



Macquarie Perspective

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September 2018

Important information

Disclaimer

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Respondent profile

AFS Benchmarking

- Surveyed Nov / Dec 2017
- 396 senior leaders
- Wealth, accounting and multi-disciplinary firms
- Mix of licensing models
- <\$2m through to \$5m + revenue

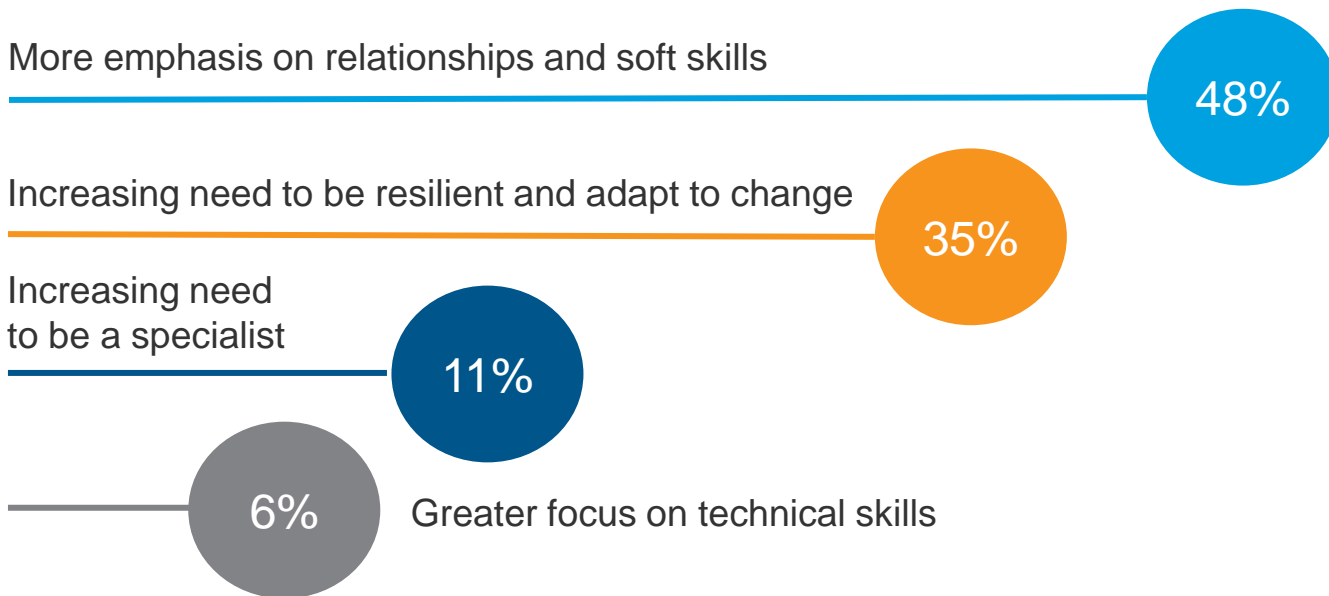
Propensity Project

- Surveyed throughout 2017
- 19 firms
- 3,430 end clients
- 71% with wealth as the main contact

The role of the adviser is evolving



What implications does the changing role of the adviser have on the traditional role of an adviser or accountant?



What will it take to be a firm of the future?

Clients



Personalisation



Referrals



Engaging the next generation

Systems



Impact



Integration



Data aggregation

People



Recruitment of client-facing



Reward and retain



Upskill



Clients



What do you believe are the most effective strategies to improve profitability in the current market?

Adding value to existing clients

2017 all firms

58%

2017 benchmark firms

68%

Personalisation

Focussing on what matters to clients



I feel my adviser **values my business and relationship** with the firm



I receive the **right level of information** about my status / progress



My adviser **proactively manages** my affairs

How often do you engage with your main contact's spouse?

All the time

2017 all firms

23%

2017 benchmark firms

34%

Referrals

The reason for increased profits



Which of the following describes the reason for an increase in profit?

