

Research Report

AdviceTech 2022 Buyer's Guide

The human side to technology
selection and implementation



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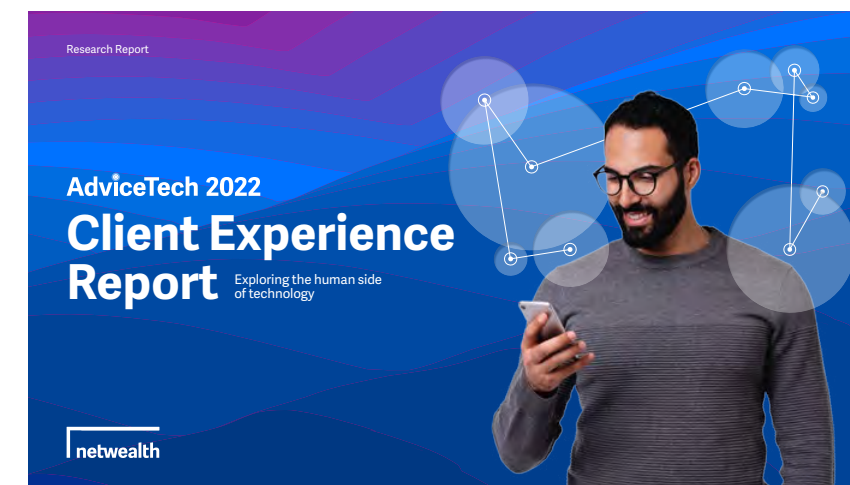
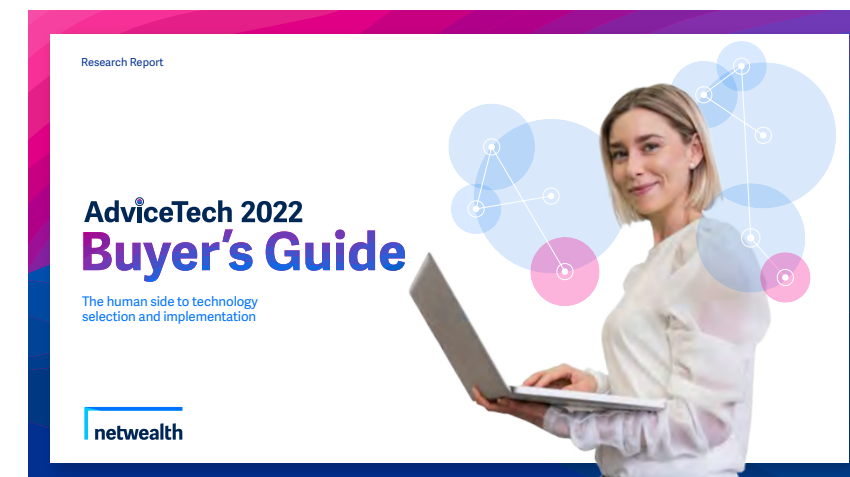
The human side to technology selection and implementation

Think AdviceTech and you usually think of the impact technology has on the operations and bottom line of an advice firm.

As technology becomes more pervasive in our daily lives it is often important to take a step back and look at the direct impact on people.

The 2022 AdviceTech Report takes a close look at the human side of technology, through the lenses of staff, but also our clients and technology partners plus suppliers.

To make the content more relatable, we have decided to break the report into three mini-reports, that are all accessible from www.netwealth.com.au/advicetech.



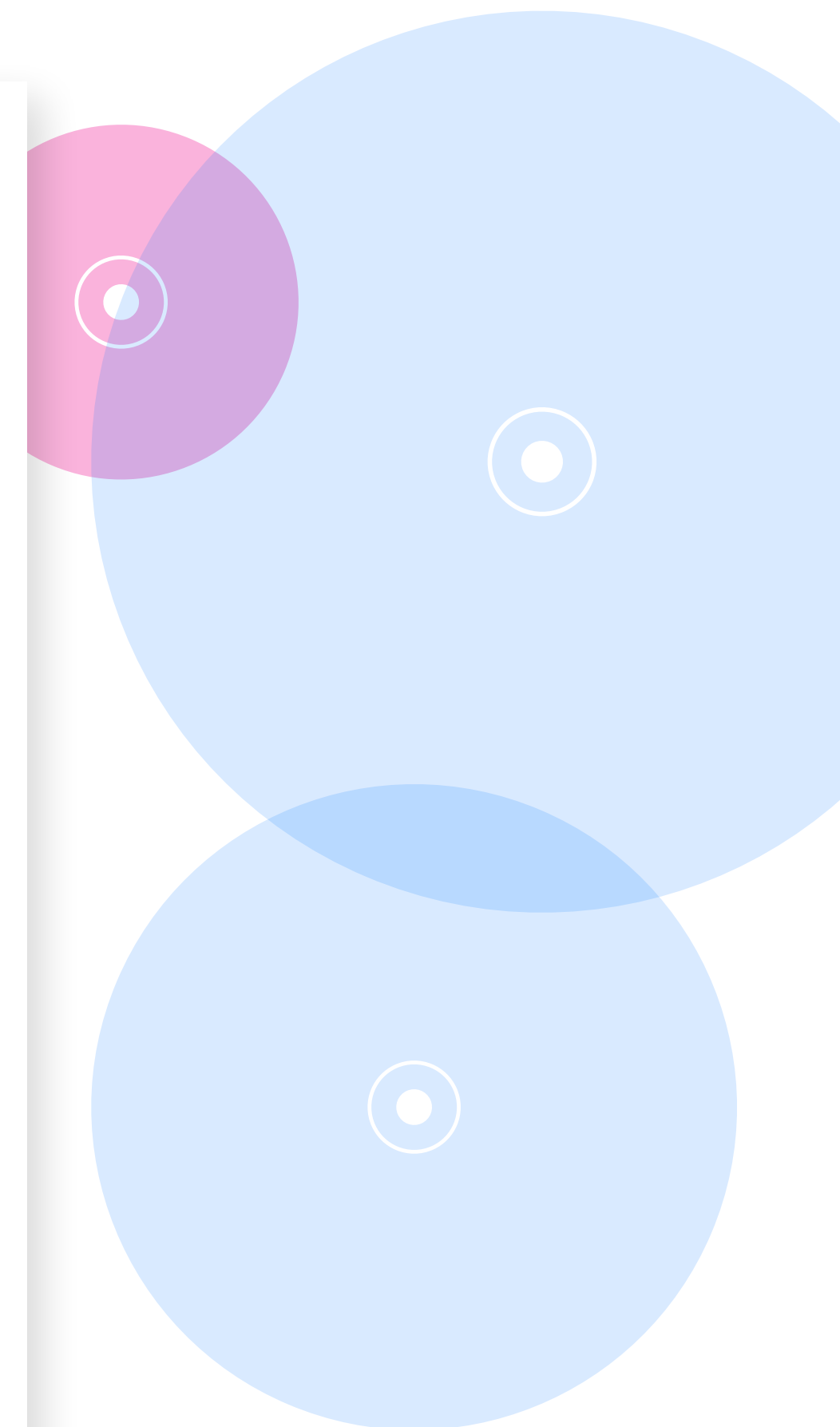
Technology selection and implementation is challenging, particularly for more complex systems that impact many people and touch other systems.

