



The Ultimate Guide to **Becoming an IB**

Learn how to begin,
grow and enhance your
introducing broker business

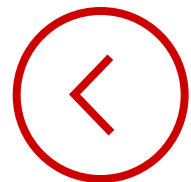
Trading with CFDs can involve losses that exceed the initial investment.

www.tickmill.com



Table of Contents

Introduction Page 03 >	What is an Introducing Broker? Page 04 >	What exactly do Introducing Brokers do and how do they make money? Page 05 >	Who can become an Introducing Broker? Page 06 >	How can Introducing Brokers gain clients? Page 06 >	Which communication channels are open to Introducing Brokers? Page 07 >	The benefits of social media for Introducing Brokers. Page 08 >
Who are the ideal clients of Introducing Brokers? Page 09 >	What are advanced traders and why do they make the best clients? Page 09 >	How to convert interest into active clients. Page 10 >	How to retain active clients. Page 11 >	Retention planning. Page 11 >	Creating an Introducing Broker business plan. Page 12 >	New opportunities for Introducing Brokers. Page 13 >
Tips for success as an Introducing Broker. Page 14 >	Catering to client needs. Page 15 >	The benefits of working with a reputable Broker. Page 16 >	A little bit about Tickmill. Page 17 >	Trading Conditions. Page 18 >	Becoming a Tickmill Introducing Broker. Page 19 >	Education Page 20 >



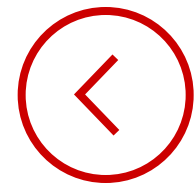
Introduction

The world of Introduction Broking is an exciting new landscape in which traders of all capabilities can reap rewards. Working as an Introducing Broker can be a great way to supplement your trading, or even be run as a stand-alone business. In this eBook we're giving you view of the IB world from the ground up, to help you understand exactly what this exciting role is, how it works and how you can benefit from getting involved.

With plenty of key, industry insights and useful knowledge, this eBook will act as a complete guide for anyone interested in entering the world of Introductory Broking and taking their Forex business to the next level.

As ever, we appreciate your feedback and look forward to hearing any thoughts or questions you have on the information included.

The Tickmill Research Team



What is an Introducing Broker?

The development of online trading has opened up a world of opportunity to a section of the market that never existed before. Retail traders can now profit from movements in the currency markets in the same way that investment banks and other large institutions can. As retail trading has grown over recent years, a new level of opportunity has emerged: Introducing Brokers or IBs.

Introducing Brokers originally began in the Commodities Futures market but have grown increasingly popular in the Spot Forex market, as that sector has seen an explosion in volume over recent years.

Many people already do this without acting in an official capacity. For example, it's very common for traders to tell their friends about a good experience they have had with a particular broker, recommending that their friends become clients also. However, it is possible to set up an official agreement with a broker to become an Introducing Broker and refer people in an official capacity.

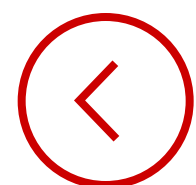
As the retail Forex industry has ballooned over recent years, so too has a subset of the industry based around Forex education, analysis and signal services. Proven traders **can share their market analysis and engage in online tuition**; some traders also choose to **share**

their trades so that subscribers can follow their activity. Traditionally, these traders have offered their services via their **own websites**, using **social media** and **word of mouth** to gain new followers.

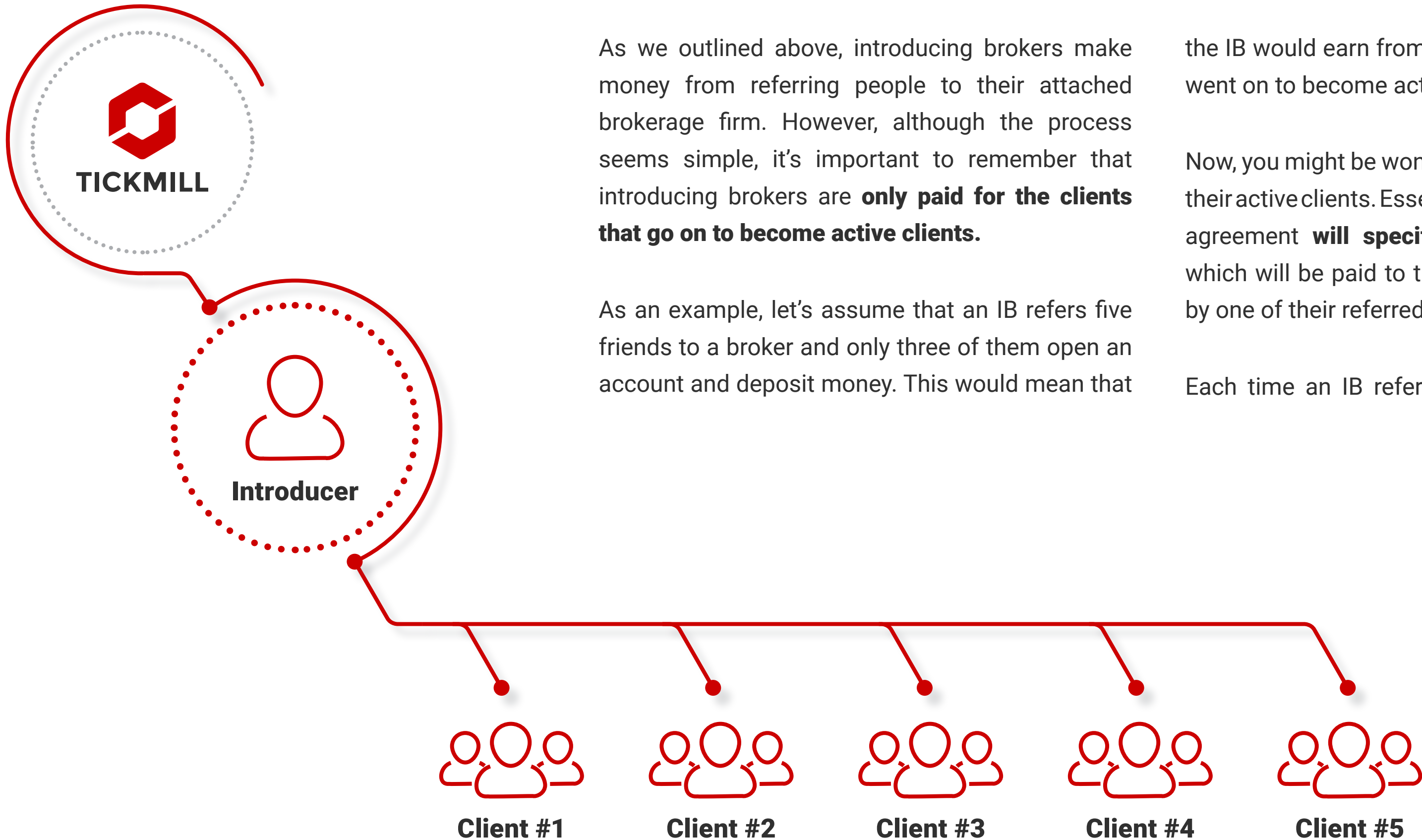
However, the Introducing Broker industry has created a wealth of opportunity to traders looking to offer their services, as they can now partner with reputable brokers to gain clients as well as access to a larger marketplace with better resources.



