



| CORE | DATA

FUTURE OF ADVICE: **INDUSTRY INSIGHTS**

ABOUT US

CoreData Research is a global specialist financial services research and strategy consultancy, founded in 2002 and headquartered in Australia, with operations in Sydney, Perth, London, Boston and Manila.

It provides clients with bespoke and syndicated research services through a variety of data collection strategies and methodologies, along with consulting and research, database hosting and outsourcing services.

CoreData provides both business-to-business and business to-consumer research, while the group's offering includes market intelligence, guidance on strategic positioning, methods for developing new business, advice on operational marketing and other consulting services.

GLOBAL PRESENCE, LOCAL FOCUS



Looking for clues



A matter of trust

UK experience

Cry freedom

Making sense of chaos

Countering a false narrative

What benefit do ordinary Australians see from the provision of financial advice?



Confidence in financial decision making



Confidence around budgeting and spending decisions



Adding tangible value to assets in retirement



Peace of mind

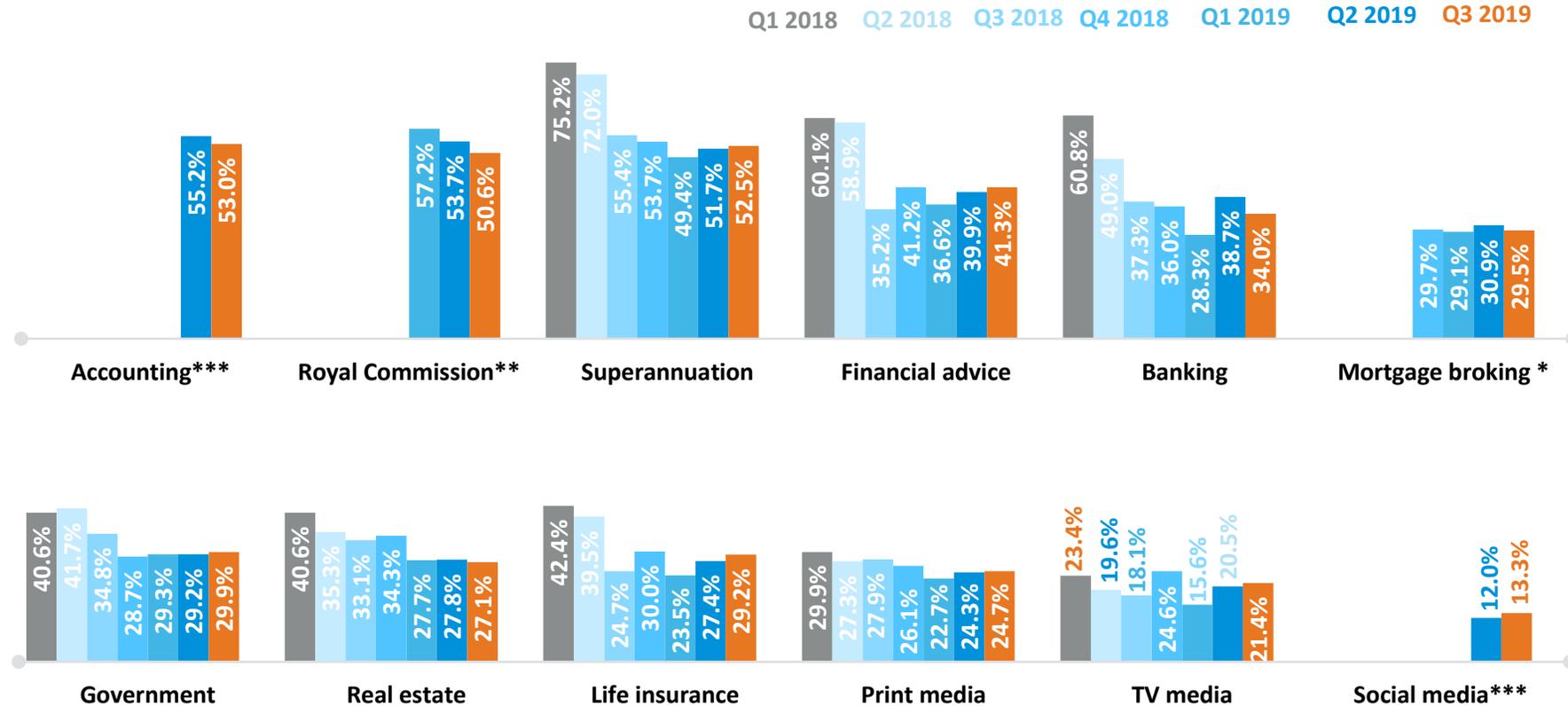


**Benefit from advisers
“Alpha”**



