

How Are Advisors Using Technology?

Presenters:

Josh Meyer, CFP & Founder, Advisor Tech Tools

Brian Nygaard, Managing Director, Atticus Advisers

Cynthia Stephens, VP Marketing, ByAllAccounts

Greg Brown, SVP Sales & Marketing, IAS

Agenda

- 1 Sneak Peak at Tools/Gadgets Advisors Use Now

- 2 Results from advisortechtools.com survey of 500+ advisors

- 3 Trends in technology investments

- 4 Best practices and criteria for evaluating technology

- 5 Integration and what it really means to a firm

- 6 Q&A

Sneak Preview

ByAllAccounts' Q2 Gadget Survey



Purpose & Methodology

Study Purpose:

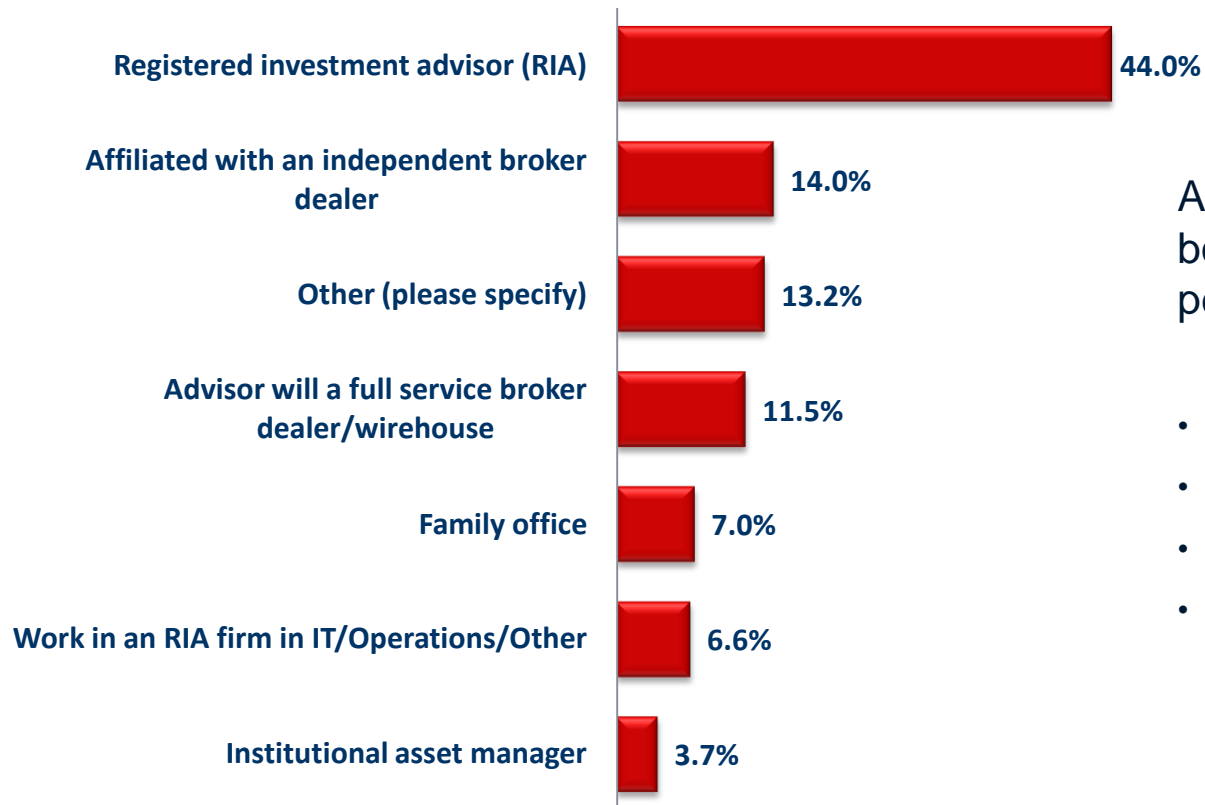
- With the plethora of gadgets currently available to advisors – including the newly released iPad2 – we surveyed them to get a snapshot of their opinions
- Many financial advisors have jumped on the iPad bandwagon
 - One third of survey takers who own one say they have had it less than 3 months

Methodology

- ByAllAccounts conducted a national online survey about how financial advisors use their gadgets in April-May 2011
- The findings presented are based on aggregated responses from more than 250 advisors.