Simply put, introducing brokers act as referring agents for brokers by introducing new clients.



What exactly do Introducing Brokers do and how do they make money?



As we outlined above, introducing brokers make money from referring people to their attached brokerage firm. However, although the process seems simple, it's important to remember that introducing brokers are **only paid for the clients that go on to become active clients.**

As an example, let's assume that an IB refers five friends to a broker and only three of them open an account and deposit money. This would mean that

the IB would earn from three of their referrals, who went on to become active clients.

Now, you might be wondering how an IB earns from their active clients. Essentially, an Introducing Broker agreement **will specify an agreed commission**, which will be paid to the IB for the amount traded by one of their referred clients.

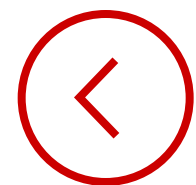
Each time an IB refers an active client, they will

open an account and start trading. The active client will then begin opening trades which have a certain volume, for example 1 lot. So, as the referred active client trades, the broker will pay the IB based on how much the active client trades. The larger the volume, the more commissions generated for the IB.

Typically, an IB will be paid certain commission per lot traded by their referred clients.

Ready to begin earning commissions?

[Open your IB account here](#)



Who can become an Introducing Broker?

The great news is that anyone can become an introducing broker. No matter how much experience you have in the finance industry, if you have the right support, resources and tools in place, even those with little to no experience can succeed.

At the beginning, the most successful introducing brokers are **active, advanced traders**. Traders who can analyse the markets in useful and engaging ways will often find that they are able to **use their expertise to attract more referrals**.

Many successful retail traders have been able to build solid businesses out of their roles as Introducing Brokers, offering their analytical services exclusively to clients of their designated brokerage firm.

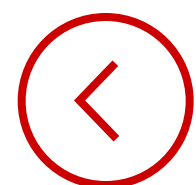
How can Introducing Brokers gain clients?

Introducing Brokers that are just starting to grow their network can refer clients that they know directly. Clients are much more likely to register with a broker when someone that they know personally gives them a recommendation, while also being able to ask for information and advice much more readily.

Although this method has a much higher success rate, as traders are able to trust the person who referred them, there is only a limited number of clients that the IB can refer.

Not all Introducing Brokers operate at such small scales however, and many retail traders have become Introducing Brokers as a way of supplementing their trading income. Using the internet, Introducing Brokers can advertise their services to a wider audience and thus gain a greater number of referrals, active clients, and ultimately, commission payments.

Social media has become an invaluable tool for Introducing Brokers as a means of promoting their services and attracting new clients. We'll be breaking down the different methods used to attract clients a little bit later.



Which communication channels are open to Introducing Brokers?

