

a meeting of
MINDS



ADVISORY DISTRIBUTORS

Thursday 26 June 2025



Goldman Sachs Asset Management



Schroders

SECCL
part of octopus



solve



Vanguard

**WELLINGTON
MANAGEMENT®**




owenjames

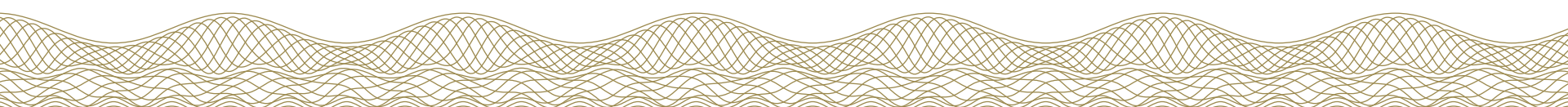
#OwenJamesMoM

A Meeting of Minds – Advisory Distributors

The Scene Setter Results

June 2025

The following research headlines were captured from a quantitative survey carried out amongst the participants at this November's Meeting of Minds. These Meetings bring together the CEOs and MDs, who set the overall strategy for the firm from the top 100 Advisory Distributors, be it a national, network or consolidator, as well as those key individuals who are involved in setting their firm's proposition strategy in terms of the products and funds they market to their clients.

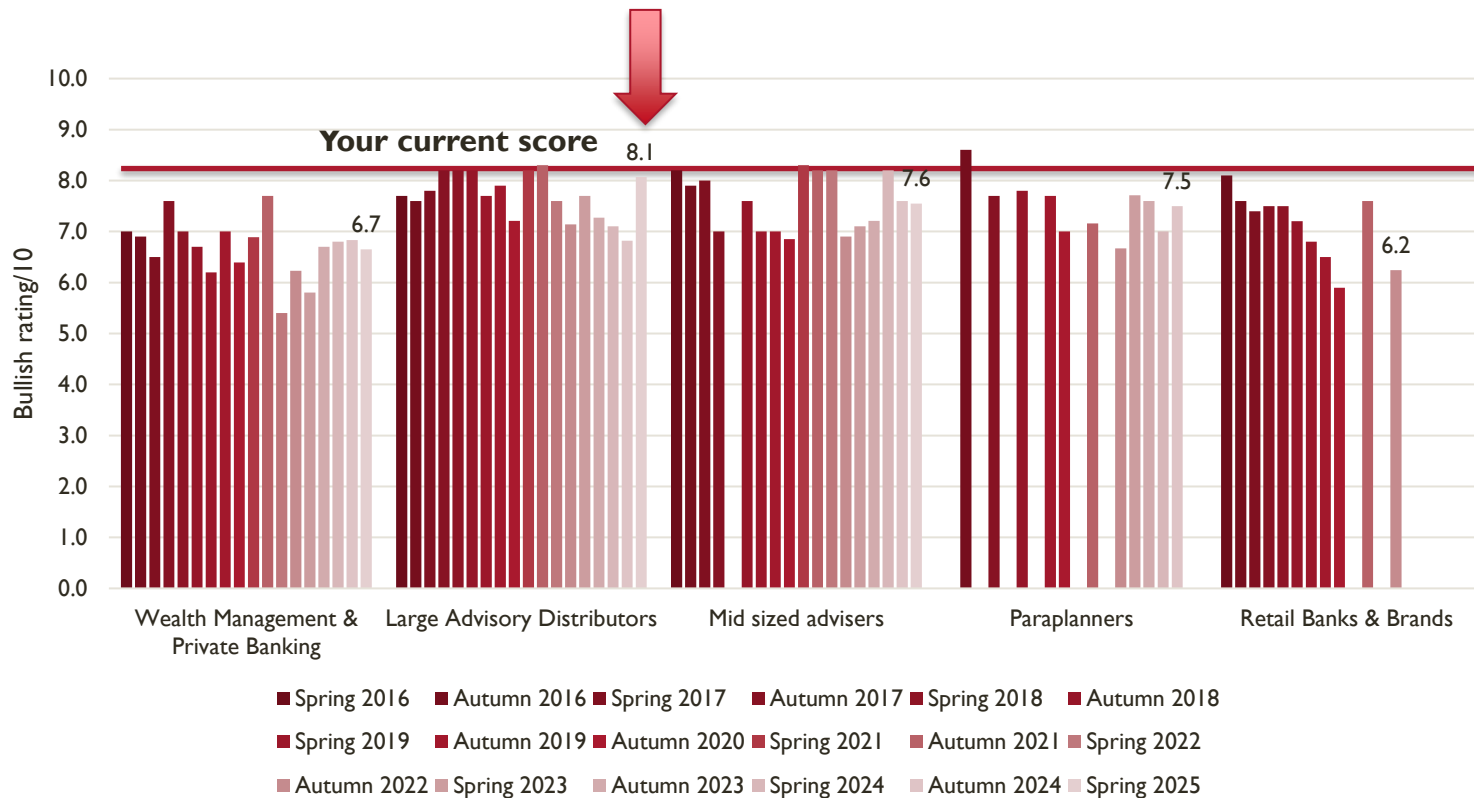


	PAGE		PAGE
SECTION 1 – STRATEGIC INSIGHTS	3	What is the most effective source of new talent for your firm?	34
How bullish are you about the year ahead?	4	Has your adviser turnover increased in the past 2 years?	35
What are the strategic challenges that most concern you?	5	How difficult is it to attract high-quality candidates?	35
How do your responses compare with those from other distribution channels?	6	What do you offer your employees as part of your retention strategy?	35
A SWOT analysis of your business	7	What are the top reasons advisers leave your firm?	36
Using your crystal ball, we asked you to predict the performance of the UK economy in 12 months time.	8	Do you have a formal career development plan for advisers?	36
SECTION 2 – YOUR BUSINESS STRATEGY	11	How satisfied are you with your current retention rate?	36
What are your plans for the business from a growth perspective?	12	How many relationship managers/advisers do you have in the business?	37
What are the three biggest risks associated with M&A at a business level?	13	What is the average age of your relationship managers/advisers?	37
What are your cost reduction ambitions over the next two years?	14	How many of your relationship managers/advisers are women?	37
SECTION 3 – REGULATION	15	SECTION 7 - YOUR THOUGHTS ON THE FUTURE OF ASSET MANAGEMENT	38
What would you change if you were in charge of the Regulator?	16	Which are the biggest investment risks from a fund selection perspective?	39
If you could change one rule or regulatory obligation, what would it be?	17	How do you expect portfolio construction to evolve for high-net-worth (HNW) and ultra-high-net-worth (UHNW) clients?	40
What is the cost of regulation?	18	How do you see the balance between active and passive investing evolving over the next five years?	41
Are your concerns and aspirations about UK regulation being well represented?	20	Which factors do you believe will drive the success of active management in the future?	42
How do your views compare with those of your peers?	21	Which asset classes do you think active management will continue to dominate?	43
SECTION 4 - TECHNOLOGY AND INNOVATION	22	SECTION 8 - WORKING WITH PROVIDERS	44
Where do you see the greatest potential for tech innovation, to enable future business opportunities?	23	What support are you looking for from a strategic partnership?	45
It is said that 70% of the tech projects fail. Why do you think this is?	24	What criteria do you use when selecting funds/outsourced solutions?	46
Think of me as the Tinkerbell of Technology! In which parts of your business would you like me to wave my magic wand?	25	How would you assess your client demand for the following investment solutions?	47
SECTION 5 - YOUR CLIENTS	26	How will the value chain be split in 2 years time?	48
What is the most important consideration for your clients?	27	SECTION 9 - YOUR BUSINESS MODEL	49
How many clients do you have?	29	Please define your business.	50
What is the average age of your clients?	29	What is your business model?	51
What percentage of your clients are women?	29	What percentage of your business is Discretionary, Advisory or XO?	51
Where in the business are you worried about losing assets?	30	What are your total funds under management?	51
When it comes to sourcing new clients; where is your greatest focus over the next 12 - 18 months?	32	What service propositions do you offer to private clients?	52
SECTION 6 - YOUR PEOPLE	33	SECTION 10 - THE SPONSORS	53
Do you believe your firm has a strong employer brand in the financial advice industry?	34	How well do you know our sponsors?	54

SECTION ONE:

STRATEGIC INSIGHTS

How bullish are you about the year ahead?



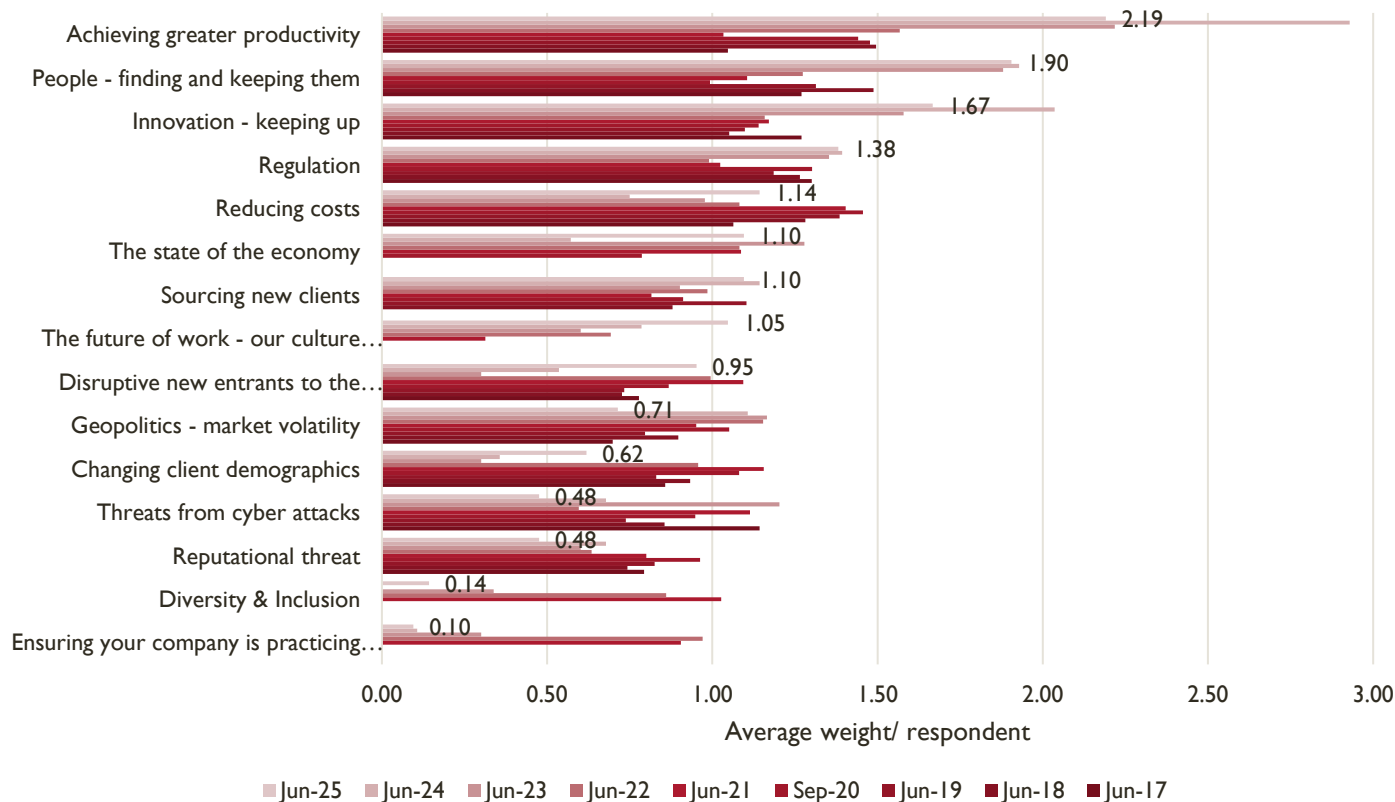
Well, aren't you the happiest of communities.

You scored **8.1 out of ten** on our bullish rating. This is a mighty increase of 1.3 over the past six months. You haven't felt this upbeat since the end of the pandemic!

Your wealth management peers are down on 6.8 - they are feeling pretty "flat"; the mid sized advisers are quite upbeat on 7.6 which is good but actually the same as they felt last Autumn.

I have found you a super upbeat emoji

The challenges that most concern you



This chart lists the current business challenges that are concerning you. We have also included historical data to enable you to see how this has changed over the past seven years.

“Achieving greater productivity” and “People – finding and keeping them” remain your top two issues.

The “State of the economy” has dropped back down as has “Geopolitics” but maybe that was before the Middle East flared up again.

The big climbers are “Sourcing new clients” and “Disruptive new entrants”.

How does this compare with other distribution channels?

UK Asset Management	Private Banks, EAMs and Wealth Managers						UK Financial Advisers						UK Mortgage Distributors	UK Retail Banks and Brands					
	Swiss COOs	UK COOs	UK CEOs	UK Gatekeepers	Large Advisory Distributors	Mid-sized advisers (South)	Mid-sized advisers (North)	Paraplanners											
Cost/income pressures	Geopolitics - mkt volatility	↑	Productivity	=	Sourcing new clients	↑↑	Geopolitics - mkt volatility	↑	Productivity	=	Productivity	=	Productivity	=	Productivity	↑↑	Productivity	N	State of the economy
Sourcing new clients	Productivity	↑↑	Cost/income pressures	=	Attracting & retaining talent	=	Sourcing new clients	↓	Attracting & retaining talent	↑↑	Innovation - keeping up	↑↑	Geopolitics - mkt volatility	↑↑	Innovation - keeping up	=	State of the economy	↑↑	Attracting & retaining talent
State of the economy	Changing client demographics	↓	Innovation - keeping up	=	Productivity	↑	Regulation	↑	Innovation - keeping up	↑	Attracting & retaining talent	=	Attracting & retaining talent	↑	Attracting & retaining talent	↑↑	Geopolitics - mkt volatility	↑	Innovation - keeping up
Regulation	Attracting & retaining talent	↑↑	Attracting & retaining talent	=	Geopolitics - mkt volatility	↓	Attracting & retaining talent	↑	Regulation	↓	Regulation	=	State of the economy	↑↑	Changing client demographics	↑	Innovation - keeping up	↑	Regulation
Geopolitics - mkt volatility	Regulation	=	Sourcing new clients	=	The state of the economy	↓↓	Innovation - keeping up	↑	Cost/income pressures	↑↑	Future of work	↓	Changing client demographics	↓↓	State of the economy	=	Attracting & retaining talent	↑↑	Geopolitics - mkt volatility
Cyber attack	Cyber attack	↑	Cyber attack	↑	Cyber attack	↓↓	Productivity	↑↑	Sourcing new clients	↑	Sourcing new clients	=	Cost/income pressures	↓	Regulation	↑↑	Cost/income pressures	↑↑	Changing client demographics
Attracting & retaining talent	Disruptive new entrants	↑↑	Changing client demographics	↓↓	Regulation	↓	State of the economy	↓↓	State of the economy	=	Cost/income pressures	=	Innovation - keeping up	↓↓	Future of work	=	Regulation	↑	Practicing good ESG
Innovation - keeping up	State of the economy	↑	The future of work	=	Cost/income pressures	↓	Changing client demographics	=	Future of work	↑	Changing client demographics	↓↓	Regulation	=	Geopolitics - mkt volatility	=	Disruptive new entrants	=	Cost/income pressures
Productivity	Cost/income pressures	=	Disruptive new entrants	=	Innovation - keeping up	↓	Disruptive new entrants	↑	Disruptive new entrants	↓↓	State of the economy	↑	Future of work	=	Sourcing new clients	↓↓	Future of work	=	Productivity
Disruptive new entrants	Sourcing new clients	↓↓	Geopolitics - mkt volatility	=	Future of work	↓↓	Cost/income pressures	↓↓	Geopolitics - mkt volatility	↑	Disruptive new entrants	=	Cyber attack	=	Cost/income pressures	=	Changing client demographics	N	Future of work
Reputational threat	Innovation - keeping up	↓↓	State of the economy	↓	Changing client demographics	=	Cyber attack	↓	Changing client demographics	↓	Cyber attack	↑	Disruptive new entrants	↑	Disruptive new entrants	↓	Sourcing new clients	↓	Sourcing new clients
Climate change	Practicing good ESG	↓↓	Regulation	=	Disruptive new entrants	↑	Reputational threat	=	Reputational threat	↑	DE&I	↑	Reputational threat	=	DE&I	↓	DE&I	↓↓	DE&I

* KEY: N = new entrant; ↑ = rise over past 6m; ↓ fall over past 6m

Client-Centric Approach: Keeping clients' interests first; face-to-face contact and strong client relationships; client relationship is king

People & Culture: Quality of our people; culture of ownership and engagement; ethics and doing the right thing

Technology & Innovation: Embracing AI; proprietary tech for full client journey ownership; regulatory alignment

Business Model & Strategy: Unique business model; ability to adapt and access new markets

Reputation & Strength: Financial strength, reputation, scale, differentiation and resilience

Clear purpose and value of financial planning



Relevance & Culture: Industry lacks relevance for wider audiences; poor reputation; weak leadership and cultural alignment

Structure & Tech: Outdated models, poor tech and limited vertical integration; weak consolidation execution

Regulation & External Factors: Geopolitical risks; unclear or excessive regulation; poor industry conduct

Pace & Adaptability: Rapid change with little strategic foresight; slow response to evolving needs

Talent & Demographics: Aging workforce/client base; difficulty attracting and retaining skilled talent

Communication & Incentives: Ineffective communication; misaligned adviser incentives; low public understanding of financial matters



Market Engagement & Awareness: Need to better communicate the value financial advisers/planners bring and to engage differently with underserved market segments

Demographics & Consumer Needs: The wealthy retiring overseas creates new advisory needs; growing demand due to demographic shifts and lack of financial skills/time among individuals; encourage earlier financial planning through simplified pension regimes

Drive efficiencies and better client experiences with tech: Push for innovation across the industry

Business Growth & Consolidation: Growth through client and company acquisition; expansion to full vertical integration

Industry Quality & Differentiation: Emergence of quality, customer-centric providers as opposed to cost-focused low-value firms; need for scalable, reputable firms that don't compromise on service

Regulation & Accessibility: Advocate for a smarter, more enabling regulatory environment; provide appropriate and accessible low-cost financial advice



Client Expectations & Engagement: Inability to keep up with rapidly changing client expectations; declining demand for financial advice from younger generations; consolidators damaging client trust in traditional IFAs through poor service and product offerings

Talent & Organisational Capability: Difficulty in finding high-calibre people and quality products; importance of focusing on people, clients, and cost control; staff engagement issues

