



## 5 Financial Advisor Trends in a Post-COVID World

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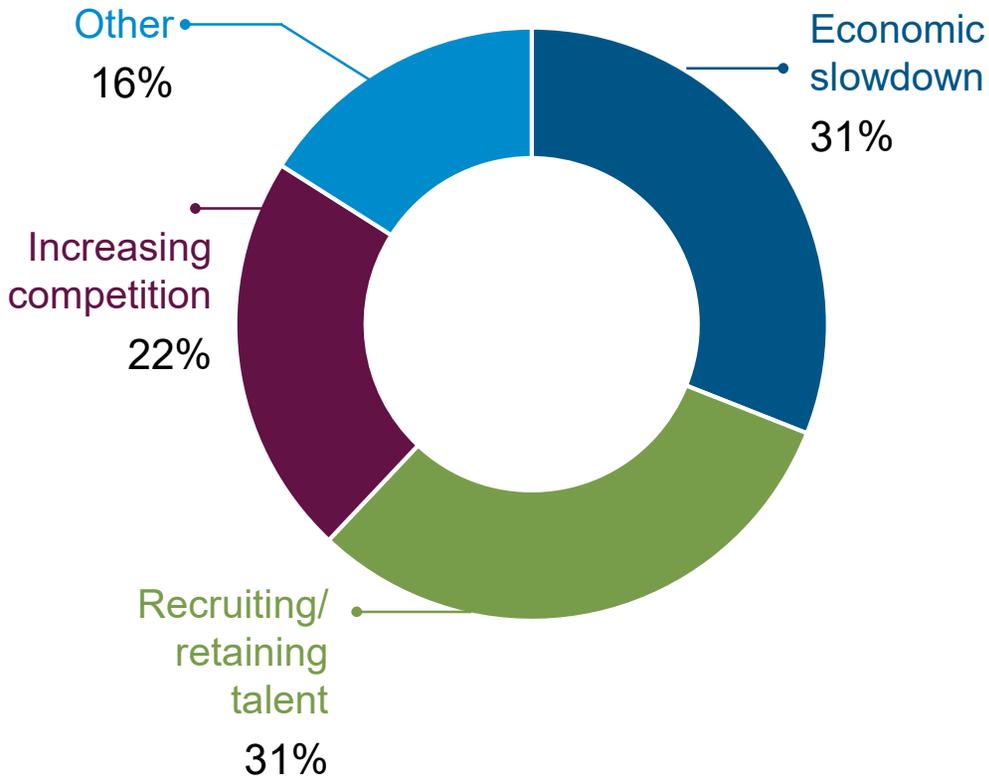
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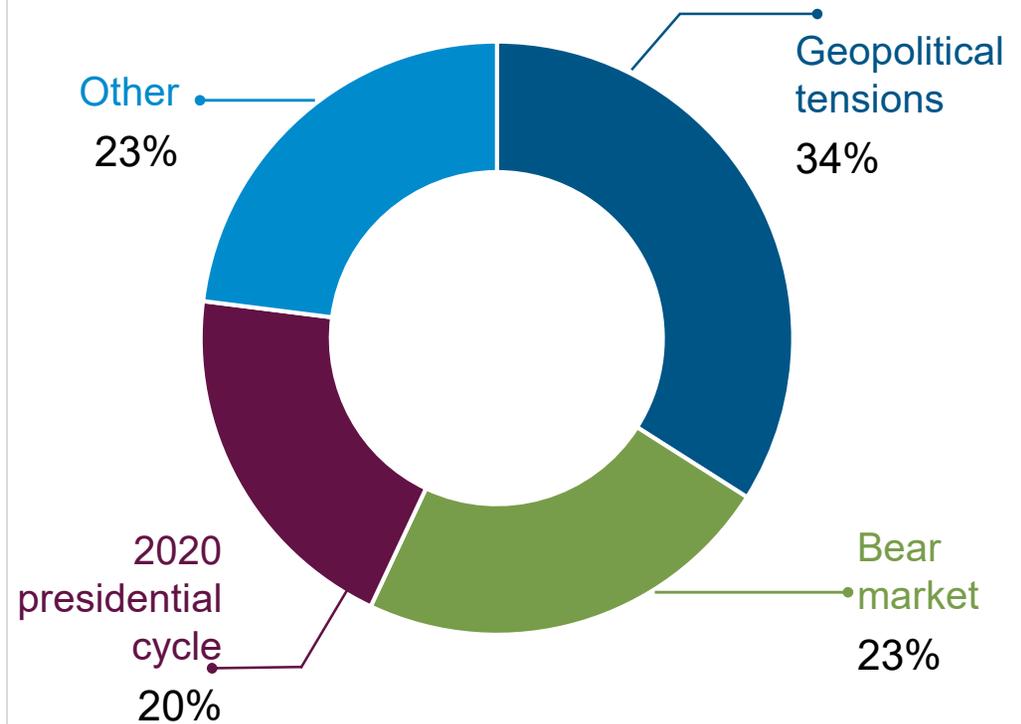
# Our changing priorities

What were financial professionals worried about in early 2020?

## Business



## Clients



Source: Hartford Funds January 2020 based on survey of 109 financial advisors in person at Schwab IMPACT conference November 2019.

## Our changing priorities

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What are financial professionals worried about now?

- Meeting face-to-face with clients
- How to operate with safety standards
- How to continue marketing their business

**Increasingly confident in the economy and financial services industry**

Source: Incapital survey June 2020 of 641 financial professionals between June 15 and June 19, 2020.