Increasing client referrals from existing clients

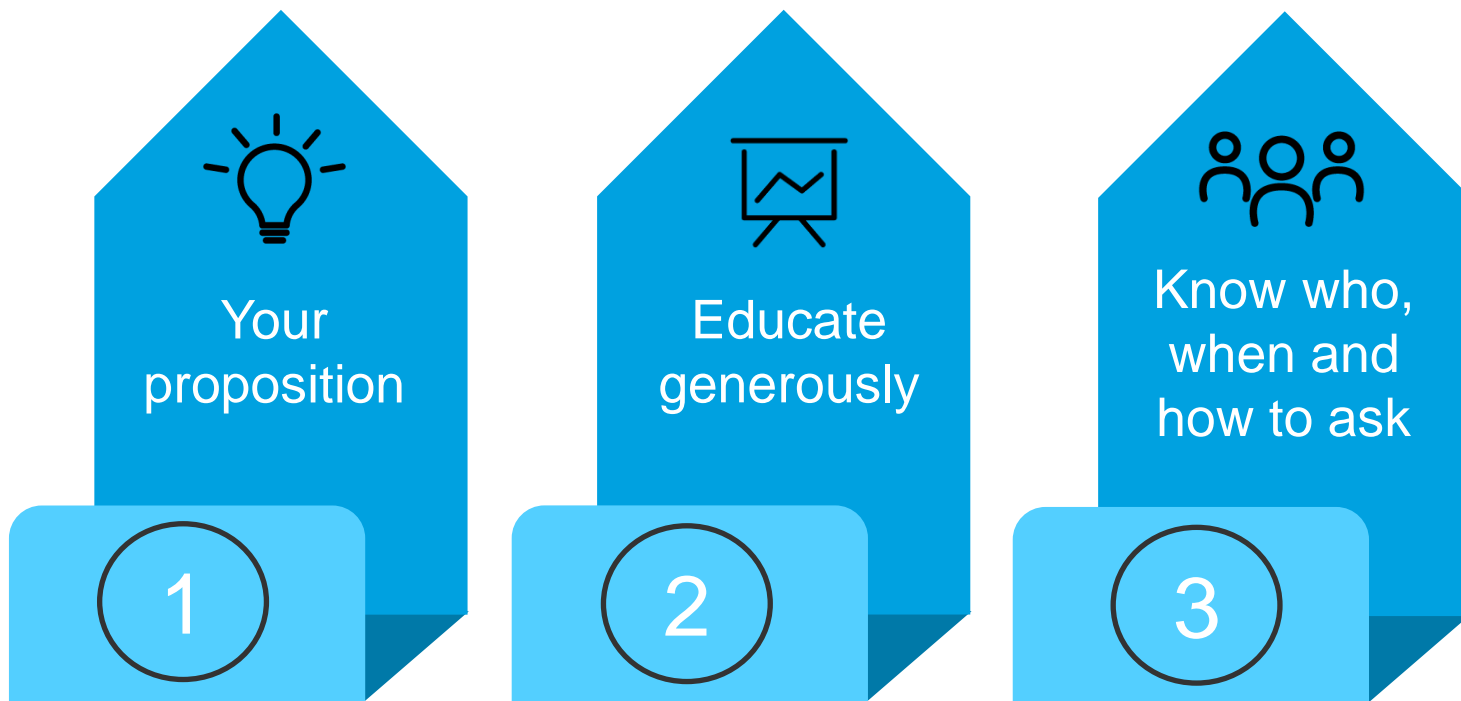
2017 all firms

59%

2017 benchmark firms

74%

Turning clients into advocates



Engaging the next generation

What strategies are you implementing to engage with the next generation of clients?

Actively engaging with the adult children of your current client base

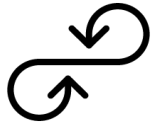
2017 all firms

67%

2017 benchmark firms

82%

What does the next generation want?



Connections

1 satisfaction driver: identifies my needs and connects me to others



Responsive service

#2 satisfaction driver: speed and efficiency of implementation



Information and education

Twice the average want more educational and portfolio-specific communication



People



Recruitment of client-facing



Reward and retention

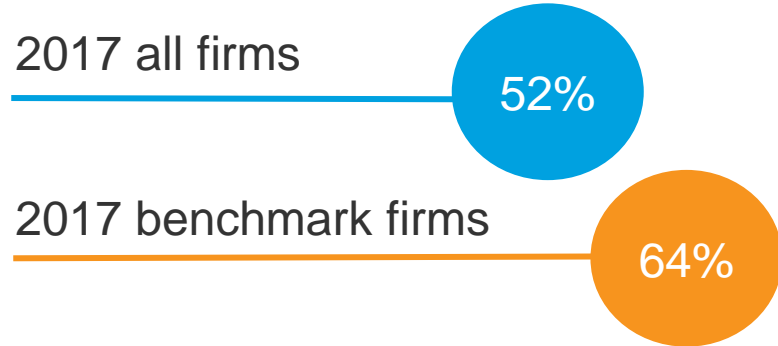


Upskill



What do you believe are the most effective strategies to improve profitability in the current market?