Nearly 50% of respondents were RIAs

Please select the description that fits you best
(responses n = 243)



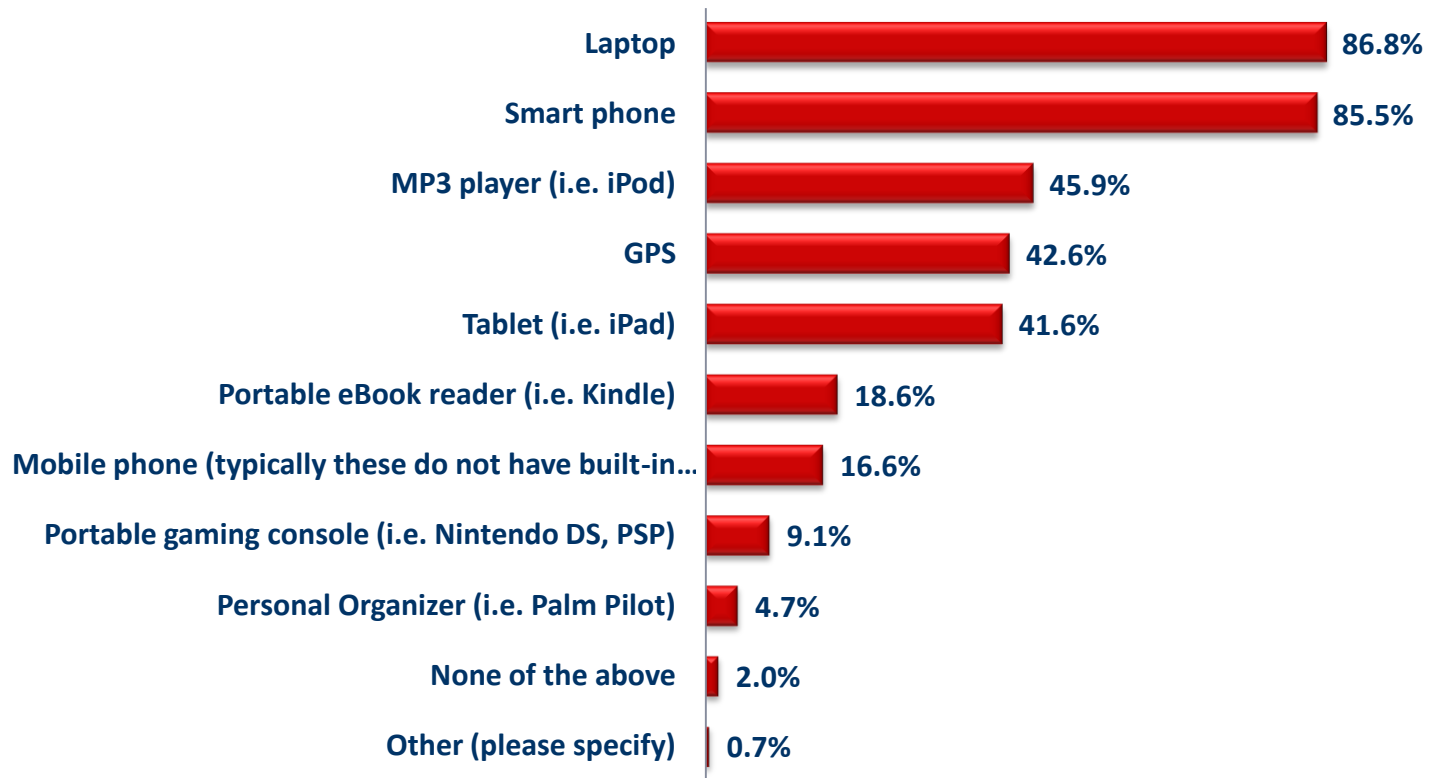
Among RIA survey takers, the book of business that they personally manage was:

- 72% manage \$5M+
- 5.7% manage \$2M – 4.9M
- 1.9% manage \$1M -- 2M
- 6.6% manage \$0.25M – 0.5M



Gadgets galore!