# Agenda

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Financial advisor trends in a post-COVID world

**1** Client engagement methods are evolving

**2** Clients are demanding more – and different types of – advice

**3** Marketing and client acquisition methods are changing

**4** Working from home is the new normal

**5** Increased adoption of technology is paramount to success

# Financial advisor trends in a post-COVID world

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**1** Client engagement methods are evolving

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5 Increased adoption of technology is paramount to success

## Client engagement methods are evolving

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**People don't care how much you know until they know how much you care.**

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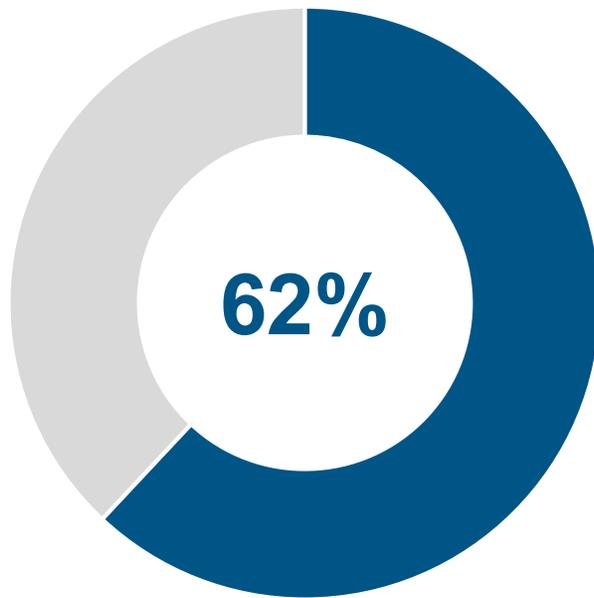
**Theodore Roosevelt**

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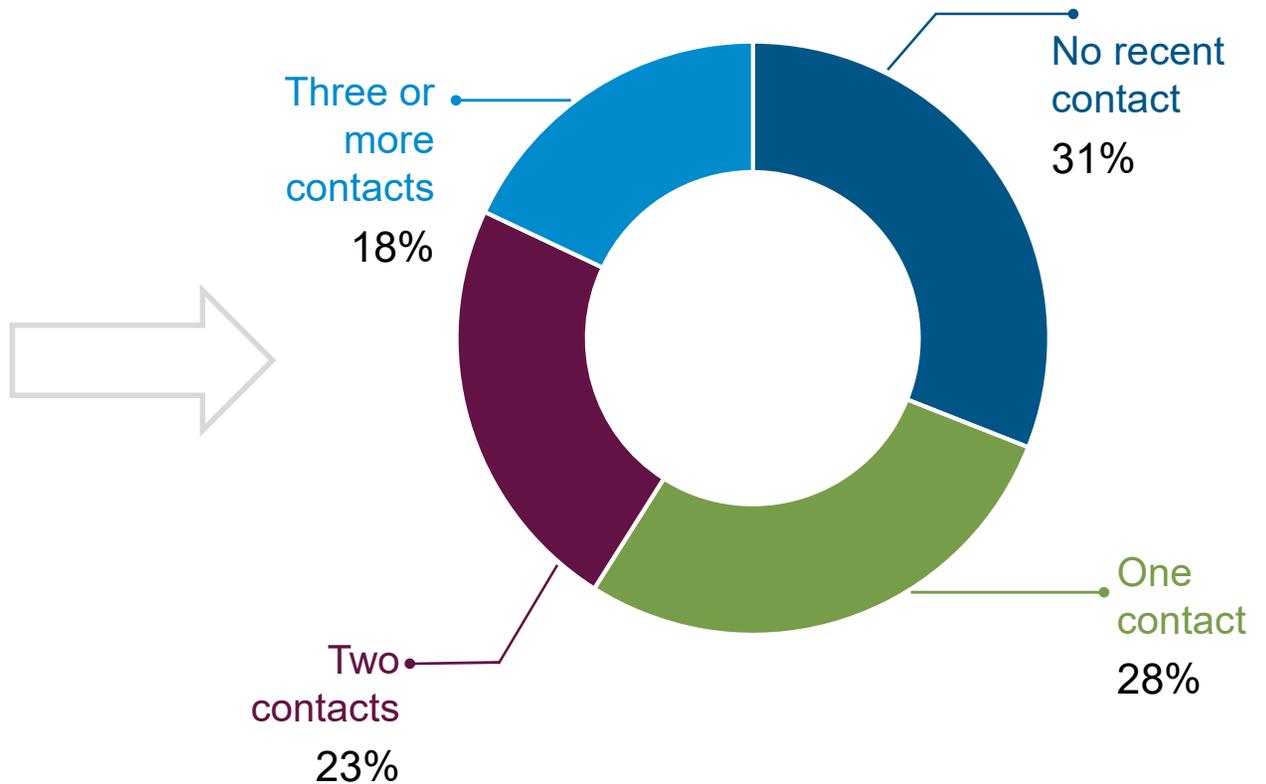
# Client engagement methods are evolving

Nearly one-third of clients did not hear from their advisor shortly after outbreak

## Work with a financial advisor



## Contact among those working with advisor



Source: J.D. Power Wealth Management Insight report July 2020 based on feedback from more than 521 investors collected between May 27-June 5, 2020

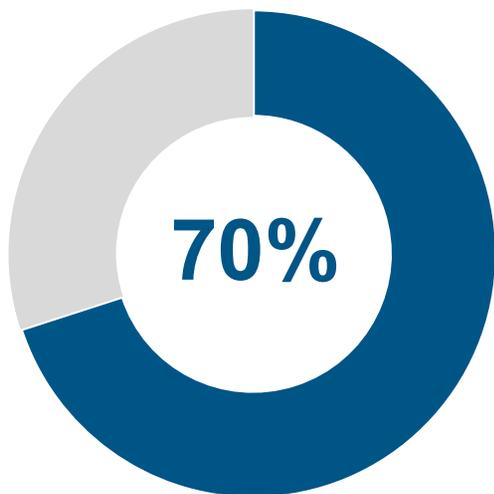
## Client engagement methods are evolving