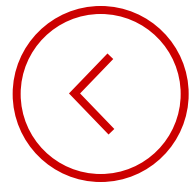
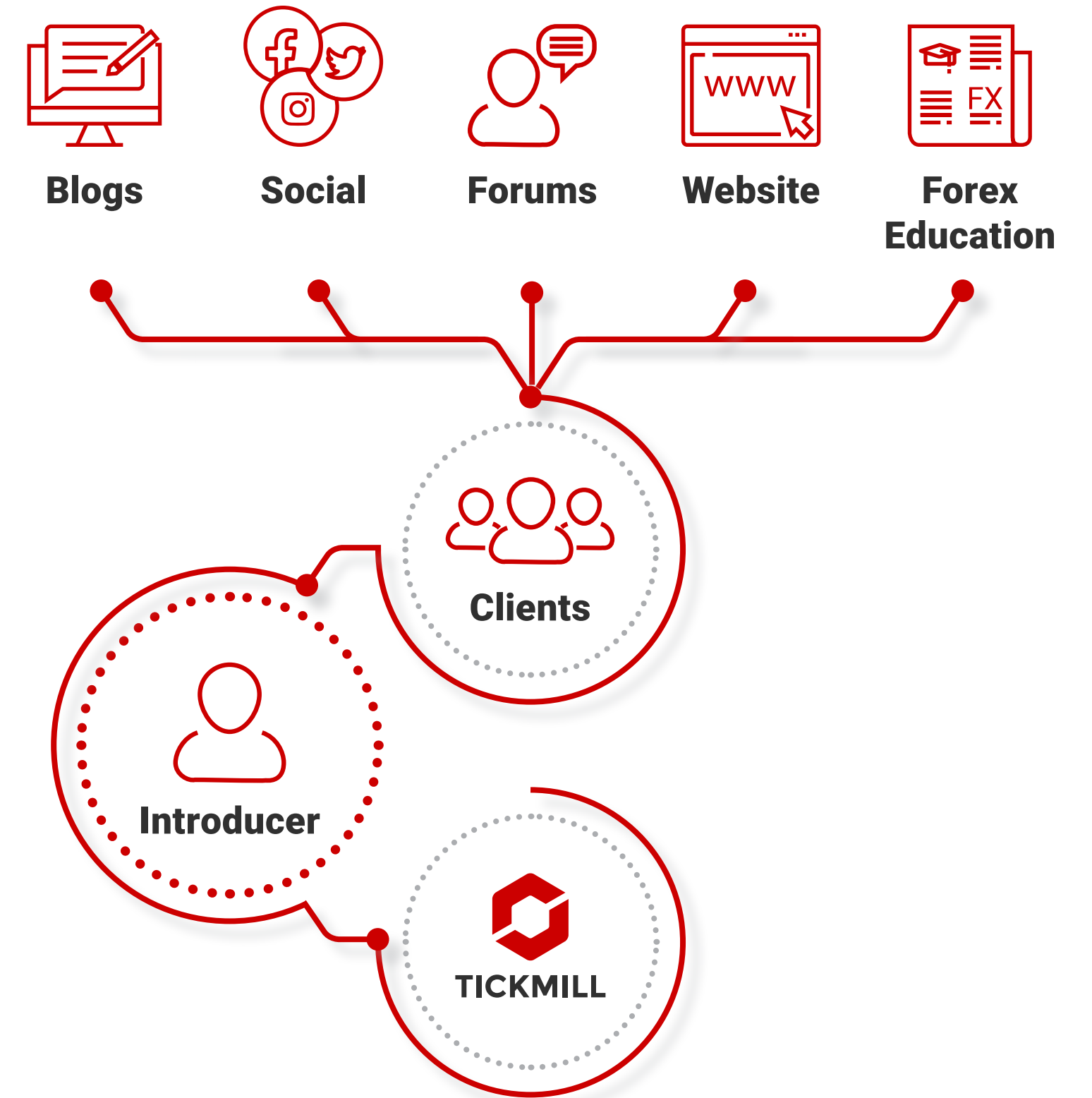
When it comes to advertising their services online, the internet provides an endless range of communication methods. Firstly, IBs can create and utilise a website which would act a landing page. They can provide content that relates to trading, tips, tricks and information related to trading. They may then be able to generate a mailing list from the clients that they attract.



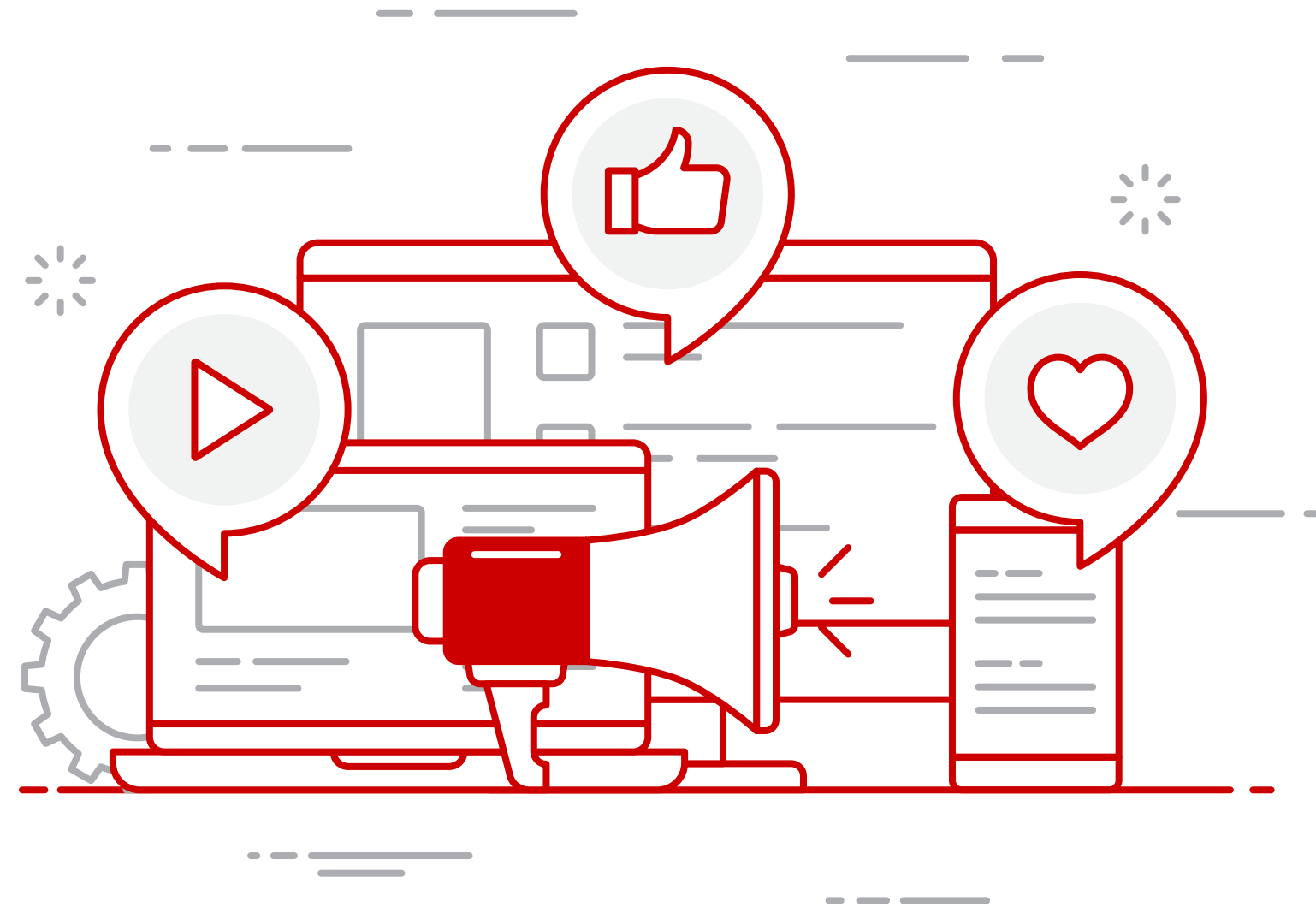
Social media is also a powerful tool for reaching possible clients. Aside from groups and pages on SM platforms which are able to catch a trader’s eye, WhatsApp, Telegram and We Chat are also powerful tools for attracting potential clients.