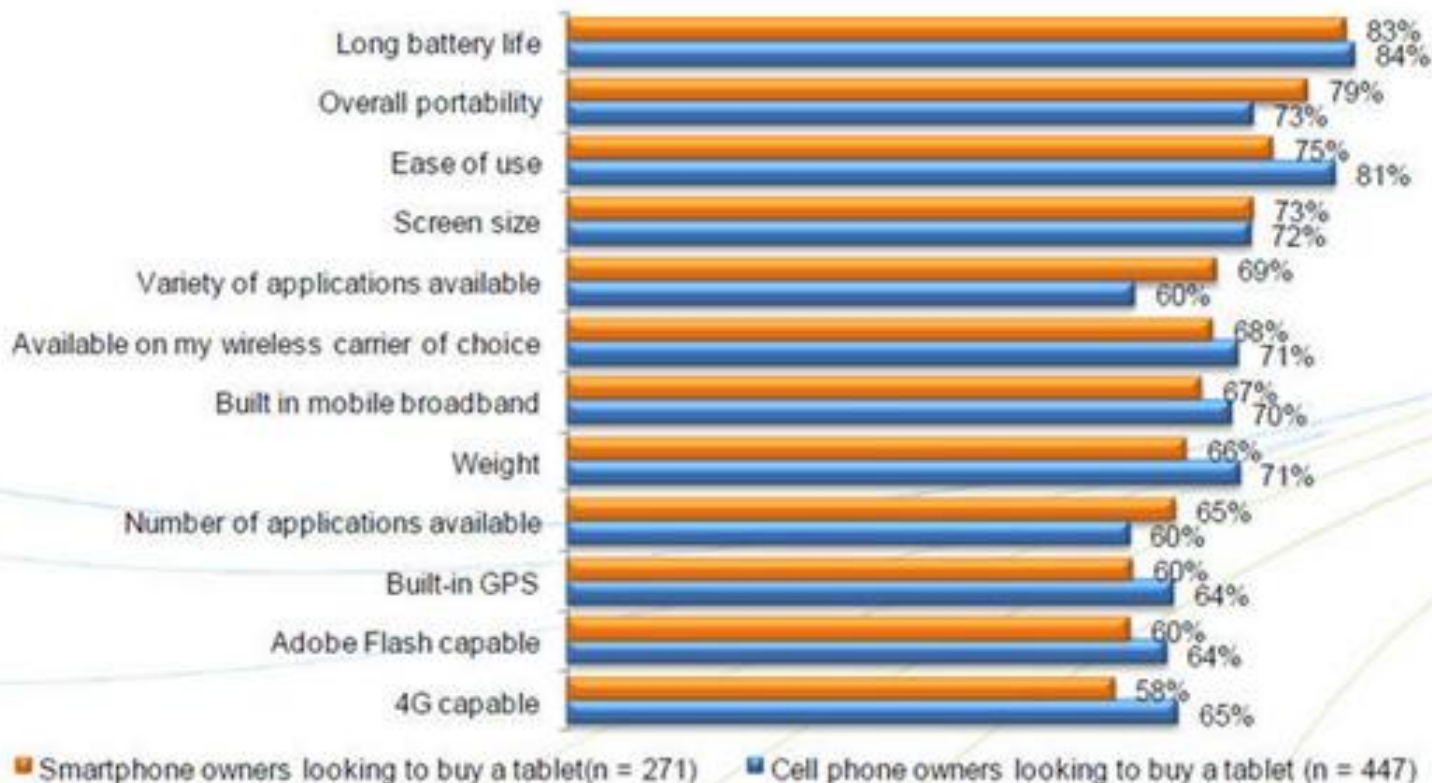
Please indicate which of the following gadgets you own
(or have been given to use by your employer?)
(Multiple responses allowed, responses, n=296)



