



# Powering Hybrid Advice in Canada

Video Transcript

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Hi everyone. I'm Kendra Thompson, and I lead Accenture's Global Wealth Management practice. I happen to be Canadian and based in Toronto, so I'm very excited today to bring you some of our latest findings on Canadian investors and what makes their preferences different from those around the world. We're going to spend some time answering three questions to dig a little deeper into our recent research and share with all of you why Canadian banks and those serving Canadian investors are looking at hybrid advice and how they can execute on it differently.

## **What key drivers are helping hybrid advice resonate with Canadian Investors?**

In our research we asked investors what mattered to them, and we saw three things driving the desire for hybrid. The first is definitely regulation, and all the media attention given to new regulations in Canada have absolutely awoken investors to what they are paying for and the value they are receiving. The second is flexibility and a general desire to have more flexibility in what they're paying for and when they're paying for it, and to be able to dial up and dial down the amount of advice they consume. And the third is a general understanding that digital and technology can lower the cost of all elements of their life and wanting that lower cost in their investing relationship.

## **Why is the adoption of hybrid advice slower in Canada than the U.S.?**

There's definitely some very important differences between the U.S. and Canadian investor. The first reason that it's been a bit slower to be adopted in Canada is that there's been fewer choices. There's fewer models already in play, and as a result, investors haven't had a chance to try hybrid in the same way they have in the United States. The second, though, is more about who Canadians are and how conservative they tend to be. We have a large portion of the investing population in that boomer segment. They're nearing retirement, and they're really focused on capital preservation. Many of them would say now is not the time to experiment with new models or new brands, and as a result they're just sticking with the relationships that have served them well up to this date.

## **Why is now the time to commit to and offer hybrid advice?**

When we say hybrid we don't just mean robo versus human, but we mean a more integrated and flexible value proposition led with digital. There's two predominant reasons why now is the time. One, as our research shows, investors are demanding it. They want flexibility. They want the ability to consume advice in different ways on their own terms. The second reason is that it's physically possible now. Two or three years ago we could have never built the things we can build today, and the rich digital experiences that we expect to see rolled out in this market will be highly complementary and in some cases an alternative to dedicated advisory relationships.

Thank you for spending a little bit of time with me today learning about what we're seeing as the emerging preferences of Canadian investors. As always, if you need help or are interested in learning more about our research, please don't hesitate to reach out to me and my team.