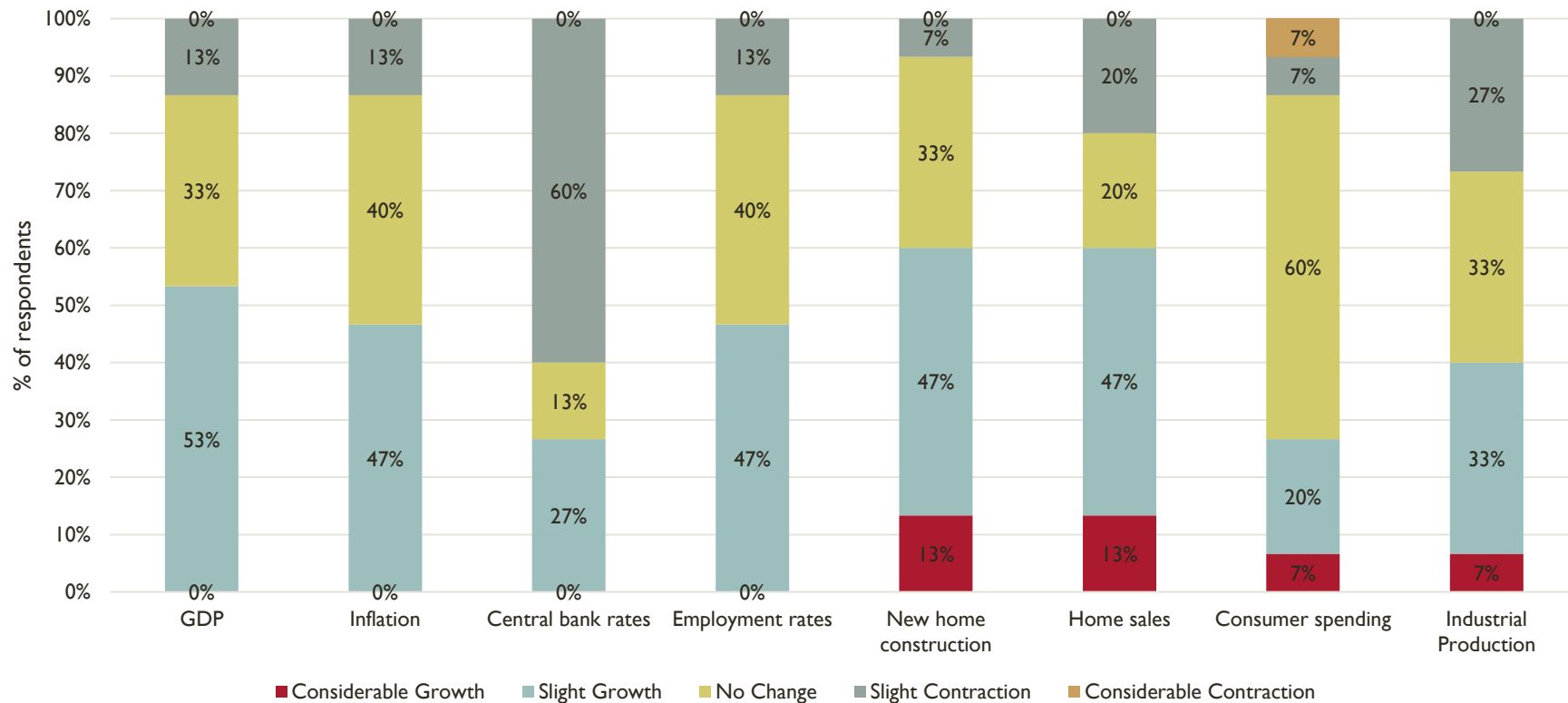
Industry Consolidation & Market Impact: Consolidation activity narrowing the market for independent platforms; negative fallout from private equity (PE) consolidations (e.g., orphan clients, misunderstood cost to serve)

Regulatory & External Pressures: Regulatory interference and irrelevant regulation; changes to taxation adding complexity; geopolitical issues, rising costs, and regulatory burdens

Operational Risks: High cost to serve; cybersecurity threats; adviser behaviour impacting firm reputation and client trust



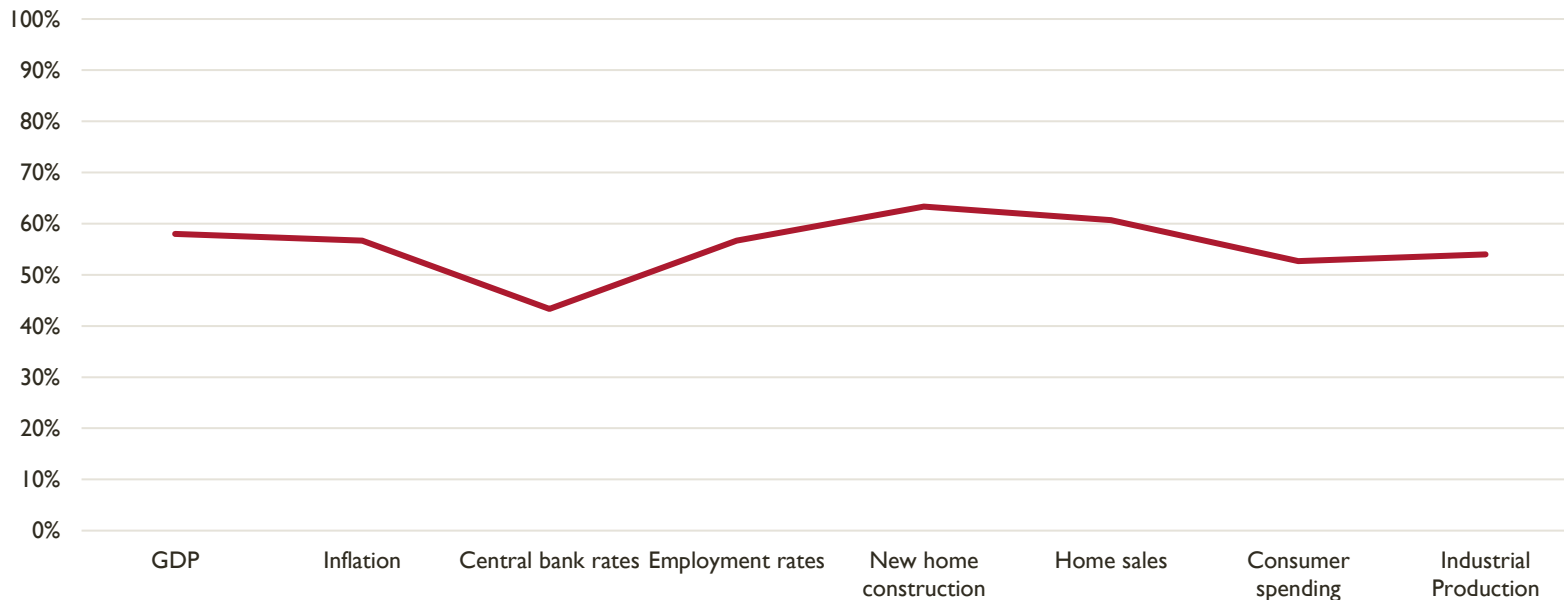
ECONOMIC BAROMETER: Using your crystal ball, what might the UK economy look like in 12 months' time across the following KPIs



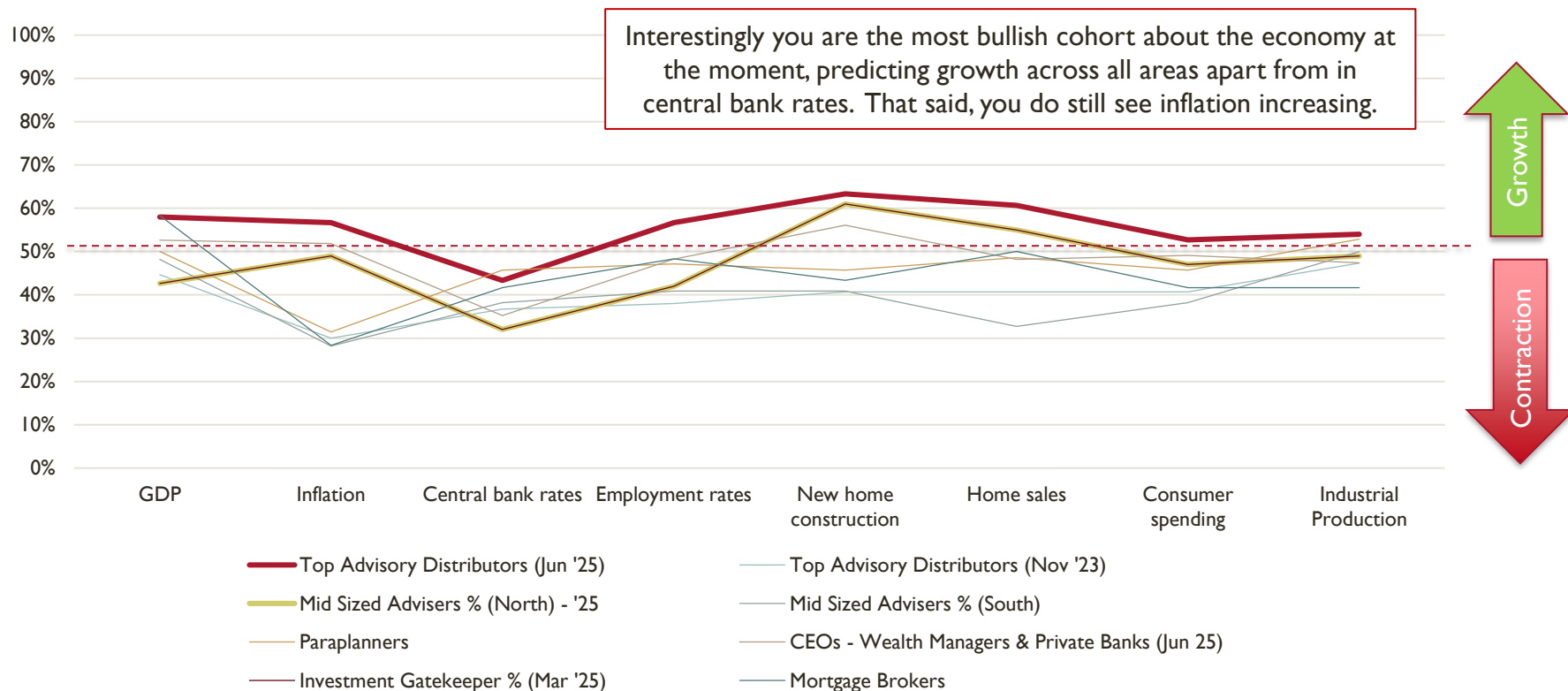
ECONOMIC BAROMETER: Using your crystal ball, imagine the UK economy in 12 months' time across the following KPIs



As an average



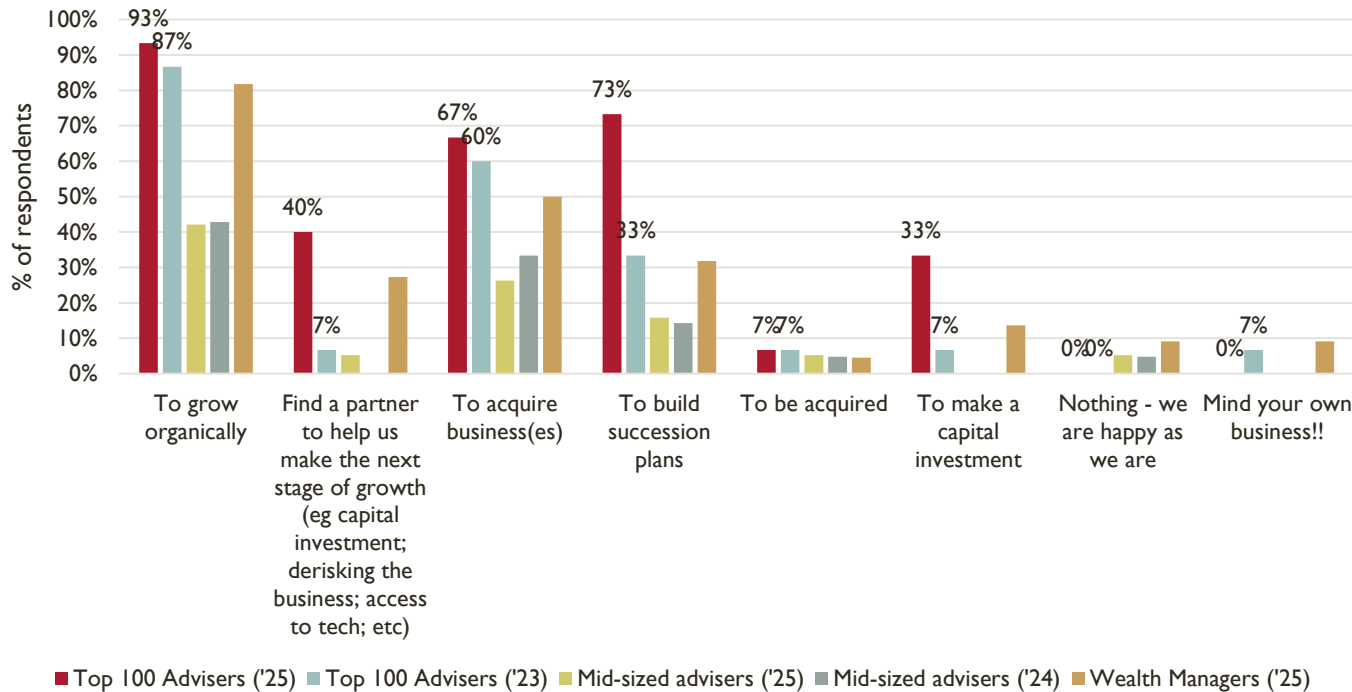
ECONOMIC BAROMETER: How do you compare with your peers?



SECTION TWO:

Business strategy

What are your plans for the business from a growth perspective?

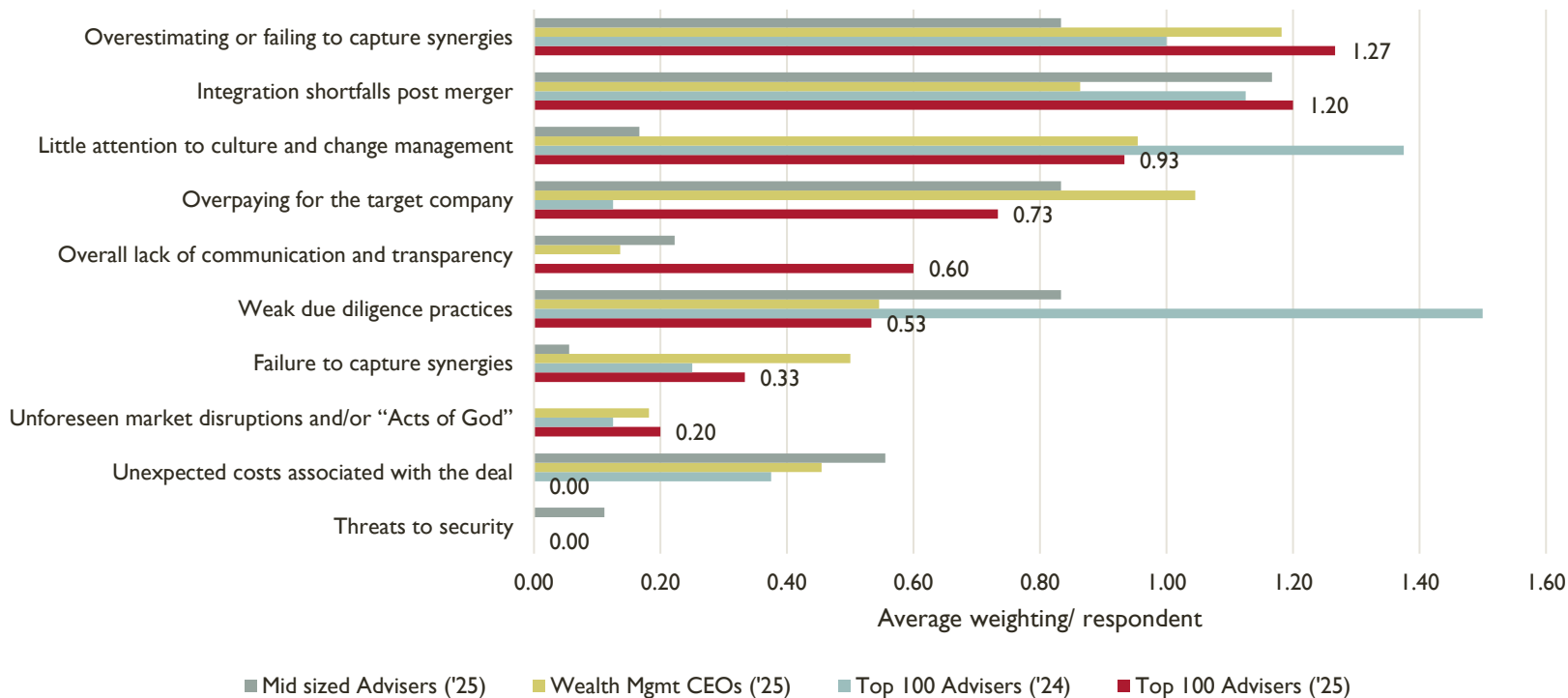


Your enthusiasm for organic growth continues to increase.

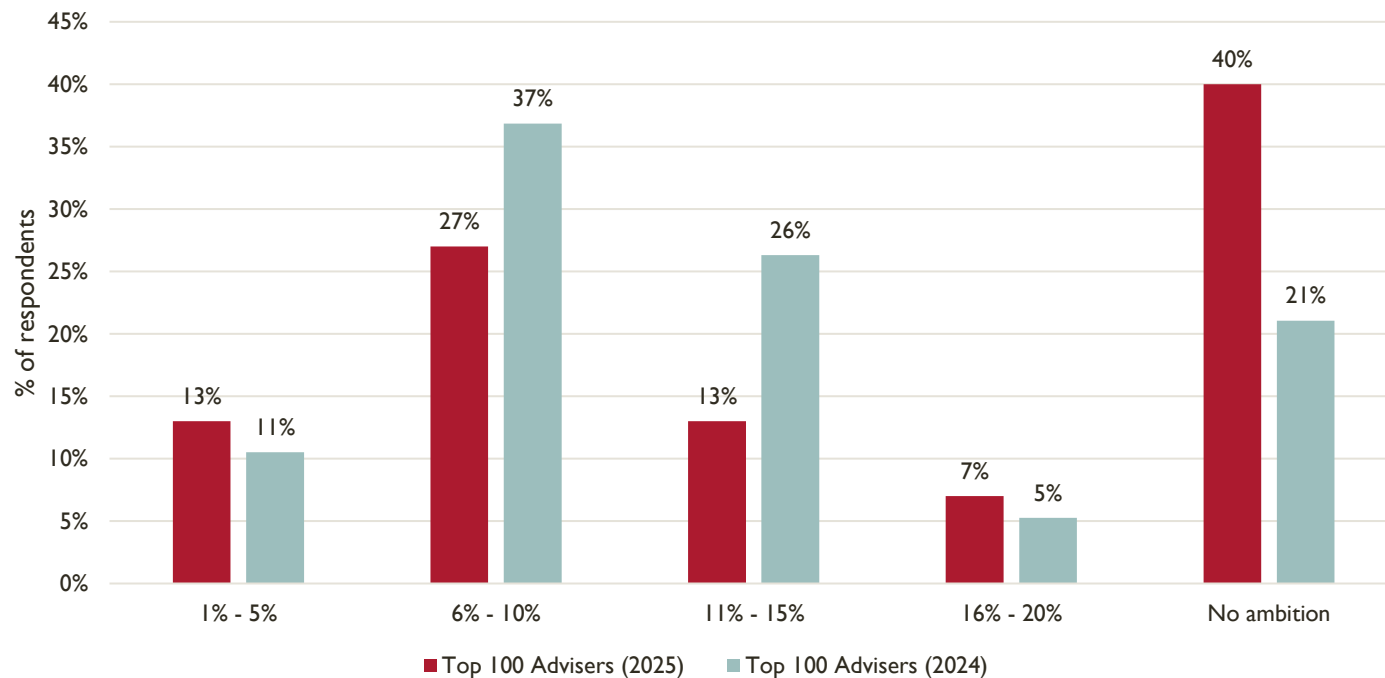
You feel more inclined to build succession plans than a couple of years ago and your appetite to acquire businesses has grown slightly.

Wealth managers share your enthusiasm for organic growth but they are also open to finding a partner, acquiring businesses or building succession plans.

What do you think are the three biggest risks associated with M&A at a business level?



What are your cost reduction ambitions over the next two years?



Well 40% of you are quite comfortable where you are and that would seem to reflect the general direction of travel i.e. the need for cost reduction is reducing!

As an average, the industry is looking for a 6% saving.

SECTION THREE:

Regulation

What would you change if you were in charge of the Regulator for the day?

