

NEWS RELEASE

Fifth Annual Broadridge Survey Reveals Time and Expertise Top Challenges in Advisor Marketing Strategies

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Advisors with a defined marketing strategy falls to the lowest rate in five years (20% in U.S.), yet confidence in meeting practice goals remains high

Less than half of U.S. advisors currently use or plan to use generative AI for marketing, compared to 56% of Canadian advisors

NEW YORK and TORONTO, Feb. 7, 2024 /PRNewswire/ -- As macroeconomic volatility has led to an influx of investors seeking financial advice, advisors are increasingly looking to next-generation technology such as generative AI to address their marketing challenges and meet the increased personalization expectations of prospects and clients, according to global Fintech leader **Broadridge Financial Solutions, Inc.** (NYSE: BR) annual financial advisor marketing survey.

In its fifth year, this annual survey evaluates North American registered financial advisors' sentiment and activities around digital marketing strategies, shedding light on the successes and challenges that advisors are facing. According to this year's survey, advisors are now more than ever struggling with their marketing efforts due to a lack of time and expertise needed to build a successful strategy, yet many are finding success in building their practices through a personalized content approach and leveraging next-generation technologies such as AI to reach their prospective and current client base.

Frequent, Meaningful Communications Serve as Drivers for Advisor Growth

As investors demand a more high-touch experience from their advisors, financial advisors who communicate more

frequently with their clients are found to be far more confident in meeting their practice goals. Sixty-eight percent of U.S. advisors who communicate at least quarterly with their clients are confident in meeting their goals compared to 51% who communicate with clients annually or less frequently. Similarly, U.S. advisors who are personalizing their content marketing are more confident in reaching their practice goals (71% compared to 62%), and have almost double the rate of being "very confident" in reaching practice goals next year (30% vs. 18%).

Those who are personalizing their content are also more likely to:

- convert social media leads to clients (45% vs. 34%)
- use generative AI (50% vs. 38%)
- spend more time on marketing efforts (an average 2.5 vs. 1.9 hours a week)
- have a defined marketing strategy (32% vs. 10%)
- generate more website leads (an average of 3.3 leads person month vs. 1.9)

An important element in an advisor's growth strategy is personalized educational content that forges deeper relationships and helps clients achieve their unique goals, and yet many advisors find challenges in developing and sharing personalized education. The top reasons that U.S. advisors don't share educational content with clients are that they're not sure how to best go about it (49%), don't find enough time (46%), perceive a lack of interest from clients (44%), and run into compliance issues (34%). To overcome these challenges, many financial advisors are leveraging innovative technology solutions. The survey found that over half (56%) of Canadian advisors are currently using or plan to use generative AI in digital marketing strategies compared to 43% of U.S. advisors.

Advisor AI Usage and Perceptions

The top use cases for AI among North American advisors include generating personalized content, developing personalized marketing campaigns, automating administrative tasks and communications and segmenting clients and prospects, highlighting how generative AI is a key tool in enabling advisors to engage with clients in more meaningful ways while lowering their operating costs.

Along with generative AI, advisors are also looking to ramp up their investments in social media for digital marketing, with 57% of Canadian currently or planning to invest in social media marketing compared to 43% of U.S. advisors. This is likely because Canadian advisors are placing a greater emphasis on attracting Millennial and Gen Z clients compared to their U.S. counterparts. Canadian advisors have also been more successful in converting social media leads to clients (44% vs. 39% of U.S. advisors), with LinkedIn and Facebook being the top two social media platforms for lead conversions across North America.

"An advisor recently told me she no longer competes only with other advisors when building a sustainable practice

with younger clients, she competes against TikTok influencers as well. 2023 was the year of generative AI, and tech-savvy advisors can break through the clutter as they develop use cases to better personalize their content and communications for multi-generational clients," says Kevin Darlington, General Manager, Head of Broadridge Advisor Solutions. "However, many concerns and questions remain around the technology, so advisors should understand the risks and opportunities to leveraging generative AI in a digital marketing strategy to remain compliant while attracting prospects. Similarly, social media has become a popular tool to attract the next generation of potential clients and should be harnessed effectively for lead generation."

The Number of Advisors with a Defined Marketing Strategy Reaches Lowest Level in Five Years

The number of advisors leveraging a defined marketing strategy has fallen due to the number of challenges that advisors face when it comes to marketing. Nearly all advisors (99% of U.S. and 98% of CA) find marketing activities challenging. The top two challenges North American advisors face include finding time for marketing initiatives and sourcing the right expertise. However, having a defined marketing strategy can help ease these pressures.

The number of U.S. advisors who have a defined marketing strategy is at the lowest level since 2019; 20% in 2023 compared to 28% in 2019. Similarly, only 21% of Canadian advisors report having a defined marketing strategy.

Despite a decline in advisors with a defined marketing strategy, those who leverage one are significantly more confident in meeting their practice goals over the next 12 months (83% and 89% of U.S. and Canadian advisors, respectively, compared to 62% and 61% of U.S. and Canadian advisors without a defined marketing strategy).

Seventy percent of U.S. advisors with a defined marketing strategy saw an increase in inbound requests in the past 12 months compared to just 44% of advisors without a defined marketing strategy. For Canadian advisors, the difference was nearly double - 63% of those with a defined marketing strategy saw an increase in the number of inbound requests compared to 32% of advisors without a defined strategy.

"We conduct this survey annually to analyze how advisor behavior is evolving with the changing financial advice landscape. There is a direct correlation between advisors who spend more time on their marketing efforts, their levels of confidence, and the number of prospects they attract," adds Darlington. "It simply shows that devoting the right amount of time to create a defined strategy drives measurable results, helps advisors map out their time commitment and allocate the appropriate resources before they set out to engage in marketing. Advisors should leverage the right tools and technology that can save them time, resources and allow them to be intentional with their efforts to get the highest ROI."

Read the detailed insights from Broadridge's fifth-annual financial advisor marketing survey [here](#).

Methodology

The Broadridge survey was conducted by 8 Acre Perspective, an independent marketing research firm. A total of 403 U.S. financial advisors across primarily IBD and RIA channels completed the survey, which was fielded from October 20-November 15, 2023. A total of 131 Canadian financial advisors across primarily IBD and Regional Full-Service Brokerage channels also completed the survey, which was fielded from October 25-December 4, 2023.

For further details on survey methodology, please contact a Broadridge media representative.

About Broadridge

Broadridge Financial Solutions (NYSE: BR), a global Fintech leader with over \$6 billion in revenues, provides the critical infrastructure that powers investing, corporate governance and communications to enable better financial lives. We deliver technology-driven solutions to banks, broker-dealers, asset and wealth managers and public companies. Broadridge's infrastructure serves as a global communications hub enabling corporate governance by linking thousands of public companies and mutual funds to tens of millions of individual and institutional investors around the world. In addition, Broadridge's technology and operations platforms underpin the daily trading of on average more than U.S. \$10 trillion of equities, fixed income and other securities globally. A certified Great Place to Work®, Broadridge is a part of the S&P 500® Index, employing over 14,000 associates in 21 countries.

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