Report higher levels of happiness

But trust in the system has been damaged



* New option Q4 2018

** New option Q1 2019

*** New option Q2 2019

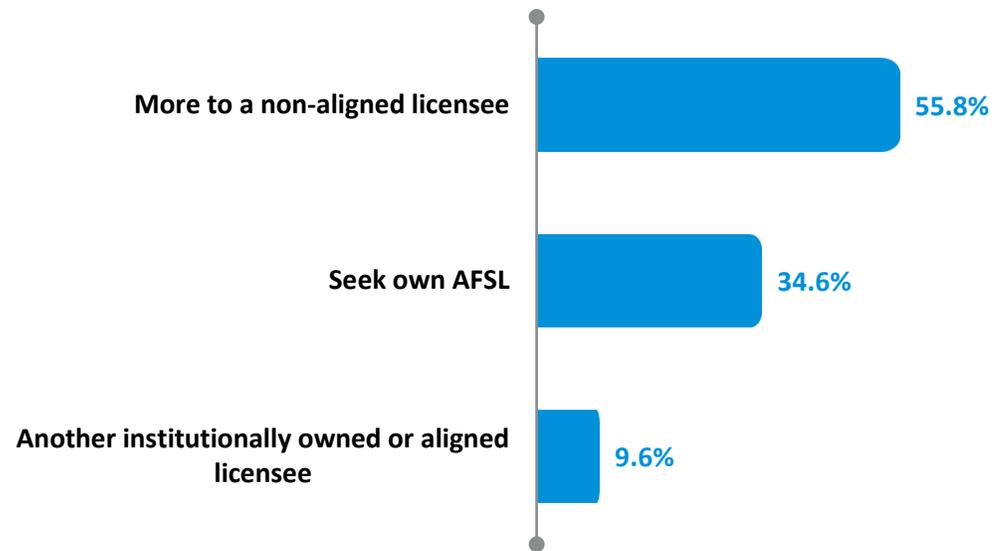
UK experience



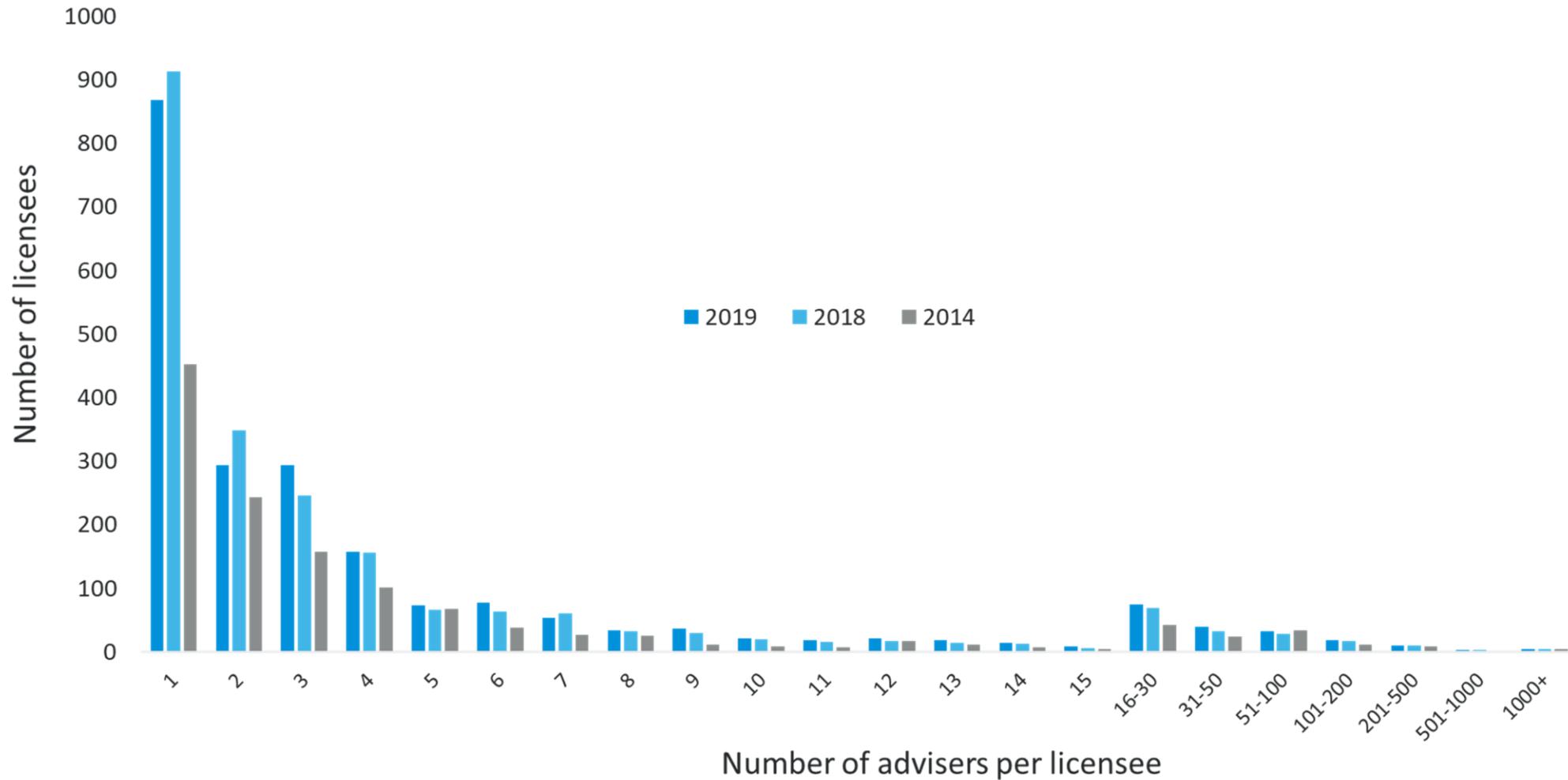
1. Professional Standards have risen – better educated advisers
2. Quality is – up complaints are down
3. Fees are up by about 15%
4. Adviser Numbers expected to recover by 2021
5. Robo Advice is not working

Cry freedom

Would you be more likely to move to another institutionally owned or aligned licensee, a non-aligned licensee or to seek your own AFSL?