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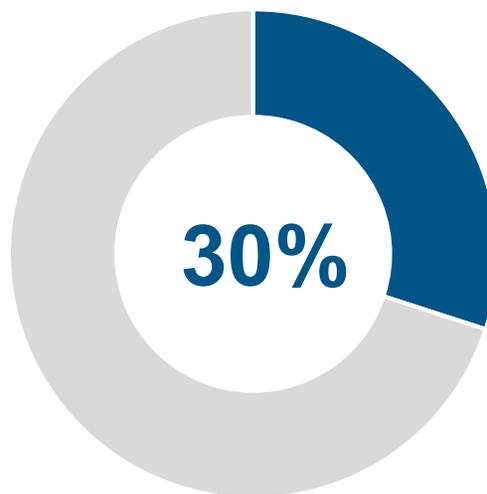
### Speaking with clients about COVID-19

- 33% of investors surveyed said they would like to talk about COVID with their financial professional
- Another half would be willing to do so – less than 20% of investors said they don't want to talk about it
- Reach out – your clients probably want to hear from you
- Younger clients much more likely to reach out first

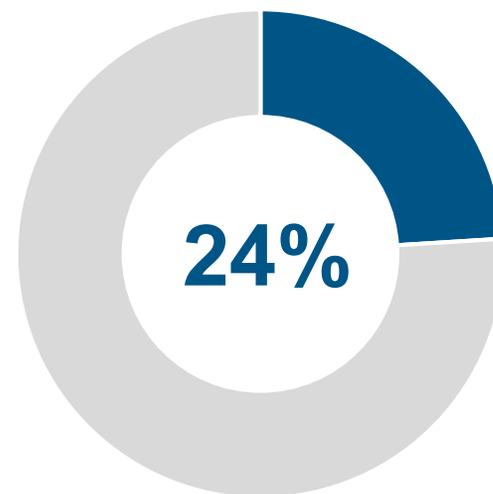
### Have you discussed COVID-19 implications with a financial professional?



**Age 30 to 45**



**Age 46 to 60**



**Age 61 to 75**

Source: MIT AgeLab national survey of 1,215 investors between March 10 and March 18, 2020. Investors ranged in age between 30-75 and reported total savings of \$50,000+; All reported regularly working with a financial advisor.

## Client engagement methods are evolving

Consider different forms of engagement

- No question that in-person meetings are the most preferable – just not feasible anymore
- Phone conversations are next most popular, but video calls are equally popular among younger clients

### Preferred mode of communication by age

Communication mode	Age group		
	30 to 45	46 to 60	61 to 75
In person	35%	55%	64%
Telephone	16%	18%	24%
Text	11%	3%	0.5%
Email	15%	17%	8%
Mail	8%	3%	2%
Video call	16%	5%	2%

Source: MIT AgeLab national survey of 1,215 investors between March 10 and March 18, 2020. Investors ranged in age between 30-75 and reported total savings of \$50,000+; All reported regularly working with a financial advisor.

# Client engagement methods are evolving

## Returning to the office



**46%**

Top-producing advisors  
feel they won't be face-to-face  
with clients until 2021

When inviting clients to the office, consider the following:

- Regularly clean the office
- Provide sanitizer at entrance of office and meeting rooms
- Eliminate candy dish, snacks, water/coffee
- Have small meetings in conference rooms rather than in a smaller office

Liability concerns

- Establish office policies—send to clients prior to meeting
- Health attestation and temperature checks for visitors
- Liability waivers for clients

Source: Incapital survey June 2020 of 641 financial professionals between June 15 and June 19, 2020.

# Client engagement methods are evolving

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## Client event ideas

### Virtual events

- Educational topics
  - market updates
  - financial planning topics
- Regular, recurring curriculum of events
- Cooking or cocktail classes
- Wine tasting

### Live events

- Golf clinic
- Drive-in movies
- Shredding event
- Donation pick ups
- Electronics recycling
- Outdoor picnic
- Skeet shooting range

### CONSIDERATIONS

- Size of event (large/small)
- Just clients, just prospects, or both
- Make it a surprise?

# Financial advisor trends in a post-COVID world

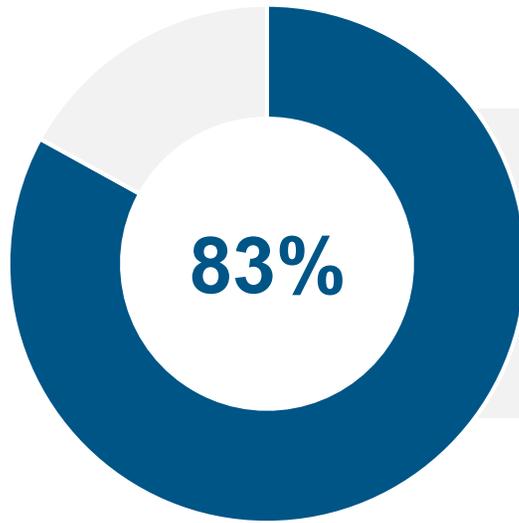
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- 2 Clients are demanding more – and different types of – advice**
- 3 Marketing and client acquisition methods are changing
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## Clients are demanding more – and different types of – advice

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Clients are looking for more from their financial advisor