Tablet computing: consumers want battery life, overall portability and ease of use

Importance of Features in a Tablet Computer

(Q4 2010 Smartphone Intelligence Survey)

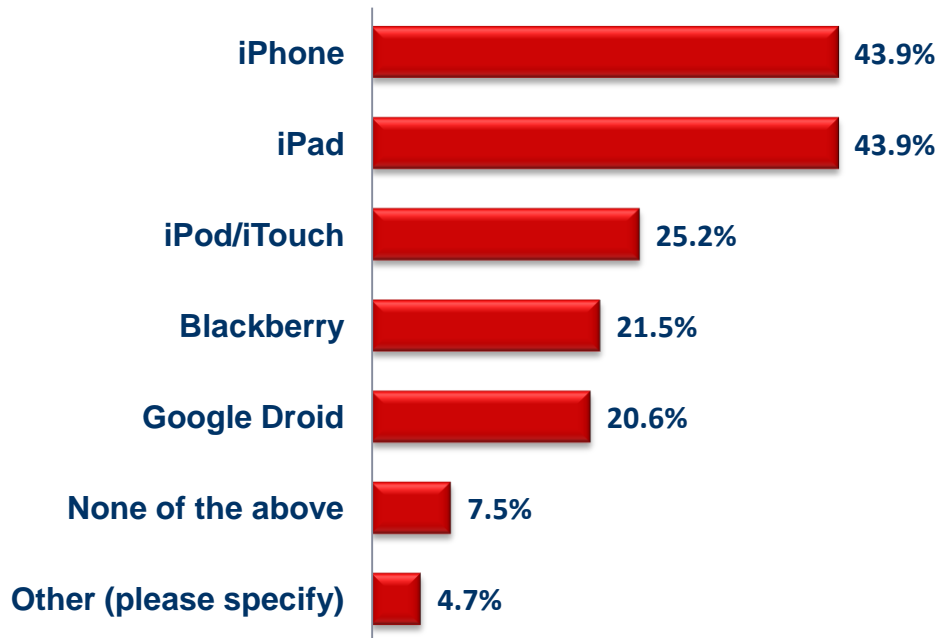


T5. Please rate how important the following features are to you when considering a tablet computer

44% of advisors own or use an iPad

Which of these specific brands do you currently own or use regularly?

(response from advisors n=107)



Among respondents who have an iPad:

- 50% of them are between 44 and 62 years of age
- 32% between 28 and 43 years of age
- 13.4% over 62 years of age
- only 4.1% between 19 and 27 years of age