1. Regulatory Focus & Stability

- Shift from pure consumer protection to active consumer engagement
- Need for regulatory stability amid rapid change
- Align regulation with technological advancement
- Clarify regulatory expectations and terminology (e.g. guidance vs. advice)

2. Commercial Realism & Industry Insight

- Regulators need better commercial understanding (e.g. cost pressures on firms)
- More face-to-face engagement with firms to understand real-world challenges
- Interact with actual businesses to improve client outcomes

3. Simplification & Transparency

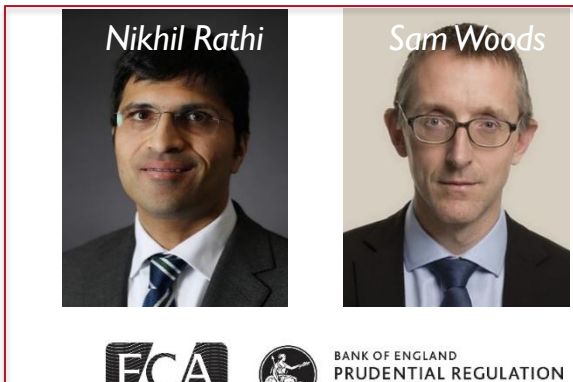
- Simplify rules and guidance for easier implementation
- Improve communication and consistency across regulatory and firm teams
- Transparent support channels to reduce fear of engaging with the regulator

4. Consumer Outcomes & Fairness

- Review harmful practices (e.g. exit penalties for IFAs, commission-based investments)
- Reassess confusing or ineffective product features (e.g. £20k Cash ISA allowance)
- Remove misleading labels (e.g. “Independent” adviser)

5. Ethical Conduct

- Address questionable adviser practices, such as moving clients when changing jobs
- Promote consistent standards in advice, decisions, and service quality



If you could change one rule or regulatory obligation, what would it be?

1. Reporting Overload

- Excessive volume of regulatory reporting (e.g. KIID, SDR, prospectuses)
- Too many client disclosures and returns required

2. Qualification Standards

- Catch-all qualification standards seen as too rigid
- Suggestion for a simpler, more appropriate level for financial coaches

3. Practical Reforms

- Enable easier asset transfers between platforms without triggering advice events (when no change to investments)
- Accelerate AGBR with a clear “safe zone” beyond formal advice
- Reconsider the industry's overemphasis on Defined Benefit Transfers (DBTs)

4. Accountability & Clarity

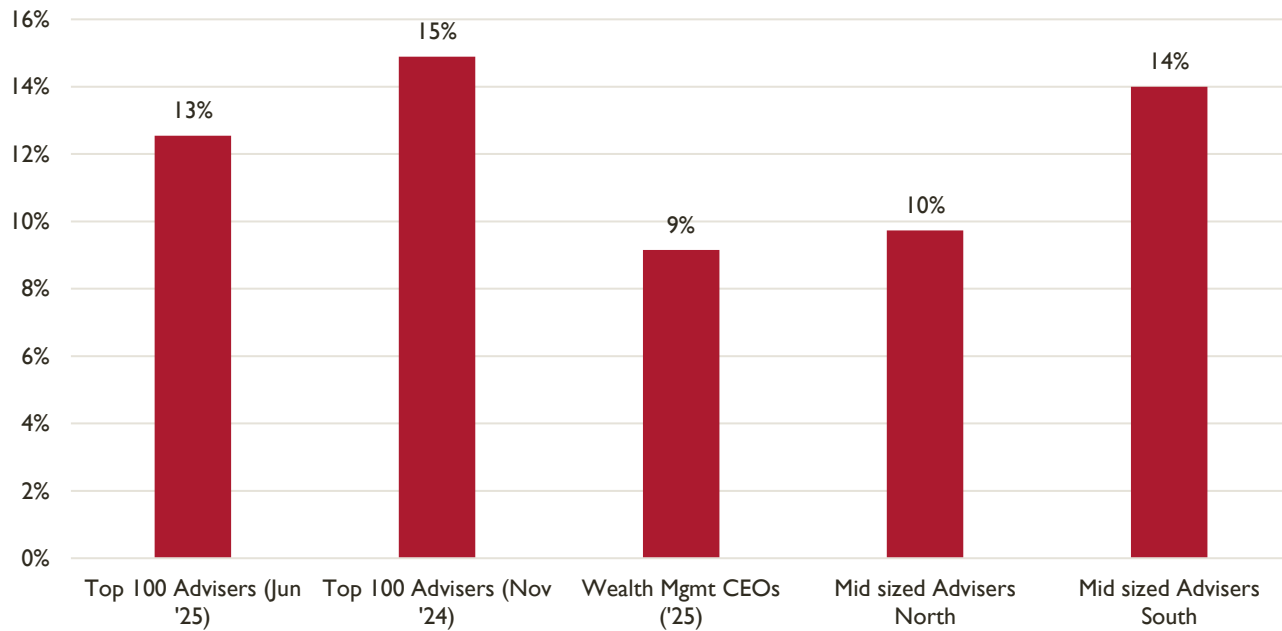
- Regulator should be held more accountable
- Calls for regulatory clarity and simplification

What is the
cost of
regulation?

13%
of
revenue

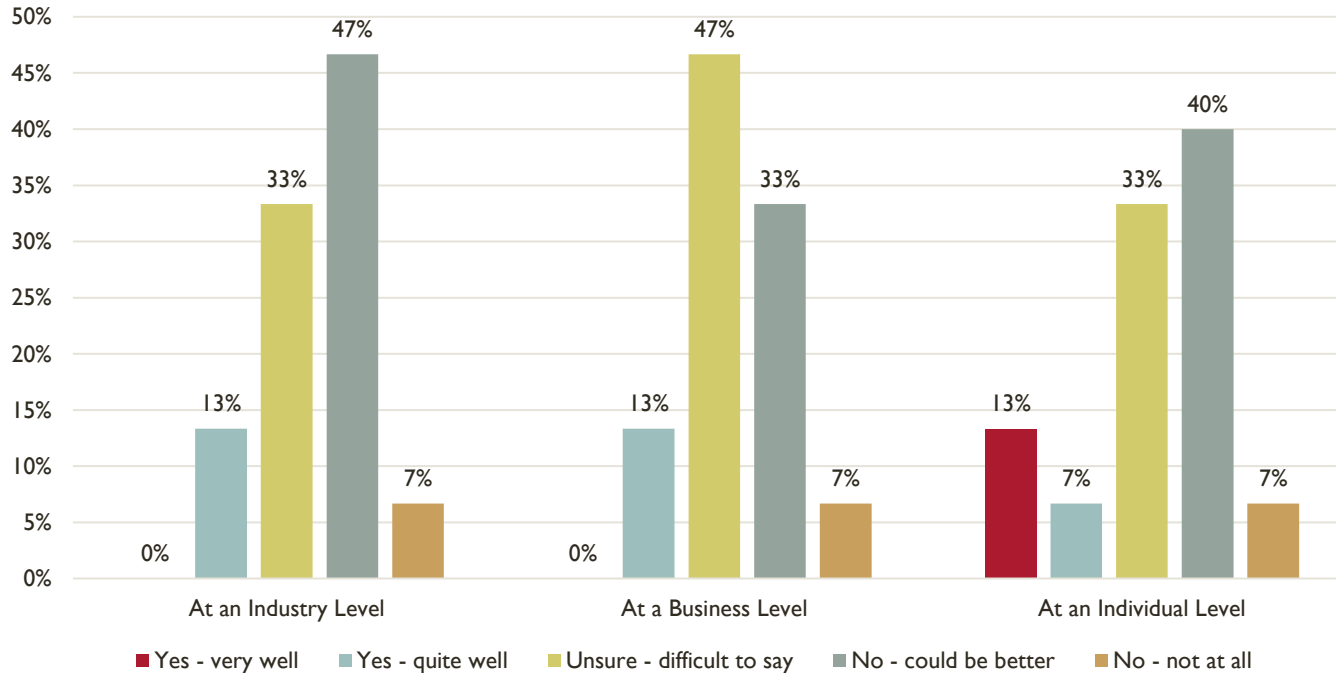


What is the cost of regulation?



Reducing!

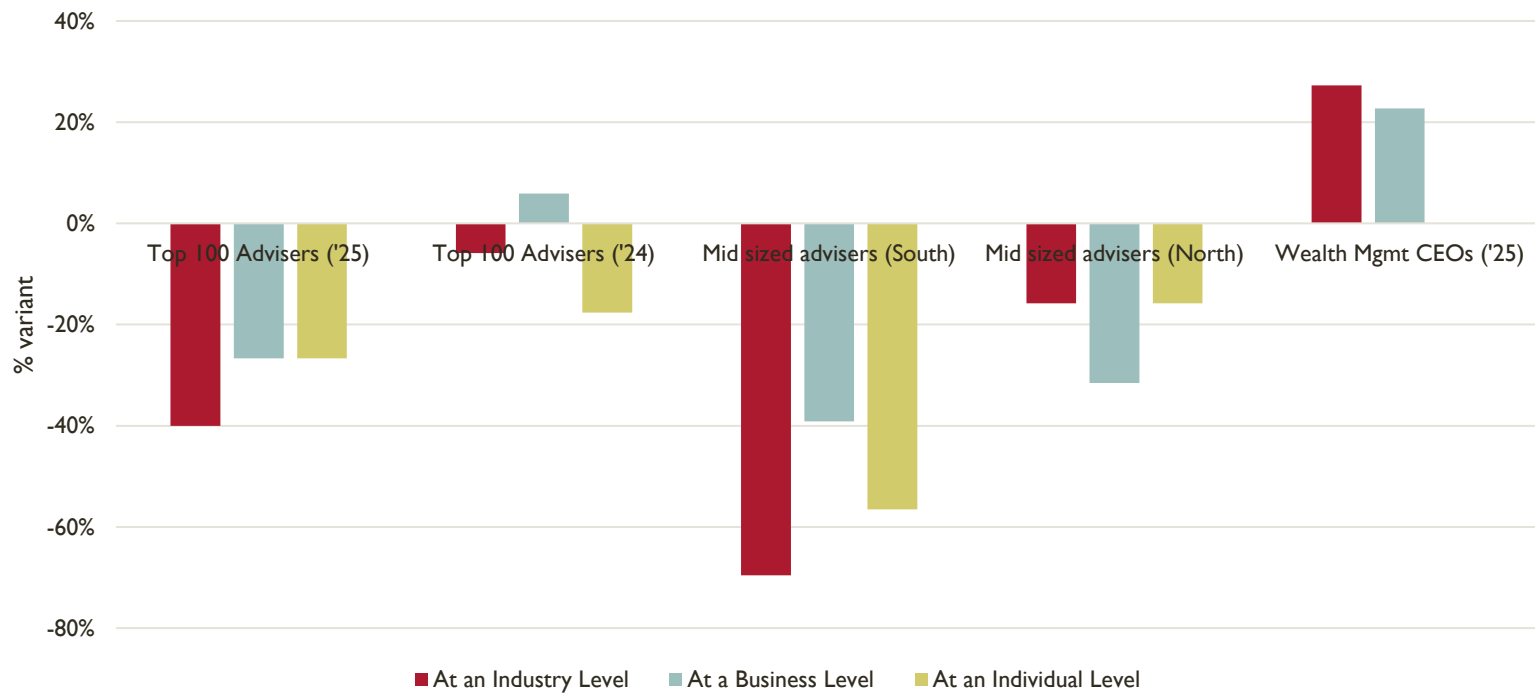
Do you feel your concerns and aspirations about UK regulation are being well represented?



It looks like the industry feels slightly better represented at an individual level than either a business or industry level.

There is no huge vote of confidence here, with over 54% of you saying that you feel that industry representation is either “not represented at all” or “could be better”.

How do your views compare with your peer groups?



SECTION FOUR:

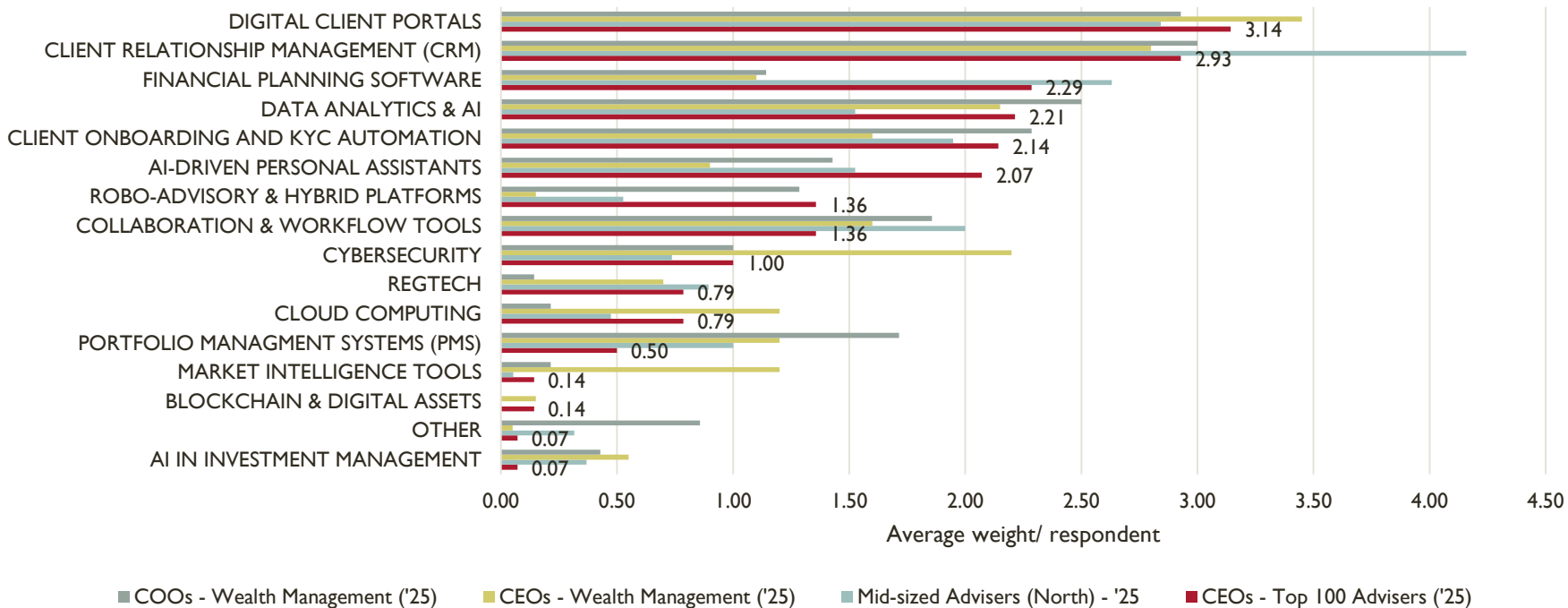
TECHNOLOGY & INNOVATION

Where do you see the greatest potential for tech innovation, to enable future business opportunities?

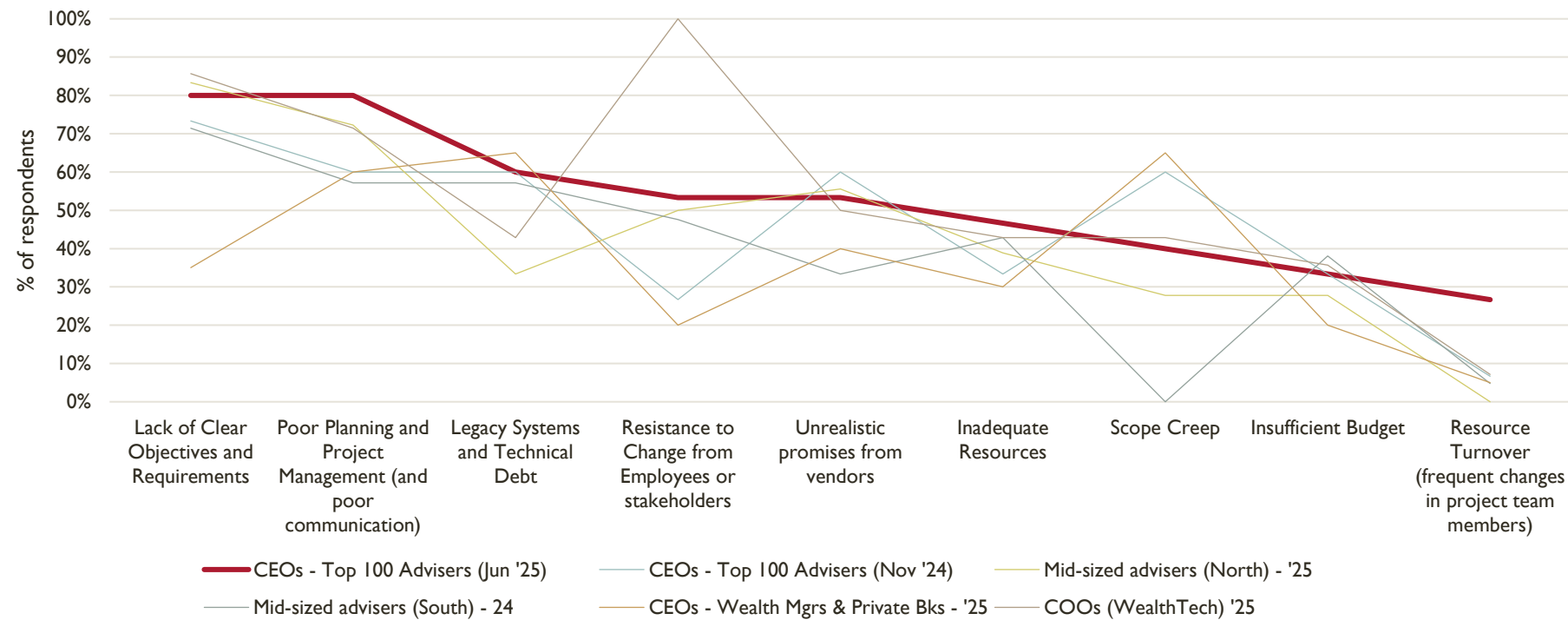


TECHNOLOGY INNOVATIONS	Large advisory distributor CEOs (Nov 2024)		Large advisory distributor CEOs (Nov 2023)		Mid-sized Southern Advisers (Oct 2023)		Mid-sized Northern Advisers (Apr 2023)		Paraplanners (May 2024)		Wealth management CEOs (Nov 2024)		COOs (2024) From Large Advisory and Wealth Managers		Gatekeepers (Oct 2024)	
	Weight	Rank	Weight	Rank	Weight	Rank	Weight	Rank	Weight	Rank	Weight	Rank	Weight	Rank	Weight	Rank
AI use of client data	4.8	1	2.3	2	4.8	1	2.7	1	2.8	1	3.7	1	3.2	1	3.3	1
Goals based financial planning and simulation tools	2.8	2	2.9	1	2.9	3	2.6	2	1.7	4	2.0	3	1.9	3	1.8	2
Enterprise data analytics for data driven insights	2.1	3	0.6	14	0.8	13	0.65	11	0.3	14	0.4	15	1.9	3	1.5	3
Client Lifecycle Management Technologies	1.7	4	1.4	7	1.7	6	2.1	5	1.3	8	1.4	6	1.1	8	1.5	4
Advanced cybersecurity	1.4	5	1.4	6	2.3	4	1.85	6	1.8	2	3.1	2	1.4	5	0.6	13
Biometrics and digital ID	1.2	6	1.6	5	1.5	8	0.95	9	1.6	6	1.6	4	1.3	7	1.1	7
Modern and lean core technology platforms	1.1	7	1.2	9	2.0	5	1	8	1.7	3	1.5	5	0.9	10	0.7	12
Open API's / Open banking	1.1	7	0.2	17	1.2	9	1.4	7	0.9	9	0.5	14	2.3	2	0.5	14
Manage client channels / instant client response	1.0	9	1.7	3	1.2	10	2.25	3	0.5	12	0.8	8	0.4	15	0.9	8
Digital signatures	0.9	10	1.7	3	3.5	2	2.2	4	1.7	4	1.1	7	0.9	10	0.8	11
Working with ecosystems of technology partners	0.9	10	0.9	11	N/A	N/A	0.35	15	0.6	11	0.4	15	1.1	8	NA	NA
Machine learning algorithm	0.7	12	1.2	9	0.7	14	0.9	10	0.2	16	0.4	15	1.3	6	0.8	9
Virtual remote engagement, live audio chat and video	0.5	13	0.7	13	1.0	11	0.55	12	1.5	7	0.8	8	0.0	18	0.2	16
Cloud computing	0.3	14	1.4	7	1.6	7	0.15	17	0.9	10	0.8	8	0.8	14	1.3	5
Social Listening	0.3	14	0.1	18	0.2	16	0	19	0.4	13	0.2	18	0.0	18	0.0	17
Augmented & virtual reality	0.1	16	0.9	11	0.2	16	0.4	14	0.1	19	0.6	13	0.3	16	0.0	17
Blockchain/Distributed ledger technology	0.1	16	0.1	18	0.1	18	0.45	13	0.1	18	0.7	12	0.9	10	0.8	9
Fraud detection algorithm	0.0	18	0.4	15	1.0	11	0.15	17	0.2	17	0.8	8	0.3	17	0.5	15
Intelligent Robot advisory	0.0	18	0.4	15	0.5	15	0.35	15	0.3	14	0.2	18	0.9	10	1.3	5

Where are you prioritising spending your technology spend?