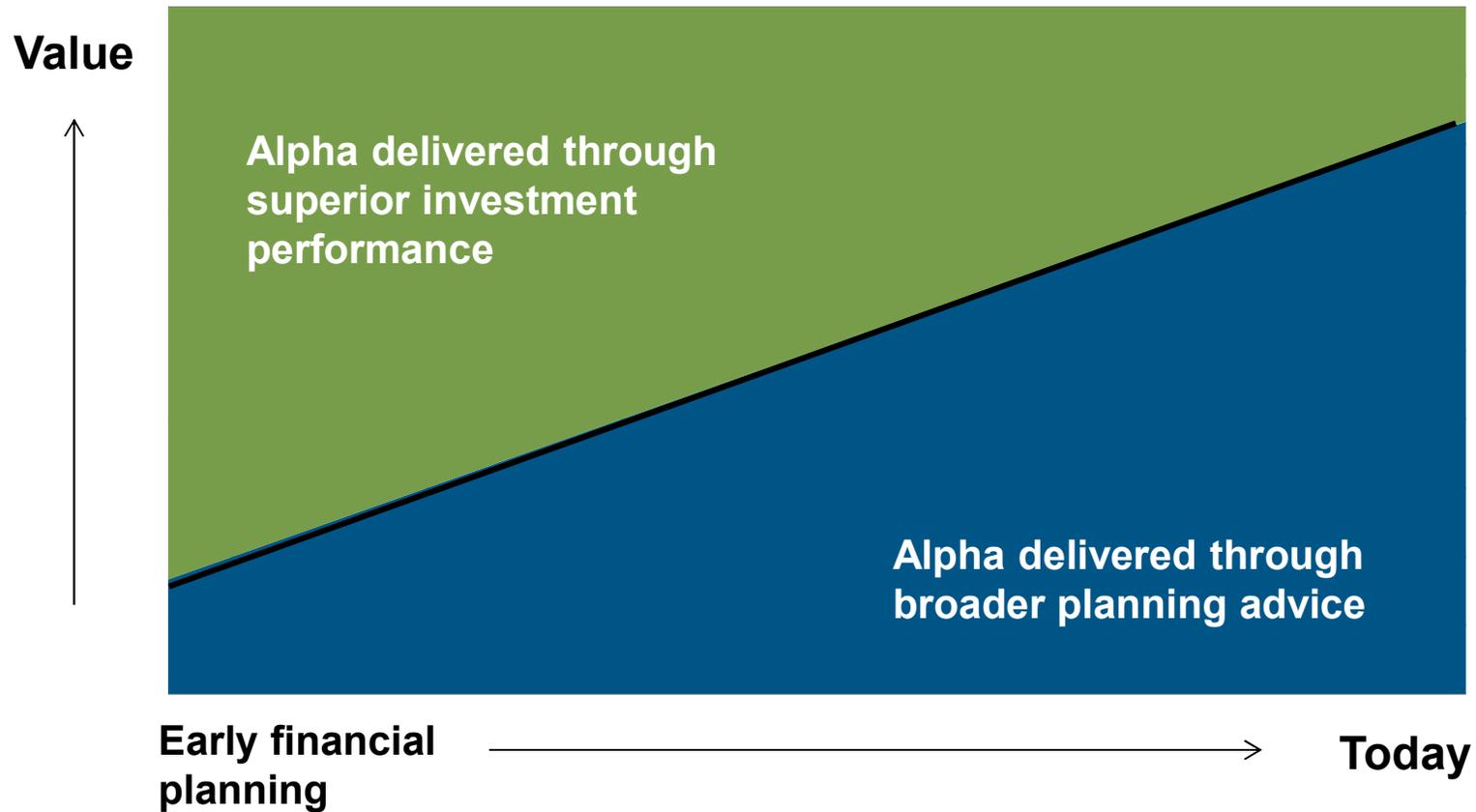


**Investors want more guidance than usual** from their financial professional during times like this

Source: UBS Investor Watch July 2020; Survey of more than 3,750 investors conducted in May 2020; 25-30 year olds with at least \$250,000 in investable assets, 31-39 year olds with at least \$500,000 in investable assets, 40+ year olds with at least \$1 million in investable assets. Global sample across 15 markets.

# Clients are demanding more – and different types of – advice

The advisor business model is evolving



For Illustrative Purposes Only  
Source: PIMCO

# Clients are demanding more – and different types of – advice

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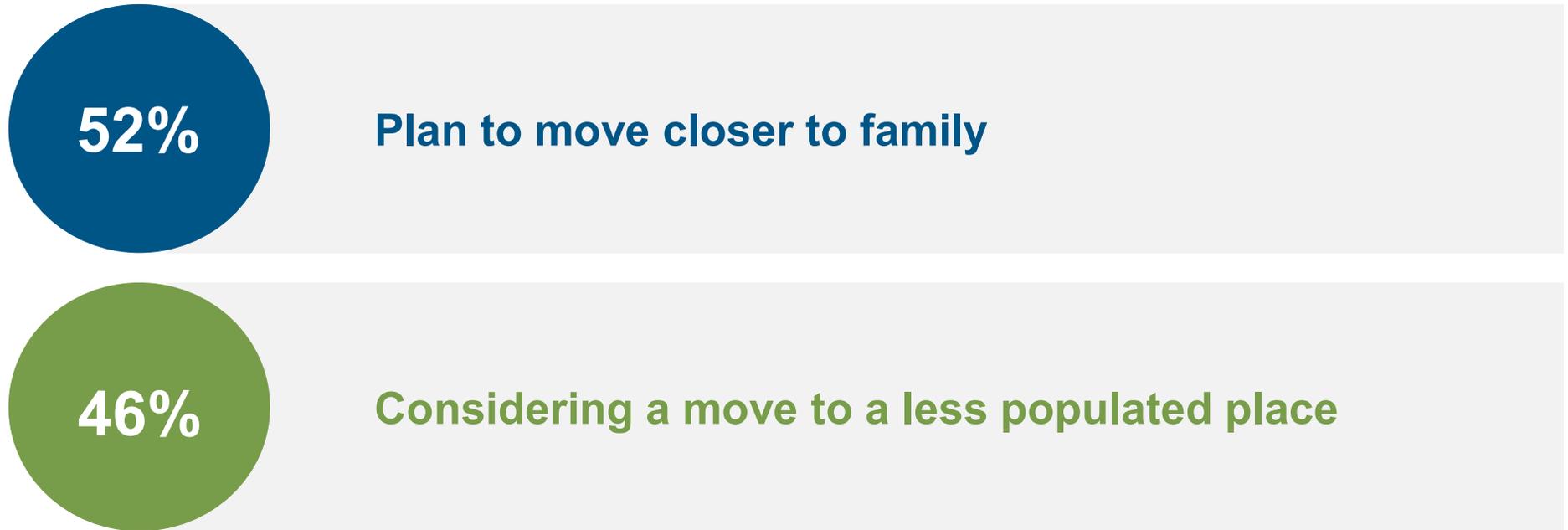
Specific concerns clients are facing