For this reason, we have created this guide with a view to aid advice firms choose technology, implement it and ultimately maintain it for lasting business benefits.

We believe there are three important factors to consider when embarking on any new AdviceTech endeavour – whether that's deploying new technology or trying to improve an existing implementation:

- 01.** Overcoming the human barriers in AdviceTech adoption by understanding management, supplier and licensee needs and challenges when deploying and implementing tech.
- 02.** Understanding the usage trends in AdviceTech through our newly developed Technology Adoption Framework which identifies fast-growing tech to watch out for.
- 03.** Learning about the descriptions and benefits of all client engagement, advice and financial planning and operations/workflow AdviceTech across 35 different categories in our A-Z Supplier List.

And of course, we will check in and see how our AdviceTech Stars are faring and compare technology adoption against other firms, so we can learn from them.



Executive summary



Removing AdviceTech barriers: The people perspective

Barriers to implementing new technology can be both technical and human. Advice firms are increasingly realising that removing the human barriers can go a long way to achieving better technology adoption.

A common barrier for most (52.5%) firms is not having enough time to understand and explore options; and for a significant number (41.6%), facing too many choices and not knowing where to start.

Another theme is that for over a quarter of both AdviceTech Stars and other firms alike they do not always have the right people and resourcing to implement new technology (28.4% of firms and 24.4% of Stars).



AdviceTech Stars use many factors when selecting the right technology supplier, not just price.

Once AdviceTech Stars are clear that the functionality and price of the technology will meet their business needs, they select their supplier after considering such things as:

- The support offered - both technical support (80.0% of AdviceTech Stars cite this), as well as training provided (68.9%) by the vendor.
- The security credentials of the supplier (77.8%).
- Where data is stored (60.0%).
- The supplier's size, reputation and experience are also very important to AdviceTech Stars (57.8%).



Business leadership need to have the right mindset towards technology adoption.

Three quarters of AdviceTech Stars (75.6%) say that management identify and prioritise technology for their business tech roadmap or strategy. Additionally, one in five AdviceTech Stars also rely on a technology committee (22.2%), as well as their Board (20.0%), while a further one in six rely on their business' IT manager (17.8%).

This is only possible if leaders have the correct mindset.

AdviceTech Stars are more likely to have leaders as IT decision makers who identify themselves as being a tech early adopter (22.2% compared to 15.8% overall) or having a tech pragmatist mindset (42.2% vs 39.3 overall) and as such are less likely to be tech conservatives or laggards in decision making.



For businesses with a licensee relationship, it's important to get their support in tech implementation.

Licensee/dealer groups have recognised they can help advice firms remove many barriers when selecting and implementing technologies.

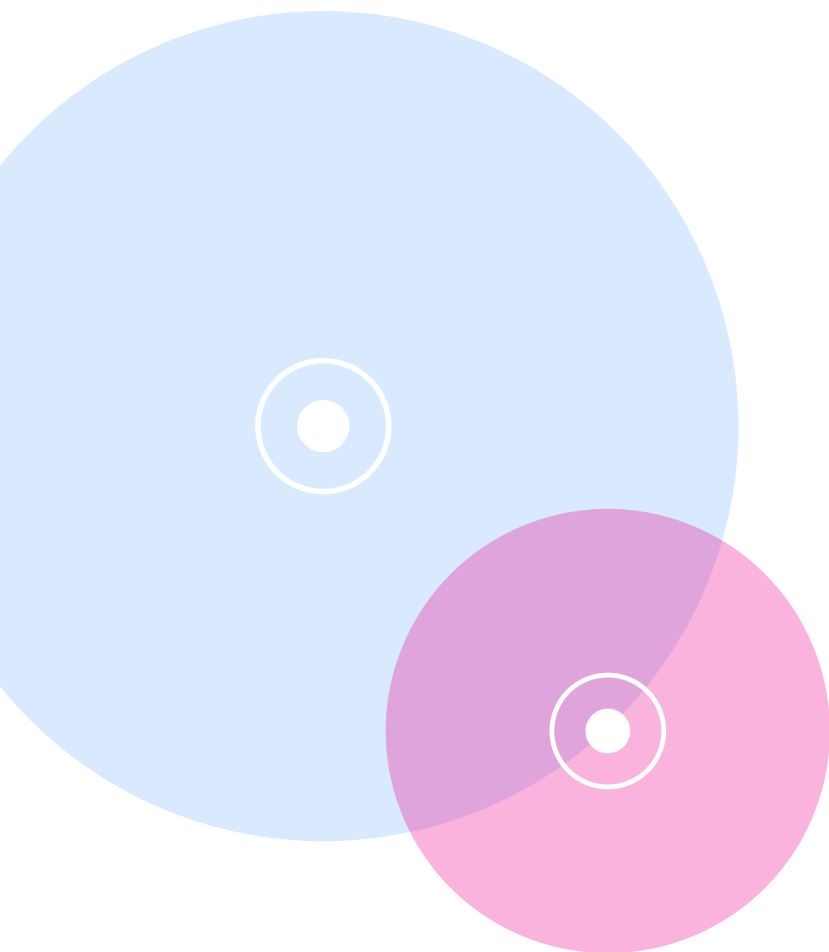
Almost one in three (35.0%) are helping advice firm leaders who don't have enough time or don't see the value of technology with information on the latest technologies, with a further quarter (28.1%) helping them demystify tech or working with them to understand their tech needs (31.3%).