It is said that 70% of the tech projects fail. What do you think are the biggest blockers to success?



Think of me as Tinkerbell! If there was one thing that you could wish for to make your job easier or more enjoyable, what would it be?



1. Interoperability & Integration

- Improve **interoperability** across systems and tools
- Break down protectionism between platforms and CRMs
- Achieve seamless **platform integration into CRMs**
- Integrate **third-party provider tech** more effectively
- Enable **end-to-end back-office processes** and straight-through processing (STP)

2. Data Standards & Connectivity

- Establish **better data standards** for consistency and compliance
- Address **data transfer concerns** when using 3rd party AI or tech providers
- Improve **data feeds** for valuations, costs, charges, and MI (management information)
- Facilitate **LOA (Letter of Authority)** gathering through tech

3. AI & Automation

- **Professionalise AI** use within the industry
- Use **AI in back-office and paraplanning** to remove bottlenecks
- Enable **safe AI** to support admin, compliance, and adviser proactivity
- Leverage AI for **cross-border financial planning**

4. Workflow Automation & Efficiency

- Automate **regular tasks** and **annual review processes**
- Streamline **client onboarding**, dashboards, and provider interactions
- Enhance **compliance, marketing, and communication** using integrated tech

5. Platform & Fee Reporting

- Automate **platform fee income reporting**
- Increase **dashboard capabilities** for advisers and clients

SECTION FIVE:

YOUR CLIENTS

What are the most important considerations for your clients?

1. **Trust & Relationship**

- **Trust** (mentioned multiple times – clearly a dominant theme)
- **Trusted relationship**
- **Stability and trust**
- **Independence**

2. **Peace of Mind & Confidence**

- **Peace of mind**
- **Confidence in the future**
- **Conservative planning that works as intended**

3. **Value & Service**

- **Service** (repeated – a core expectation)
- **The best advice at an affordable price**
- **Transparency**
- **Costs**
- **Loss aversion** (desire to avoid financial losses)

What are the most important considerations for your clients?

A word cloud on a light pink background featuring various terms related to financial planning. The words are arranged in a non-uniform, overlapping manner. The most prominent words, shown in the largest font sizes, are 'planning', 'Trusted', 'relationship', and 'intended'. Other words of varying sizes include 'works', 'service', 'conservative', 'future', 'peace', 'independence', 'affordable', 'costs', 'price', 'confidence', 'loss', 'mind', 'stability', 'trust', 'works', 'aversion', 'transparency', 'advice', 'reliability', and 'affect'. The colors of the words range from dark grey to light pink, creating a subtle gradient effect.

trust works planning aversion transparency
works peace future
service reliability Trusted advice
mind conservative intended
relationship affordable
loss confidence costs price

Your clients under the microscope

Average
number of
clients per
firm

40,052

Average age
of clients

59

% of clients
that are
women

47%



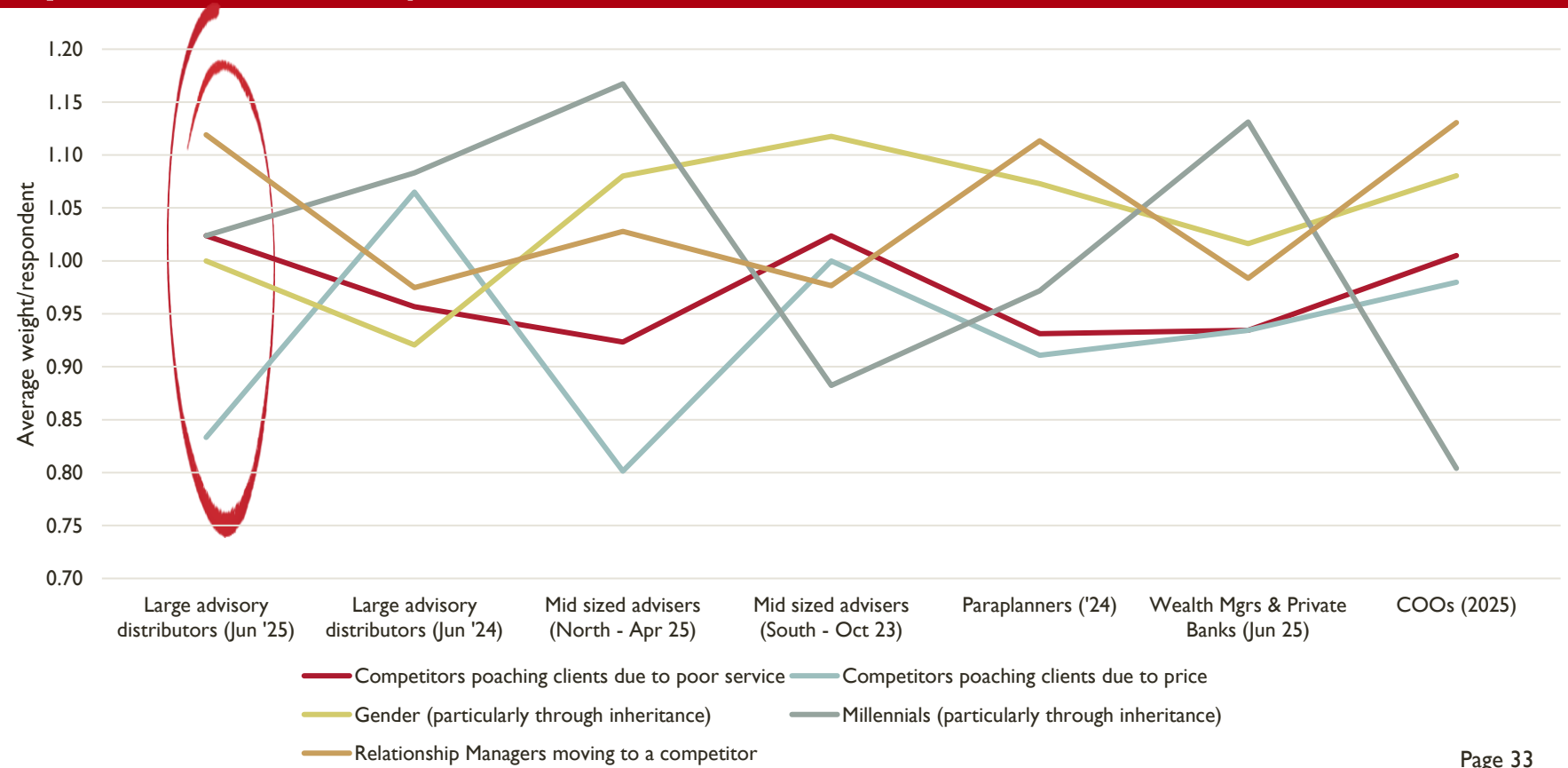
How concerned are you about losing assets to the following?

Reasons for losing clients	Large advisory distributors (Jun '25)	Large advisory distributors (Jun '24)	Mid sized advisers (North - Apr 25)	Mid sized advisers (South - Oct 23)	Paraplanners (2024)	Wealth Mgrs & Private Banks (Jun 25)	COOs (2025)
Competitors poaching clients due to poor service	3.58	2.94	3.12	3.12	3.1	3.00	3.08
Competitors poaching clients due to price	2.92	3.28	2.71	2.71	3.0	3.00	3.00
Gender (particularly through inheritance)	3.50	2.83	3.65	3.65	3.5	3.26	3.31
Millennials (particularly through inheritance)	3.58	3.33	3.94	3.94	3.2	3.63	2.46
Relationship Managers moving to a competitor	3.92	3.00	3.47	3.47	3.7	3.16	3.46
Average	3.50	3.08	3.38	3.38	3.29	3.21	3.06

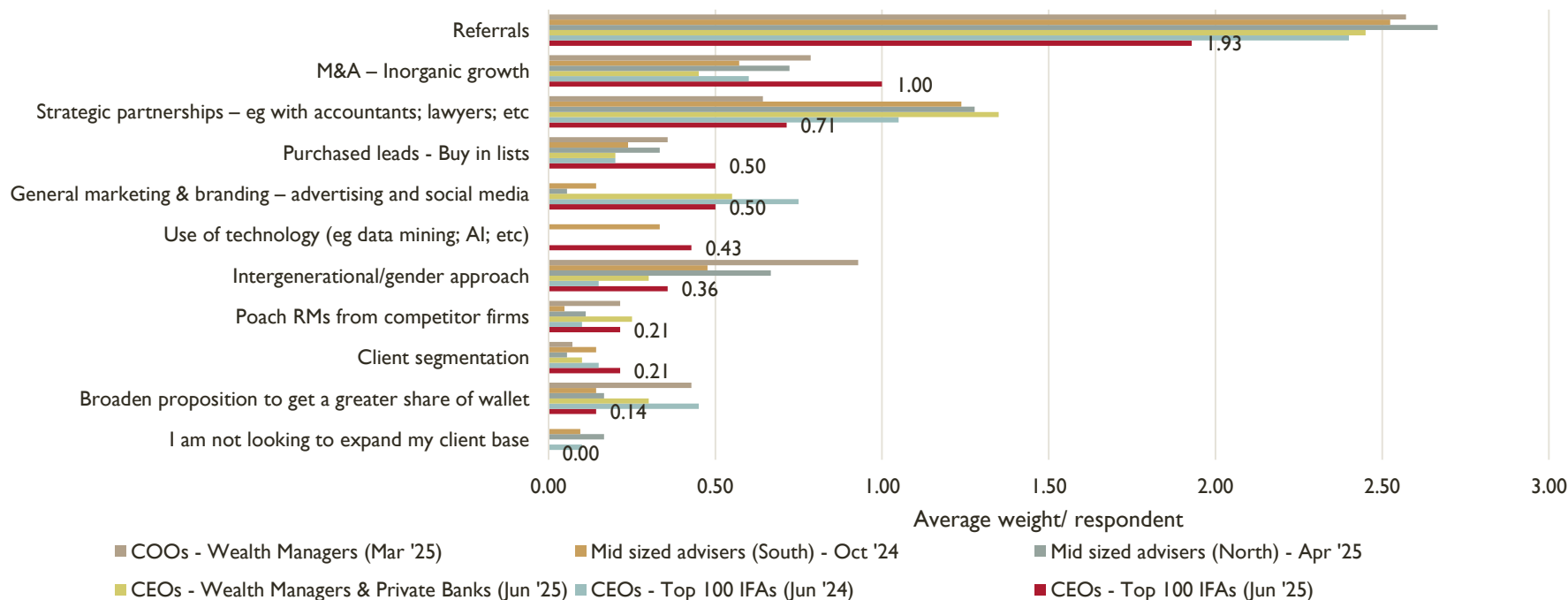
Looks like you are most worried at the prospect of your RMs moving to a competitor.

* NB: we have bolded the top two concerns each channel has for losing assets in their business

How concerned are you about losing assets to the following (a graphical illustration)?



When it comes to sourcing new clients, where is your greatest focus over the next 12 - 18 months?

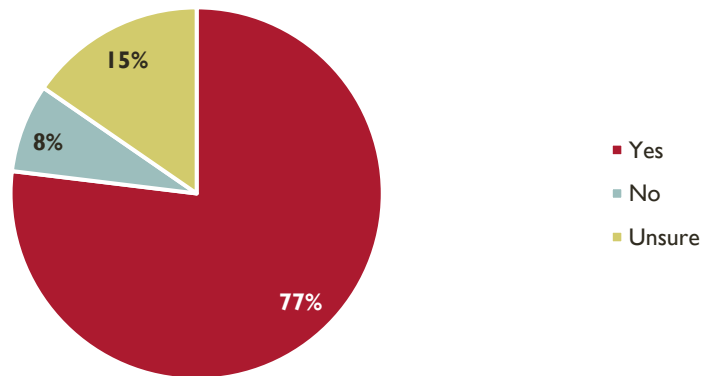


SECTION SIX:

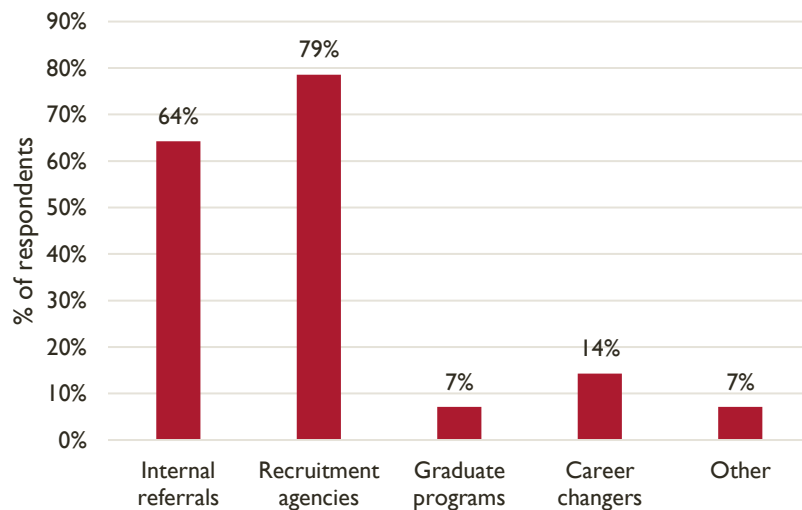
YOUR PEOPLE

A look at your firm's approach towards recruitment and retention.

Do you believe your firm has a strong employer brand in the financial advice industry?

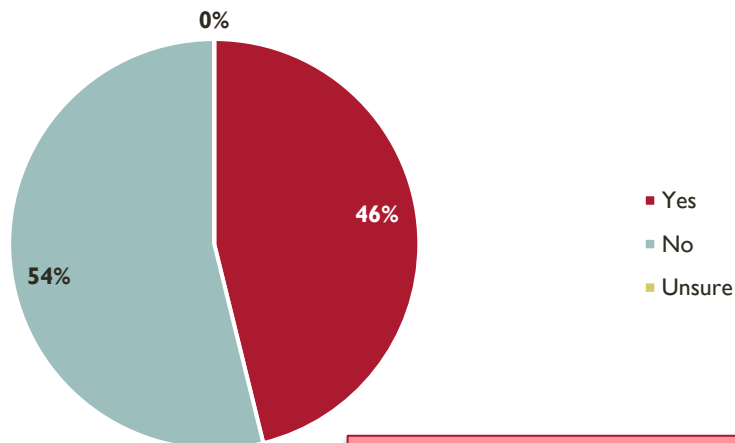


What is the most effective source of new talent for your firm?



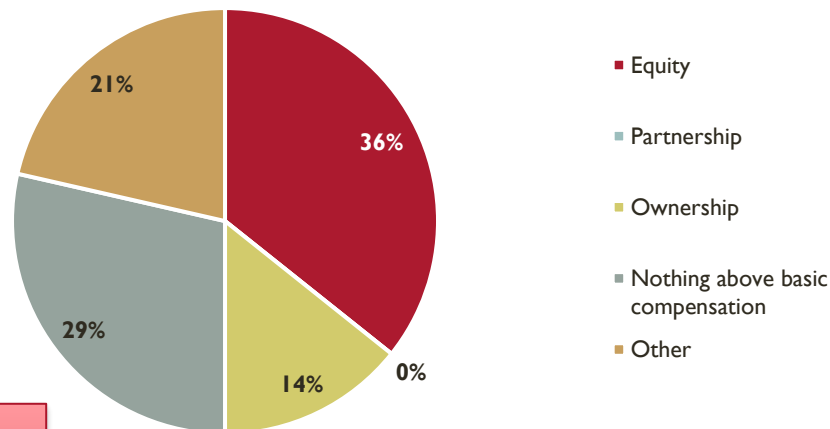
A look at your firm's approach towards recruitment and retention.

Has your adviser turnover increased in the past two years?



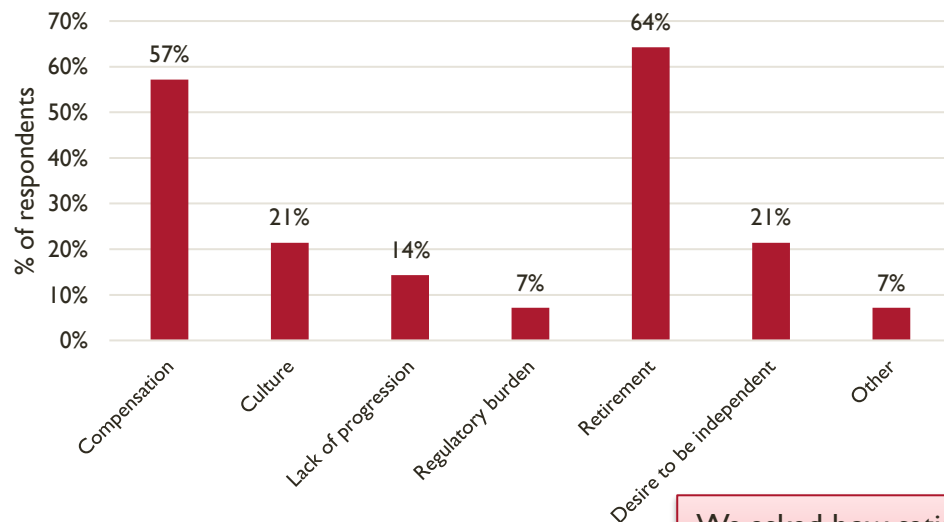
We asked how difficult it is to attract high quality candidates (on a scale of 0 – 5). You responded 3.54.

What do you offer your employees as part of your retention strategy?

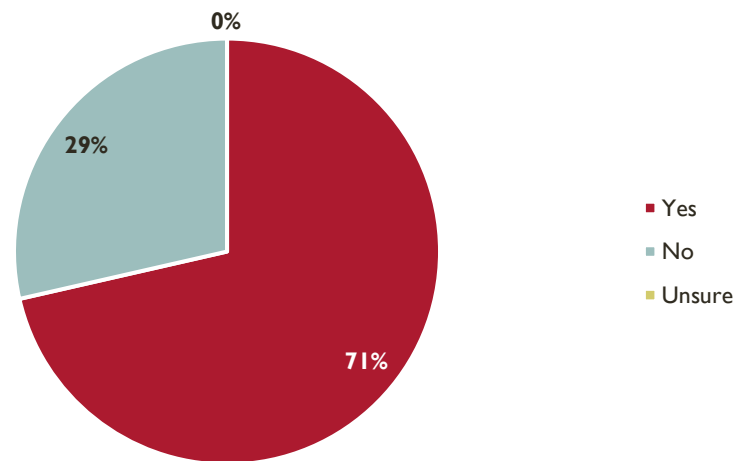


A look at your firm's approach towards recruitment and retention.