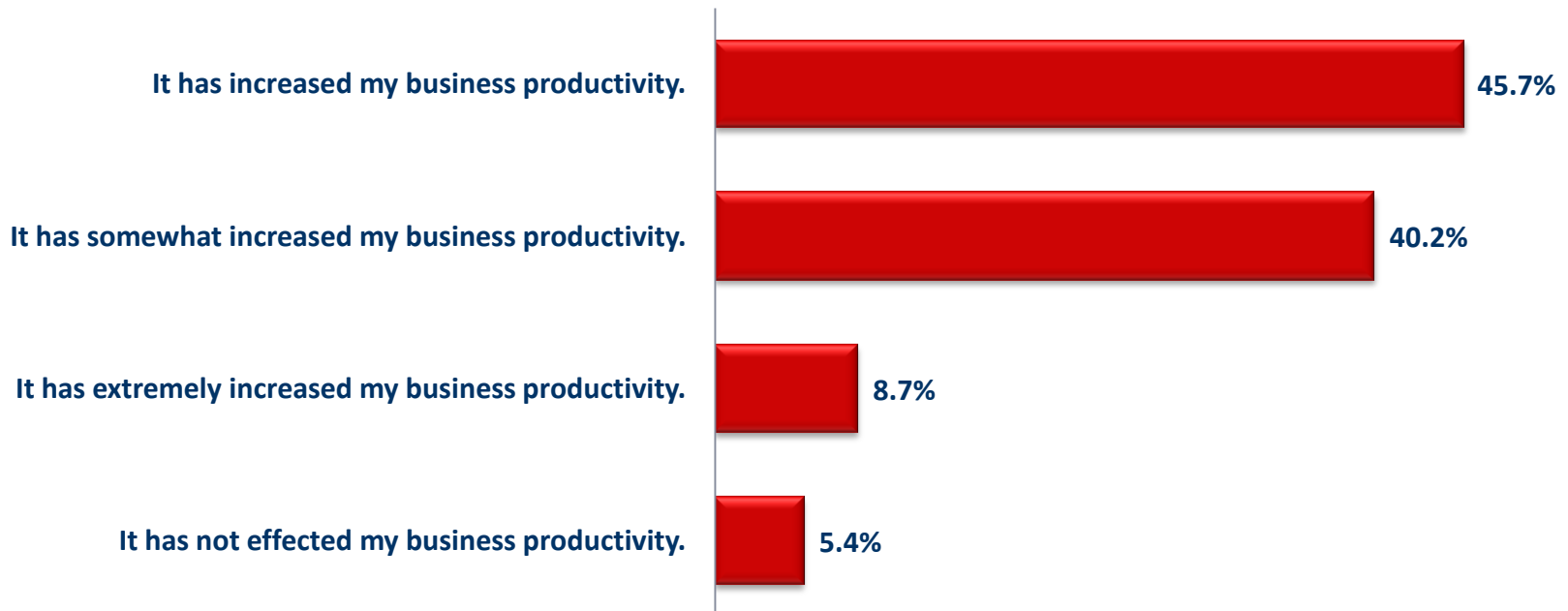


A majority of advisors find the iPad Useful

Technology is a means to an end not a means in and of itself

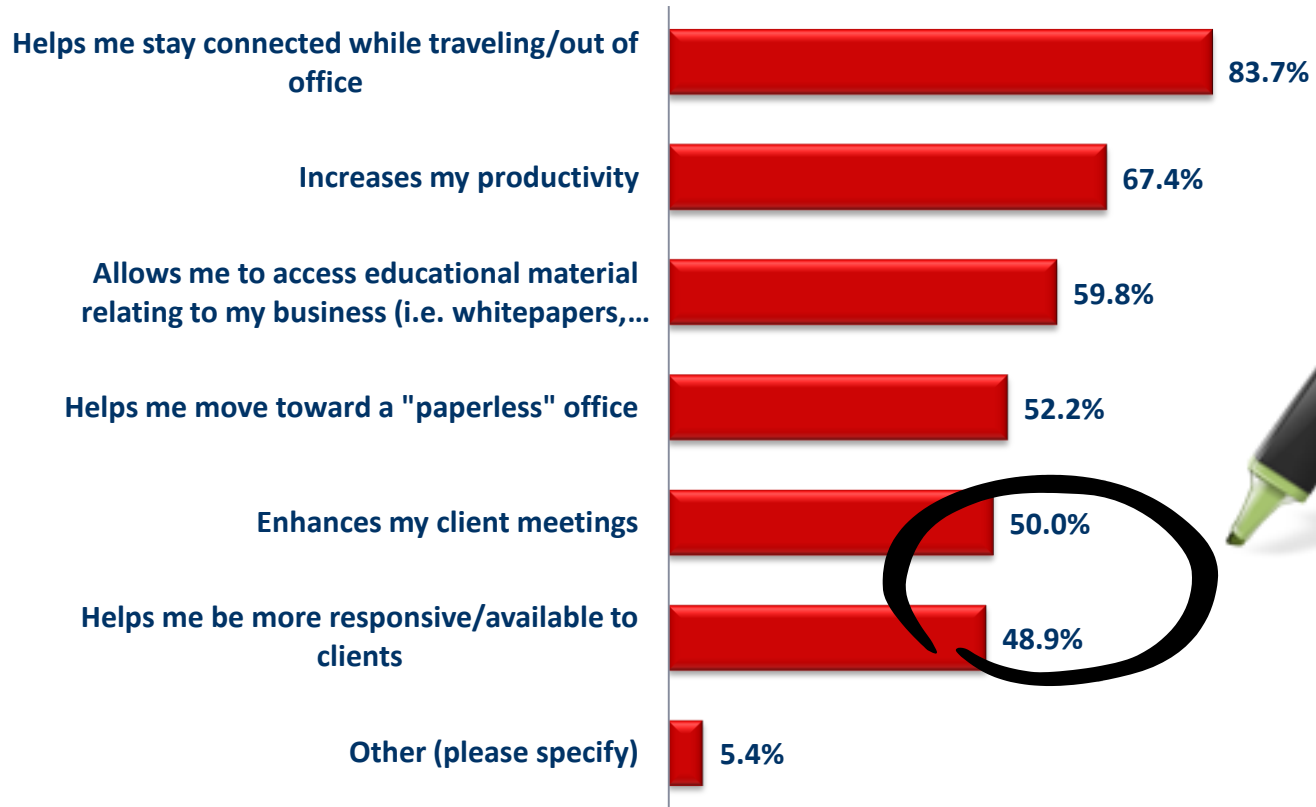
How has the iPad impacted your business productivity?

