

# What's top of mind for the nation's largest advisors?



For the second year in a row, BNY Mellon's Pershing Advisor Solutions surveyed advisory firm leaders attending its annual Elite Advisor Summit, which this year took place on March 7-9 in Dana Point, California. Average assets under management represented by firms at this year's event were \$4.2 billion.

The poll gauged advisors' views on business and investment strategies as well as challenges and opportunities in 2018.

## Elite advisory firms not feeling the pressure to reduce fees

Majority of advisors kept fees steady in 2017

84% No Change    10% Increased    6% Decreased

Pressure from clients to reduce fees? Most are not feeling it

58% No    42% Yes

## Holistic wealth management services are driving business and helping advisors maintain pricing

Drivers of pricing power in the market

58% Holistic wealth management services, including estate and tax planning, private banking, etc.    32% A strong brand that articulates a unique value proposition    10% A solid network of client referrals

## Top three advice areas most important to business growth

74% Tax Planning    61% Philanthropic Investments    52% Private Banking Solutions    52% Alternative Investments

## Advisors recognize the value of marketing and branding in driving growth; declare talent as the biggest challenge to business for second year in a row

Drivers of business growth

Challenges to business growth

Developing an impactful branding and marketing strategy 29%    16% Developing an impactful branding and marketing strategy  
Implementing new technologies, capabilities or solutions to meet client needs 26%    26% Implementing new technologies, capabilities or solutions to meet client needs  
Hiring and developing talent 23%    36% Hiring and developing talent  
Growing through mergers and acquisitions 16%    6% Increased competition from larger RIAs  
Reaching new and untapped investor segments 6%    16% An aging client base

## When investing in new technologies, advisors are looking to streamline workflow, create better efficiencies and free up time to better serve clients

Here's how firms are spending their tech dollars

58% Workflow tools (e.g., account opening and client onboarding, data aggregation and reporting tools, etc.)    19% Building a digital experience that combines back-, mid- and front-office solutions  
13% Financial planning tools (e.g., cash flow planning, estate planning, goal-based planning, etc.)    10% Building a client portal

## What makes advisors lose sleep?

New industry entrants and cybersecurity threats top the list

52% New, non-traditional entrants to the industry (i.e., Google, FinTech firms, etc.)    45% Cybersecurity

followed by...

42% Regulation    19% Artificial Intelligence    19% M&A

## Alternative investments emerge as a new favorite among advisors amid increased market volatility

Top three investment areas likely to experience the largest increases in portfolio allocation in 2018

77% Alternative Investments    55% Index Funds    45% Emerging Market Equities

### About the Poll

The Elite Advisor poll was conducted between February 22 and March 9, 2018, among the Elite Advisor Summit attendees. The number of respondents was 31.

### About Elite Advisor Summit

The Elite Advisor Summit, hosted by BNY Mellon's Pershing Advisor Solutions, is a two-day, invitation-only event with some of the country's most preeminent executives of RIAs and institutional firms. The event is designed to help advisory firms compete in today's fast-changing environment and facilitate meaningful conversations, ideation and networking. The inaugural Elite Advisor Summit was held February 28 – March 2, 2017, in Aventura, Florida.

### Media Contact

Sanuber Grohe  
BNY Mellon's Pershing  
Sanuberbilguvar.grohe@pershing.com  
201.413.2247