What are the top reasons advisers leave your firm?



Do you have a formal career development plan for advisers?



We asked how satisfied you are with your retention rate (on a scale of 0 – 5). You responded 3.29.

Your people under the microscope

Average
number of
RMs/advisers
in the
business:

207

Average age
of
RMs/advisers
is

46.8

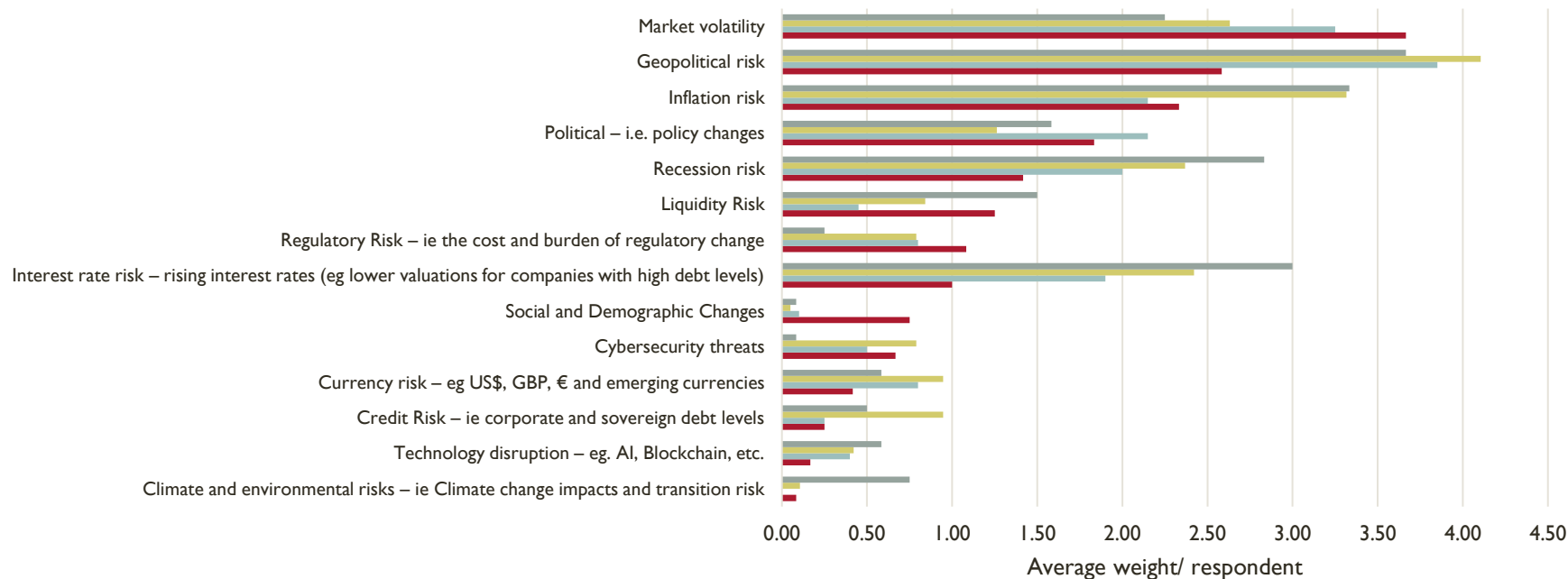
18% of
your RMs are
women?



SECTION SEVEN:

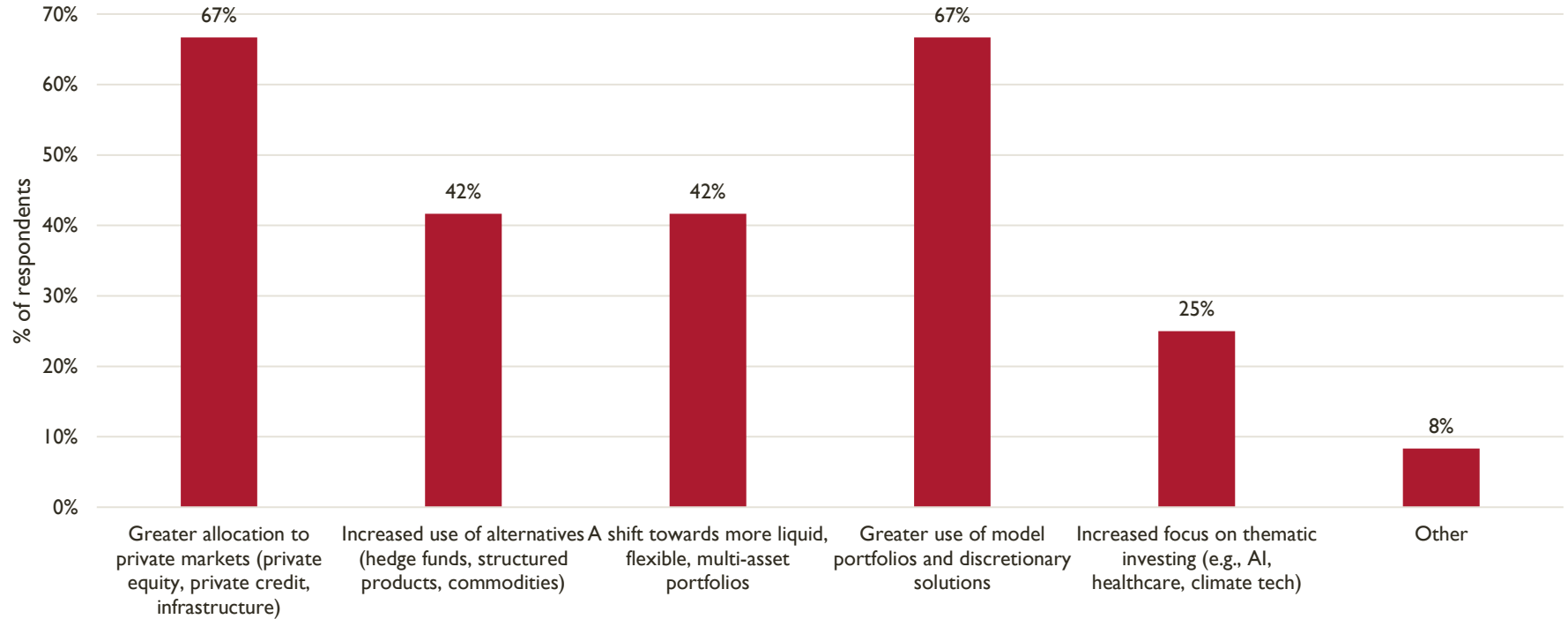
YOUR THOUGHTS ON INVESTMENT STRATEGY

INVESTMENT RISKS – Over the next 6-12 months, please rank the biggest investment risks from a fund selection perspective?

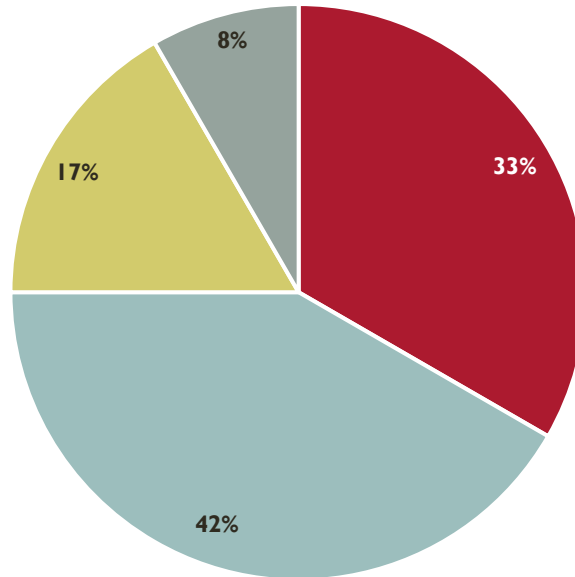


■ CIOs and Fund Selectors (Mar '25) ■ CEOs - Wealth Management (Jun '25) ■ Mid-sized advisers - North (May '25) ■ CEOs - Top 100 Advisers (Jun '25)

How do you expect portfolio construction to evolve for high-net-worth (HNW) and ultra-high-net-worth (UHNW) clients?

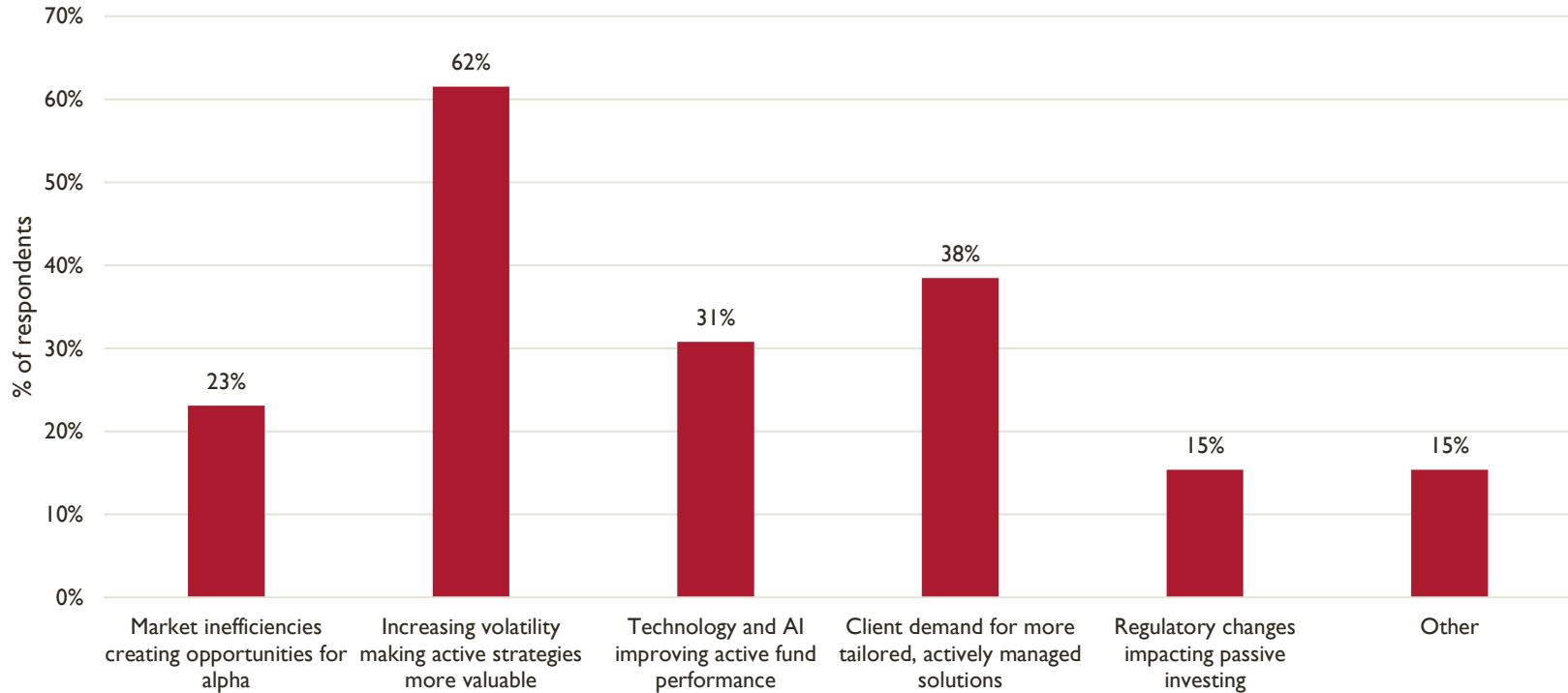


How do you see the balance between active and passive investing evolving over the next five years?

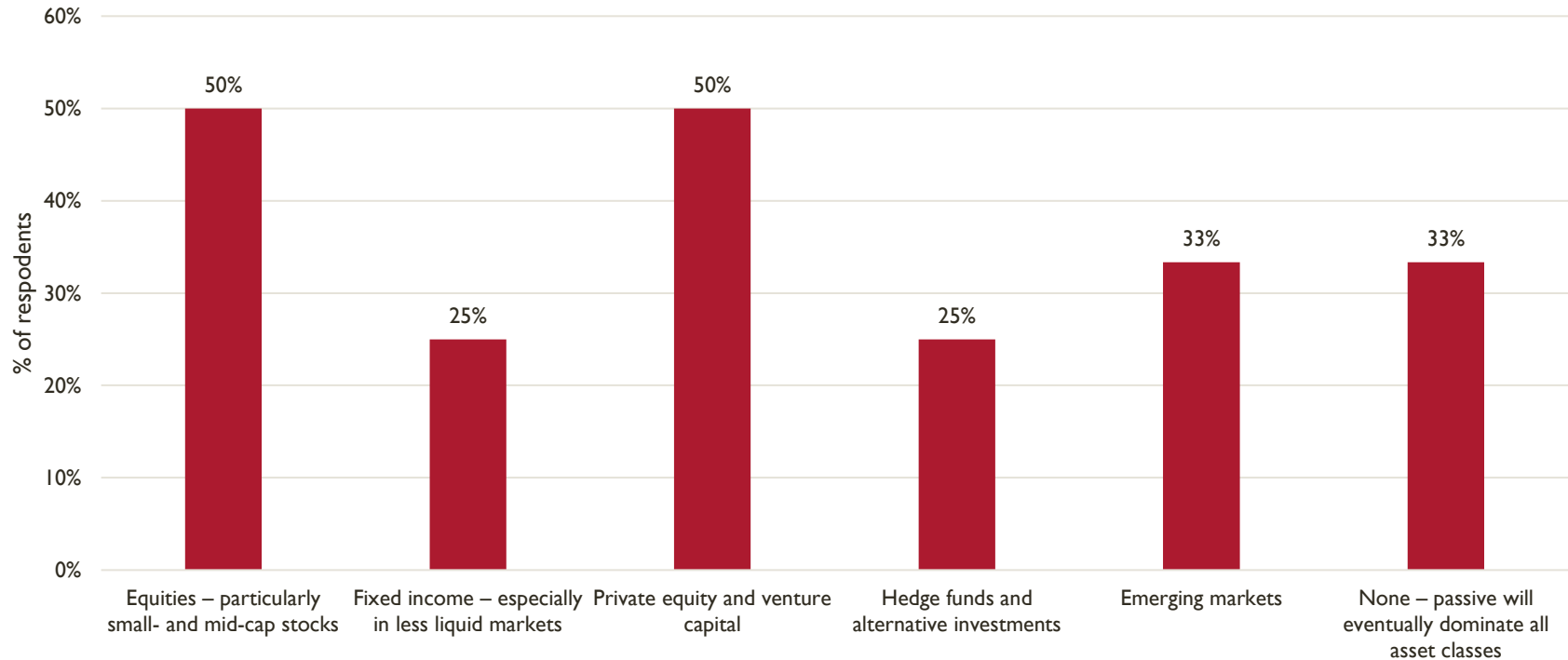


- Passive investing will continue to dominate, reducing opportunities for active managers
- A hybrid approach (blending active and passive) will become the standard
- Active investing will regain popularity as markets become more volatile
- Uncertain – it depends on macroeconomic and regulatory changes

Which factors do you believe will drive the success of active management in the future?



Which asset classes do you think active management will continue to dominate?



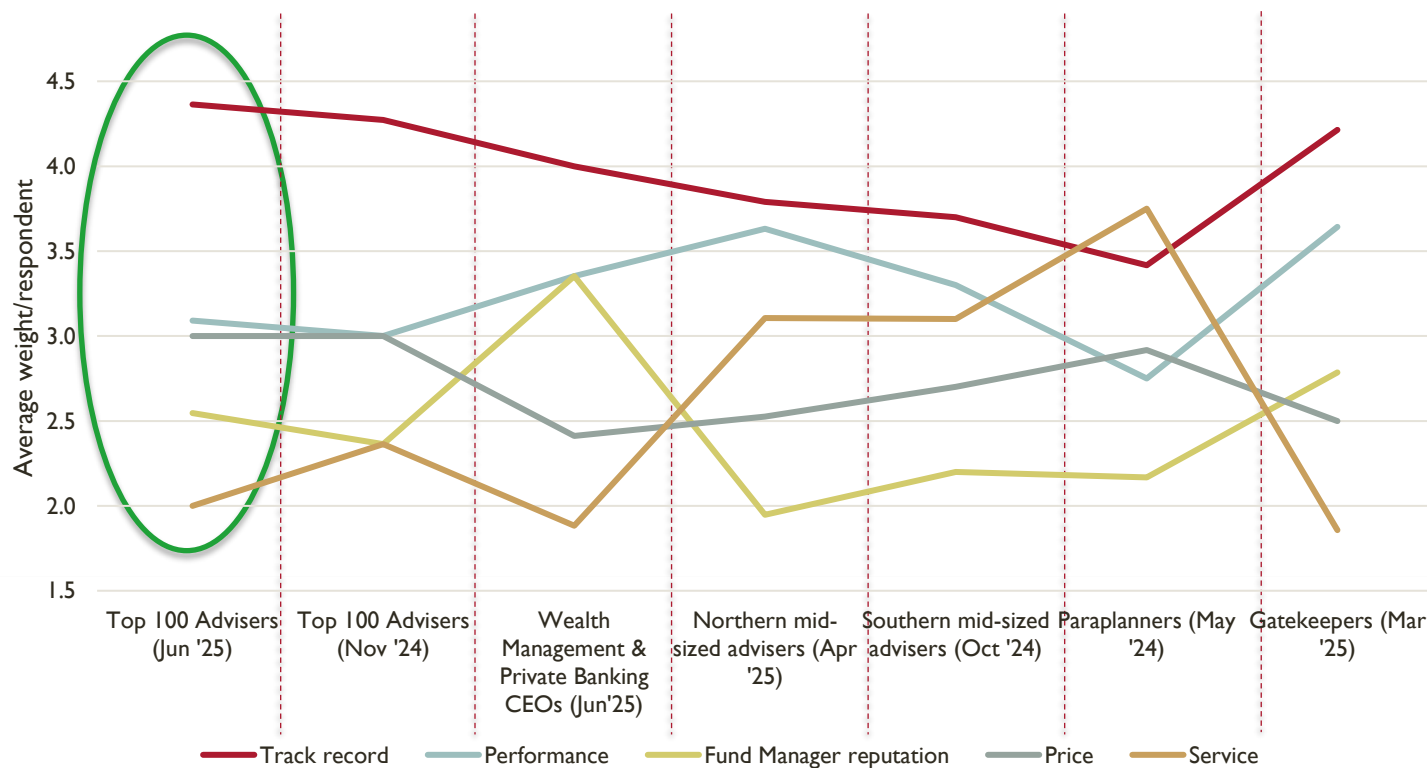
SECTION EIGHT:

WORKING WITH PROVIDERS

How does the support you are looking for compare with other distribution channels?

Areas of support	CEOs						Paraplanners (May '24)	Wealth Mgmt Gatekeepers (Mar '25)	UK Wealth Mgmt COOs (Mar '25)	Swiss Wealth Mgmt COOs (Nov '24)
	Wealth Mgrs & Private Bks - (Jun '25)	Large Advisory Distributors - Jun '25	Large Advisory Distributors - Nov '24	Mid-sized Advisers (South) - '24	Mid-sized Advisers (North) - '25	Mortgage Distributors ('24)				
Asset allocation expertise	11%	15%	0%	10%	26%	N/A	7%	36%	7%	33%
Full Service	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14%	22%
Lead Generation	42%	23%	25%	19%	16%	33%	0%	43%	14%	22%
Marketing support	21%	31%	25%	19%	16%	58%	7%	29%	7%	33%
Products	21%	46%	25%	33%	16%	50%	36%	21%	7%	22%
Recruitment and induction	0%	15%	25%	10%	16%	25%	7%	0%	21%	11%
Risk analytics	21%	38%	8%	14%	32%	25%	21%	43%	14%	11%
Technical and compliance support	16%	31%	33%	71%	42%	42%	50%	21%	29%	67%
Technology - back end	26%	23%	42%	71%	37%	50%	50%	21%	64%	56%
Technology - front end	37%	23%	58%	43%	47%	42%	36%	21%	64%	33%
Training	0%	38%	58%	57%	47%	58%	36%	29%	14%	0%
Average	19%	28%	30%	35%	29%	43%	25%	26%	23%	28%
None of the above	0%	8%	8%	5%	11%	0%	14%	21%	21%	11%

What key criteria do you use when selecting funds/outsourced solutions?



