

Winning Advisers

Monday 14 October (dinner)/Tuesday 15 October – A Meeting of Minds

Tylney Hall Hotel, Ridge Ln, Rotherwick, Hook RG27 9AZ

THE SUBJECT MATTER

This document lists the roundtable topics which will be addressed at Winning Advisers. You will be invited to select those subjects of particular interest to enable us to tailor your individual itinerary accordingly.

The format:

As a reminder, each day runs breakfast through afternoon tea and is made up of a blend of:

- **Keynote** sessions geared to encouraging new thinking – typically from outside the industry;
- **Roundtables** – small facilitated groups addressing a carefully researched agenda. The whole day is Chatham House and therefore participants are able to speak openly and freely.
- Plenty of **networking** opportunities including a formal seated luncheon.

How do the roundtables work?

The roundtables take place in a private room with, typically, some 15 people around the table. Tent cards with participants' names and companies are set out to make it easy to identify your peer group. The sessions are introduced by an expert on the subject. This introduction will usually last about 10 minutes before the conversation is opened up to the table, the goal being to ensure that everyone gets stuck in! The session facilitator will bring the session to a conclusion, highlighting the key points raised.

In summary, your time is precious and our goal is to ensure that if you spend it with us, you spend it in the company of your peers, you address the subjects which matter to you, and all in a time efficient manner.

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YOUR BUSINESS

1. It's all about growth- Is Merging/Acquiring the best way to grow your client base? Or can you get the numbers through organic growth?

Well.... and talking about numbers... what's the magic ratio? How many clients do you need per adviser?

At a recent A Meeting of Minds for the Advisory Distributor, participants discussed how the acquisition market place is currently very active and will remain so over the next 5-8 years as ageing business owners look to exit.

However they had some concerns....

- Transition process is key to embedding a deal and making it successful. The hard work starts after the deal is done.
- Why are you looking to acquire or merge? Are your intentions clear?
- Have you considered the cultural fit ?

And once you've decided to go down the acquisition route, how do you fund it?

Expert: Keith Hare, **Benchmark Capital**

2. Changing market trends and how this impacts advice. With falling numbers of investment advisers and the average age of those who are active, what does the future hold for the advice landscape.

- Consolidation in the marketplace has accelerated since RDR, but are there sufficient viable exit strategies and alternatives for those wishing to remain independent, and who are the beneficiaries of this trend?
- We can not ignore the move towards embracing technology, the rise of robo and automation, and the trappings of vertical integration, but is this really driving better client outcomes?
- PFS Guidance on engagement with DFM and MPS Providers
- The regulatory burden is increasing and driving the outsourcing of investment propositions – what are the key considerations in this space to keep you safe and maintain your place in the value chain?
- Let's see what the house view is on what the future holds and how we can prevail!

Expert: Simon Church and Steve Martell, **Tatton Investment Management**

3. Building business models that will thrive in a post-MiFID II world. We all know the need for advice is growing but advisers are struggling to deal with the volume.

A wise man told us recently that advisers are sitting on oil wells but lack the equipment to get the oil out. Productivity, demographic and regulatory challenges mean that advisory firms often struggle with the capacity for growth. This session will provide an opportunity to:

- Identify the current challenges affecting your firm;
- Discuss strategies to manage, overcome and adjust your business model to tackle these challenges; and
- Map out some of the technology, investment and segmentation solutions that are available to drive efficiencies through your business.

Expert: Dave Fewtrell, **Aberdeen Standard Investments** and Paul Lanigan **Standard Life**

4. **Walking the tightrope of demonstrating value while maximising profitability. 3rd party analysis tells us what clients want and investors value etc. However adviser perception vs. reality is still not always aligned. This session will drill down into this mismatch.**

The research has been extremely interesting but there needs to be specific actions taken as a result of the findings which will be explored. At the same time businesses are feeling the cost implications of MIFID2 and increases in PI cover and this requires thought.

This session will be structured in 3 sections:

- **Perception-** Let's examine the findings of the multiple research papers regarding adviser value so we can discuss if there is a mismatch between what advisers think versus what clients want and value. Is this the case and if so, what could be done to address potential discrepancies?
- **Reality-** lets discuss what is happening within your businesses and the profession at large. This session will focus on finding the 'truth' about what is happening in relation to fees and profitability and discuss what should be the areas of key focus over the next few years. Should advice fees go up, down or stay the same and what are the implications? What has been the experience of advisers?
- **Action-** Although there has been much discussion about value and fees there has been limited specific guidance on what can be done and how it can be done. This session will focus on discussing what practical actions could be taken and tools and strategies to help advisers along their journey. There will be examples of the what and how of demonstrating value as well as a discussion of best practice within the groups.

Expert: Nick French, **Marlborough Fund Managers**

TECHNOLOGY

5. **How becoming a digital advisory business can enhance your client experience and deepen your relationship with them as well as support productivity.**

As your business costs increase, you need to ensure your firm is operating in an efficient and productive way. To that end, adopting a digital strategy would seem a smart move. However you will be anxious to maintain the close client relationships you have taken years building so how on earth do you ensure you do so?

This session will address the following:

- How you decide which elements of your proposition to automate and where to maintain the human element.
- How you harness the information you already have.
- How you can second guess your clients' needs and propose personalised propositions.
- How you can drive engagement and create even greater loyalty.

If you can do all of the above and save money – sounds like a bit of a win win to me!

