients. So I'm always amused by the financial advisor that I've never met who will approach me on social media or meet me in person with the hopes that I'm going to immediately refer them business. I work with many finan-

cial advisors around the country and many of my clients are referred to me by them, so it's not good form to refer clients to advisors that already have advisors. Even if I have plan sponsor clients who could use an advisor, I'm not going to refer business to an advisor that I just met. I have to develop a rapport and develop trust with any plan provider I may consider working with. Remember that since it's such a relationship-driven business, you have to learn how to work with other plan providers. If you develop a reputation as a plan provider who does shoddy work or stiffs other plan

providers (hello John), many people in the retirement plan business will know more about you and not for good things. Success in this business is a marathon, not a sprint. So realize your rise to the top will take time.

## Content is almost king

While the most important thing is developing a good service model for clients, content through social media is extremely important. Social media content can allow you to stand out among the crowd since so many plan providers don't offer it and those that do, many aren't very good. Develop content for plan sponsors and plan providers that easy to read, not too long, not too

commercial, and suggests a call for action for the plan sponsor or plan provider to take. So much of my practice was built on the use of social media content and I assure that the time you use to create quality content will go a long way to help you develop your practice.

### **Offering something unique**

The retirement plan business is highly competitive, so you need something unique to stand out. You would be essentially developing a niche, that you could use to contrast yourself from the competition. When I decided to start my law practice, I focused on speaking to plan sponsors and plan providers in a language they could understand instead of what many ERISA attorneys speak (which I call ERISAese). Also, I was going to take away the one thing that I hated as a law firm associate, the billable hour. Except for Internal Revenue Service and Department of Labor audits, I was going to charge my legal service on a flat fee so that my clients would understand what the fee was upfront. I think it's important from a business standpoint and see what your competition is offering and whether you can add something unique that they're not offering. Perhaps, it could be something new about enrollment meetings since many providers are still using the same script from the 1990s. Maybe it can be integration with a unique benefit such as student loan matching or EvoShare. Maybe it's a technological breakthrough on a website or a smartphone application. Whatever it is, make sure it's something that most of the competition isn't doing.

### **Prudent use of your marketing dollars**

When I started my practice, I realized that there was a new industry out there: marketing people who wanted to separate me from my money. These marketing people can be public relations firms, search engine optimization firms (SEO), marketing companies, and even event organizers who want you to help sponsor the events. Whether you're starting fresh or building up an existing plan provider business, realize that people are going to try to sell you things and you need to be prudent with your marketing dollars. You also have to be



wise with how many industry conferences you attend because you can go broke doing that (my That 401(k) Conference and That 401(k) National Conference events won't break the bank, cheap plug here). Wherever you decide to spend your money on a conference or other marketing services, understand whether this will lead to the audience you need: direct access to plan sponsors and/or sources for referrals. Speaking from experience, I wasted money on sponsoring networking events for small businesses. I wasted money on a public relations firm that didn't understand what I did as an ERISA attorney. However, I also avoided spending money on things that I didn't need (no one is using Google to find an ERISA attorney, sorry SEO firms) and I sponsored some events that helped me with public speaking and meeting advisors that also gave me the idea of hosting my events (again, cheap plug for That 401(k) Conference). Use dollars for marketing purposes, it needs to provide you the exposure you need with plan sponsors and/or sources of referrals. So it's important before you earmark money, to identify how you can get clients especially those referral sources (whether it's other plan providers, attorneys, accountants, etc).

### **LinkedIn and publications**

When I struggled in starting my practice, one of the founders from Brightscope

told me that participating in the LinkedIn groups was the best thing he did in helping build awareness for Brightscope. That advice opened up the world to me. Participating through LinkedIn allowed me to meet other plan providers, as well as spreading my message and articles. When I hired that public relations person for my firm, he advised me it would take years to get my name mentioned in the Wall Street Journal. Within months of firing him, I was in the Wall Street Journal, thanks to some posts on LinkedIn and Twitter about exchange-traded funds in 401(k) plans. Being a positive presence on LinkedIn will also help you get some coverage in some of the industry publications like 401(k) Specialist Magazine and fiduairnews.com. These publication mentions won't drive business, but it will further increase your reputation and standing in the industry including opportunities to speak at local and national events.

### **It takes time and effort**

Becoming a big thing in the retirement plan business won't happen overnight. It takes a lot of time and a lot of effort. 9 years in, I'm still working at odd hours trying to market myself. I can't rest because it's like dieting you need to be persistent at it and not let up.

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