In terms of selecting vendors, almost half of licensed firms (42.5%) are getting help from the dealer group with due diligence and security assessments of IT providers and in selecting the most suitable IT partner (35.6%).

High adoption AdviceTech

There are several AdviceTech that are being adopted at a greater rate than others.

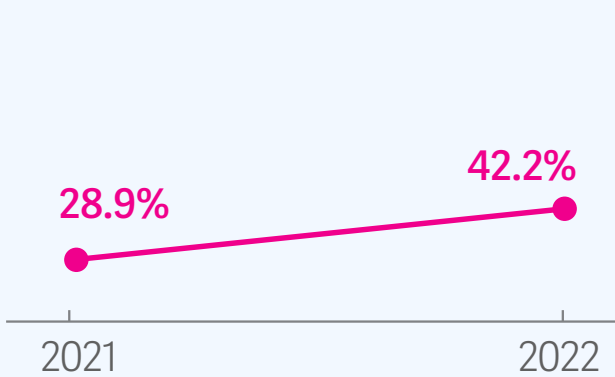
Using Netwealth’s Technology Adoption Framework, on Page 21, we have identified several technologies that are experiencing high year on year growth or has high intended adoption in the next 24 months.



High adoption AdviceTech include:

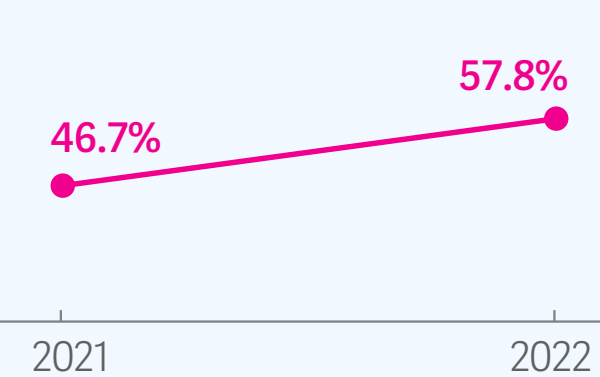
Client portal technology

High growth among AdviceTech Stars



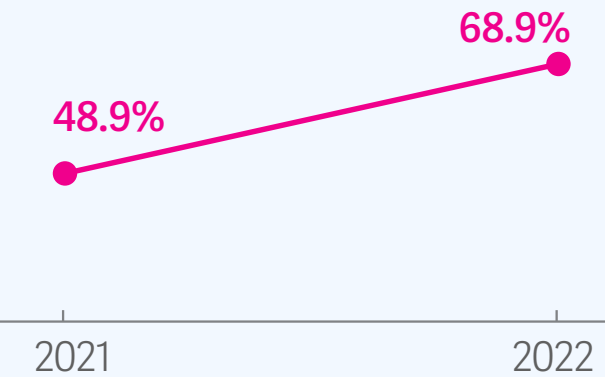
Survey and client feedback tool

Usage has grown sharply among AdviceTech Stars



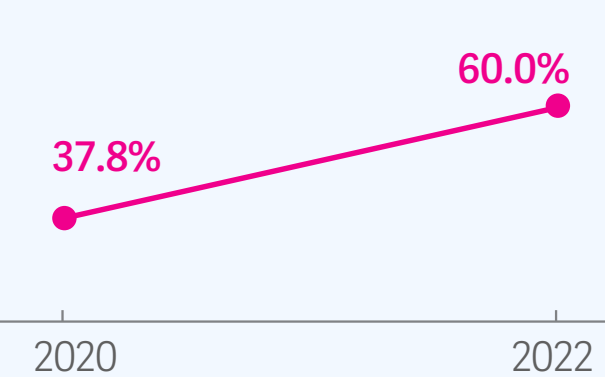
Website content management platform

Usage has increased strongly among the AdviceTech Stars



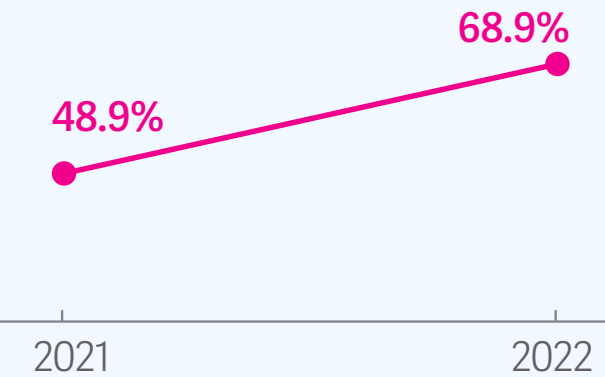
Online fact-find and risk profiling tool

Usage has increased over the previous two years by Stars



Presentation software

Has increased among the AdviceTech Stars



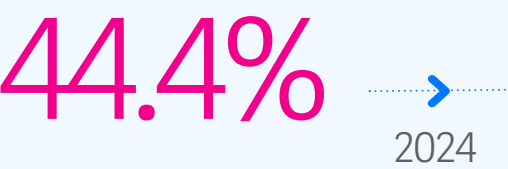
Scaled advice tech

One in three AdviceTech Stars (35.6%) plan to implement it in the coming two years



Business reporting/ dashboard tools

A high proportion of AdviceTech Stars (44.4%) intend on implementing this in the coming two years



Client data reporting/ dashboard too

There is a high intended implementation rate among AdviceTech Stars (42.2%)



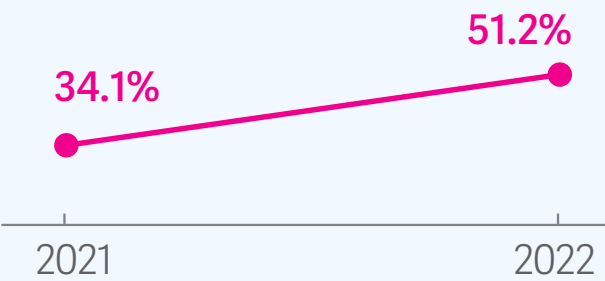
Data/system integration tool

Almost one-third (31.1%) of AdviceTech Stars use them with another half (46.7%) intending on implementing them in the coming two years



