



# BUILDING A BIONIC BUSINESS



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## LEVERAGE, *defined:*

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Use something to maximum advantage

## BIONIC, *defined:*

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Integration of humans and tech to achieve things not possible on their own



# STRAP YOUR ^SS TO A ROCKET

1980s  
Welcome  
WWW.



1990s  
**Technology adoption**  
Rise of PCs  
Start of digital experience, online banking  
planning software, niche tech products



2000 - 2020  
**Everything all the time**  
Shift to 24/7/365 world  
Instant & personal, pricing shifts  
Smart phones, Google, social media  
DIY, robos, fintech explosion



Beyond 2020  
**Unlimited possibilities**  
Shift to differentiated, defined,  
digitally managed  
Specialized services, scaled specialization  
AI, Virtual Reality, IOT, Defi



# THE MODERN CX





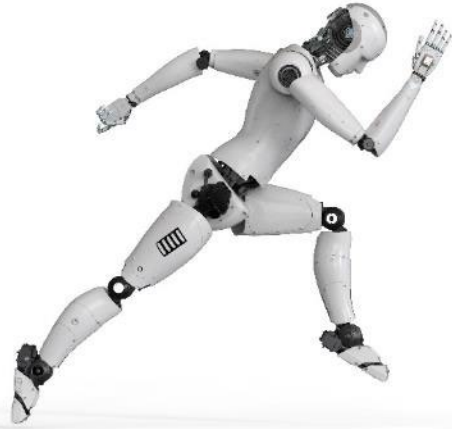
I DON'T THINK  
WE'RE IN KANSAS  
ANYMORE, TOTO...



# THE EVOLUTION OF EVERYTHING



THAT WAS THEN...



...THIS IS NOW



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# EXECUTIVE SUMMARY

As the investment industry reinvents itself for a digitally-connected world, wealth advisors must also radically reimagine and retool their businesses. Unfortunately, many have not moved quickly enough—or at all—to make the necessary changes, putting their future market position at risk.

In this paper, ESI ThoughtLab and Broadridge provide a roadmap and business case for wealth advisors looking to both realign and digitally transform their practices.

- **An industry in flux** — The convergence of economic, demographic and technological shifts has turned the investment industry upside down. These shifts will have major implications for wealth advisors, who will need to adapt to the changing expectations of their clients to thrive — and even survive — in the tumultuous times ahead.
- **Are advisors prepared?** — Many investment advisors and their firms are struggling to keep up with the dizzying speed of change. ESI ThoughtLab's research shows that a significant number of them are not well prepared in many crucial areas, such as holistic goal planning and fintech solutions.
- **The next-generation advisor** — To stay relevant in a fastdigitalizing marketplace, wealth advisors will need to rethink their roles and how they drive value to investors, finding innovative ways to combine high-tech capabilities with high-touch personal service. Doing this successfully will require a new breed of advisor that is bionic, data-enabled, client-focused, holistic and 24/7.
- **Driving transformation with technology** — For wealth advisors, technology is both a disruptor and a panacea. Digitalization is raising investor expectations for low-cost, frictionless service, but at the same time providing forward-looking advisors with new ways to meet client needs, make decisions and drive business.
- **The ROI of digital innovation** — Although getting up to speed on technology can be challenging, the payback can be significant. Wealth advisory firms that move too slowly not only will miss out on these benefits, but they will pay a "laggard penalty" in the form of poorer performance. • Six key calls to action — Based on ESI ThoughtLab's research and input from Broadridge experts, we have framed six calls to action to help investment advisors adapt to new market realities: 1. Consider your niche and where you add value. 2. Be digital first, but not digital only. 3. Make the client your North Star. 4. Become data-driven. 5. Harness advanced technology. 6. Consider a team approach.

# FUTURE SCHOOL

## The Next Generation Advisory Firm

### Shifting Consumer Demographics

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- Acceptance and accessibility driving demand
- Shifts in consumer demographics and preferences
- FP becomes increasingly market segmented

### Accelerating Advisor Demographics

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- Majority of industry solo/small firms
- 40% of advisors plan to retire within next 10 years (CNBC)
- More advisors over 70 than under 30

### Bionic Business

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- Digital first, but not only
- Multi-channel experience
- Personalized WM experiences driven by technology
- Real-time, 24/7 access
- Customized at scale

### Data Driven

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- From compliance to monetizing data
- Utilize data to digitize elements of service, engagement
- Data Client-driven learning and support

### Client Centric

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- Client as North Star
- Laser focused on CXM
- Scaling specialized, personalized services

### Holistic Services

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- Multi-service, single company experience
- Cover non-financial aspects of life
- Wealthcare
- Multi-generational engagement

### Online & Accessible

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- Easy, real-time access
- Customized to fit
- 24/7, online (and not just the basics)