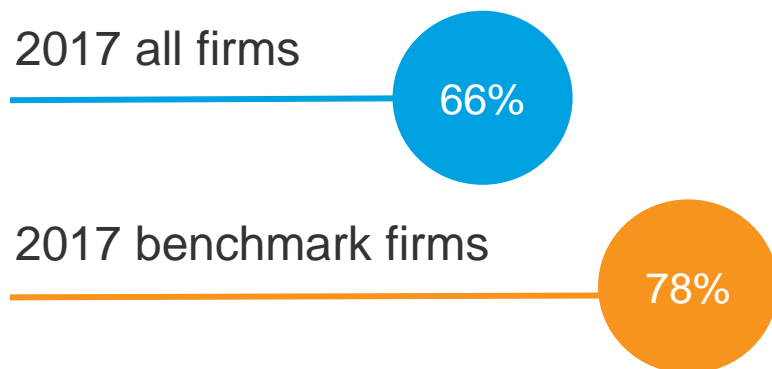
Retaining high-performing staff



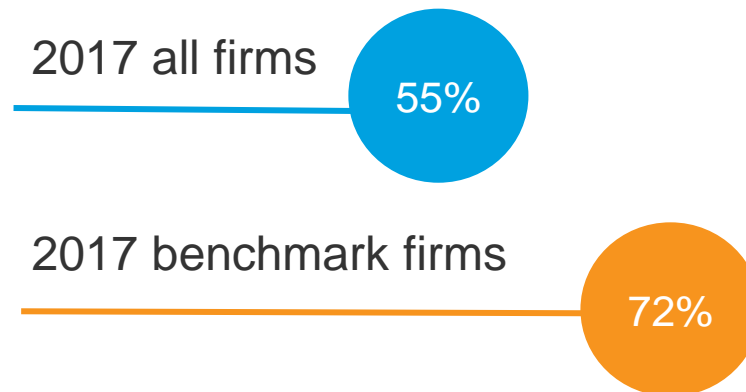
Using systems to improve profitability

What do you believe are the most effective strategies to improve profitability in the current market?

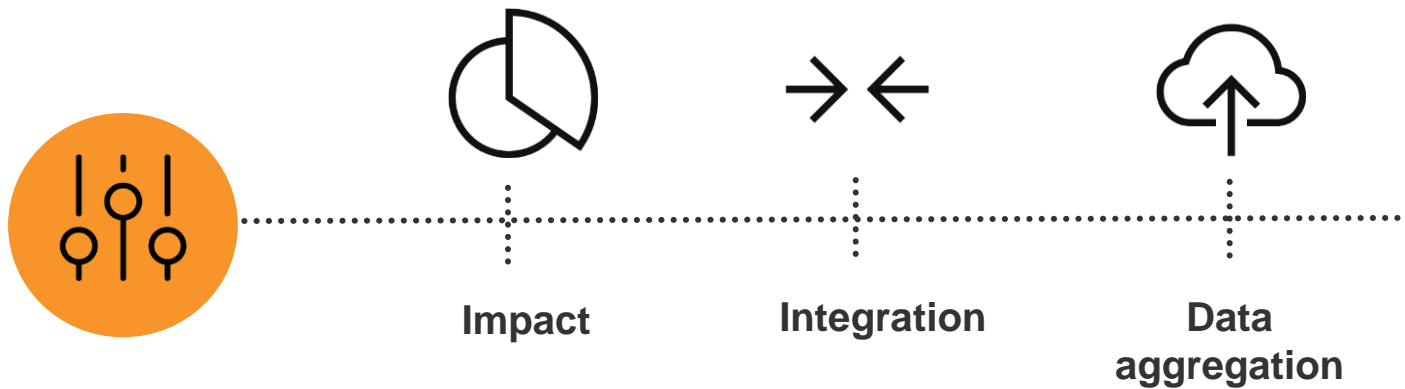
Improving profitability through efficiency gains with technology