Off-platform asset management

Usage has increased among the AdviceTech Stars

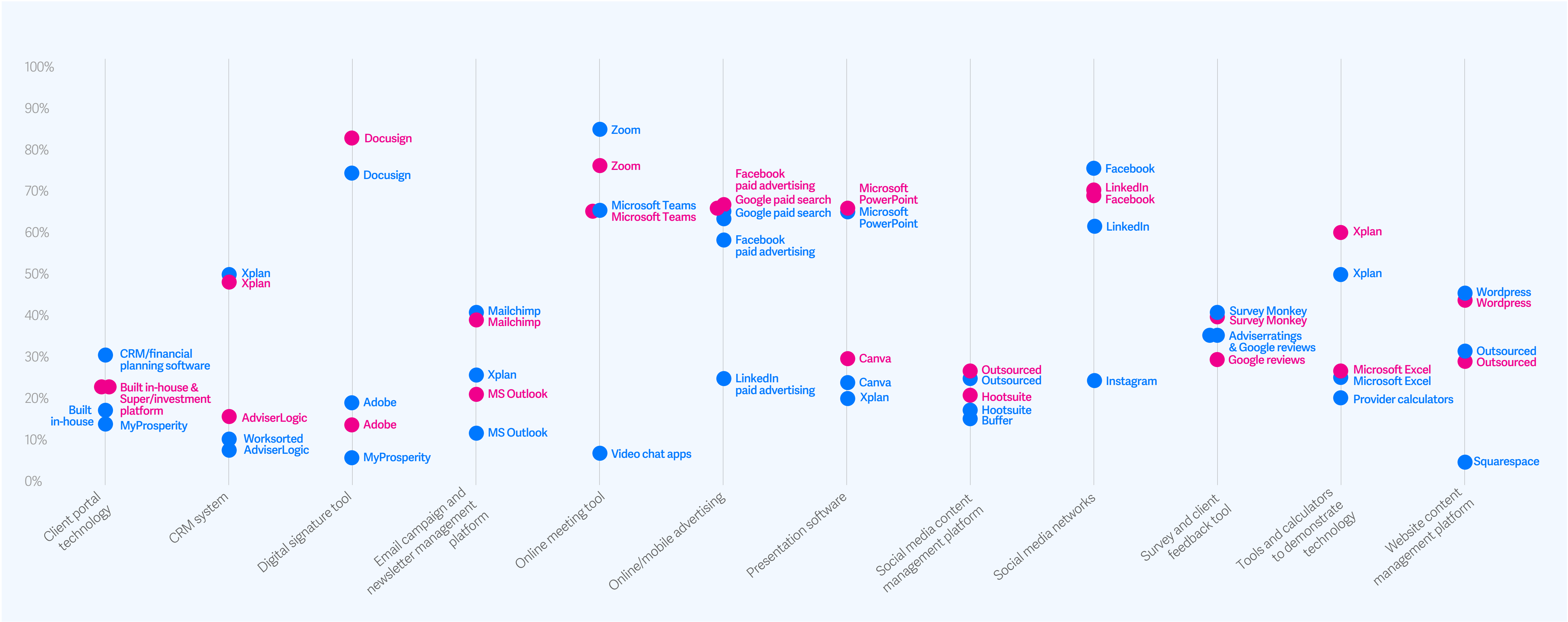


The most popular Advicetech suppliers for client engagement

Top suppliers, for those that use the specific AdviceTech

Learn more about these suppliers and features in our A-Z Suppliers List.

