Broadridge

Financial Advisors Accelerate Shift to Holistic Financial Planning, Receptive to Support from Asset Managers and Technology, According to New Broadridge Survey

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NEW YORK, April 27, 2020 /PRNewswire/ -- Broadridge Financial Solutions, Inc. (NYSE: BR), a global Fintech leader, today released results from a survey of over 300 financial advisors, revealing that financial advisors are accelerating the transition of their business models to offer more holistic financial wellness services.

Fifty-one percent of surveyed advisors stated that there will be an increased focus on holistic financial planning within their practices moving forward. Younger advisors (under 40) are four times more likely than older advisors (over 55) to believe that the main value they provide to clients is holistic financial planning.

As advisors aim to meet increasing investor demand for financial planning, survey respondents also expect to move toward a team structure as opposed to working in solo practices. In three years, nearly 8 out of 10 advisors expect to be part of a team. The survey also revealed that the number of advisors with 75% or more fee-based assets under management (AUM) will increase from 51% to 67% over the next three years.

"While we surveyed advisors prior to widespread quarantining, our perspective is that the current global environment has intensified pre-existing trends. As advisors accelerate the move to holistic planning in part due to this, they need two things: a digital-first mindset and broad support from asset managers," said Matthew Schiffman, Principal of Distribution Insight at Broadridge Financial Solutions. "For the latter, the onus is on asset managers to address advisor and ultimately investor concerns – particularly ones that are exacerbated by the global crisis we are in. For the former, there is simply no longer a choice. The industry has been inching toward digital distribution of content and communication for some time, and overnight, we stopped inching and took the full leap."

How Asset Managers Can Build Stronger Relationships Amid Advisor Changes

Almost 80% of advisors are looking for asset managers to help them optimize their businesses, and 78% stated they want support on portfolio construction and risk management. However, only 25% of advisors were found to actively seek out new relationships with asset managers.

Advisors continue to seek assistance on digital transformation efforts, notably looking for support from asset managers on building a tech stack (57%, e.g., CRM, financial planning software, and data analytics) and strategies for outsourcing (41%).

The survey also uncovered an opportunity for managers to provide support around generational and demographic shifts in investing. More than half of advisor respondents (59%) expressed interest in receiving content on how to market to women and minorities. Similarly, 71% of advisors expressed interest in acquiring new millennial investor clients.

Advisors cited wholesalers, whitepapers (or other thought leadership) and websites as the top preferred ways to receive content and support from asset managers.

Methodology
This Broadridge survey was conducted by 8 Acre Perspective to assess the world of financial advice and guidance. A total of 300 financial advisors across wire, regional, IBD and RIA channels completed the survey, which was fielded from February 21 to March 1, 2020. For further details on survey methodology, please contact a Broadridge media representative.

About Broadridge
Broadridge Financial Solutions, Inc. (NYSE: BR), a $4 billion global Fintech leader, is a leading provider of investor communications and technology-driven solutions to banks, broker-dealers, asset and wealth managers and corporate issuers. Broadridge's infrastructure underpins proxy voting services for over 50 percent of public companies and mutual funds globally, and processes on average more than U.S.$7 trillion in fixed income and equity securities trades per day. Broadridge is part of the S&P 500® Index and employs over 11,000 associates in 18 countries.

For more information about Broadridge, please visit www.broadridge.com.

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