



7 Things Today's Investors Want From Their Advisor

In times of uncertainty, you have the opportunity to provide a much-needed human connection and valuable insights to individuals and families alike. Your clients will always have questions about the markets, their finances, their plans, and their goals. They need the ability to turn to a real person and ask the most human question, "What should I do?"

You can fulfill the essential role of counselor, offering unified advice and enhancing your relationships with increased trust and confidence. Part of that is understanding changing investor expectations and adjusting your practice to deliver what they're looking for. This will not only help your clients achieve their goals and increase their overall satisfaction with your relationship, but it will also better position you to maintain and grow your practice.

Here are seven things you should consider to align your services with what today's investor wants and needs.

1

Serve as their holistic financial wellness coach.

For an investor, one of the benefits of working with an advisor is having a real person to talk to, ask questions, share concerns, and discuss real-life events that could impact their finances. These conversations require a foundation of trust. You can help build this by sharing only what's relevant for their situations and offering personalized experiences that offer real value.

Your clients want to be able to come to you for guidance both related and unrelated to their finances, particularly when it comes to connecting them with other partners, such as lawyers, real estate agents, accountants, tax planners, etc. Similarly, they want to rely on you to look beyond just their investments, offering advice on the full scope of their financial lives.

This big-picture, relationship-focused approach to financial planning can help your clients understand how specific decisions can impact their finances and goals and help establish you as one of the first people they turn to for advice.

Take action today:

- ✓ Deliver personalized experiences that demonstrate empathy and your understanding of each client's unique journey, priorities, and values.
- ✓ Look beyond your clients' portfolios and help answer big questions like, "Where am I going?" and "What am I doing?"
- ✓ Leverage a top-down approach that first draws focus on their goals and then examines how you can work together to achieve them.
- ✓ Help your clients manage their emotions in volatile markets, so they can avoid the bad decisions that may prevent them from achieving their goals.
- ✓ Proactively keep in touch with your clients to encourage open lines of communication.
- ✓ Give your clients insight into your network so they understand who you can connect them with and the value of working with your partners.
- ✓ Leverage aggregated data to create meaningful segmentation and benchmarking for greater clarity into how to holistically improve your clients' financial outcomes.
- ✓ Explain what your clients are getting in return for your fee to demonstrate the value of your expertise.

2

Provide multiple communication channels and a streamlined technology experience.

Today's clients expect a robust digital experience. Digital tools can enhance client relationships, offer additional opportunities to build financial literacy, and create additional touchpoints along the client journey. Such tools can also lead to increased productivity within your firm as the result of automated and streamlined operations, while also fostering trust and personalized experiences.

Take action today:

- ✔ Consider the communication options that will work best for you, your practice, and the clients you're trying to attract and retain: video conferencing, meeting for coffee, texting, calling, etc.
- ✔ Provide clients with on-demand, real-time access to their financial data through a digital portal so they can get the information they want, when they want it.
- ✔ Capitalize on the advancement of video communication to promote high-quality, remote engagement opportunities to complement face-to-face interactions.
- ✔ Be very clear upfront about the communication options you offer and how quickly someone can expect a reply, particularly if this varies based on the client's segmentation.

3

Lead your relationships with financial planning.

Financial planning can demonstrate to your clients that you're focused on their goals and are aware of their top concerns and challenges. These conversations can provide an entry point for the various ways you can support your clients on their journeys to financial wellness, from retirement planning, to estate planning, to insurance, and more. It also offers another opportunity to personalize your service for each client, helping them understand their behaviors as they work towards their goals, and providing clarity around complex topics like taxes and Social Security.

Take action today:

- ✔ Use financial planning tools to provide solutions for various outcomes.
- ✔ Leverage a digital financial planning tool that facilitates incremental decision-making by breaking up key financial wellness topics into bite-sized pieces.
- ✔ Put a greater emphasis on healthcare, eldercare, and estate planning when talking to clients.
- ✔ Holistically manage the scope of retirement income sources, risks, and insurance needs using integrated-cloud based technology and strategic partnerships.
- ✔ Review clients' financial plans with them once a year or after any major life or goal changes.