● AdviceTech Stars ● Overall

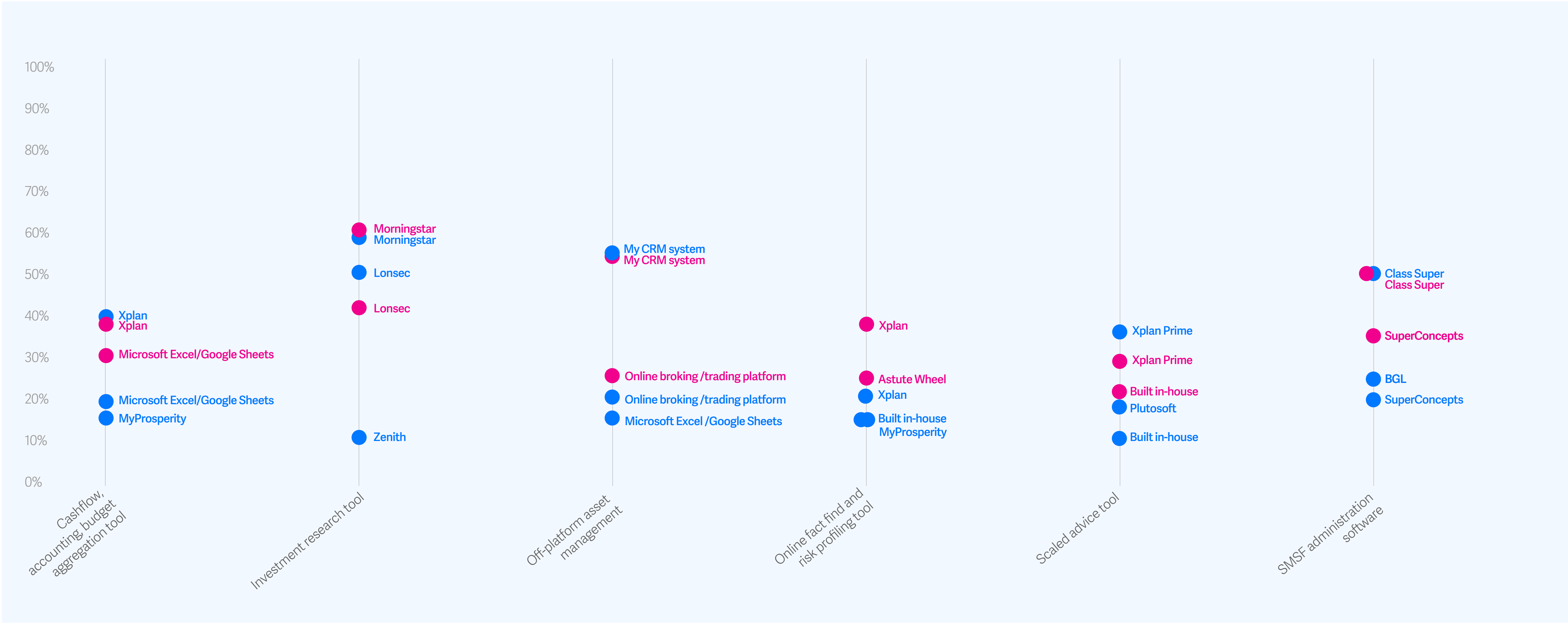


The most popular Advicetech suppliers for advice and planning

Top suppliers, for those that use the specific AdviceTech

Learn more about these suppliers and features in our A-Z Suppliers List.

● AdviceTech Stars ● Overall

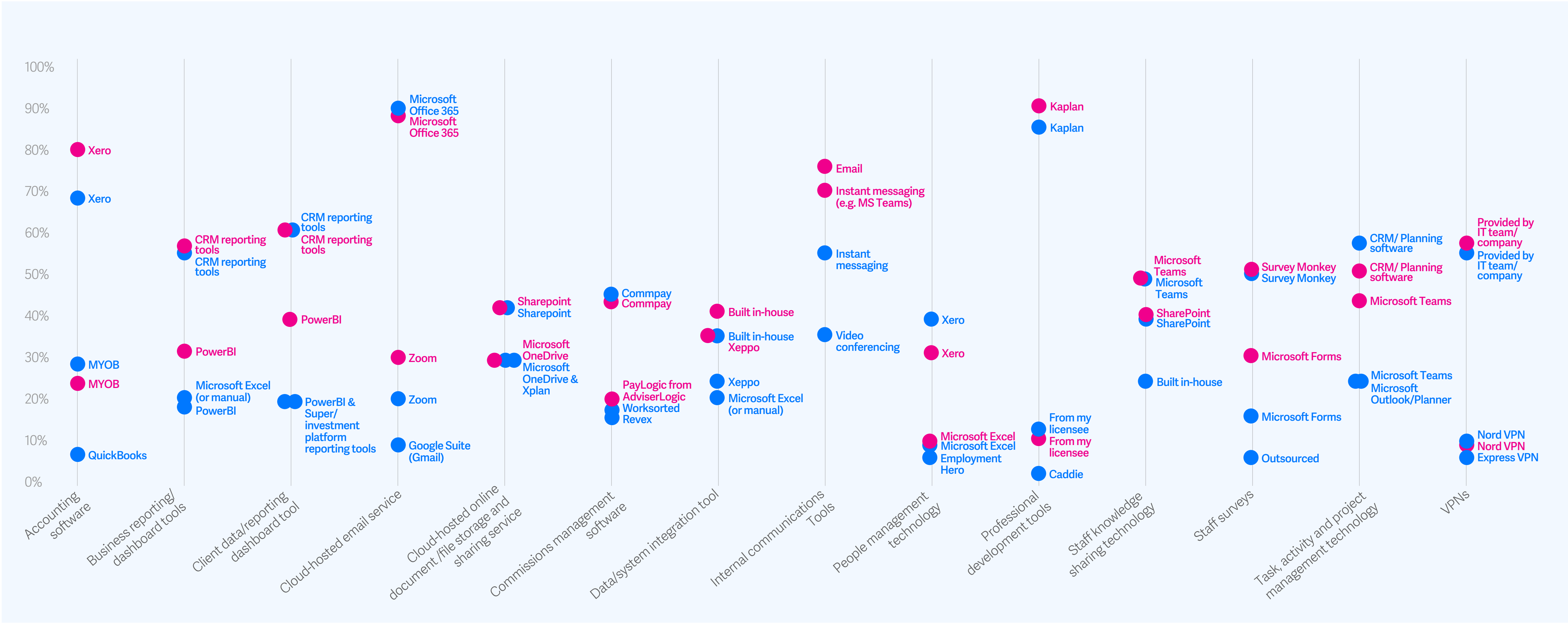


The most popular Advicetech suppliers for operations and workflow

Top suppliers, for those that use the specific AdviceTech

Learn more about these suppliers and features in our A-Z Suppliers List.

● AdviceTech Stars ● Overall



A quick refresher on AdviceTech Stars

AdviceTech Stars are firms that lead the way in many aspects of technology use, and which provide a useful guide to other firms wishing to take advantage of AdviceTech.

Regular readers of the AdviceTech Report will recall that each year we highlight the performance of this elite group of advice firms as a benchmark for all.

AdviceTech firms lead the way on both technology adoption and business performance. They've found the sweet spot of using the right AdviceTech in the right way, to address clearly identified issues and to generate tangible business and client benefits.

While many (64.4%) advice firms increased their revenue last year, more than 9 in 10 AdviceTech Stars (91.1%) increased theirs. Nearly half of Stars (46.7%) increased their revenue by between 11% and 25%; and more than one in six (17.8%) increased their revenue by more than 25%.

You might assume that the decision-makers of AdviceTech Stars are individuals who are overwhelmingly tech-focused. In fact, that's not the case. Whilst some (22.2%) do fall into the category of early tech adopters, the largest proportion (42.2%) of AdviceTech Stars describe themselves as tech pragmatists who will use stable but not-yet-common technology to develop a competitive advantage and almost on in three (31.1%) categorise themselves as tech conservatives, deploying only proven technology to deliver the services their clients expect.

AdviceTech Stars use a greater number (17) of AdviceTechs than the average firm (14), and they spend more than other firms across the AdviceTech spectrum, and they also plan to spend more in future.

Critically, they dedicate appropriate capital, resources and planning to technology. Over half (57.8%) have a clear map of the technology road ahead (versus 34.3%) and they spend more as a percentage of revenue of technology, on average of 9.7% (compared to 8.0% of overall firms).