Improving profitability through process improvements

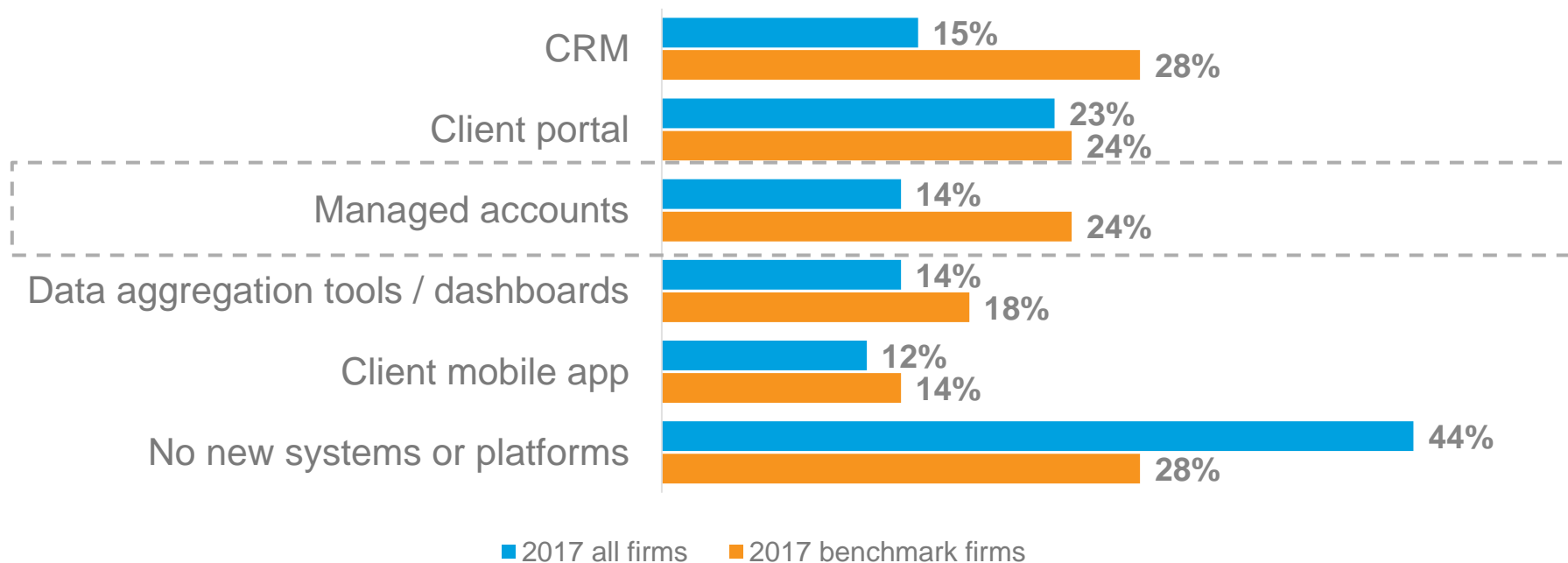


Systems



Managed accounts in benchmark firms

Firms intending to introduce new systems and platforms over the next 12 months



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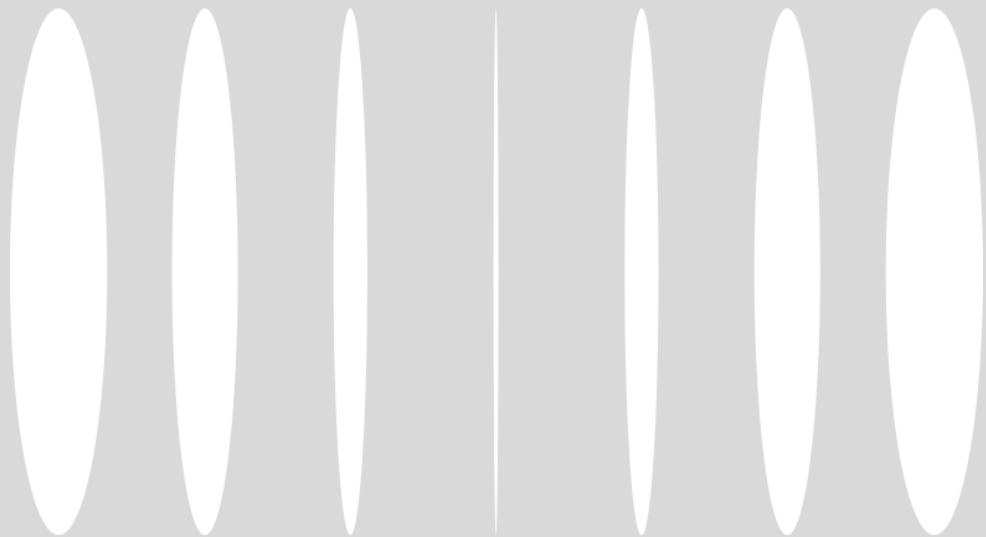
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Thank you