A traditional bedrock of the IB business has been the many popular trading forums that exist. **Interacting with other traders** and **demonstrating good knowledge** of the markets is a powerful way of **building a solid reputation**. Many new traders learn from those on trading forums and, IBs have always been able to gain referrals by using such websites.

Alongside this, most introducing brokers **use social media** to **communicate with clients, advertise their services** and **gain new clients**. In terms of communications channels, the main bulk of communication is done via email, Facebook, Twitter and more recently, social media channels such as Instagram and Snapchat.



The benefits of social media for Introducing Brokers



The seemingly never-ending rise in popularity of social media has opened up a vast wealth of opportunity for Introducing Brokers. It has never been easier for IB's to advertise their services and gain clients. In the past, IBs had to use their websites and the slow process of building email lists (or paying for lists, which can be expensive) to build a solid client base. However, social media has revolutionised the way in which content can be shared. For IBs, this content is ultimately what will help them gain clients.

The main benefit of social media is the ease with which content can be shared and new audiences can be engaged. On Twitter, Facebook and Instagram for example, posts can be reposted by any and all users, which offers IBs the chance to **increase their online visibility** and **gain access to a far greater number of potential clients** (greater reach).

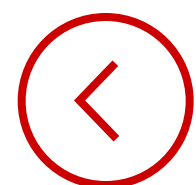
All social media platforms now offer business accounts which allow you to run ads. These **advertisements can also be targeted to your chosen audience**, which allows you to specify country, gender, age interest etc.

As an example, let's say you're regularly posting your technical analysis on Instagram as a way of generating referrals but, you wish to increase your exposure. You can run a targeted ad aimed at men, aged 20 – 50, based in the UK and interested in finance and trading.

The opportunities that this targeted advertising creates means that social media is an invaluable tool for IBs. You can also monitor your budget to make sure that the income you are generating is justified by your expenditure and adjust accordingly.



Once IBs are able to establish themselves, they can also use the paid features of social media.





Who are the ideal clients of Introducing brokers?

While of course any and all clients generated are beneficial to IB's, there are of course clients who will be more beneficial than others. These are advanced traders. Aiming to convert advanced traders into active clients can be far more rewarding than attracting new or less experienced traders.

Already developed a strong client network?

Start referring now!

What are advanced traders and why do they make the best clients?

Advanced traders are those traders who have been active in the market for one year or more. Typically, these traders have been through the process of losing money, adjusting their strategy and honing their skills. Tending to have higher levels of capital and a more consistent way of trading, advanced traders offer the prospect of a much longer relationship than new trader.

Many very new traders tend to start with much smaller deposits and can often become frustrated with the losses which they will inevitably suffer during the learning process. Alongside this, advanced traders typically have a better group of contacts, namely other advanced traders. As such, converting advanced traders into clients can lead to a far better stream of potential clients to interact with and ultimately, more profitable relationships.



| How to convert interest into active clients

Ok, so far we've talked about what an IB does and the means through which they can gain traffic. However, as we outlined, IBs only get paid on those traders which they convert into active clients with their designated broker. So, how does an IB go about converting general interest into a paying client.

The way that most IBs operate is that they **publicise a certain level of FREE but valuable content online**, which could be anything from a general market outlook each week to a few specific trade ideas



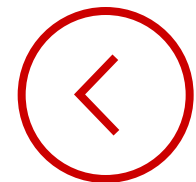
available to everyone. The IB will then specify that, any traders who become **active clients** of their brokerage will receive access to exclusive material. In terms of the materials offered to prospective clients, some key important factors are the quality, quantity and uniqueness of the content.

For example, let's say that an IB's freely available public content consists of a 15 min video at the start of the week giving a broad market outlook and highlighting a few trade ideas. Then each day the IB might publish one chart outlining some basic analysis or a level of interest.

The IB may then offer access to a one-hour interactive webinar at the start of each week, with specific trade ideas to any traders who become active clients. Each day, the clients will then receive notifications about specific trade ideas and will also have access to a chat room where they can talk about the market with the IB.

Offering value added services such as these is a fantastic way of turning interest into active clients.

“
Ultimately, the most effective way to convert traders into clients is by offering certain services at a base level, and a greater level of service to active clients.
”



How to retain active clients



It is important to remember that the work is not over once you've successfully converted interested parties into active clients. Remember, as an IB you will be paid on each lot traded by an active client. So, once you've converted a client and they have made a deposit and begun trading, it's in the IBs best interest that they trade for as long as possible. This links back to what we discussed earlier in terms of advanced traders making better active clients, as typically they will have a longer trading life. However, the IB can also help keep clients active.

Offering insightful, actionable trading analysis is a great way to help support active clients and keep them trading. Many traders benefit from tuition and guidance whether that be in the form

of weekly and daily trade ideas or more interactive tuition such as skype calls and webinars, offering traders constant support is the best way to help retain active clients.

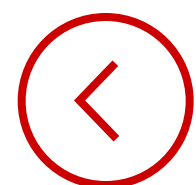
Another fantastic way to keep clients active is by offering a higher level of service as time goes by. This could mean anything from increased number of webinar sessions or trade ideas, to one-on-one sessions. Remember that a client will likely only stay active if they feel that there is value to accessing your services. So, IBs need to make sure that they keep a consistent level of output for their materials and that they place an emphasis on customer service to maintain good, professional relationships with their clients.