Expert: Paul Morley, **Intelliflo**

6. **A masterclass in understanding the different potential offered by AI, RPA, big data, machine learning, the Cloud and Voice.**

- **Robotics** – not something you can just roll out. It is exciting technology which can operate across your entire ecosystem. Robots can learn and copy.
- **Machine learning** and **AI** are fairly simple algorithms which can do some heavy lifting e.g. looking at data quality.
- **Big data** is access to unstructured data – known as data lakes. Proximity of the data to the user is much closer. It is raw data. With the right skill sets you can gain insights. This is a massive enabler which allows you to apply machine learning quite quickly without having to go through the IT function.
- **Cloud.** Amazon Web Services, Google etc. These are pay as you go commercial models which make them very attractive solutions as opposed to buying your own.
- The use of **Voice** is compelling and cheap. It sits on the cloud and is getting better and better. Think Amazon Echo as a financial services adviser.

Well those are the headlines – how about a discussion around practical implementations?

INVESTMENT

7. Modern philanthropy made simple – a look at impact investing

- It's simple, why not do well by doing good? A more principled approach to investing is sweeping investment markets.
- The direction of travel is moving from an ethical 'avoid' approach to 'engagement' strategies that seek to have a positive impact on the world around us.
- Investors are increasingly demanding around returns, not looking to compromise on performance when investing in companies that make a positive impact.
- The UK ESG impact market has grown strongly over the past few years and is now worth over £2bn with circa £600m of annual net flows. Institutional investors were the early adopters, but individual investors are a growing part of this trend. This looks set to accelerate with recommendations to add individual ESG preferences to MiFID II know your client (KYC) requirements.
- So what do advisers need to do to capitalise on this growing trend and ensure their clients' portfolios are appropriately exposed to impact investing?

Expert: Mark Parry, **BMO Global Asset Management**

8. Where next for retirement planning?

There has been huge growth in the retirement income advice market since the introduction of Pension Freedoms. The retirement landscape has become more varied and complex, with retirees facing far greater choice around how and when to retire and, in particular, how to secure the income they need to sustain them in retirement. This creates opportunities for advice firms who can understand and adapt to the changing landscape.

In this session we'll have a look at the current retirement market and how it affects you and your business.

It is worth remembering that this new landscape remains in its infancy. Most retirees still have Defined Benefit pensions, and the numbers relying exclusively on Defined Contribution pots remains relatively small. In addition, the recent Retirement Outcomes Review will usher in a further round of industry change. We will discuss the likely future trends in a part of the market that will provide the greatest opportunity and the biggest challenge in years to come.

We will look at what has the industry learned over the last 4 years as a result of pension freedoms and outline the future.

We will offer our thinking on how this all fits with the investment engine needed to produce income against this new backdrop. In a world of heavily unsettled markets as a consequence of geo political events the quest for client income is ever more challenging. With traditional sources of income becoming ever more strained we will demonstrate how and where clients need to be thinking of investing to derive the levels of income they deserve in order to maximise the freedom in the regulation.

Expert: Russell Bignall, **Old Mutual Wealth**

9. Let's have a look at the Next-generation investment platforms. What do we think the end-to-end customer experience is going to look like.

- Which elements can be personalised?
- Developing user-friendly interfaces: what are the strategies for success?
- The evolution of platforms: who are the players successfully innovating in this space, and what sets them apart?
- Fast, reliable, simple: what roles will AI and RPA have to play in this transformation of platforms?
- A glimpse into the future: what other services might platforms provide in years to come?

Expert: Richard Bradley, **Platforum**

YOUR CLIENTS

10. It's a family affair – How can advisers close the wealth transfer generation gap?.

- Over the next 30 years, an estimated £5.5 trillion is due to be passed between generations in the UK. As things stand, the bulk of those transfers will involve beneficiaries who are not yet advised, but need to be.
- The industry is well aware of this looming problem but it would seem that little is being done to address it.

So, what steps do you need to take? What's the best way to engage with each generation in a profitable way?

- Is your workforce up to the task? Do you have a diversity recruitment strategy in place to mirror the client you are trying to relate to? If you were trying to deal with an SME, you would have an entrepreneur on your team to ensure they can better relate to your entrepreneurial clients and the challenges they are facing.
- Why is common sense often not common practice?
- Do you need different distribution channels??

Expert: Svenja Keller, **Killik & Co.**

11. Insights from the clients of advisory firms: What do they value, and how can referrals be better utilised to attract more of them?

The Dimensional Global Investor study aims to understand the perspectives of individual investors who are the clients of advisory firms. The insights gained may be used to help advisory firms deliver better services and outcomes for those clients.

Leveraging brand new data from the latest 2018/19 study of almost 23,000 clients of advisors, this session will discuss findings that relate to a core question: How may advisory firms assess these insights when considering how to attract and retain their ideal clients.

Particular areas of focus will include:

- What specific adviser attributes lead to client confidence?
- How can we distinguish between the promoters and detractors of your firm?
- How much time do clients want to spend in specific areas they value?
- And, how do clients think about recommending you?

Expert: Steven Greenfield and Martyn Chapell, **Dimensional Fund Advisors**

AND SOMETHING FOR YOU

12. Are you ready to de-clutter and create space for more effectiveness, focus and clearer thinking.

- Our environments are changing rapidly, we increasingly struggle to get everything done and information is overloading our brains. As a result, poor decisions are made due to a combination of data complexity and the lack of time to understand a topic properly. And these all come at huge costs to organizations as well as causing great frustration to individuals.
- This will be a 10min, 1-2-1 session (over the coffee break) where you'll learn from our expert tips that you will be able to apply immediately, both for yourselves and also to support the teams you are leading.

Expert: Ingrid Pope