NEWS RELEASE

Current Wealth Technology Tools Not Meeting Financial Advisor Expectations, According to Broadridge Study

8/18/2020

51% of North American financial advisors often think of leaving current wealth firm in search of better technology
77% report losing business due to inadequate technology
NEW YORK and TORONTO, Aug. 18, 2020 /PRNewswire/ -- Financial advisors across the United States and Canada report fundamental changes to client relationships and business activity as they grapple with the lasting effects of the Covid-19 pandemic, according to a new survey from **Broadridge Financial Solutions**, Inc. (NYSE: BR), a global Fintech leader. Seventy-seven percent of financial advisors say they have lost business as a result of not having the appropriate technology tools to interact with clients, while 87% report sustained changes in investor communication and engagement. Of financial advisors who reported losing any business, they on average lost a fifth (21.7%) from their book.

"Financial advisors are reliant on their firms for technology that allows them to best serve their clients wherever they may physically be and whatever market conditions are like that day," said Michael Alexander, President of Wealth Management at Broadridge Financial Solutions. "In the fallout from the pandemic, wealth firms are going to face increased pressures to invest in modernizing their advisor technology or risk losing their advisors to firms that already have next-generation wealth platforms."

Technology Tools and Frequent Communication Vital During Pandemic

Amid the pandemic, 63% of North American financial advisors report that they generally communicate with clients on at least a weekly basis. A surprising generational difference was uncovered in this practice: over half (51%) of Millennial financial advisors communicate with their clients daily, while 62% of Baby Boomer financial advisors communicate with clients at a frequency of monthly or less.

Eighty-nine percent of financial advisors report that their desktop software and firm-provided technology tools became more critical during stay-at-home mandates. Across generations, 74% of financial advisors wish their firm had access to better technology tools, and 82% state that paperwork detracts from time spent working with clients.

Half of financial advisors (51%) report that they often think of leaving their current firm for one with better technology tools. Financial advisors under the age of 40 are more likely to leave their firms (59%) compared to those between the ages of 60-79 (32%).

Gaps Between United States and Canada Apparent as Advisors Seek Support

When it comes to marketing support offered to advisors, there is a stark difference between resources in the United States and in Canada. In the United States, 95% of financial advisors report that they have enough marketing support from their firms to grow their practice, while only 59% of Canadian financial advisors say the same. Fifteen percent of Canadian financial advisors report that they get no marketing support from their firms whatsoever.

Financial advisors in the United States are more likely to report that they are provided tools for email marketing (69%), paid digital media promotion (61%) and website creation (60%), compared to financial advisors in Canada, who report 53%, 26% and 41%, respectively.

Only 17% of Canadian financial advisors are very satisfied with the tools they are provided to interact with clients and prospects over social media, compared to 67% of U.S. financial advisors. While all U.S. financial advisors surveyed report that they use social media to some degree for client interactions, 8% of Canadian financial advisors do not use social media at all.

Financial advisors in the United States were found to share more customized communications with clients compared to their Canadian counterparts. U.S. financial advisors routinely share ideas for new investment vehicles with clients (57%) and a personalized analysis of existing investment vehicles (51%). In Canada, financial advisors prioritize sharing a comprehensive view of client accounts (59%) and money-saving tips (41%).

"As wealth management firms across North America look to attract and retain talent, they should be aware that one in two financial advisors often think about leaving their firm to join one with better technology," said Donna Bristow, Managing Director at Broadridge Financial Solutions. "In particular, Canadian firms have an opportunity to improve the marketing and social media tools they provide to their financial advisors in order to enable better digital communications, investor engagement and opportunities for business growth."

Leveraging next-gen technologies is part of Broadridge's investment in The ABCDs of Innovation® - AI, blockchain, the Cloud and digital – helping clients understand and apply these technologies by simplifying the complex to help them be Ready for Next. For more information about Broadridge's Wealth Platform, please visit **www.broadridge.com/financial-services/wealth-management**.

For an interactive look at the findings in this press release, please visit **here**

Methodology

This survey of 254 financial planners and advisors in the United States and Canada was fielded in June 2020 by Research Knowledge and Insights, a market research firm.

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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