Retention Planning

The final part of the business plan needs to outline your strategies for retaining active clients. Once a client is signed up with the broker, it's important that IBs maintain a consistent level of output and customer service to keep the client happy and keep them trading. Low calibre IBs will focus on high frequency trade ideas without regard for outcome, just looking to earn commission from the trades before the trader eventually closes their account. Aiming to deliver consistent, high quality materials that actually benefit each trader is a better business model by far and will keep clients active for much longer.

Retentions skills
already top-notch?

[Click here and open your IB account.](#)



Creating an Introducing Broker Business Plan

A successful Introducing Broker can make a good level of income. However, if any trader wishes to become successful in this field, it is important to be organised and as with any business, you'll need a business plan. This business plan should essentially map out in detail how you will grow your business from the very first day of becoming an IB, up to how you will achieve specified goals such as earning a certain commission payment each month, working with a certain number of active clients etc.

In terms of what should be in your business plan, you'll need to think about the following areas:

- (A) Generating awareness and interest.**
- (B) Converting interest into active clients.**
- (C) Retaining active clients.**

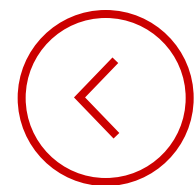
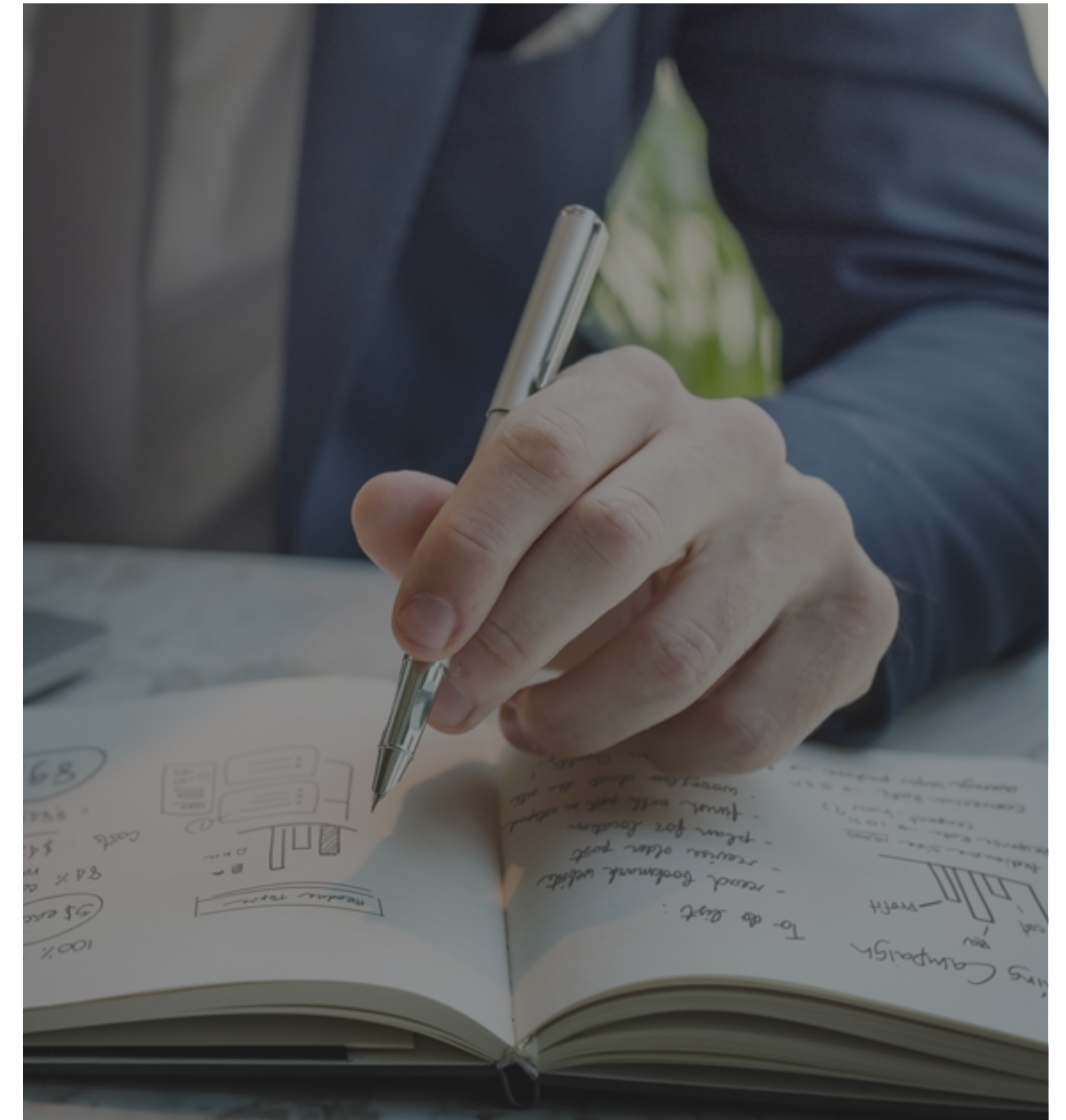
When it comes to building awareness and generating interest, it's important to place focus on developing a professional looking website and establishing a wide range of social media profiles, which you can use to gain access to varied audiences. All public websites and profiles should clearly outline your services and the benefits they offer to clients while including links to your designated brokerage.

In terms of generating interest, you need to think about the specific content you are going to offer as a draw for prospective clients. You also need to think about how often you will post content and how frequently you will engage with prospective clients. You need to ensure that you can manage all social media channels effectively and keep them up to date.

Once you have your various communications channels outlined and you have thought about the content

you will offer and how you'll generate interest, you then need to think about how you'll convert this interest into active clients. Time needs to be spent working out effective strategies such as delivering premium content, greater interaction, higher levels of service to help turn interested parties into active clients.

It may also be useful to break down the different types of traders that you're looking to attract by creating **user profiles**. These user profiles define the basic characteristics of the types of traders you want to attract, e.g. by trading strategy type or experience levels. You can then tailor the content that you offer to attract specific types of trader to your site.