Area of concern	Planning ideas
Job loss	<ul style="list-style-type: none"><li>• Update plan to quantify the impact</li><li>• Suggest updating resume, LinkedIn</li><li>• Discuss rollover options</li></ul>
Retirement	<ul style="list-style-type: none"><li>• Update financial plan</li><li>• Discuss budgeting</li><li>• Consider new work arrangements</li></ul>
Adult children returning home	<ul style="list-style-type: none"><li>• Establish savings plan</li><li>• Set boundaries</li><li>• Sharing household responsibilities</li></ul>
Estate & legacy planning	<ul style="list-style-type: none"><li>• Focus on your needs first, then heirs</li><li>• Review will, trusts, health care directives</li></ul>
Desire to make an impact	<ul style="list-style-type: none"><li>• ESG investing</li><li>• Charitable giving ideas</li></ul>

# Clients are demanding more – and different types of – advice

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Relocation is a hot topic



## Planning considerations

- Residency for state tax purposes
- Tax impact of selling a home
- Potential job change

UBS Investor Watch July 2020; Survey of more than 3,750 investors conducted in May 2020; 25-30 year olds with at least \$250,000 in investable assets, 31-39 year olds with at least \$500,000 in investable assets, 40+ year olds with at least \$1 million in investable assets. Global sample across 15 markets.

PIMCO does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax or legal questions and concerns.

# Clients are demanding more – and different types of – advice

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## Considerations for changing domicile

### Requirements to change domicile:

- A fixed residence in a different jurisdiction
- An intent to abandon his/her old domicile
- An intent to acquire a new domicile in the jurisdiction where the new residence is located

### Extra scrutiny:

- Maintain a residence in higher tax state, “winter” in no income tax states
- Move to state in close geographical location to previous state of domicile
- New domicile claimed prior to a major transaction (ex: sale of business)

