



FINANCIAL ADVICE REIMAGINED: HOLISTIC. ON-DEMAND. INTEGRATED.

VIDEO TRANSCRIPT

A day in the life of Felicity, a fictional financial advisor and her fictional clients, as she works to stay ahead of client expectations in the new normal. Survey insights pulled from Accenture research on North American financial advisors.

Meet Felicity and Henry

Felicity is a 30-year-old licensed financial advisor

She has been with her company for 8 years and has 100 households under management. She is responsible for managing over \$150M in assets. Her clients rely on her to be knowledgeable, flexible and to anticipate their needs.

Henry is a 65-year-old male

He created his wealth earlier in life by selling off his successful clothing company. After 30 years managing hundreds of employees, he is able to peacefully retire with \$40M. He looks to Felicity to help him with his portfolio performance and estate planning. He is planning to transfer \$5M of his wealth to his granddaughter Kim, who is approaching her 25th birthday.

Insights from our recent advisor survey

- 1 out of 3 current clients are baby boomers. Therefore financial advisors (FAs) are preparing for the greatest wealth transfer of all time and it is critical that advisors create relationships with the next generation of clients around topics that empower them to take control and be good stewards of their wealth.
- While most FAs think of themselves as portfolio managers, a significant number see themselves as life coaches and therapists, privy to complicated family dynamics.
- While retirement is a common topic, clients also want to know more about estate planning, budgeting, portfolio performance and wealth transfers, among other subjects.
- The top products that FAs recommend to clients are mutual funds, ETFs (exchange traded funds), insurance, annuities, banking products, individual bonds and individual equities.
- About 25% of clients are under the age of 41.



Felicity & Henry's quarterly meeting

Their quarterly meeting, which usually takes place in the office, has been moved to a video call.

Henry appreciates Felicity's flexibility meeting in a way that's convenient for him. Felicity understands that clients' busy schedules can be tough to navigate, so she does her best to meet them where they are. Gone are the days where FAs like Felicity spend the bulk of their day in the boardroom. Flexibility and adaptability are essential for her to deliver a personalized and holistic service.

Felicity: "So glad you're finally getting that time to golf! You'll be happy to know that after I last rebalanced your portfolio, your investments have increased by 15%. Are there any new life changes I should know about?"

Henry: "Excellent, and actually yes. As you know my granddaughter Kim is turning 25 next month, so she will have full access to her trust. I want to make sure she has the tools to make smart decisions with her money. Can you reach out and introduce yourself to her and her partner to offer up your services as well as provide any resources to discuss investing basics?"

Felicity: "Of course, I'll get connected with them."

Henry: "Thank you. I didn't understand money when I was younger, so I struggled with teaching them financial literacy. I want Kim to have more knowledge and empowerment over her money than I had. That reminds me, can you set up our next family governance meeting with the usual attendees from the family and the foundation in the next two months?"

Felicity: "Absolutely."

Prospect outreach

Following the call, Felicity logs Kim as a prospect in Salesforce. She then opens LinkedIn and sends Kim a message introducing herself.

Felicity assigns a task in Salesforce to her associate: Send introductory financial literacy documents to prospects Kim and Kayla.

Felicity Allen • 9:30AM

Hi Kim, wonderful to meet you. By way of introduction, my name is Felicity and I am your grandfather's financial adviser. He asked me to reach out to you to discuss upcoming changes to your finances. Would you and your partner be open to meeting soon? I'd love to learn a little bit more about you and your financial goals.

Kim Norton • 9:42AM

Hi Felicity, thanks for your note! My grandfather has been singing your praises. Truth be told, I'm a little nervous about the upcoming wealth transfer and my partner Kayla and I can really use your help! Can we meet at the Mantras coffee shop on Main Street at 3:00pm today to discuss?



Felicity Allen • 9:50AM
Of course, see you then!

Service on demand

On her way to lunch, Felicity checks her email

Frank Miller <frank.miller@personal.com>

Hi Felicity, just looking to get your opinion on something. I'm thinking of switching jobs and I'm worried about how that might impact my finances. I will be taking about a month off before I start a new position, where I'll enjoy a 5% pay bump. I know it isn't much but I'm wondering if you think it's worth making the jump and whether you think I can afford the time off? I would love to rent an RV and camp out on the west coast, and I estimate that will cost me about \$7,500 for the month.

Felicity responds to Frank's email

New Message

Frank Miller <frank.miller@personal.com>

RE: Question for you

Hey Frank, Thanks for your note, and congrats on the job offer! Taking a look at your forecast, you should be able to take this trip, take the new job and still meet your financial goals! Enjoy!

Cheers,
Felicity

Communicating with clients

Meanwhile, a Facebook message comes through from Jake, who has been a client of Felicity's for two years

Hey Felicity, thanks again for your help and advice last month. I just wanted to let you know that my wife and I are looking at purchasing a house. It's \$30,000 more than we had budgeted for and it's going to be perfect for our family of four (we are pregnant with our second by the way!) I wanted your advice as I want to ensure we will still be able to make our financial targets.

Hey Jake, congrats on the little one! That's wonderful news. Typically, I would advise against going over budget when it comes to buying a house, but with the latest interest rate reductions, this new place looks like it might still fall within your budget. Let me connect you to our mortgage broker who can help you make that decision by providing an estimate on what your interest rate would be. In our next monthly meeting, we can also look to update your trust to incorporate the new addition to the family.