(responses from iPad owners/users, n=92)



Why is the iPad useful for financial advisors?

How does the iPad and its applications support your business
(response from iPad owners/users n=92)

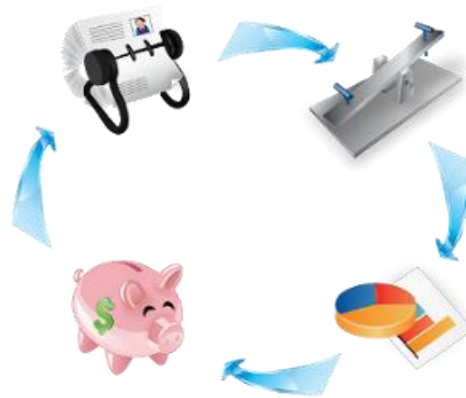


Next week's Q2 gadget survey announcement:

- *Top 5 types of apps used at least once a week*
- *Where to find new apps*
- *Advisors' dream apps*



ADVISOR **TECH** TOOLS



Josh Meyer, CFP®

How We Collect Our Data



Data Collected During User Registration

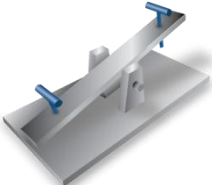


Screened for Quality



Analytics Application for Data Mining

The Categories



The Results



- Schwab PortfolioServices
- PortfolioCenter
- Junxure
- ByAllAccounts
- MoneyGuidePro
- Tamarac
- Morningstar Principia
- Redtail Imaging
- Advisor Products
- eMoney Advisor
- Charles Schwab