You continue to see track record as key.

Performance and Price continues to merit the same weighting as Reputation and Service.

The wealth managers think Fund Manager Reputation is more important than price.

The Paraplanners buck the trend slightly by rating Service higher than everyone else - for obvious reasons.

How would you assess your client demand for the following investment solutions?

INVESTMENT SOLUTIONS	Client demand				Quality of investment solutions available			
	High	Moderate	Limited	NA	High	Moderate	Limited	NA
Multi-Asset (Active and Passive)	67%	17%	0%	17%	64%	18%	9%	9%
Global (ex-UK) Equities	33%	33%	17%	17%	56%	11%	0%	33%
Corporate Bonds	17%	58%	8%	17%	11%	56%	0%	33%
Sovereign Bonds	17%	50%	8%	25%	0%	44%	22%	33%
UK Equities	17%	42%	17%	25%	56%	11%	0%	33%
Emerging Mkts Equities	17%	25%	42%	17%	44%	22%	0%	33%
Emerging Mkts Bonds	17%	25%	33%	25%	11%	44%	11%	33%
Alternatives:	9%	18%	45%	27%	0%	11%	44%	44%
Risk Premia	9%	0%	55%	36%	0%	11%	44%	44%
Structured Products	8%	17%	42%	33%	0%	44%	11%	44%
Thematics	8%	8%	50%	33%	0%	10%	50%	40%
Real Estate/Infrastructure	8%	8%	42%	42%	0%	22%	33%	44%
ESG	0%	17%	75%	8%	0%	64%	27%	9%
Hedge Funds (Does NOT include Liquid Alternatives)	0%	17%	33%	50%	0%	0%	56%	44%
Private Markets	0%	17%	33%	50%	0%	0%	56%	44%
Liquid Alternatives	0%	8%	67%	25%	0%	22%	33%	44%

How do you think the value chain will be split in the next two years?

This year's results

182

150

176

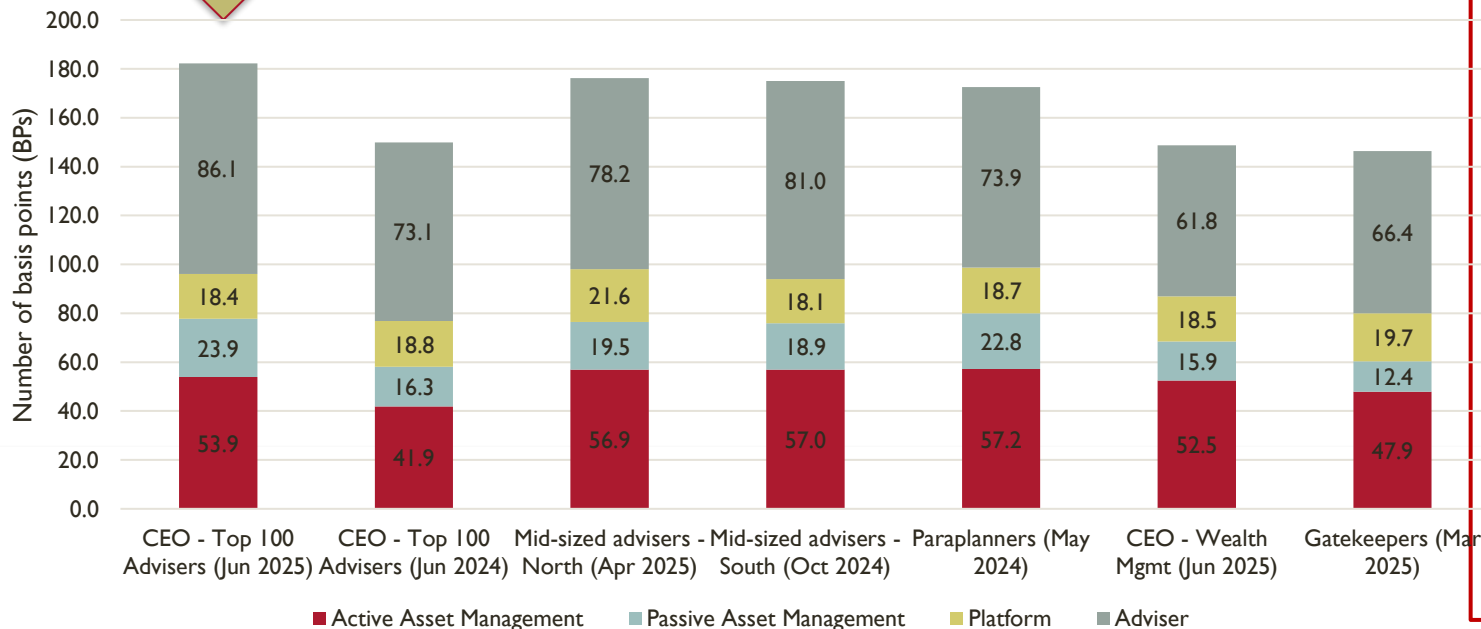
175

173

149

146

Total bps across value chain



This chart breaks down the amount of basis points each community thinks the various parts of the value chain will take over the next 24 months.

Overall, you anticipate the value chain will be 182 bps which is considerably up on a year ago. **You have given yourself a rise of 13 bps!**

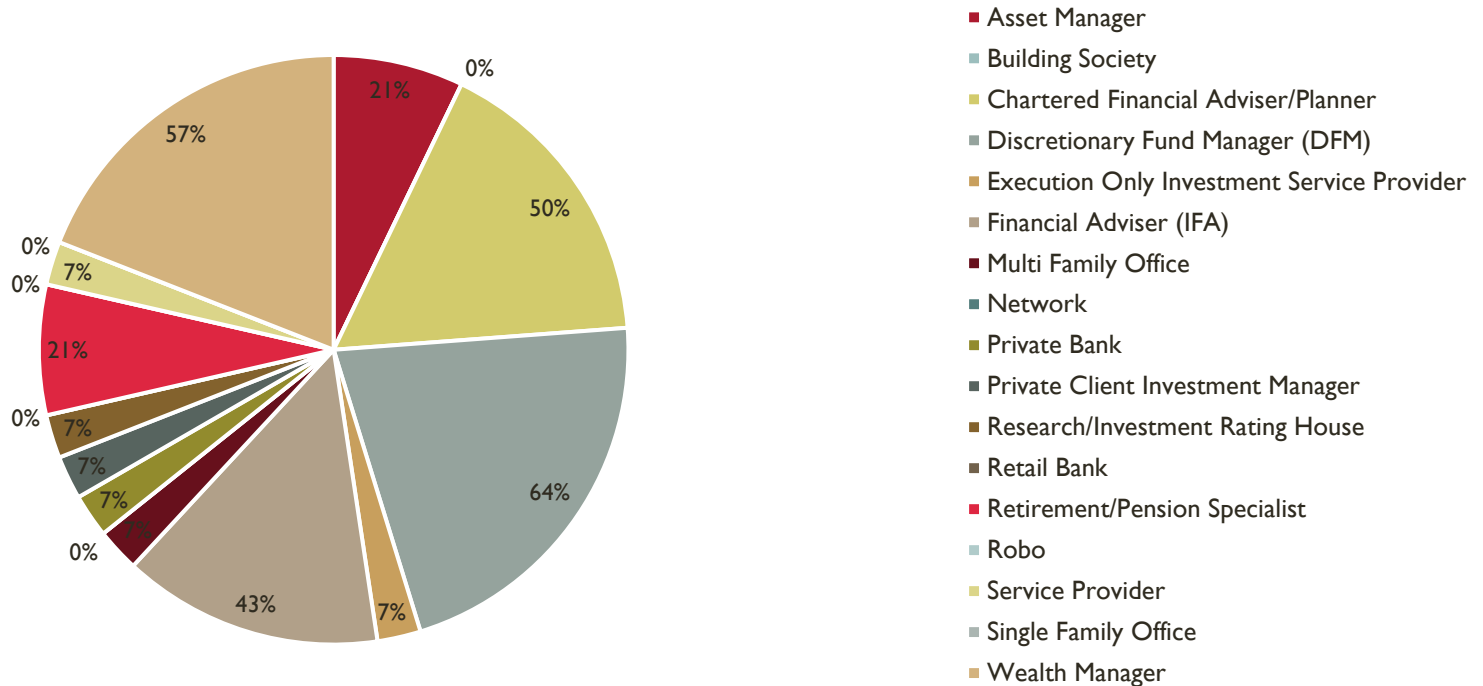
The platform stays flat but you also award pay rises to the asset managers.

The wealth managers are going in the opposite direction. Careful - they might be after your lunch!!

SECTION NINE:

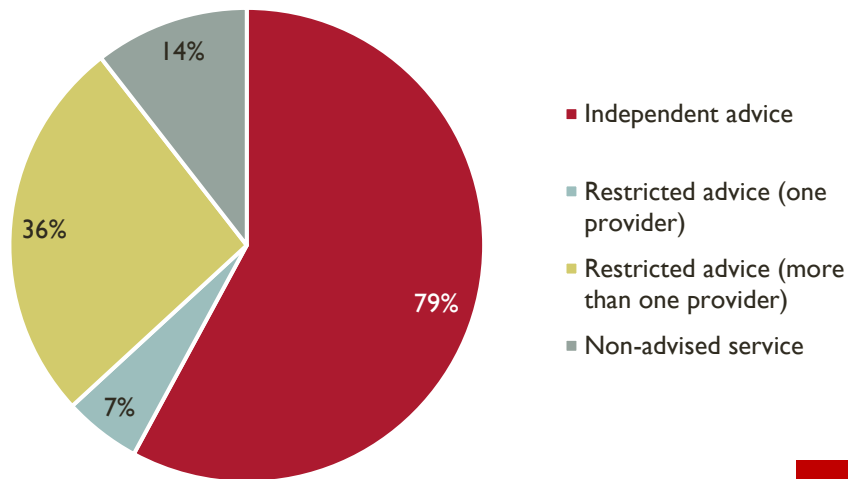
YOUR BUSINESS MODEL

Please define your business?

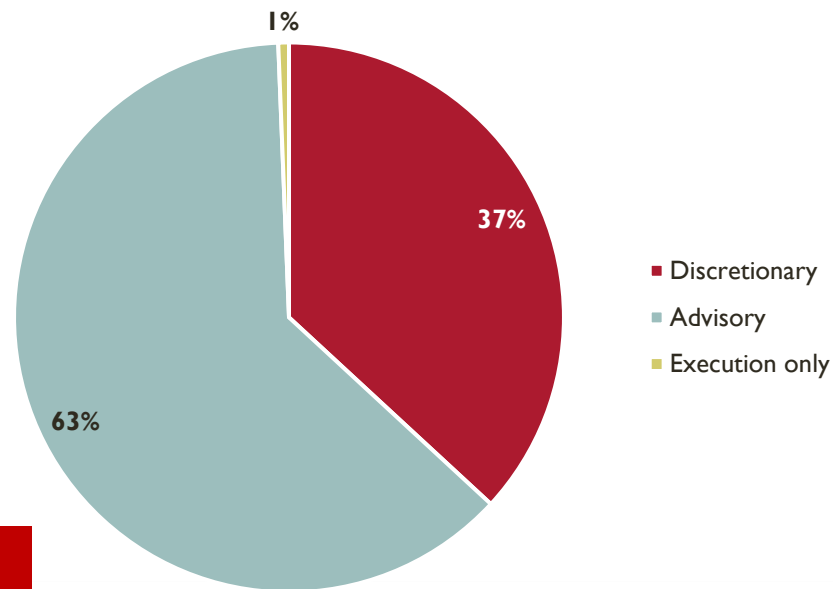


Your business model

What business model does your firm adopt?

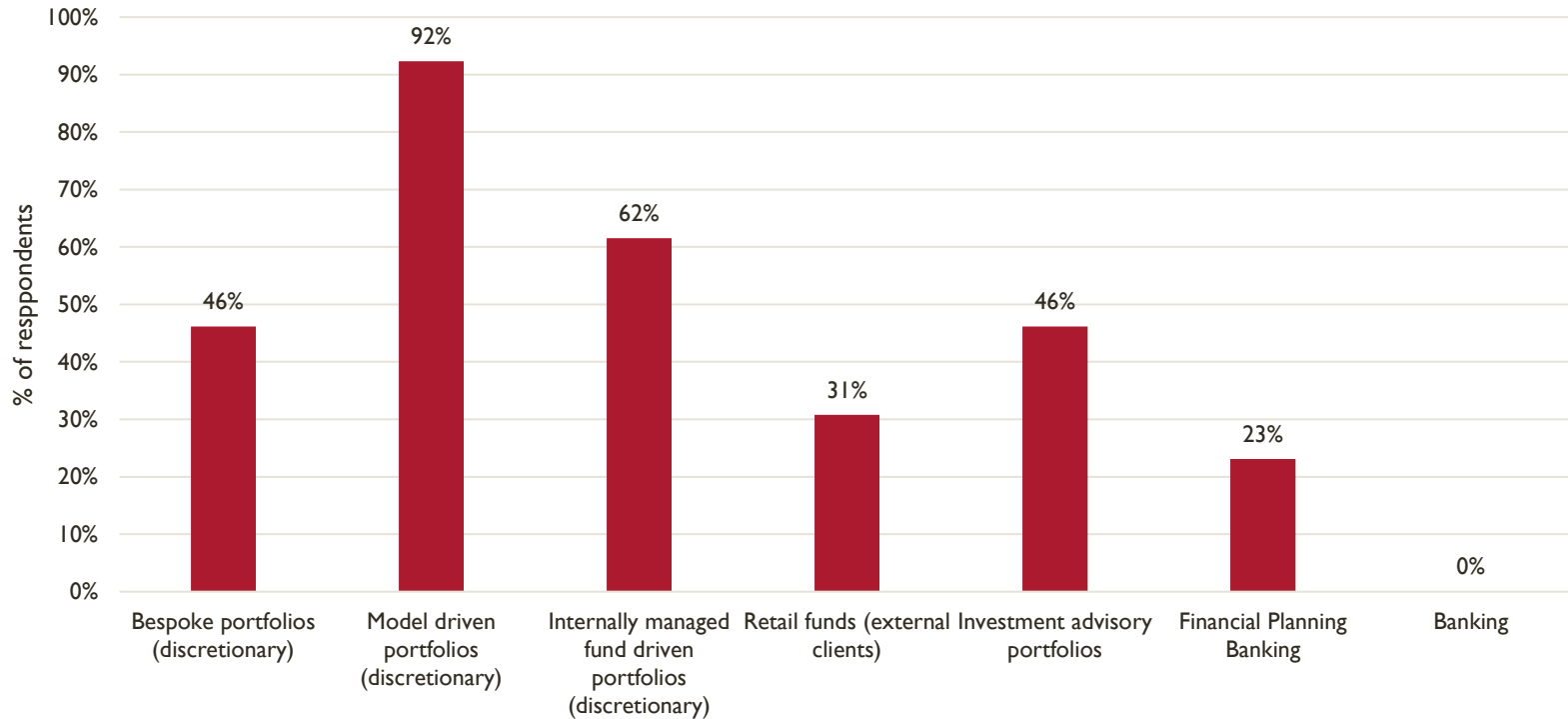


What % of your business is discretionary, advisory or XO?



Average
FUM is
£13.6 bn

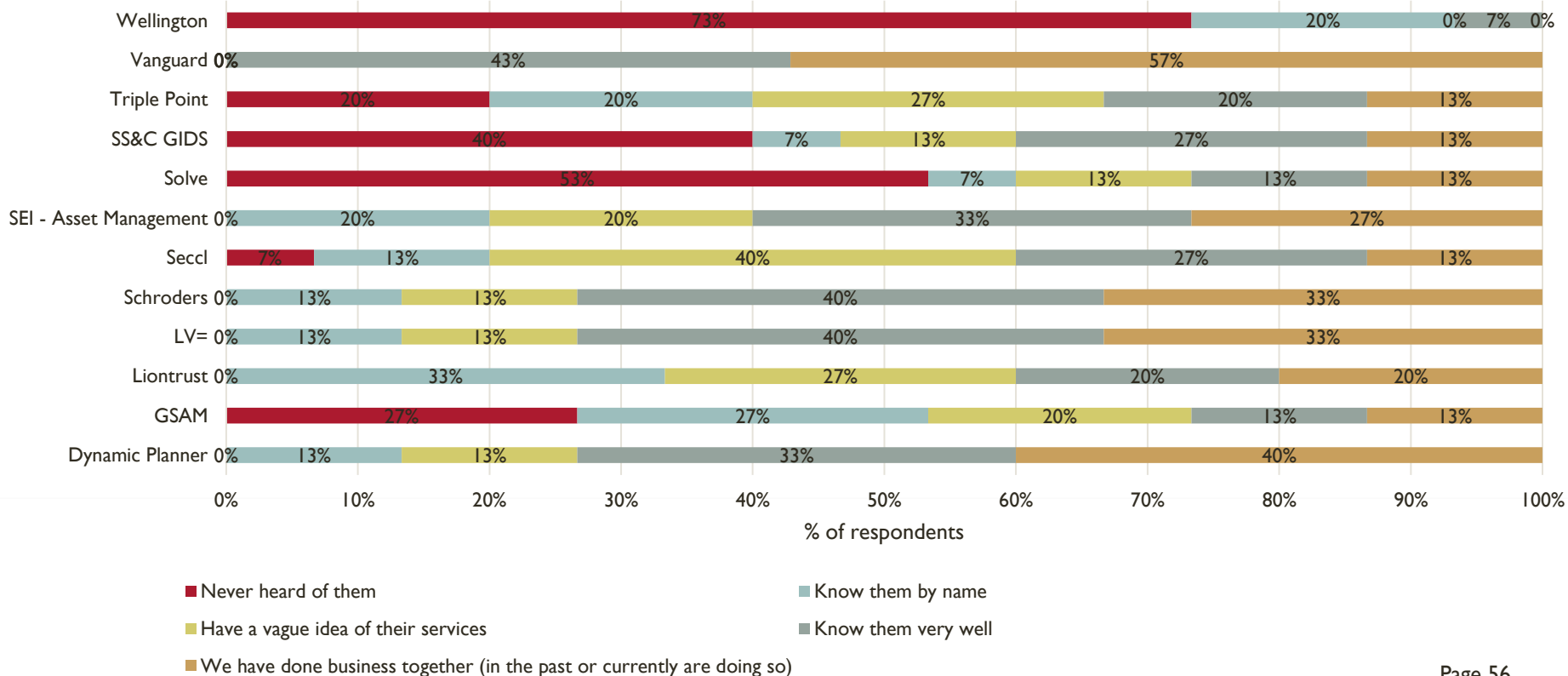
What service propositions do you offer to private clients?