Survey insights

- When asked "What channel do you use most frequently for client communication" the top answer was email with 34%, followed by office phone and cell phone at 22% each. Almost one-fifth (19%) of FAs communicate with clients via messaging apps such as Facebook Messenger, WhatsApp, Snapchat and Skype.



From prospect...

It's a sunny afternoon. Felicity, Kim and Kayla sit at one of the outdoor tables. They are relaxed, drinking some tea and getting to know each other on a more personal level.

Felicity: "Nice to meet you both!"

Kim: "This is my partner Kayla. It's important to me that she is as much a part of this process as I am. My money is her money. Thanks for emailing me those financial literacy resources, we'll take a look at them. This money will bring us financial stability, so how can you help me be a good steward of those assets?"

Felicity: "How about I show you."

Felicity shows them graphs on a laptop

Felicity: "The first graph is what your money looks like without investing it. The other is what it looks like after investing half the trust and 10% of both of your incomes each month over the course of the next ten years. You can see what a difference it makes when you invest consistently and early. This would be a healthy mix of investments such as stocks, bonds, mutual funds, ETFs etc. I can also help you with your 401K, insurance and mortgage. You mentioned thinking about adopting. I can help you navigate through those fees, connect you to a lawyer, add any future child as a beneficiary and help set up a 529 plan for them. With that said, do you have any specific investment interests?"

...To meeting...

Kayla: "Well, we don't know much about the market; we'll leave that to you. But we've been hearing about Environmental, Social and Governance (ESG) investments, which sound as if they would very much align with our personal values. Is that something we can look into?"

Felicity: "ESG investments, also known as sustainable investments, will allow you to invest in financial products that seek positive returns and positive long-term impact on society and the environment. That's something we can look to incorporate into your portfolio."

Kim: "Great – looking forward to working with you as our financial advisor!"

Survey insights

- 39% say their clients ask about ESG investments occasionally and 31% ask about them frequently.
- Over half of financial advisors surveyed estimate between 1%–25% of their clients have ESG investments in their portfolio.
- 79% of FAs strongly agree or agree that they have access to enough ESG products aligned to match client demand and outcomes.
- When meeting with a couple, almost three-fourths of respondents report generally both clients are actively engaged in conversation.
- A quarter of financial advisors indicate their firm can improve communication with clients in order to create a better client experience.



...To client

After the interaction, Felicity makes updates in Salesforce, Kim and Kayla are converted from prospect to client.

Felicity assigns a task to set up recurring meetings with Kim and Kayla, and to send them information on ESG Investments. Felicity assigns an additional task to her client associate to send them an invite to an ESG event in the city next week so they can meet more people that share the same interests they have.

Salesforce takes the inputs from Felicity and, using predictive analytics, recommends a mix of investments for Kim that are likely to have a strong market performance.

Survey insights

- While FAs reveal today that 60% of them use CRM to update contact information and review investment performance, there are powerful and real sales opportunities when data and investments are connected real time.

Prospects can come from unexpected places

It's 5:00pm and Felicity heads to the gym. She runs into Louis, her older brother's college roommate. Louis is a 40-year-old entrepreneur in need of some sound financial advice.

Felicity: "Louis, it's been 10 years since I've last seen you! I saw recently on LinkedIn you just hit two years with the tech company you started. Congrats and how is that going?"

Louis: "Overall, it's great. We are actually looking to be acquired by a number of different companies. It's funny, even though I was a finance major I feel out of my element here. This is the first time I am going through something like this and I don't even know what questions to ask. I know you're a financial adviser. Do you have any advice for me?"

Financial advisors go above and beyond

Felicity: "Not exactly, but let me connect you with a friend, Jamie, who works in the private equity space. I know he would have some guidance for you. If it's ok, I would love to set up some time with you in a week or so to talk about your personal finances after you chat with Jamie."

Louis: "Sounds great—my wife just changed jobs and needs to roll over her 401K. Between that and our current savings, I believe that should meet your minimum investment requirements. Also I'm currently with another firm, but I've been disappointed recently with my portfolio's performance for the last six months. We are also overdue to get a life insurance policy, if that's something you can help with? Let's talk about those topics next week."

Felicity: "I believe the 401K transfer and savings would meet the minimum requirement. Let me send you the form now. Looking forward to meeting next week!"

Felicity takes out her phone and sends Louis the 401K rollover form.



Survey insights

- Over 40% of respondents who provide advice on investment assets managed at an outside firm charge a fee for that advice.

After a long day of meetings and client interactions Felicity sips wine and reflects with her partner Luke

- She met new clients while going about the day as her authentic self.
- No topic is the same - she worked across a diverse range of subjects such as: transfer of wealth, complicated family dynamics, adoption, investments that help society, liquidity planning, continuing to expand her professional financial network and assessing the performance of assets.
- Many topics are prompted by life events that happen organically and can't be planned.
- She utilized technology to keep her calendar and reminders up to date, provided suggestions for investments and kept her operations running efficiently as she transitioned from one client to the next.
- She is thankful she can service these clients holistically, with the right tools and an appreciation for the various ages and stages her clients are in life.