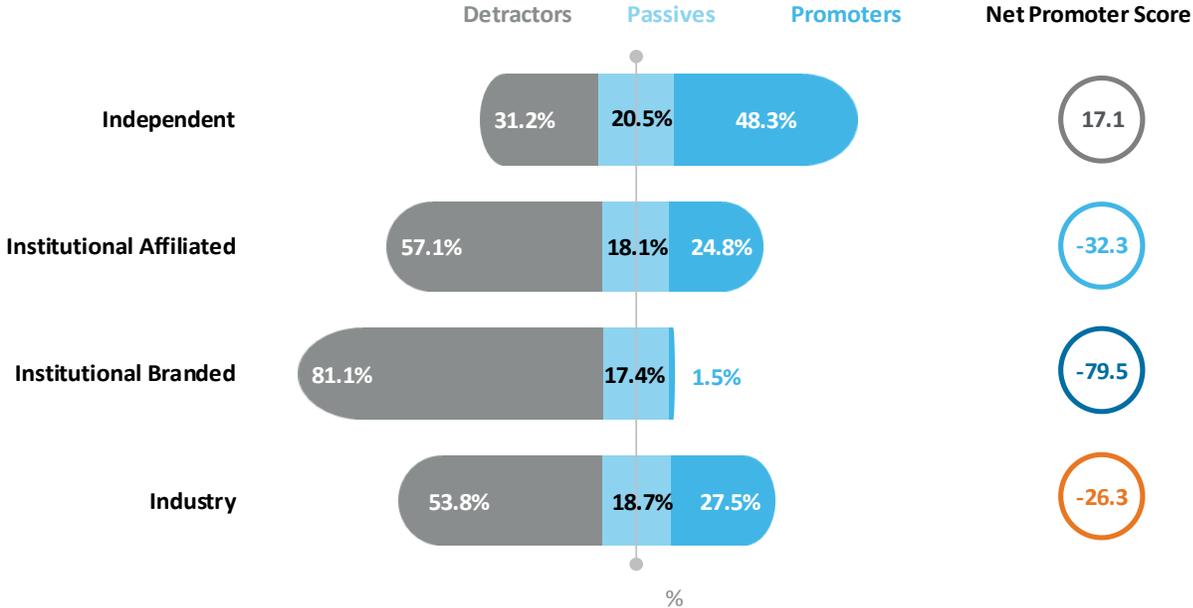


Dispersion of an industry



Independence is happiness

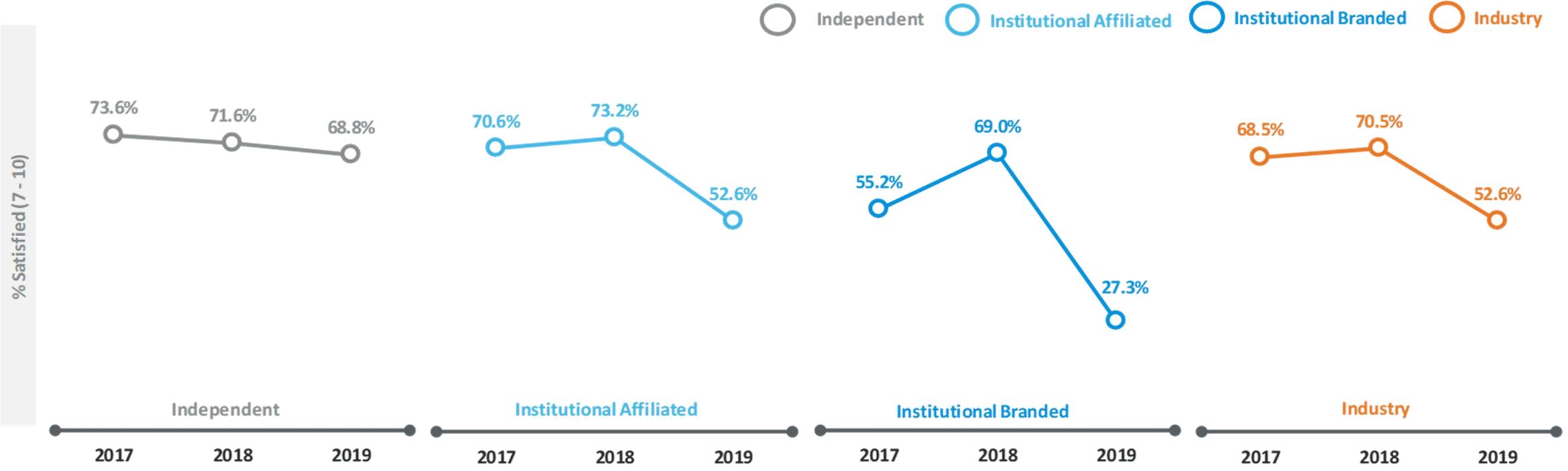
Net Promoter Score



n = 205 (independent), 310 (institutionally affiliated), 132 (institutionally branded), 647 (industry)

Institutional advisers feel unsupported

Please rate the level of OVERALL SUPPORT provided by your group.