4

Offer investment options that reflect your clients' personal values.

Investors are becoming increasingly vigilant about what's in their portfolios. They want you to help ensure that their portfolio aligns with their personal values while still meeting their financial wellness goals. For some clients, this may mean incorporating impact investing into their investment strategy, and for others, this may mean strategically considering alternative investment options.

Take action today:

- ✔ Proactively ask your clients about their personal values and their desire for those values to be reflected in their portfolios.
- ✔ Develop and document a strategy based on their beliefs, while still focused on their goals.
- ✔ Consider partnering with asset managers and model providers to leverage their investment management expertise and free up time and resources to spend with clients.
- ✔ Discuss cutting-edge investment options that your clients may express interest in, from Bitcoin to art to real estate.

5

Help with tax planning.

Dealing with taxes can feel overwhelming for investors, especially as they near retirement. Your clients want your help in managing the complexity of what they're facing, finding ways to minimize their tax burden, while providing the best possible returns.

Take action today:

- ✔ Examine their full tax picture and identify strategies to help them keep their taxes low over the long term.
- ✔ Share changes in tax law that might impact their personal situation.
- ✔ Research and suggest investment options that take tax implications into consideration to mitigate their potential impact.
- ✔ Advise your clients on charitable donations, tax-efficient estate plans, and various tax breaks that may be available to them.
- ✔ Partner with a trustworthy accountant to help support your clients' financial needs outside of the work that you do.
- ✔ Review your clients' tax returns to see if there's any new information you may not already be aware of and can apply to their financial plan.

6 Manage their family's wealth.

Some of your clients, especially those with a high net worth, may find it challenging to discuss family wealth and wealth transfer scenarios. These conversations often bring out a lot of emotions; however, you can play a valuable role in opening the lines of communication.

Getting to know the whole family can also help you maintain and grow your practice. For example, widows often leave their financial advisors after the death of their spouse because they were not involved in the finances and have no relationship with the advisor. Similarly, children often find their own advisor after the death of their parents. Establishing a relationship with the whole family can help encourage good decision making and potentially remedy any disconnect between family members, while also establishing your role as a go-to advisor for all those involved.

Take action today:

- ✔ Help initiate potentially difficult conversations with the family early on in the relationship with your clients.
- ✔ Consider making generational and family wealth transfer a core offering you provide.
- ✔ Work with your client to build a strategy around how they want to inform adult children about their retirement and estate plans.
- ✔ Although your clients' children may not have a lot to invest now, start educating them on the principles of investing and financial best practices. This could lead to better decision making and greater wealth down the road, and help deepen their relationship with you.

7 Expand your services to include both protection and liquidity to better serve clients' needs.

Strategically expanding your services with cutting-edge integrations can help further showcase your value to your clients and enhance your ability to provide holistic, unified advice.

Start by incorporating clients' liquidity and insurance needs into planning conversations, using this information to talk about the various ways clients can protect their family and their wealth.

Discussions about credit are often welcome – especially when you can demonstrate an immediate cost-savings. As a result, your clients may be more willing to dive deeper into their finances, which can lead to opportunities for addressing many other financial needs.

Take action today:

- ✔ Expand your services to include credit, offering customized financing solutions to help your clients better manage their credit and meet their liquidity needs.
- ✔ Identify opportunities to incorporate annuities within a financial plan to help your clients address their income and protection needs.
- ✔ Leverage digital technologies that seamlessly integrate with your existing ecosystem to expand your services and offer opportunities to advise on credit and insurance needs.

There is a breadth of options for investors to leverage when it comes to managing their wealth. Your prospective and existing clients need to feel valued or they may seek out other arrangements. Talk to your clients and try to better understand their expectations and what you can do to deliver the experience they desire. Consider the list above as a good starting point for these conversations and the changes you may need to implement over the coming months.



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