### Factors to consider when changing state domicile

Physical presence

Employment

Family location

Bank accounts

Drivers license

Social/Athletic club membership

Residence

Business connections

Location of personal items

Voter registration

Public library card

Lawyers, doctors, dentist used

**Consult a tax advisor**

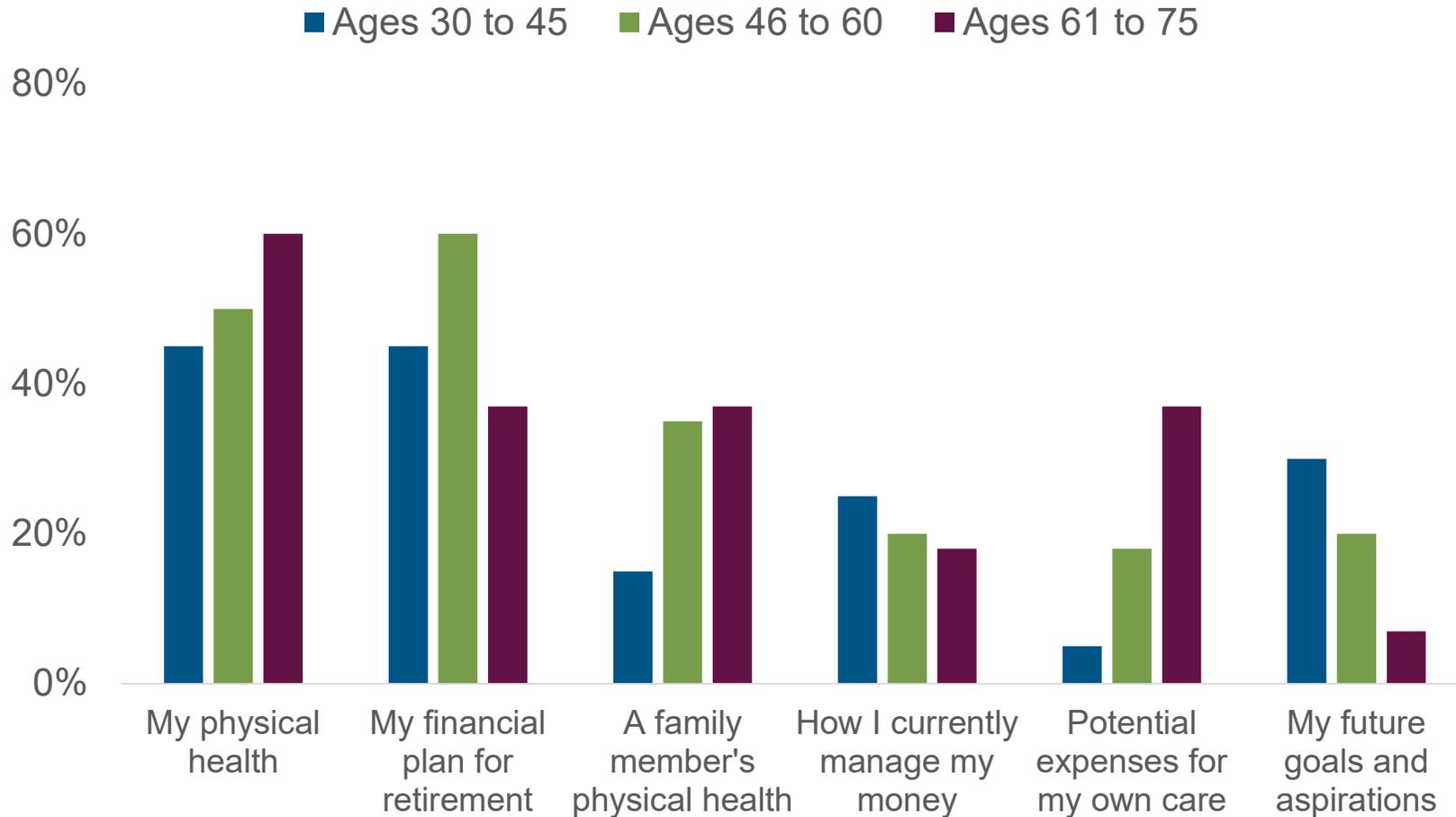
Source: PIMCO

Investors should discuss the tax implications of their state residency with their tax advisors and/or financial planner.

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# Clients are demanding more – and different types of – advice

Health care concerns a top priority



Source: MIT AgeLab national survey of 1,215 investors between March 10 and March 18, 2020. Investors ranged in age between 30-75 and reported total savings of \$50,000+; All reported regularly working with a financial advisor.

# Clients are demanding more – and different types of – advice

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Helping clients address health care concerns

## Medical issues

Access to testing

Diet and nutrition

Rise of telehealth services

Vaccine research

Ergonomics

## Planning issues

Medicare, MA coverage

Supplemental coverage

LTC insurance

Medical tax deduction

Health savings accounts

# Clients are demanding more – and different types of – advice

Client anxiety over market volatility

**US investors see risk in the markets...**



**...but also see opportunity ahead**



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# Clients are demanding more – and different types of – advice

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How to gauge what clients are thinking during pandemic

- Has your job security or income level been impacted by the pandemic?
- Are you considering retiring sooner as a result? Or...
- Are you concerned you'll have to work longer as a result?
- How did you react to the market volatility we experienced earlier this year?
- Have you thought about relocating to a less populous area, or even to another state?
- Do you anticipate having to support family members, either financially or otherwise?
- Are you confident your health insurance coverage is comprehensive enough?
- Do you have a long-term care policy or other plans in place to address future health care needs?
- How did the volatility this year affect you? Did it cause you to change any of your personal goals?

Source: PIMCO

# Financial advisor trends in a post-COVID world

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# Marketing and client acquisition methods are changing

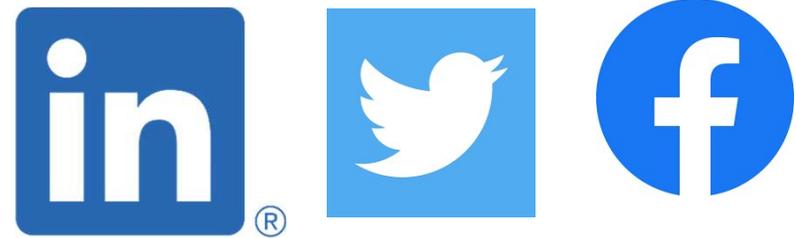
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The evolution of advisor prospecting/marketing