SECTION TEN:

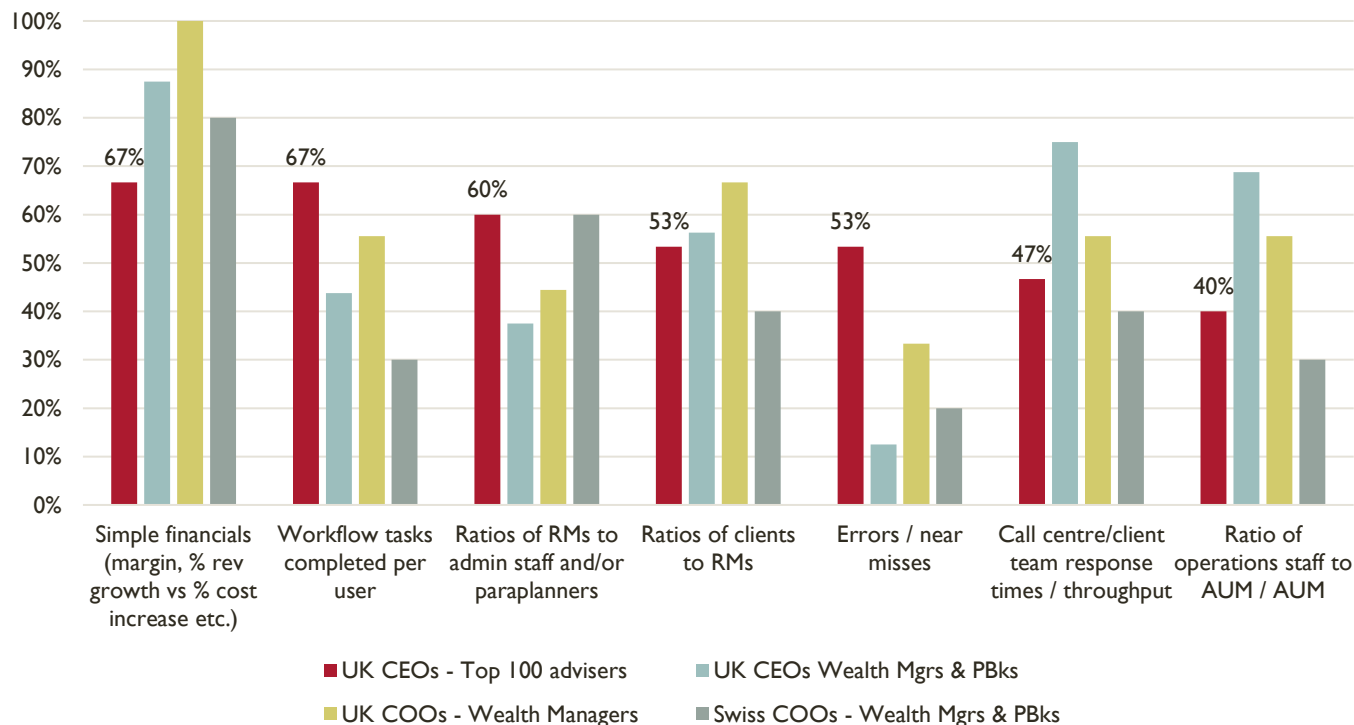
OUR SPONSORS

How well do the respondents know our sponsors?



APPENDIX I:
**SOME RECENT INTERESTING
DATA ON PRODUCTIVITY**

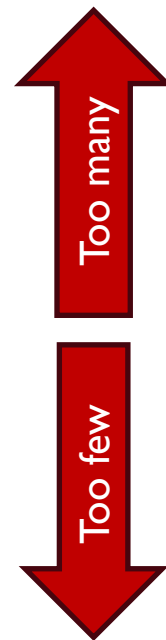
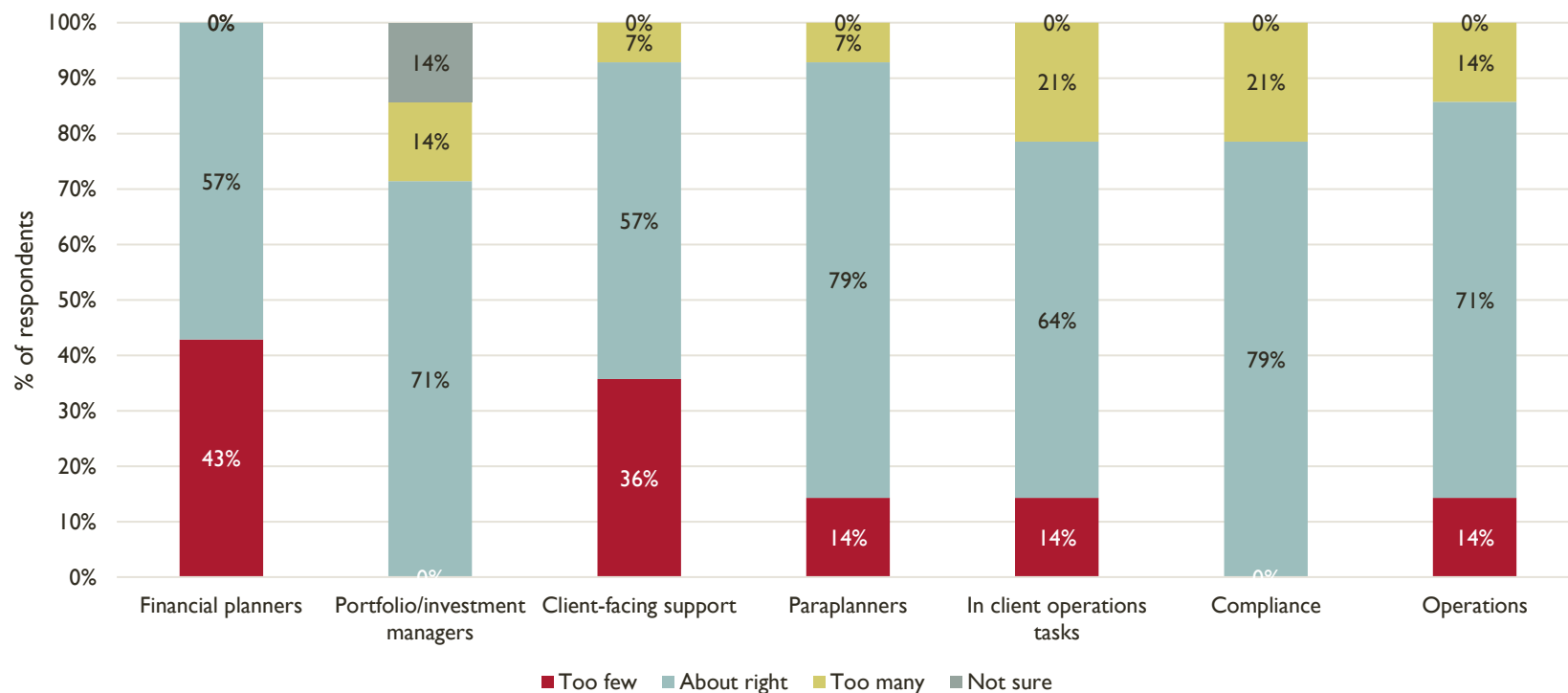
What key measures do you have in place to assess and track productivity?



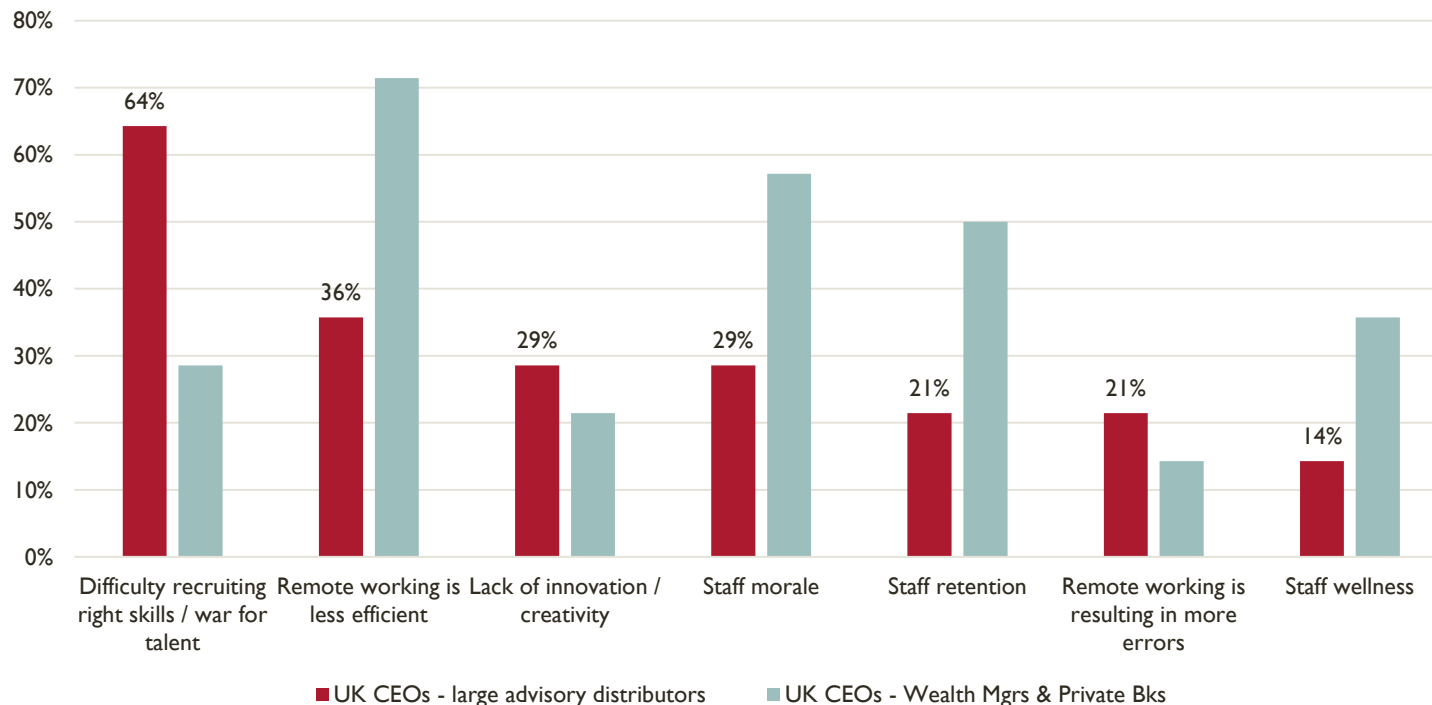
When we asked how efficient you consider your business currently, you gave yourself a score of 6.4/10 which compares to the Wealth Management CEOs who gave themselves 5.9 and your COOs who gave themselves 6.5.

And on average, you felt that 45% of your advisers' time is spent on 'golden/value-add' client engagement. Your COOs felt that figure should be 41% - so you are quite closely aligned!

How do YOU perceive your resource numbers? Do you think your resources are the right size?



What staff issues are currently or increasingly affecting your productivity?



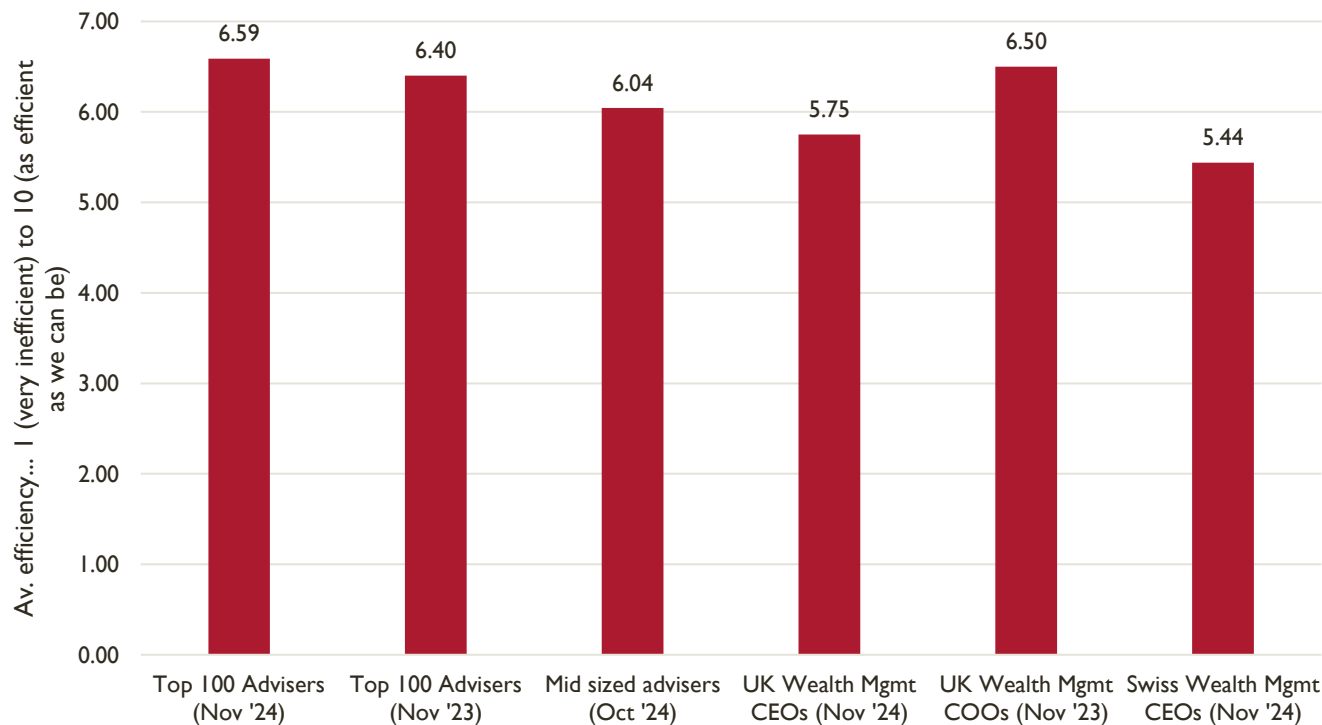
Finding the right people is clearly the issue you feel is most affecting your productivity.

Both you and the Wealth Management CEOs agree that remote working is less efficient. (It is their number 1 issue.)

You have concerns around staff morale and lack of innovation/creativity.

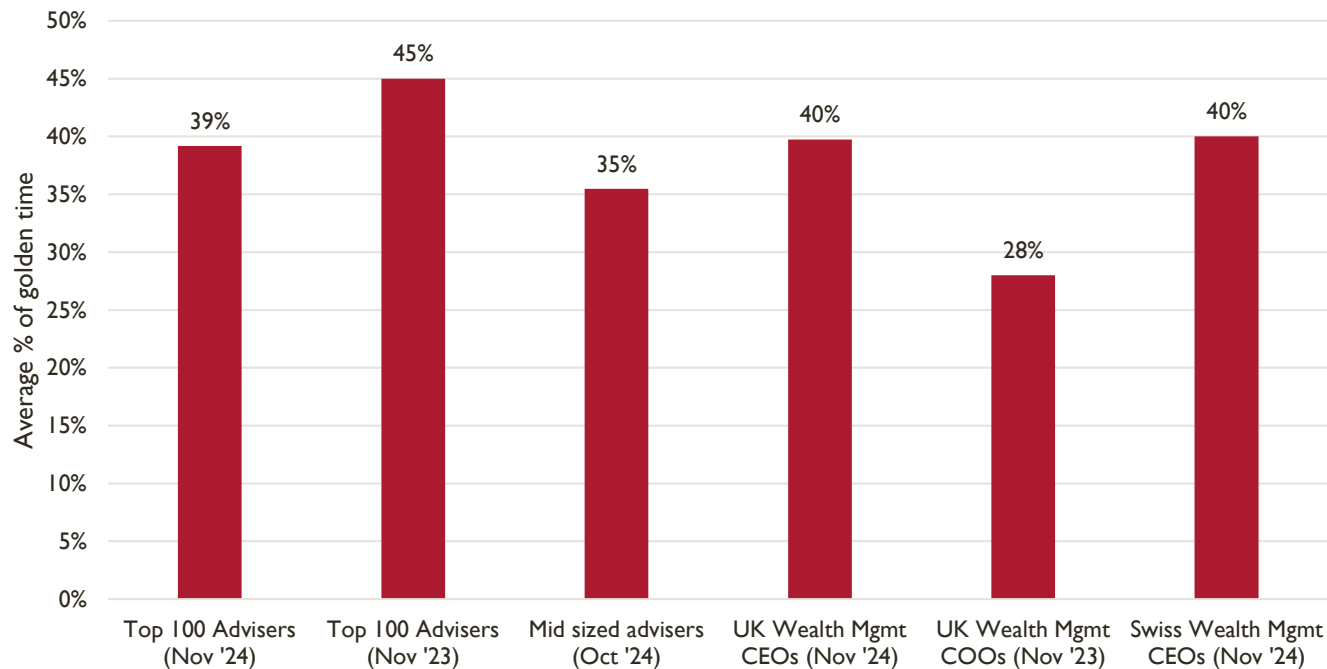
The Wealth Managers are even more concerned about staff morale.

How efficient do you consider your business currently?



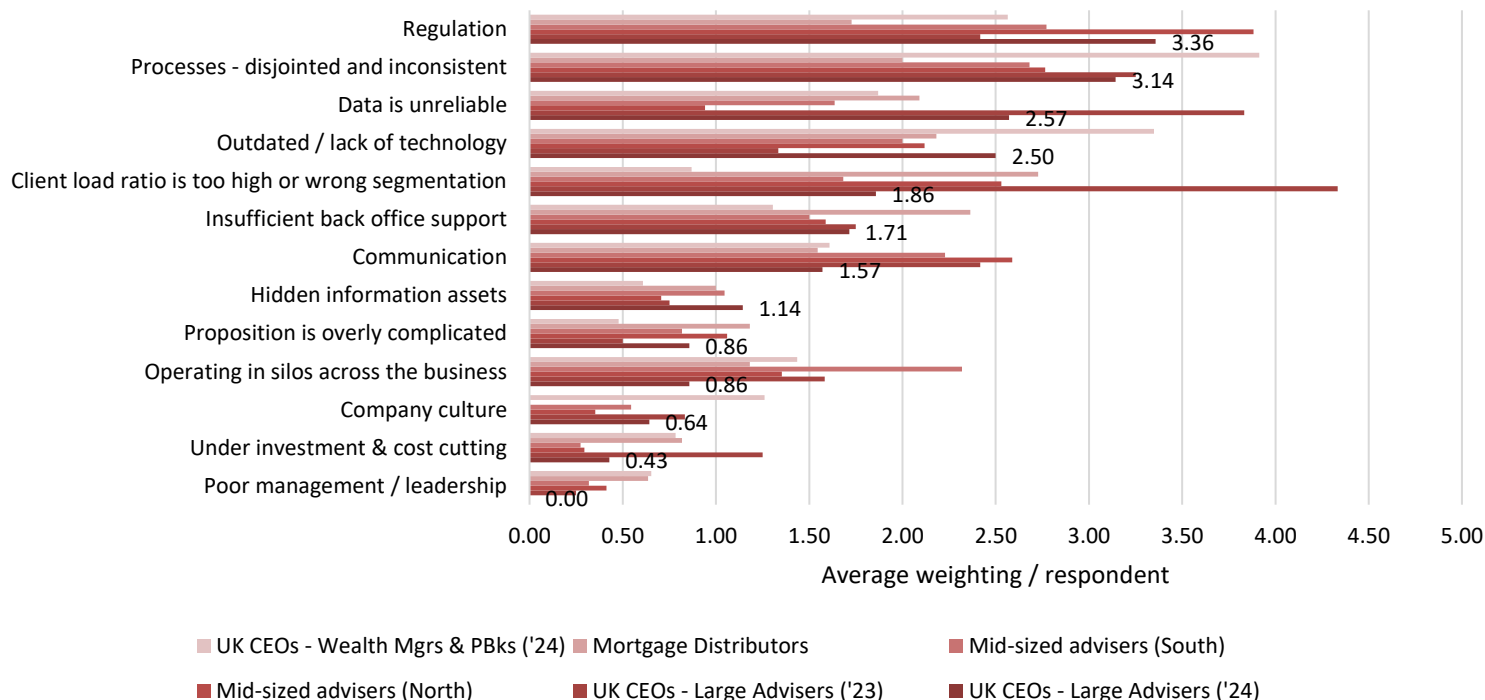
Clearly you feel quite efficient. It is interesting how closely aligned everyone is – especially as this is a “finger in the air” exercise.