AdviceTech Stars use a greater number of AdviceTechs than the average firm



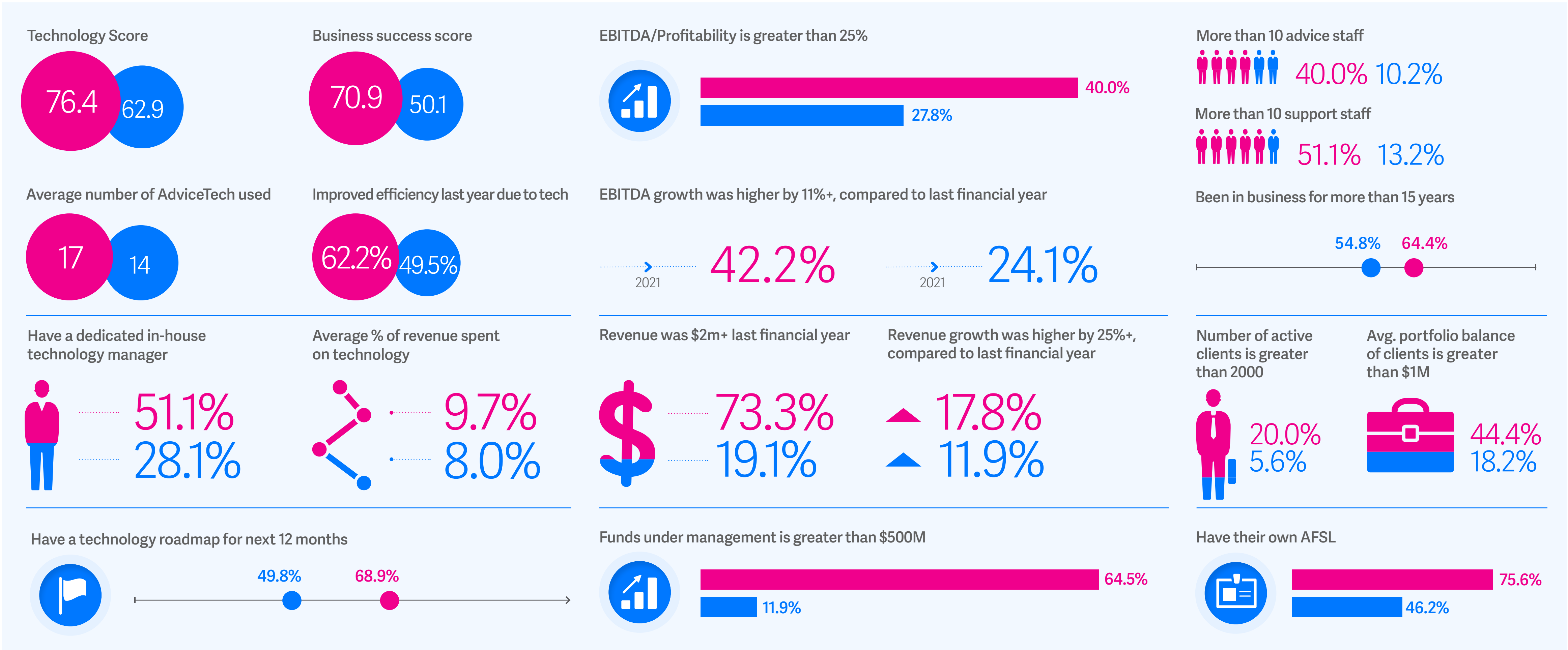
AdviceTech Stars spend more than other firms across the AdviceTech spectrum, and they also plan to spend more in future.



A quick refresher on AdviceTech Stars

AdviceTech Stars versus the overall industry

● AdviceTech Stars ● Overall



A quick refresher on AdviceTech Stars

AdviceTech Stars generate greater business benefits from AdviceTech than do other firms.

Almost two-thirds (64.4%) report improved client engagement and communication (compared to 49.8% of firms overall), growth in client numbers (44.4% versus 37.3%), growth in revenue (46.7% versus 37.3%) and growth in funds under management (37.8% versus 24.1%) – and all this helps underpins a greater proportion of AdviceTech Stars 46.7% versus 26.7%) who say technology leads to better profitability.

AdviceTech Stars also believe their AdviceTech makes them more efficient (62.2% versus 49.4%) and better able to adapt to changing circumstances (55.6% versus 50.2%)

AdviceTech Stars frequently utilise technology to stay engaged with their clients, with seven in 10 (68.9%) posting to social media monthly or more frequently, and more than half (51.1%) adding content to their website monthly or more.