### Experience Driven

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- Flexible services and platforms align user and experience
- Hyper-focused on client experience and outcomes
- Expanded, specialized services tailored to clients
- Deeply data-driven

### Consultative Approach

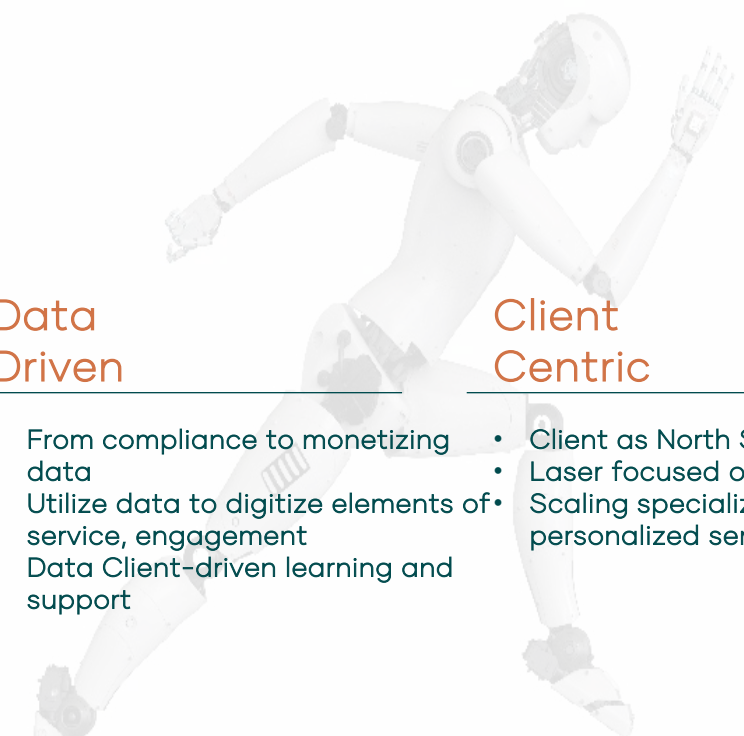
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- Shift from product to process and partnership
- Value is advice beyond what technology can produce

### AI Enabled

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- Augment and streamline daily tasks
- Identify and generate client insights, opportunities
- System generated, specialized touch points



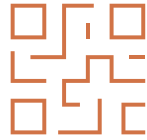
# FUTURE SHIFTS

Six calls to action to help advisors adapt to new market realities



1.

Consider your niche and where you add value.



2.

Be digital first, but not digital only.



3.

Make the client your North Star



4.

Become data-driven.



5.

Harness advanced technology.



6.

Take a team approach.

# RADICAL REDESIGN

	OLD SCHOOL	NEW SCHOOL	FUTURE SCHOOL	FIRM OF THE FUTURE
Client				
Marketing				
Sales				
Onboarding				
Servicing				
Succession				

TAKING A BREAK THEN WE'LL DESIGN THE  
'FIRM OF THE FUTURE' CLIENT EXPERIENCE

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# BUILDING A BIONIC MINDSET



## DIGITAL FIRST STRATEGY

Have a digital-first strategy that galvanizes and organizes tech and resources around business purpose and strategy

Thought leadership.  
Specialized marketing.  
Differentiated Services.

PEOPLE



## OUTCOMES

Bionic businesses organize the human and tech capital around business outcomes

Personalizing CX.  
Improving Productivity.  
Specialized Service Models.

PROCESS



## HUMAN ENABLERS

Tech-centric team with digital talents  
Adaptable and learning-oriented  
Attitude of continuous improvement

Design skills (Canva)  
Tech tools (Loom, Calendly)  
FinPlan software

PLATFORM





GOING BIONIC  
MEANS BUILDING  
'SPECIALIZED  
SYSTEMS'  
FOR EVERYTHING

↑ FOCUS WORK

Vision & leadership  
Senior business development  
Senior client advice  
Senior analysis

Business Management  
Marketing Management  
Lead Advisor  
Service Advisor

Relationship Management  
Financial plan: input and initial analysis  
Portfolio Administration  
Marketing Administration

Meeting prep & Follow Up  
Schedule management  
Client Service, general  
Paperwork processing

Appointment scheduling  
General administrative  
Data entry  
Reception

↓ FACTORY WORK

# CURATING A CULTURE OF HAPPY, HIGH PERFORMERS



- 1 Hire amazing people.
- 2 Pay them well.
- 3 Train them to do their jobs.
- 4 Leave them alone and let them do it.

Interesting and  
challenging work



Contributing/  
making a difference



Enjoy the people  
and place



# The Happiness Quotient

# The Performance Quotient



Time



Talent



Tools



Training



Treasure

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