How much of your client relationship managers' time do you estimate is spent on 'golden/value-add' client engagement time?



Slightly less than last year but almost identical to the current views of the wealth managers.

FRONT OFFICE PRODUCTIVITY - What are the biggest barriers holding back productivity of your RMs/advisers?

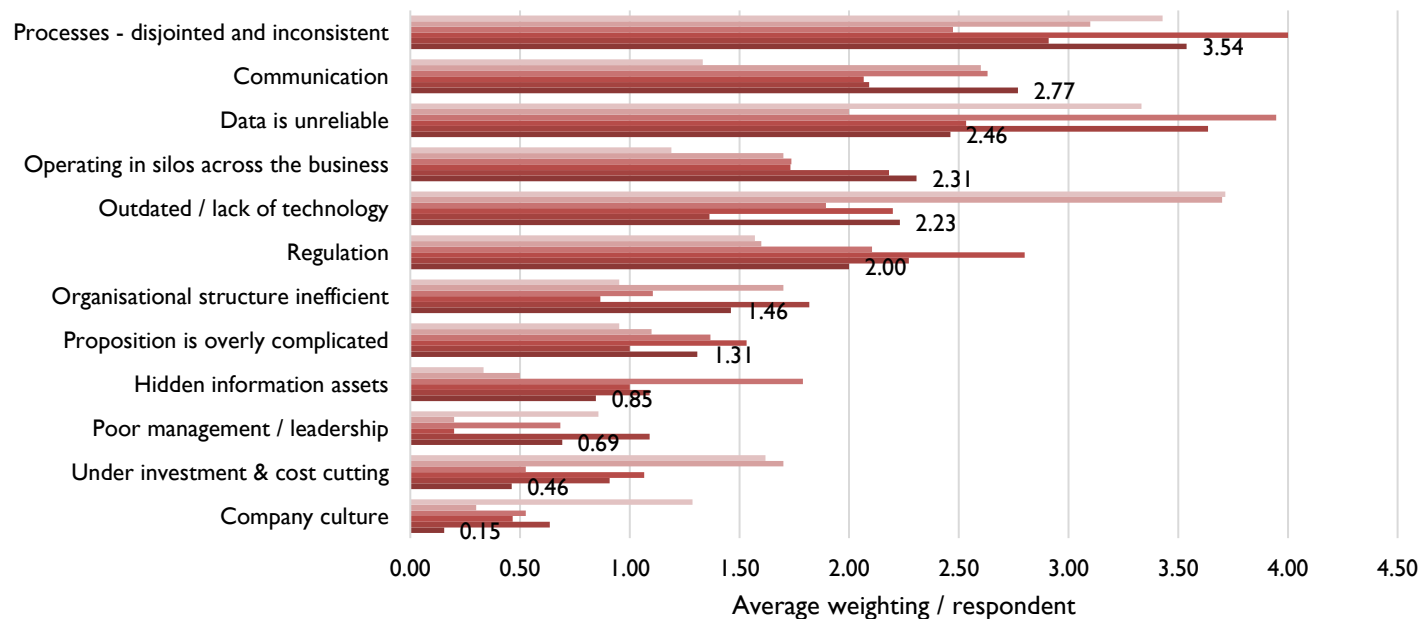


“Regulation” has risen to the top of the leaderboard. It is quite a substantial increase.

“Processes” and “Unreliable data” remain in the top three.

However “outdated/lack of tech” has also moved up quite substantially to 4th position.

BACK OFFICE PRODUCTIVITY - What are the biggest barriers holding back productivity of your operations?



■ UK CEOs - Wealth Mgrs & PBks ('24) ■ Mortgage Distributors ■ Mid-sized advisers (South)
 ■ Mid-sized advisers (North) ■ UK CEOs - Large Advisers ('23) ■ UK CEOs - Large Advisers ('24)

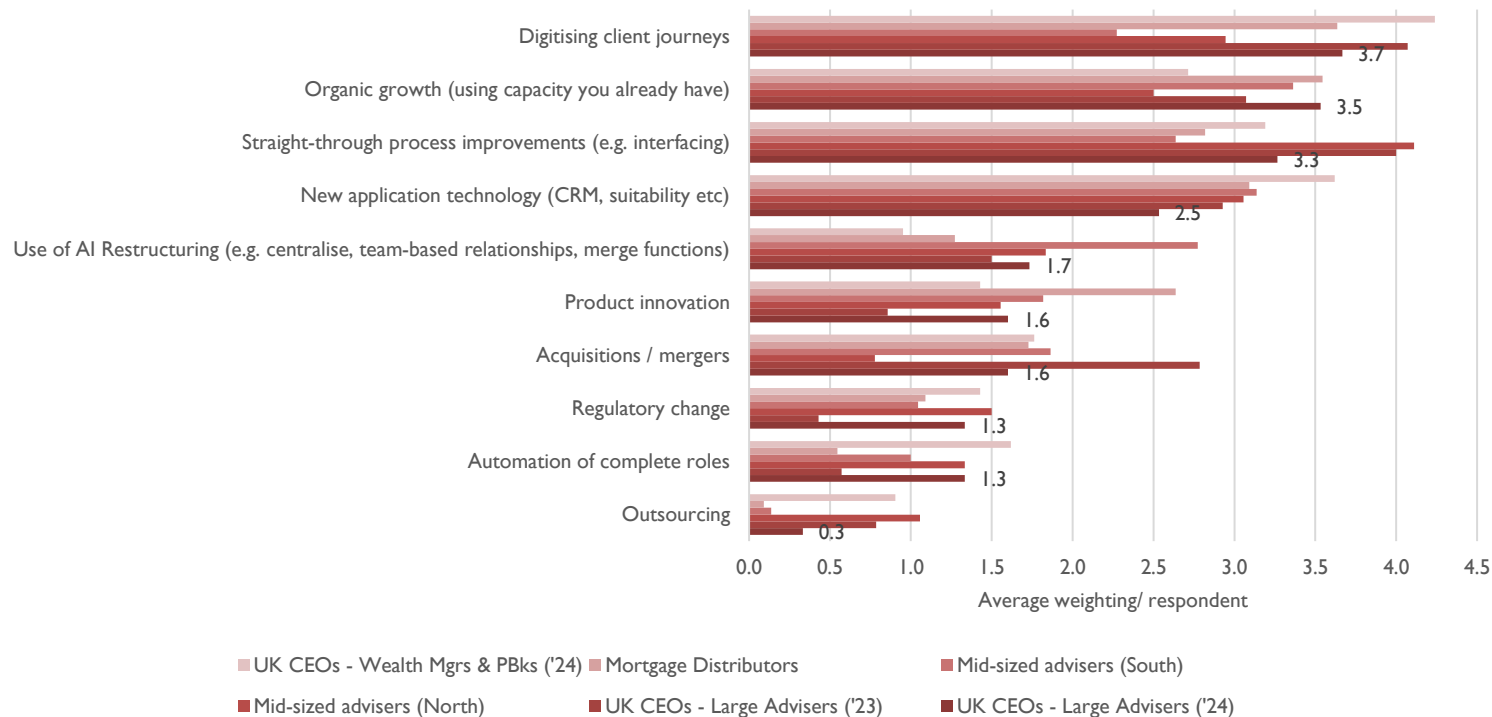
“Processes” and “Communication” have both moved up a place to numbers 1 and 2.

“Unreliable data” has been pushed down to number 3.

“Operating in silos” and “Outdated/lack of tech” are following closely at 4 and 5.

So tech and comms it is!

PRODUCTIVITY ENABLERS - What are the biggest enablers that will improve productivity across your business?



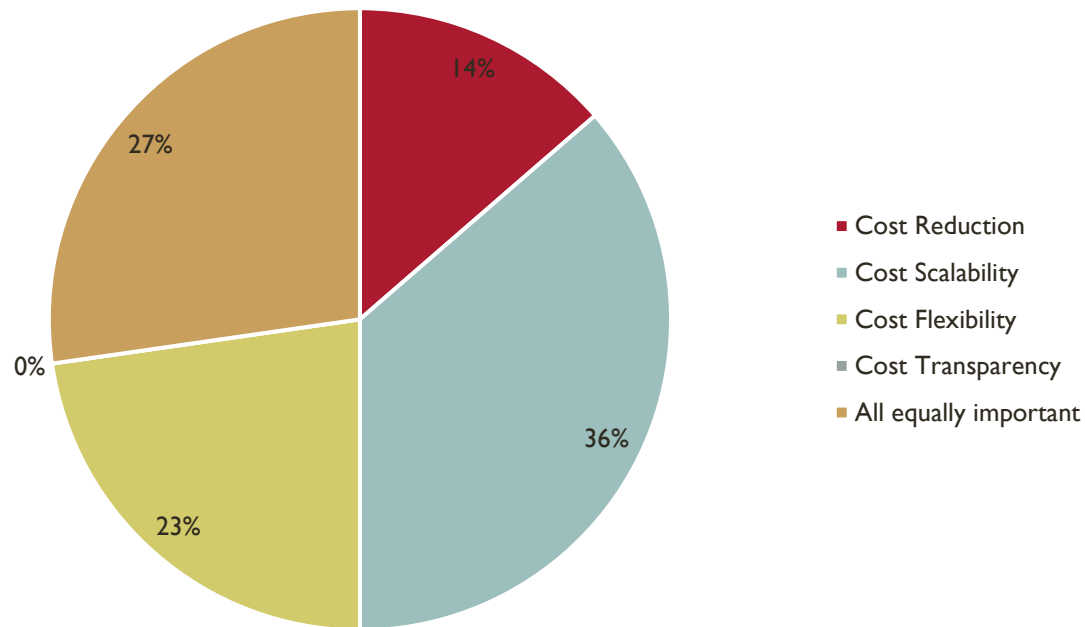
The top four enablers: “digitising client journeys”, utilising “organic growth”, “straight-through processing” and use of “new apps” remain your top four.

However, it is noticeable that there are some big movements lower down the table: “product innovation” and “regulatory change” have attracted more attention.

APPENDIX II:

**SOME RECENT INTERESTING
DATA ON “COSTS”**

What is the most important cost transformation objective in your organisation?

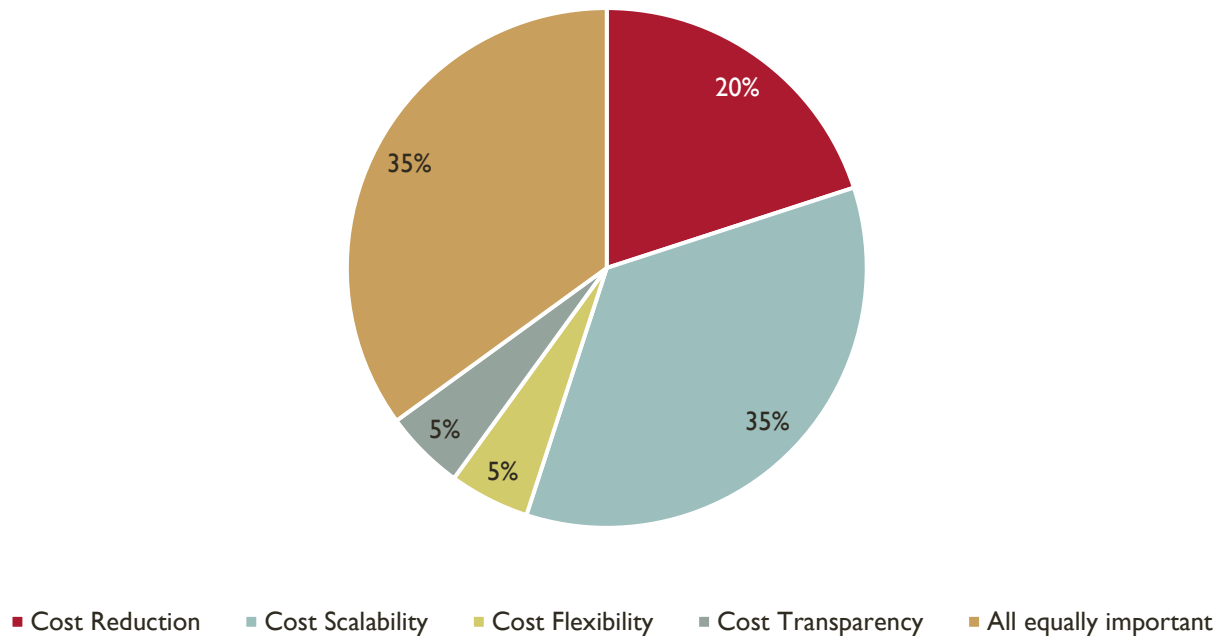


On average, you are looking for a cost reduction of 6%.

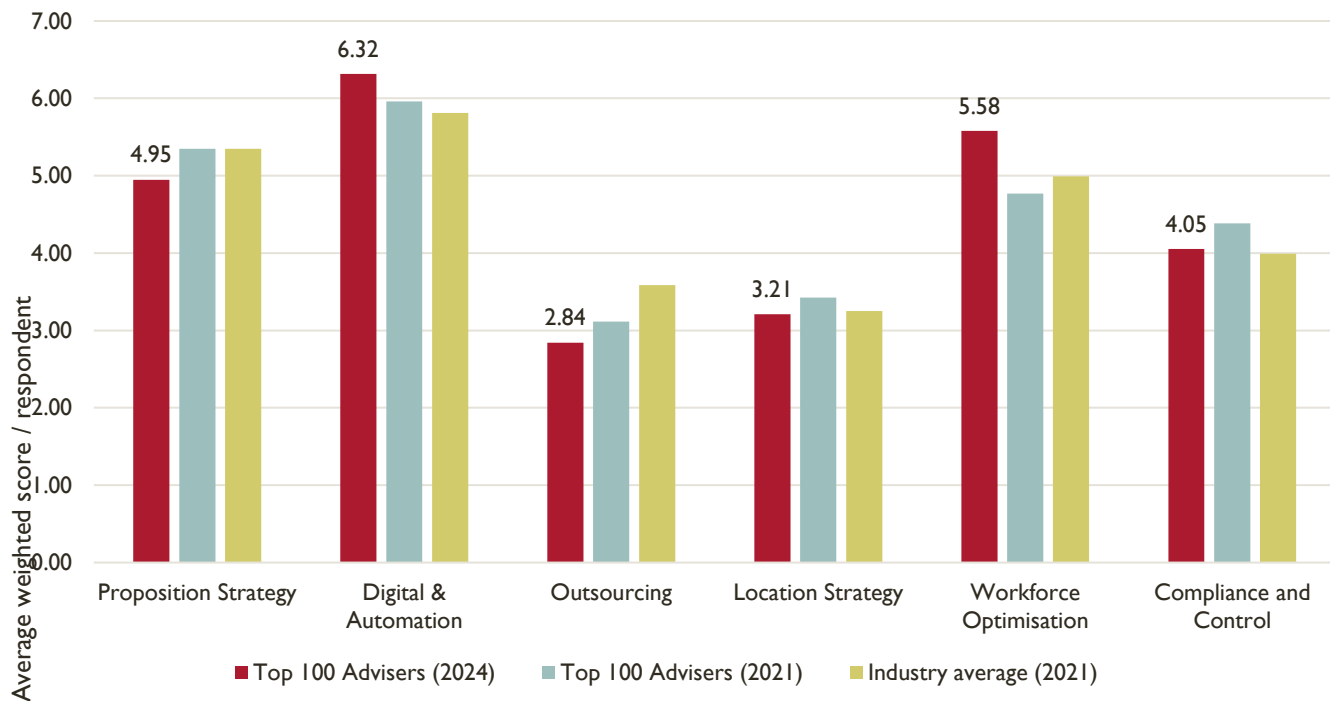
Cost Scalability is clearly your main transformation objective followed by Cost Flexibility.

However, nearly 30% of you feel that all objectives are equally important.

What is the most important cost transformation objective in your organisation?



Looking at the potential cost transformation levers, what would have the most impact on cost reduction?



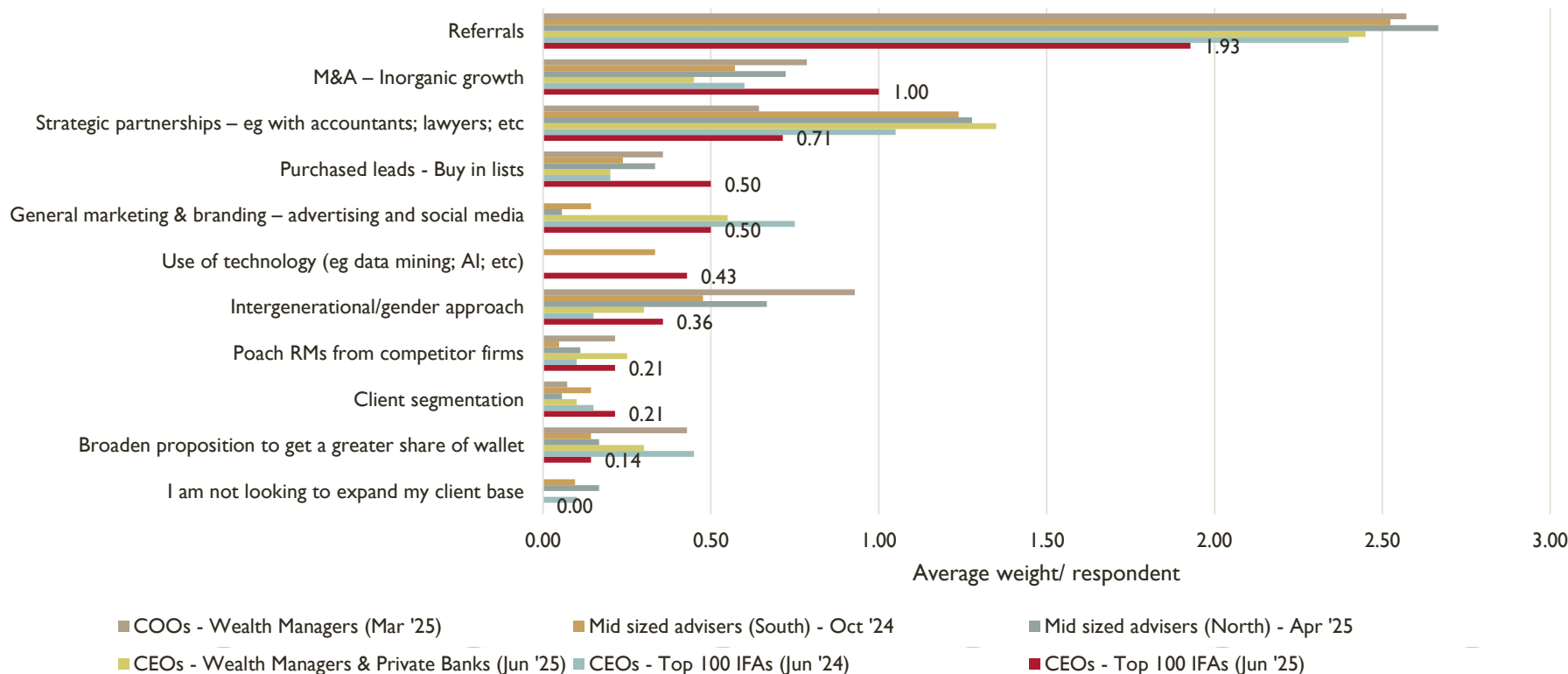
We last asked you this question in 2021.

You clearly now see digital and automation as key cost transformation levers.

Workforce optimisation has also seen a heightened emphasis.

Your proposition strategy remains important but has fallen back very slightly.

When it comes to sourcing new clients where is your greatest focus over the next 12 - 18 months?



We hope you found this research of interest. If you would like to discuss any aspect of it, do email James Goad at Owen James at jamesgoad@owenjamesgroup.com