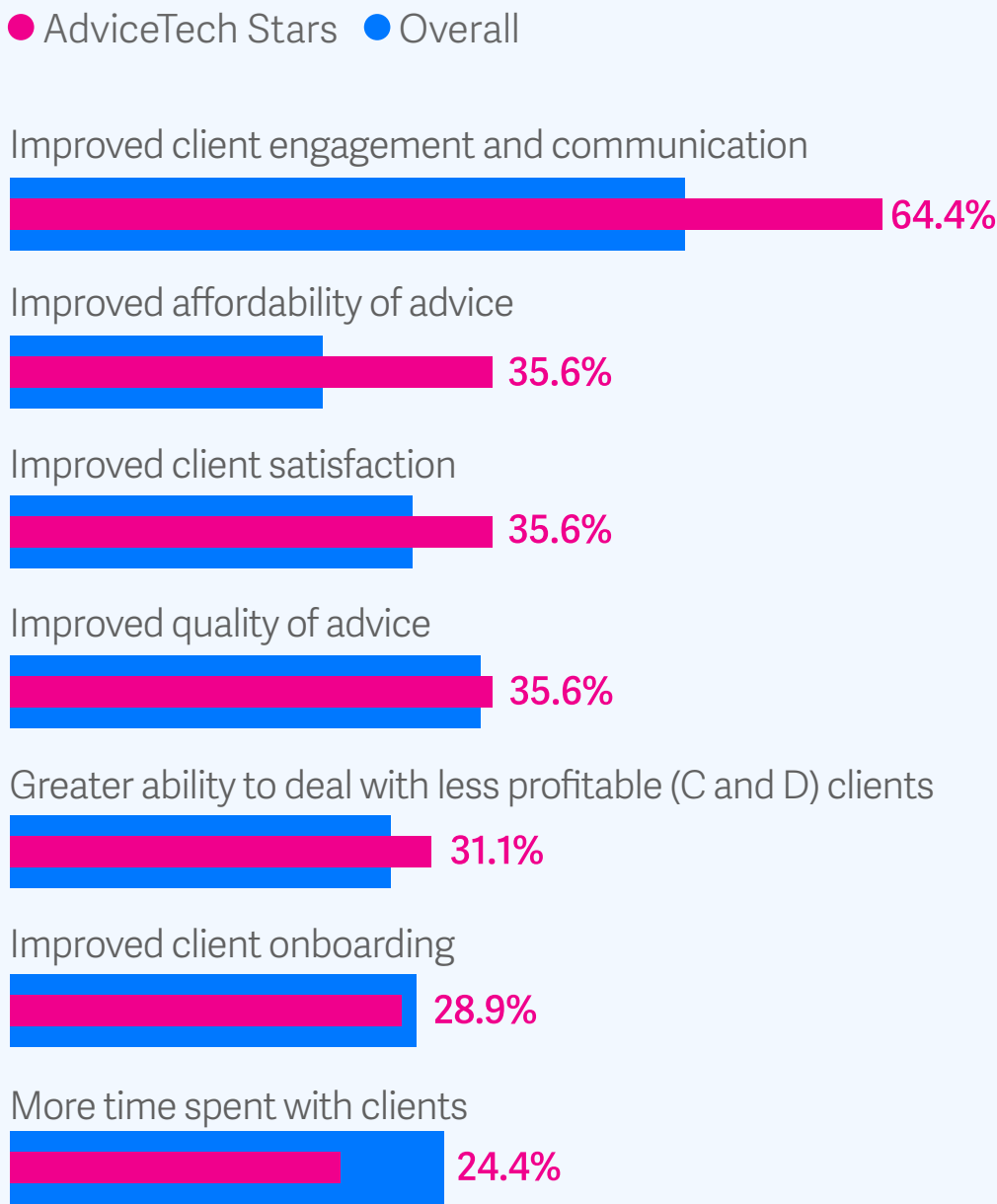
They are comfortable using technology to aid and augment their business, but not letting it replace the adviser relationship. More than eight in 10 (82.2%) AdviceTech Star businesses describe the experience they offer clients as one where technology aids, but is not the focus of, the client engagement experience.

AdviceTech Stars are on average, more likely to be larger, more established firms. However, this is not to say that size is a pre-requisite to being an AdviceTech Star. More than one in six (17.8%) are small firms, and about one in ten (11.1%) have been in operation for less than seven years. A key difference separating AdviceTech Stars from most advice firms is that a large proportion hold their own AFSL (75.6%) rather than being authorised by an external licensee.

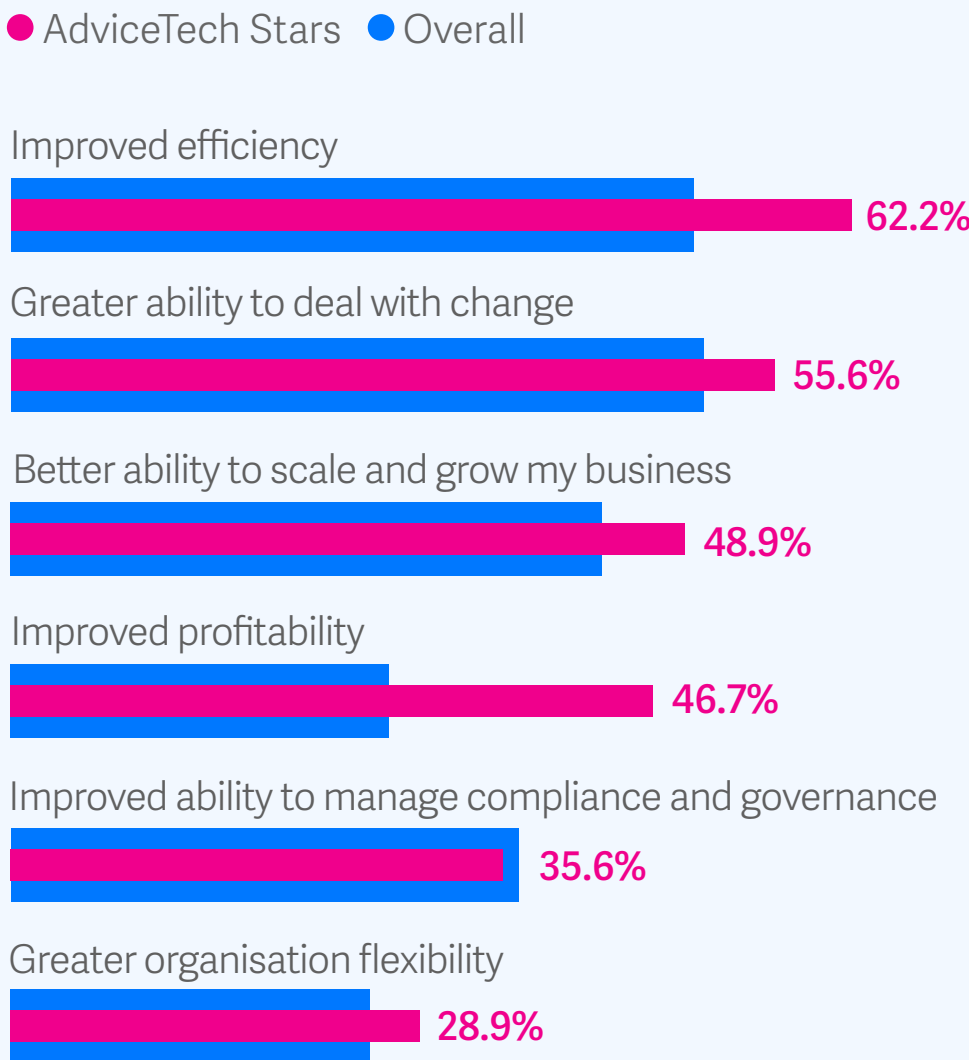


In what ways did your business benefit from technology in the financial year ended June 2021?