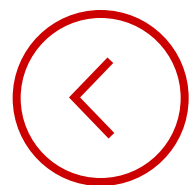
| New opportunities for Introducing Brokers



As the retail market continues to grow and technology continues to advance, the opportunities available to IBs have also bloomed. While traditionally, IBs were limited to offering analysis, trading signals and tuition, many IBs now offer much more streamlined trading services. The proliferation of Expert Advisors and trading algorithms means that many IBs are now able to offer clients automatic trading execution services through their designated broker.

For example, let's say that an IB develops a consistently profitable EA which they offer access to. Instead of traders paying to access the EA and install it on their MT4 platforms, traders would instead open an account with the IB's Broker to access the IB's EA. The IB will then be paid a commission on each lot traded by users of their EA - opening up a whole new market to the IB.

Some people have the time and desire to learn how to trade and want to receive regular analysis and tuition. However, some traders simply want to make money and having access to an automated program is a far more attractive option.



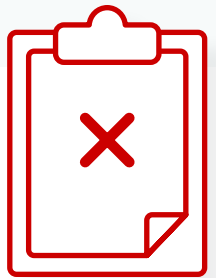
Tips for success as an Introducing Broker

DO



- ✔ Provide valuable information & cater to your client's needs.
- ✔ Reach out to engage with more potential clients.
- ✔ Be selective. Cater your targeted group with tailored content and services that will appeal to them.
- ✔ Establish long term relationships. Maintain a level of trust by always following up and ensuring reliability.
- ✔ Be localized – try to provide content in the correct language with resources that are applicable for the locations that you're targeting.
- ✔ Close deals: **aim to convert clients.**
- ✔ Be consistent. If you're using forums, **Facebook**, other **Social Media** channels etc. you should ensure that you maintain and keep up to date with it.
- ✔ Work with good broker. It's the main way to ensure success later down the line.

DON'T



- ✘ Make direct sales immediately. Take your time in understanding what the client wants and needs.
- ✘ Be aggressive.
- ✘ Make promises or guarantees of performance. Traders should be aware of the reality of what they are getting in to.
- ✘ Be misleading or vague. Every trader has the right to honest and matter-of-fact information when they're investing.
- ✘ Slander or speak badly about competitors (both brokers and IBs).
- ✘ Work with low quality brokers. IB's can't build long-term relationships if their broker provides a bad service.

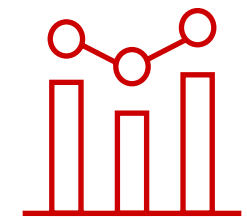


Catering to client needs

When it comes to establishing and maintaining your presence as a successful IB, the key priority should be ensuring that your client needs are catered for. This means, ensuring that you can offer the following:



Cash back service,



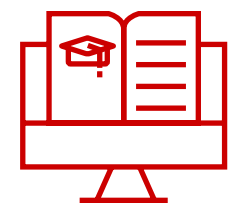
Social trading / Algorithmic trading platforms,



Good reviews, ratings and comparison,



Being active on forums and communities,



Education (online and offline)



Market analyses,



Access or recommendations for news sites and channels,

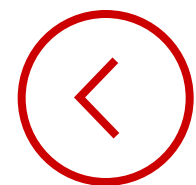


Sharing signals,



Sharing EAs.

Check out our resources in our dedicated IB room



| The Benefits of Working with A Reputable Broker



Key benefits

- ✔ Less time and effort to convert and retain clients.
- ✔ License and reputation.
- ✔ IB is exposed to referred clients.
- ✔ Good products are easy to sell.
- ✔ Word of mouth effect.
- ✔ Extensive marketing & support resources available.

As an IB, ultimately you are only as good as the broker you work with. Regardless of whether your trading analysis and signals deliver positive results or whether your customer service is attentive and considerate, any trader who suffers poor service from your designated broker will ultimately close their account. Furthermore, when speaking with other traders about their poor experience, your reputation will suffer.

By ensuring that you only work with reputable brokers, you're a lot more likely to succeed when attempting to convert interested parties into active clients. It'll also help you retain those active clients once they are trading. Using a broker with a solid reputation, transparent regulatory standing and good reviews will encourage traders to use your services and help make running your business far smoother.

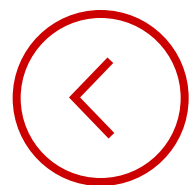


A little bit about Tickmill

Tickmill's proven track record of strong financial results and stable growth put us in an enviable position as a trusted market leader and innovator. With a team of over 100 people, we've brought together some of the brightest minds in the industry to ensure that each department of our firm functions at optimum.

Reputationally, Tickmill stands as a highly regarded forex broker with 3 licences from the FCA (UK), CySEC (EU) and FSA (Seychelles) under the Tickmill Group's belt.

Thanks to our carefully cultivated relationships with our partners, Tickmill also offers a great depth of liquidity. This exceptional liquidity means Tickmill can offer exceptionally low spreads from as low as 0 pips. Clients also benefit from ultra-fast execution with no requotes as well as low commissions and no restrictions on profitability.



| Trading Conditions

In terms of trading conditions, Tickmill is able to offer a fantastic environment for success:

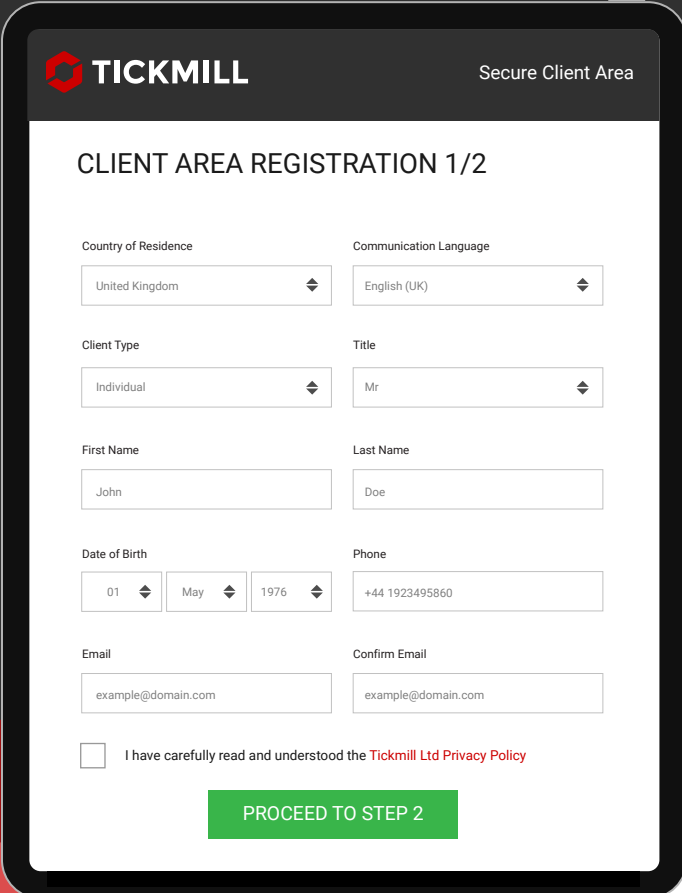
- ✓ Low trading commissions:
 - 2 units per lot/round trip for VIP Accounts,
 - units per lot/round trip for Pro Accounts.
- ✓ No requotes.
- ✓ No restrictions on trading strategies (including Expert Advisors, hedging and scalping).
- ✓ No minimum time required to hold positions.
- ✓ No minimum price movements required.
- ✓ No fees on deposits: we cover deposit fees for all ewallets and cover bank wire charges up to \$100, for deposits of \$5000 or more. We do NOT charge you any transfer fees for using our deposit and withdrawal methods, but intermediary banks or eWallets may do so, which is beyond our control.
- ✓ Clients receive 5% discount on commissions on Pro accounts, when they've been referred by a partner.

- ✓ Safety of funds.
- ✓ Client funds are held in segregated accounts.
- ✓ Top tier banking partners.
- ✓ Advanced Technology for liquidity, price feed, aggregation and more.
- ✓ Industry standard MT4 platform and CQG for Futures and Options.
- ✓ Ultra-fast execution (average execution speed 15ms)

Alongside these fantastic operational conditions, Tickmill also works to foster and maintain long term relationships with its partners via:

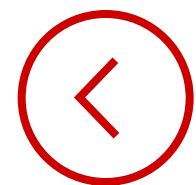
- ✓ Custom promotions.
- ✓ Marketing assistance and advice on best marketing practices.
- ✓ Sponsorship of events.
- ✓ Provision of various merchandise etc.

Want to know more?



Register now

and our IB specialists will give you a call.



Becoming a Tickmill Introducing Broker

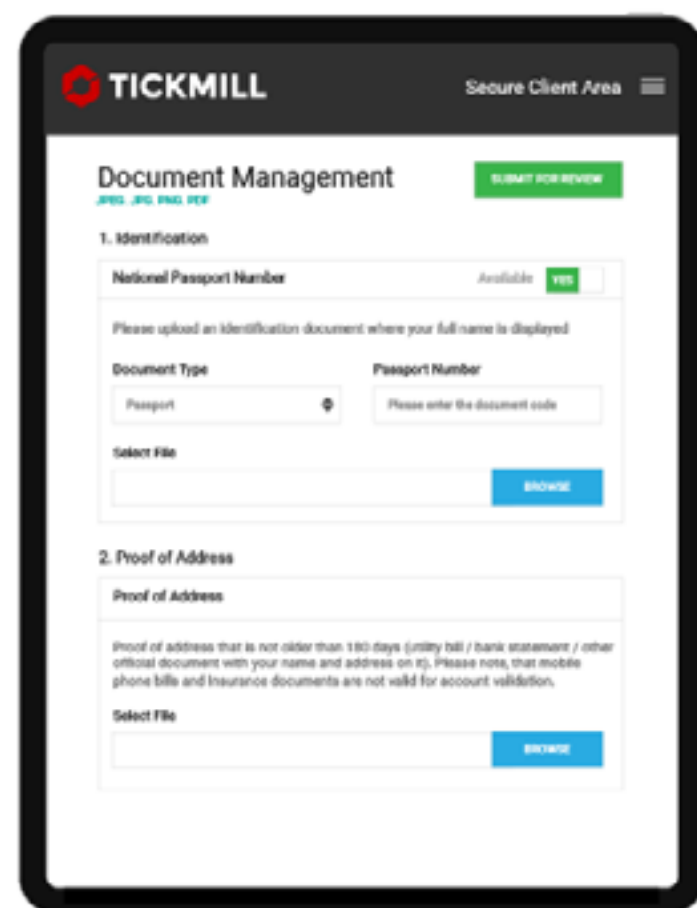
Now that you've made your way through our Ultimate Guide to Becoming an IB, it may be the time to take the next step and become a Tickmill IB. The process is really quite simple. Just follow the steps below to begin.



STEP 1

REGISTER

Fill in the requested fields regarding your personal information and trading expertise to complete Client Area registration.

