



WEALTHTECH RESEARCH & ADVISORY SERVICE: WEALTH ADVICE SERIES

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## **IS NOW THE TIME FOR ADVICE TO SHINE?**

SEPTEMBER 2022 EDITION



# **ABOUT PARAMETERINSIGHTS' WEALTHTECH RESEARCH & ADVISORY SERVICE**

Innovation in the North American financial services market is fast approaching a point of inflection. Near-ubiquitous mobile access, multi-channel delivery, and technological evolution are rapidly altering consumer attitudes, behaviors, and expectations.

Annual subscription to ParameterInsights' WealthTech Research and Advisory Service comprises two separate reporting series. The first is a three-part series covering the evolving wealth advice category with a focus on modernization of wealth advice. The second is a three-part series covering self-directed investing via online brokerages.

BOTH SERIES PROVIDE TIMELY AND RELEVANT ANALYSES THAT SURFACE UNMET CONSUMER NEEDS, EVALUATE CURRENT MARKET PARTICIPANTS, AND PROVIDE IN-DEPTH DISCUSSION AND IMPLICATIONS OF KEY RESULTS AIMED AT GIVING OUR SUBSCRIBERS AN EDGE.

## **ABOUT PARAMETERINSIGHTS**

PARAMETERINSIGHTS IS WHERE DATA MEETS STRATEGY:  
SIMPLY AND RELIABLY.

We combine deep sector expertise with custom research to provide our clients with data-driven and highly consultative solutions.

# INTRO / PREFACE

THIS REPORT PRESENTS IMPORTANT CONSUMER-DRIVEN INSIGHTS FOR FIRMS OPERATING IN THE WEALTH ADVICE SPACE IN NORTH AMERICA.

Core topics are divided into three broad themes:

- 01** How has the tumultuous macro environment affected engagement in digital advice?
- 02** Are bank-led digital advisors capturing their fair share of retail bank customers?
- 03** What are the current levels of engagement in traditional wealth advice? Are banks doing a good job of funneling retail bank customers into their traditional wealth advice offers?

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# RESEARCH CONTEXT

As an industry, wealth management is in a transitional period as technology advances provide opportunity for modernization of customer journeys. Reliable measurement of category familiarity, brand awareness, and brand engagement presents a unique set of challenges in the context of a changing market. Compared to relatively stable markets, transitional markets move quickly through multiple periods of change.

Wealth management channels are rapidly changing the ways customers can engage in savings, planning and investing. Market access, digitally led investing products, and high-quality support services have never been more available to consumers. As incumbents and upstarts alike clamor for increased engagement and assets from an ever-widening consumer market, the importance of using data to help make better strategic choices is paramount. Executives must take heed of trends and developing opportunities to capture more wallet share by delighting consumers from across the wealth spectrum.

# METHODOLOGY – CONSUMER SURVEY

## OUR WEALTHTECH: WEALTH ADVICE SERIES CONSUMER SURVEY COVERS THE FOLLOWING CONTENT AREAS:

- General attitudes toward saving, investing, and wealth management
- Presence of a financial plan, method of creation, and frequency of review
- Presence of a financial advisor, advisor type, advisor services, and advisor loyalty
- Primary financial institution, types of accounts/products, overall satisfaction, and likelihood to recommend
- Choice-based conjoint (CBC) for digital and traditional wealth management options
- Aided brand awareness and usage of digital and traditional advice channels
- Overall satisfaction, feature-specific satisfaction, and likelihood to recommend Digital and Traditional Wealth Advice firms
- Cryptocurrency awareness and ownership
- ESG investing familiarity, engagement, satisfaction, and intent to engage
- Demographics (e.g. age, income, assets, education)

## COVERAGE EXTENDS TO A SPECIFIC SET OF COMPETITIVE DIGITAL AND TRADITIONAL WEALTH ADVICE BRANDS IN EACH MARKET

### US DIGITAL ADVISORS:

Acorns	Ellevest	Qapital
Ally Invest Robo Portfolios	Fidelity Go	Schwab Intelligent Portfolios
AssetBuilder	FutureAdvisor by BlackRock	SigFig
Axos Invest Managed Portfolios	Interactive Advisors	SoFi Automated Investing
Bank of America Merrill Guided Investing	J.P. Morgan Automated Investing	SpeciFi Digital Advisor by Citizens Bank
Betterment	Marcus Invest by Goldman Sachs	Stash
Bloom	MoneyLion	US Bank Automated Investor
Citi Wealth Builder	Morgan Stanley Access Investing	Vanguard Digital Advisor
E*TRADE Core Portfolios	Optifi by Fifth Third Bank	Wealthfront
Earthfolio	Personal Capital	Wells Fargo Intuitive Investor

## US TRADITIONAL ADVISORS:

Cetera Financial Group	J.P. Morgan Wealth Management	Stifel Financial
Charles Schwab Wealth Management	LPL Financial	T. Rowe Price ActivePlus Portfolios
Citi Wealth Advisor	Merrill Lynch Wealth Management	US Bank Wealth Management
Edward Jones	Morgan Stanley Wealth Management	Vanguard Personal Advisor Services
Fidelity Wealth Management	Raymond James	Wells Fargo Advisors
Goldman Sachs Wealth Management	RBC Wealth Management	

## CANADA DIGITAL ADVISORS:

Aviso VirtualWealth	Justwealth	Questwealth Portfolios
BMO SmartFolio	ModernAdvisor	RBC InvestEase
CI Direct Investing (formerly WealthBar)	Moka (formerly Mylo)	Wealthsimple Invest
iA WealthAssist (Invisor)	Nest Wealth	

## CANADA TRADITIONAL ADVISORS:

BMO Nesbitt Burns	Investors Group	Richardson Wealth
Canaccord Genuity Wealth Management	Manulife Securities (Wealth Management)	Scotia Wealth
CI Assante Wealth Management	National Bank Wealth Management	Sun Life Wealth Management
CIBC Wood Gundy	Nicola Wealth	TD Wealth
Edward Jones	Raymond James	Wellington-Altus Private Wealth
iA Private Wealth	RBC Dominion Securities	

# SAMPLE & STATISTICS

Participants in our online surveys are sampled from carefully managed online panels of Canadian and American respondents. Though online surveying precludes reaching respondents with no Internet access, official data for Canada and US indicate that Internet penetration is over 85% in both countries.

For the purposes of our WealthTech research, we screen respondents on three key criteria. First, respondents must be between the ages of 18 and 79 years old. Second, respondents must have either sole or shared responsibility for their household financial decisions. Third, respondents must not be competitively employed (e.g. they cannot work for a market research department or company).

To ensure a high level of final data quality for reporting, and before running any final tabulations or advanced analytics, we analyze response patterns to identify and remove respondents exhibiting poor response behaviors (e.g. speeding and straight-lining). To ensure good sample balance and overall representativeness, during data collection we set quotas for age group, gender, and geographic region. We then weight the final clean sample (n = 2,400 per country) to align with the respective population distributions within each country. The margin of error for percentages on a probability sample of 2,000 is +/- 2.2%. The 2021 data also includes a boost sample to ensure a readable base (n = 400) of consumers within each country who have \$500K or more in investable assets.



# SUPPLEMENTARY MATERIAL

WealthTech Research & Advisory Service: Wealth Advice Series is published by ParameterInsights.

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