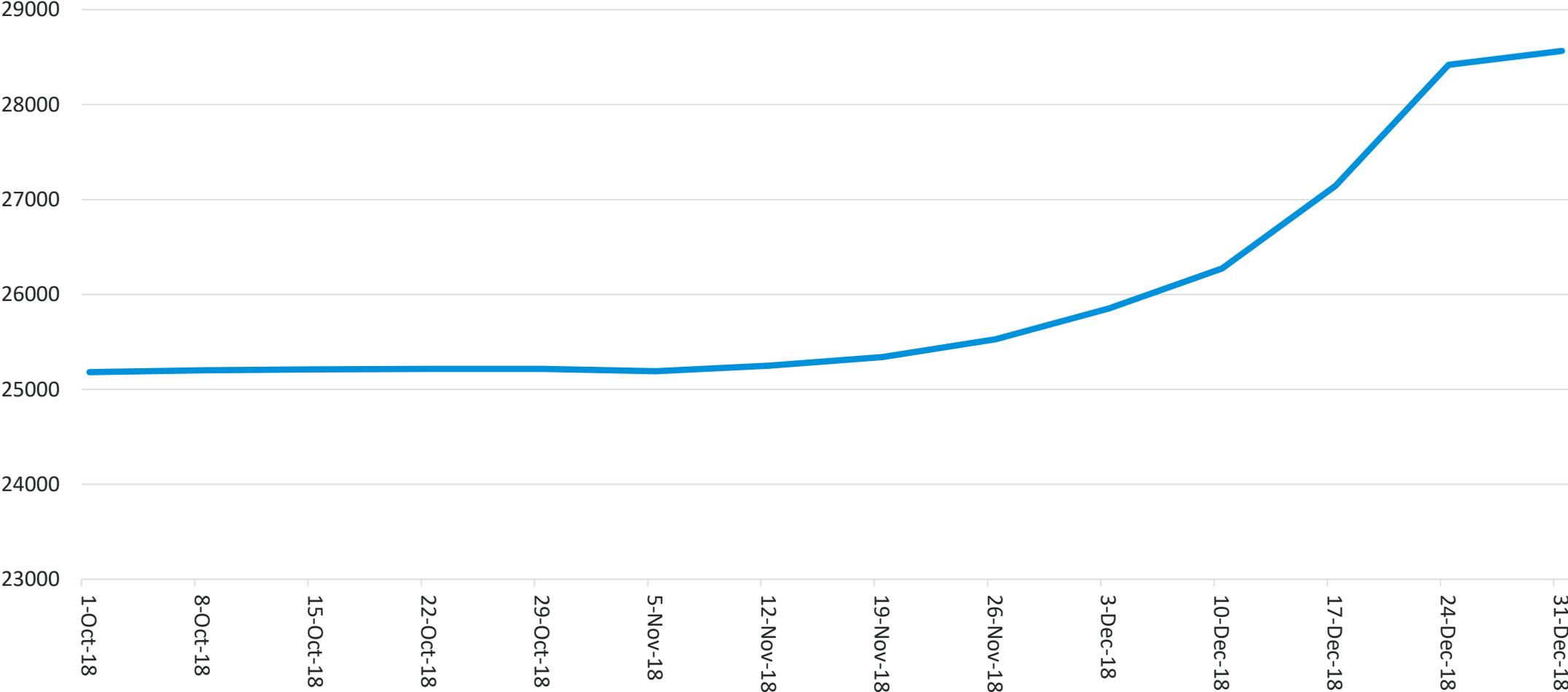


Making sense of chaos



The battlefield is a scene of constant chaos. The winner will be the one who controls that chaos.

A growing profession?



... and now the shakeout

Advisers out (Q2, Q3, 2019)

1790

+

990

=

2780

Advisers at start of period

28,565

Percentage fallout

9.7%

Source: CoreData analysis of ASIC financial adviser register

Around 40% of the market is in flux



Three advice models of the future



Reaching advisers where $N = 16,500$



Prices law = 128 Planners



Pareto Principle = 3,300 Planners

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