Digging Deeper

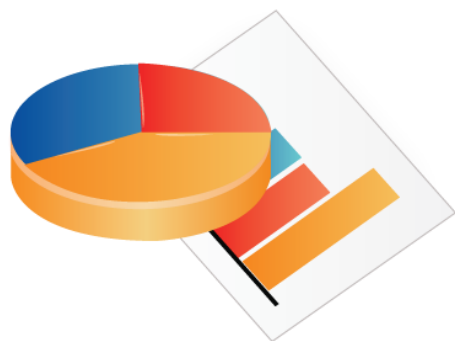


Outsourcing



60%

Portfolio Management



>\$450 AUM

Axys

< \$450 AUM

PortfolioCenter

15%

CRM



Salesforce

14%

Account Aggregation



55%

ByAllAccounts

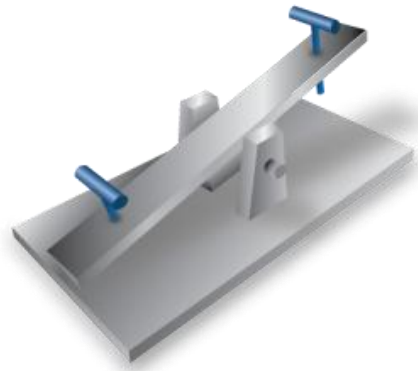
Financial Planning



20%

MoneyGuidePro

Rebalancing



>\$300 AUM

Tamarac & iRebal

<\$300 AUM

Total Rebalance

Expert

54%

Document Management



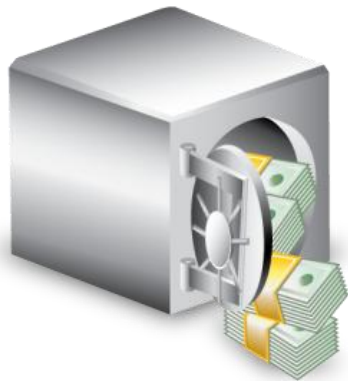
47%

Client Portals



48%

Custodian



>\$100 AUM

-Charles Schwab

-Fidelity

<\$100 AUM

-Scottrade

-Trust Company of
America

How to Use This Information



The Platform Integration Challenge

A Buyers Guide

Brian Nygaard, Managing Director, Atticus Advisers

Greg Brown, SVP Sales & Marketing, Interactive Advisory Software

Where are we – and how did we get here?

200,000 Independent Financial Advisors

\$3 Trillion in Assets Under Management

\$60 Billion in Industry Revenues

200 Independent Industry Service Providers

100+ Million Unique Technology Configurations

Technology is the second question...

The first questions...

- 1) More Effectively Acquire New and Profitable Clients**
- 2) More Cost-Efficiently Serve our Existing Clients**
- 3) Significantly Improve the Customer Experience**
- 4) Create Markedly Better Client Outcomes**
- 5) Grow the Franchise Value of our Advice Practice**
- 6) Reduce the Overall Risk Profile of our Practice**

What are my choices?

The strategic options...

1	“Best-of-Breed”	Select - Manage
2	Clearing Firm	Select - Incorporate
3	Holistic	Adopt - Adapt

The decision process – part one

The client value questions...

- 1) What are clients expecting from our financial advisory practice and from our advisors?**
- 2) Where will our clients perceive increased value in the overall offering of the practice?**
- 3) How much more often will our clients refer the services of the practice within their circles of influence?**

The decision process – part two

The franchise value questions...

- 1) How will the integrated software decision simplify the client management process?**
- 2) How will the business processes within the practice be standardized to improve the productivity of the practice?**
- 3) What impact will the software decision have on the ultimate valuation of the practice in the event of its sale?**

Questions to ask all service providers...

The “value of your time” questions...

- 1) Does the integration platform allow the practice to spend more time with clients and less time with the challenges presented by integrating the technology platforms?
- 2) Does the integration platform come with a price tag that allows the practice to create acceptable profit margins?
- 3) What resources are required by the practice in the short-term and in the long-term to support the maintenance of the integration?

And in the end...