## Traditional marketing tools

- Pitchbook
- Brochure
- Market analysis letter
- Referrals

## New marketing tools



Webinars



Emails



Videos

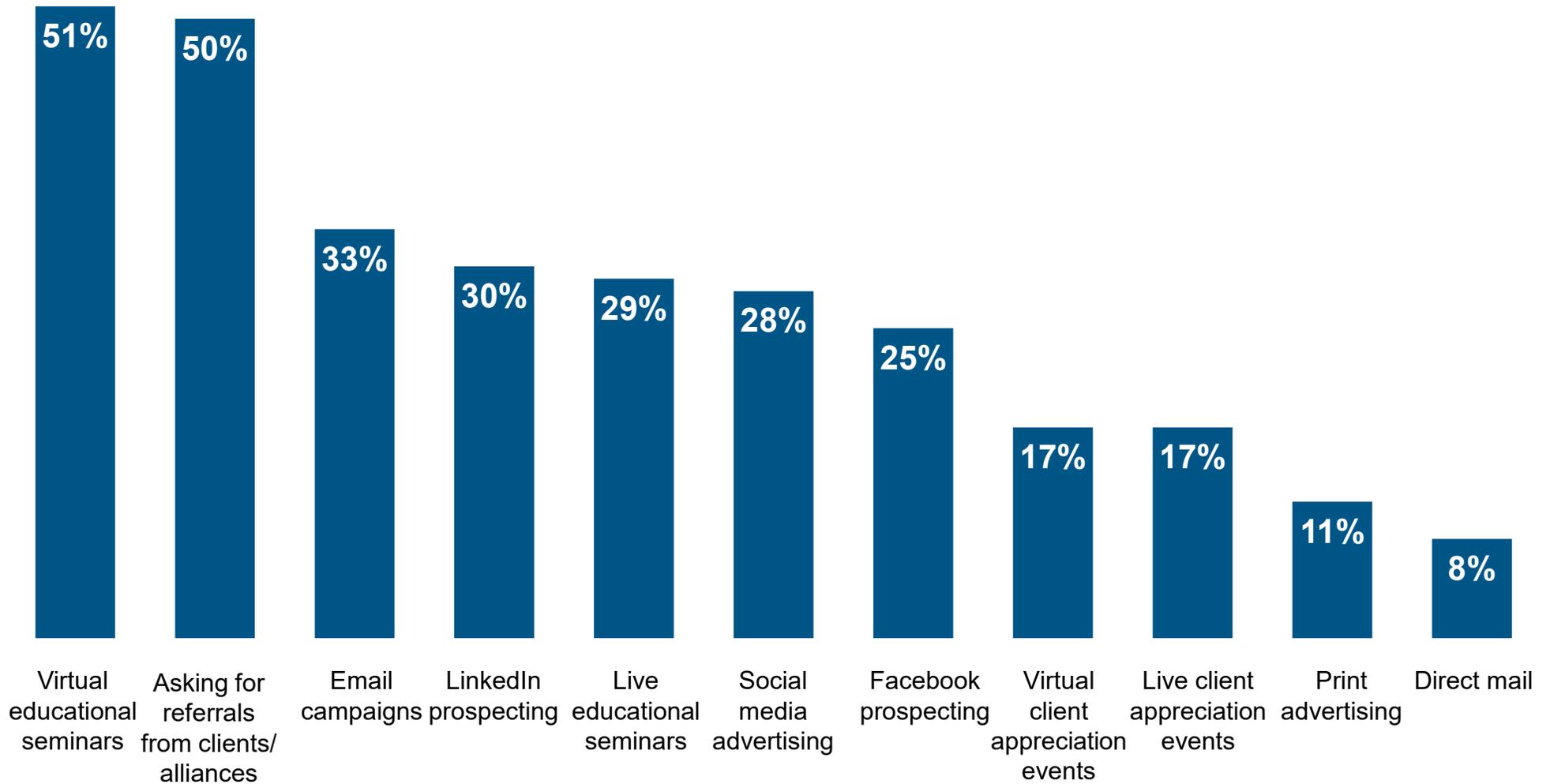


Website

Source: PIMCO; LinkedIn.com, Facebook.com, Twitter.com

# Marketing and client acquisition methods are changing

Marketing strategies of top producing advisors



Source: Incapital survey June 2020 of 641 financial professionals between June 15 and June 19, 2020.

# Marketing and client acquisition methods are changing

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## Prospecting for new business

### How to find new clients

- Ask for referrals
- Email campaign
- Create an advisory board with other professionals
- Join professional organization
- Host online education workshops
- Teach adult education classes

### How new clients find you

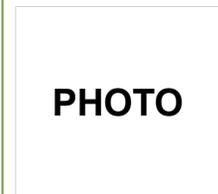
- Social media (Twitter, Facebook)
- Podcasts
- Host a radio program
- Media placements
- Your own website
- LinkedIn

# Marketing and client acquisition methods are changing

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## Potential considerations for a great website

- Highlight your team – photos, biographies
- Take advantage of firm-created content
- Use short videos – 5 minutes or less
- Write a regular blog
- Search engine optimization (SEO)



[Contact me](#)

### About John Case

John Case is the founder of Case Wealth Management. For more than 30 years, John has helped a select group of high net worth clients acquire, grow and preserve assets.



### About me

**Securities agent:** WA, WV, VA, UT, WI, TX, TN, SC, PA, OH, NY, NV, NM, NJ, NH, ND, NC, MI, MD, MA, IL, GA, FL, CO, CA, AL, AK: General securities representative; Investment advisor representative; Managed futures

# Marketing and client acquisition methods are changing

## Potential considerations for a great LinkedIn page

**in** Search [magnifying glass icon]

Home My Network Jobs Messaging Notifications Me More Try Premium for free

**Jess Williams**  
Senior Manager at Denali Bank  
University of Toronto • Toronto, Canada Area • 251 [connections icon]

Experienced Senior Manager with a demonstrated history of working in the banking industry. Skilled in Leadership, Project Management, Business Process, Training, and Resource Management. Strong program and project... [See more](#)

73 Who's viewed your profile | 35 Views of your posts

**Your Activity**  
259 followers

**How our team manages priorities**  
Jess Williams on LinkedIn  
January 5, 2017

**6 Ways to Empower Your Employees**  
Jess commented

**Celebrating 4 years at U.S. Bank**  
Jess liked

**10 Things We Like About Open Offices**  
Jess liked

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LET'S CREATE DEEPER CUSTOMER RELATIONSHIPS.  
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FixDex

Jess has 251 connections

Contact and Personal Info  
Jess' Profile, Website, Phone, Email, Twitter, and Birthday

[See more](#)

Source: LinkedIn; news/linkedin.com/media-resources

# Financial advisor trends in a post-COVID world

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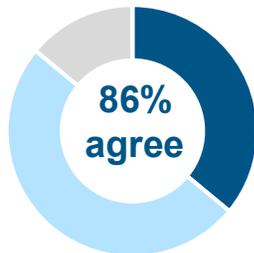
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# Working from home is the new normal

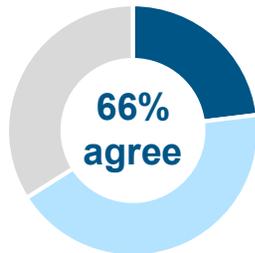
## Advisor productivity while working remotely

■ Strongly agree

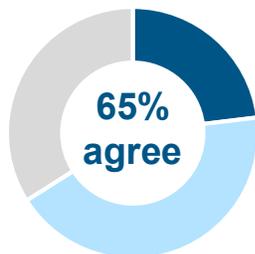
Able to host productive virtual meetings with clients



Able to host productive virtual meetings with prospects



Working from home has been just as effective as working from office



Source: Broadridge The Impact of 2020 on Advice—and Advisors September 2020, survey conducted in July and August 2020 of 401 financial advisors with at least \$10M in Aum and 20% of AUM in ETFs and/or mutual funds.

