

FA Marketing Spend Up 24% from 2020 with Mixed ROI: Broadridge Survey

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Only 26% of financial advisors report having a defined marketing strategy

NEW YORK, Oct. 7, 2021 /PRNewswire/ -- **Broadridge Financial Solutions, Inc.** (NYSE: BR), a global Fintech leader, today released its third-annual financial advisor marketing survey, which reveals that advisors have a renewed focus on growing their practices through digital marketing but there is a growing disparity in their results.

Advisors' average annual marketing spend has increased to \$16,090, up from \$12,939 in 2020, but their return on marketing investments is mixed. Only 15% of advisors report being very satisfied with their marketing return on investment (ROI), and only 26% report having a defined marketing strategy. Those who do reap the benefits: advisors with a defined marketing strategy onboarded more than twice as many clients over the last twelve months as those who didn't.

A majority of advisors are focusing their marketing spend on new client acquisition versus cross-selling existing clients. Advisors under the age of 45 are aggressively devoting 70% of their marketing spend to new client acquisition, compared to 57% for advisors over 55. Two-thirds of advisors (66%) are actively adding new clients, and 59% of advisors report an uptick in inbound prospect requests.

"Financial advisors are back on offense following a wait-and-see approach in 2020, increasing their marketing spend to grow their practices and reach new prospects. The timing is right – the industry is sensing that retail investor demand for financial advice and information has never been higher," said Kevin Darlington, General Manager, Broadridge. "That said, many advisors are still struggling to execute a marketing strategy that draws a neat line to new client acquisition. Those who have taken the time to define and implement a cohesive digital strategy are twice as likely to be very satisfied with their marketing ROI and are more confident in their ability to find new prospects, convert leads and meet their practice goals."

From Social Media to Video Content, Advisors Plan to Double Down on Digital Efforts

As advisors aim to follow the channel and content preferences of their prospects, 89% report sharing educational content and 40% report obtaining a lead that has become a client directly through social media – up slightly from 37% in 2020 and 34% in 2019.

The top five areas advisors plan to invest more in the future skew strongly digital: social media, in-person events, websites, creating video content and advertising in digital media.

Fifty-seven percent of advisors with a defined marketing strategy obtained a new client through social media, compared to only 34% of those without one. Of all advisors who obtained a new client through social media, 71% obtained a lead on LinkedIn and 58% obtained a lead on Facebook. Only 6% report doing the same on Twitter, followed by Instagram (4%) and YouTube (3%).

Marketing Priorities Shift Toward New Audiences

Fewer advisors now cite Boomers as their primary prospecting target than in any previous iteration of the annual survey (79% in 2021, down from 81% in 2020 and 83% in 2019). Thirteen percent of advisors now prioritize the Millennial audience (up from 10% in 2020), and 58% of advisors now prioritize the Generation X audience (up from 46% in 2020).

Eighty-two percent of advisors expressed a focus on targeting potential heirs, with 40% planning to target additional generations within clients' families and 42% already doing so. Over a third of advisors (36%) plan to increase marketing efforts outside of their locale.

Only 3% of advisors currently include client testimonials in marketing materials, but 30% plan to start doing so.

Methodology

The Broadridge survey was conducted by 8 Acre Perspective Corp. A total of 402 U.S. financial advisors across Wire, Regional, IBD and RIA channels completed the survey, which was fielded in July 2021.

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

About Broadridge

Broadridge Financial Solutions (NYSE: BR), a global Fintech leader with \$5 billion in revenues, provides the critical

infrastructure that powers investing, corporate governance, and communications to enable better financial lives. We deliver technology-driven solutions that drive business transformation for 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. Our technology and operations platforms underpin the daily trading of more than U.S. \$9 trillion of equities, fixed income and other securities globally. A certified Great Place to Work®, Broadridge is part of the S&P 500® Index, employing over 13,000 associates in 21 countries.

For more information about us and what we can do for you please visit www.broadridge.com.

Media Contacts:

Matthew Luongo

Prosek Partners

+1 646.818.9279

mluongo@prosek.com

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