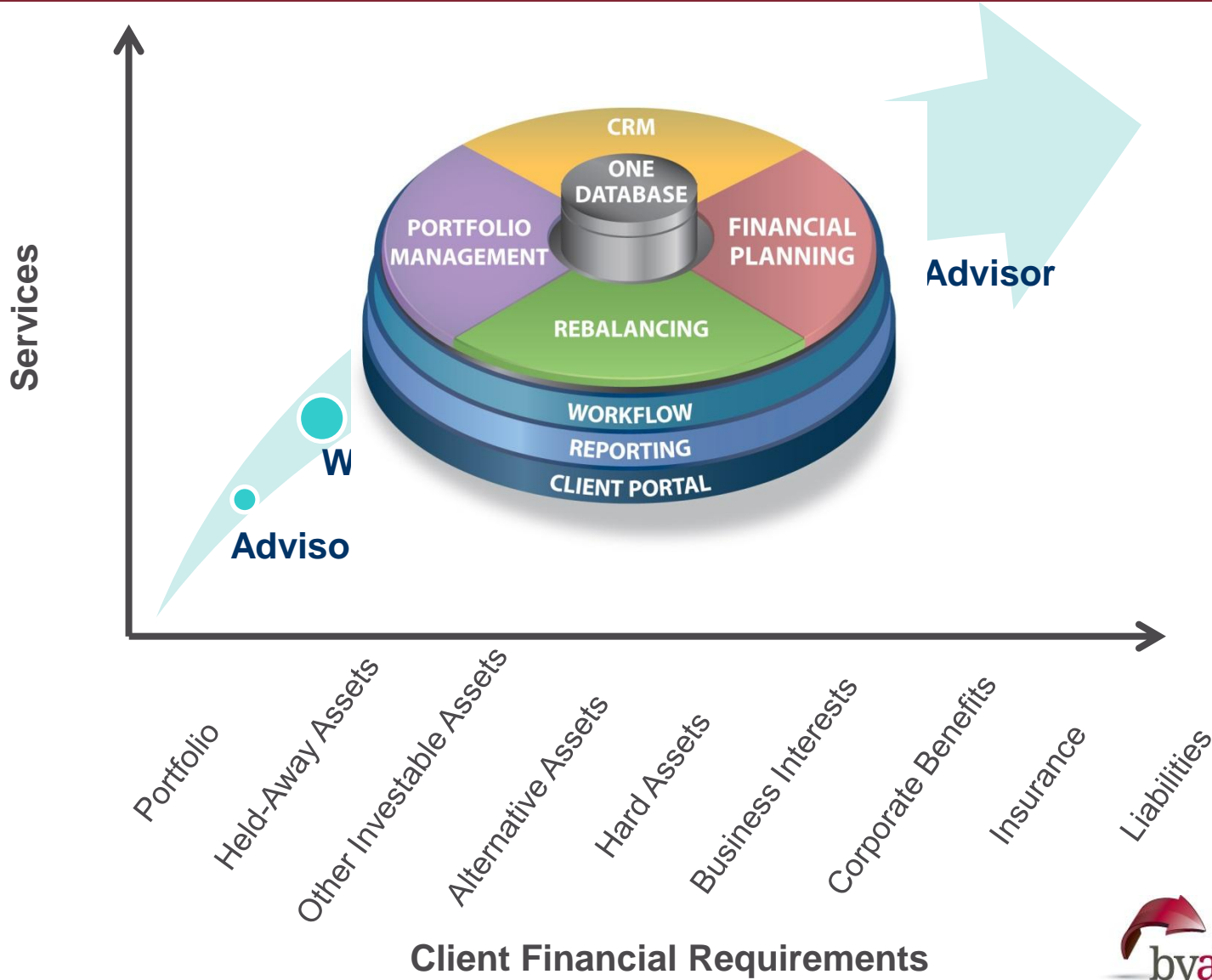
This is a complicated business challenge...

There is no single “right” answer...

There are a whole bunch of wrong answers...

It is about...	It is not about...
productivity	platform specs
complexity	functional solutions
client value	negotiated price

Holistic Advisor



Upcoming Webinar

**Know More! Advisor Referrals
Using Technology to Generate More Prospects, Land More Clients,
and Provide More Personalized Value**

With Special Guest Speaker:
**Sam Richter, SVP and Chief Marketing Officer
ActiFi**

**Wednesday, May 25th
2:00pm ET**

Visit www.IASsoftware.com for more information

ByAllAccounts Additional resources

ByAllAccounts provides a unique combination of transaction detail, data quality, and custodian coverage specifically required for the professional wealth management market. Thousands of advisors rely on us to efficiently scale their business, increase revenues and deliver exceptional client service.

FREE WHITE PAPER



<http://discover.byallaccounts.com/AggregationAdvantage.html>

Read this whitepaper to learn all about the data aggregation process including:

- Data gathering
- Normalization
- Semantic integration
- Business logic

Q&A and Contacts

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