# Working from home is the new normal

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## Pros and cons of working from home



### (Advantages)

- Shows trust in staff
- More efficient use of time
- Opportunities to focus
- Helps reduce absenteeism



### (Risks)

- Hard to establish boundaries
- Can be isolating
- Lose interaction across the office
- Unique work from home distractions
- Less control/accountability

# Working from home is the new normal

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## Components of a work from home policy

- Define what roles are eligible to work from home
- Create an approval process
- Set a regular work schedule/availability standards
- Establish IT security standards
- Create dress code
- Institute policies for handling physical documents

Source: PIMCO

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# Increased adoption of technology is paramount to success

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## Online meeting experience

### Tips for successful virtual meetings:

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-  Choose the right platform
-  Creating a quality “home studio”
-  Design the image you want to project
-  Upgrade your technology

Source: PIMCO

# Increased adoption of technology is paramount to success

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## Choosing the right platform

- Zoom
- Cisco Webex
- Microsoft Teams
- Skype
- GoToMeeting
- BlueJeans
- Ring Central
- Google Hangouts
- TalkPoint
- ON24
- Adobe Connect
- WhatsApp

# Increased adoption of technology is paramount to success

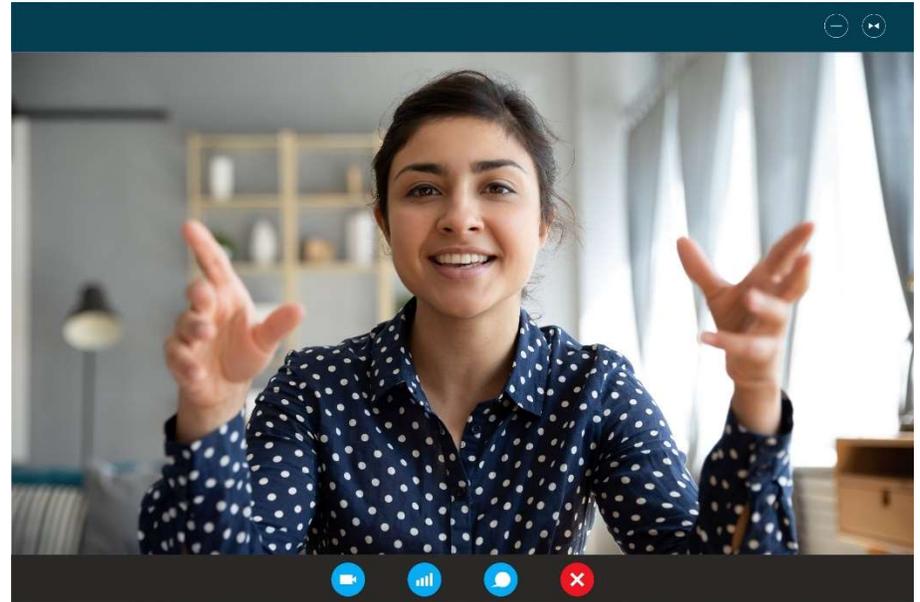
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## Creating an in-home studio - Lighting

### BAD LIGHTING



### GOOD LIGHTING



Source: Shutterstock.com

# Increased adoption of technology is paramount to success

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Creating an in-home studio – Camera angle

**CAMERA TOO LOW**



**CAMERA PERFECTLY CENTERED**



Source: Shutterstock.com

# Increased adoption of technology is paramount to success

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Creating an in-home studio - Background

## BAD BACKGROUND



## GOOD BACKGROUND



Source: Shutterstock.com

# Increased adoption of technology is paramount to success

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## Creating an in-home studio - audio

### Considerations:

- Cell phone
- Land line
- Headphones
- Wireless ear buds
- Boom mic



### **BEWARE NOISE**

Pets

Deliveries

Children

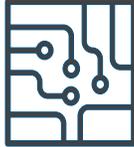
Cleaning services

Home repair

# Increased adoption of technology is paramount to success

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## Home internet service



### High speed internet

- **Check broadband service**
- **Test download speed**
- **Ethernet cable provides most reliable connectivity**



### Wireless connection

- **Wifi most common connection**
- **Keep computer close to router for strongest connection**
- **Consider range extender/mesh network**

# Increased adoption of technology is paramount to success

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## Other considerations

- Consider an external webcam rather than one built into a laptop
  - Higher quality video
  - Easier to aim the camera where you want it
  - Laptop cameras are often aimed too low – external webcam will be higher
- Turn off anything that can be distracting to you or the audience
- Wardrobe – appear professional but authentic (e.g. wearing a suit at home is unnatural)
- Consider a stand-up desk
- Rehearse, rehearse, rehearse
- Have a backup for unexpected technological failures

## Next steps to consider

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- Reach out to your clients
- Be creative with your client appreciation events
- Explore new avenues to engage with clients, either directly or virtually
- Ask your clients about their biggest concerns
- Be prepared for more planning conversations (estate, charitable, insurance)
- Update your LinkedIn or Facebook profiles, website
- Embrace new marketing and prospecting tools
- Agree to standards for working from home
- Find ways to make working from home effective for you and your team
- Improve your webinar experience with your clients

Source: PIMCO

# Appendix

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