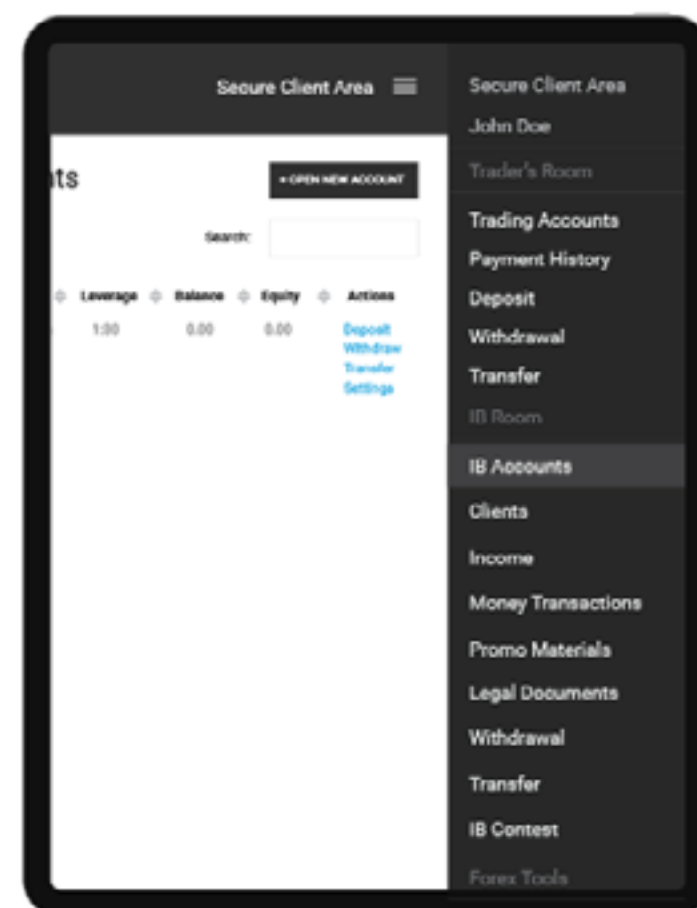


STEP 2

VERIFY YOUR PROFILE

Log in to Client Area, upload the necessary documents to verify your profile.

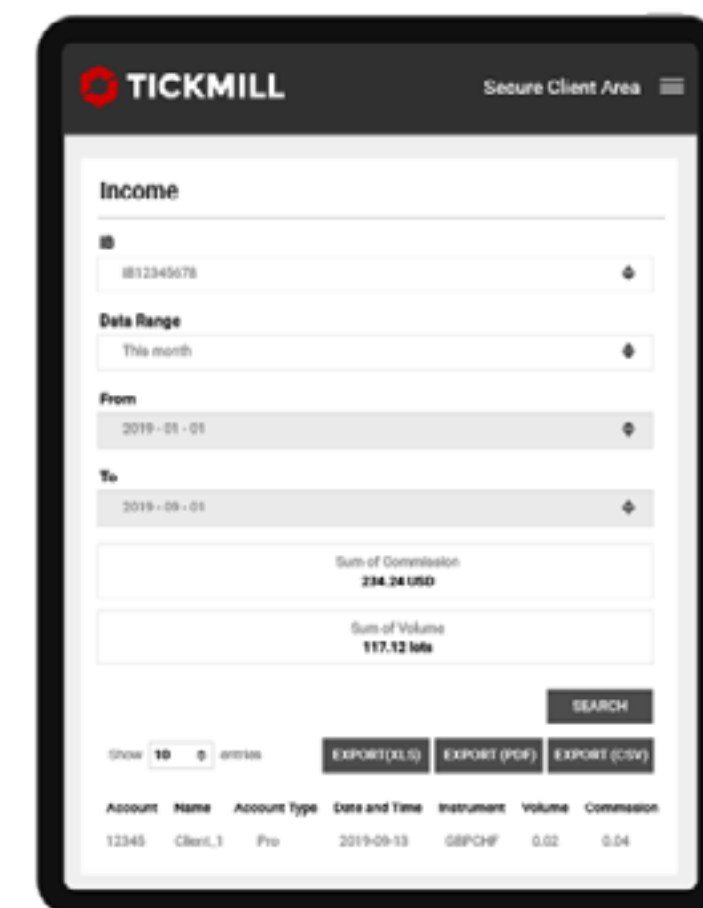
- Proof of identity
- Proof of Address



STEP 3

BECOME AN IB & INVITE TRADERS

Enter the IB Room in your Client Area to activate your IB account. Everything is ready for you to promote us. Get links, logos, banners and landing pages.







STEP 4

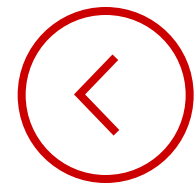
GET YOUR IB COMMISSIONS

Earn \$10 per lot on a Classic account and \$2 per lot on a Pro or VIP account for qualified FX and Metal trades. This will be paid to the IB once the client opens and closes the trade.


Click here to get started

Do you have any further questions? Contact us and we'll get back to you as soon as possible.

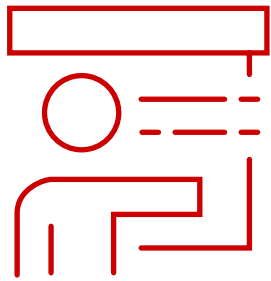







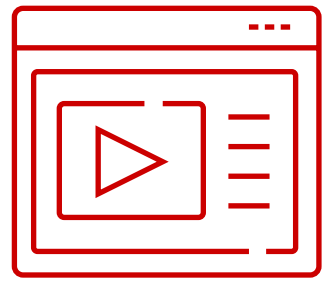
Education



Webinars



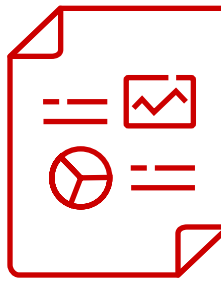
Seminars



Video Tutorials



Ebooks



Infographics



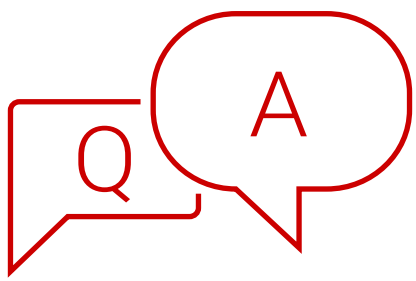
Forex Glossary



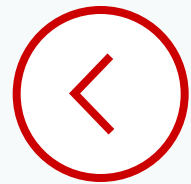
Educational Articles



Blog



FAQs



Live Account

Key Features



EXCEL WITH EXCEPTIONAL TRADING CONDITIONS

Take advantage of tight spreads and competitive commissions.



SUCCEED WITH THE ULTIMATE MT4

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