Client benefits



Costs & efficiencies





1

**Barriers to technology
adoption are often
human in nature**

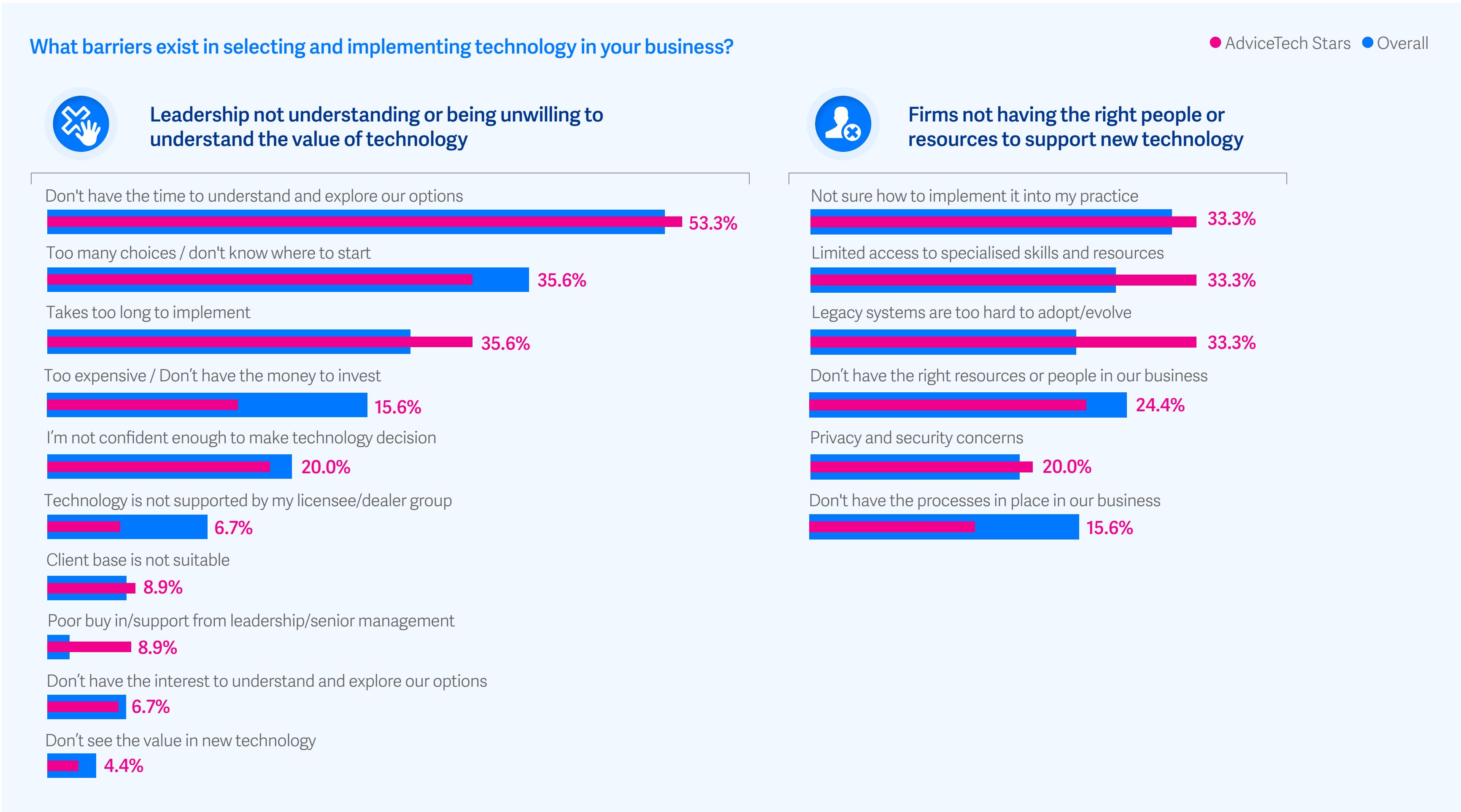
Barriers to technology adoption are often human in nature

Barriers to implementing new technology can be both technical and human. Advice firms are increasingly realising that removing the human barriers can go a long way to achieving better technology adoption.

Not surprisingly, AdviceTech Stars area the most likely to report having no barriers in implementing technology (15.6%), whilst licensed businesses are the least likely to have no barriers (8.8%).

The challenges and barriers in selecting and implementing new technologies - by both Stars and overall - can be broadly categorised into two key areas:

- 01. Leadership not understanding or being unwilling to understand the value of technology.
- 02. Firms not having the right people or resources to support new technology.



Barriers to technology adoption are often human in nature

However, a common theme amongst AdviceTech Stars and other firms alike is not having the right people and resourcing to implement new technology.

Almost one in three AdviceTech Stars (33.3%) report being unsure on how to implement technology in their business, having limited access to specialised skills and resources, and having legacy systems that are too hard to adopt and evolved. One in four (20.0%) have privacy and security concerns. Licensed businesses are even more likely to have these same issues to technology implementation.

To overcome these barriers, there are three strategies businesses can employ to assist in the successful implementation of technology.



01. Choose the right technology partner

To assist in the identification and implementation of technologies, as well as assisting in the training of staff and maintenance of your technology solutions.



02. Have the right tech mindset

Business leaders should have the right attitude so they can embrace technology into their strategy, capital, and resource planning.



03. Get support from your licensee relationship

For those with such a relationship, ensure you get the proper support from your licensee for new technologies.

1. Choosing the right technology partner

Choosing the right technology partners will go a long way in assisting you identify and implement technologies, plus train staff and help you maintain the solutions.

AdviceTech Stars and advice firms overall alike both cite that not having time to understand and explore their options as the largest barrier to implementing technology. Further, both recognise that not being sure how to implement it into their practices, and limited access to specialised skills and resources as barriers that are among their top five hindrances to technology implementation.

As these are issues that can be overcome through the guidance of suppliers and consultants, the relationship to these parties is critical.

The majority (82.2%) of AdviceTech Stars use technology suppliers and vendors and external consultants and specialists (84.4%) to learn about new technologies.

AdviceTech Stars are also more likely to use external consultants (31.1% vs 17.8% overall) and technology vendors and suppliers (22.2% compared to 12.5% overall) when identifying and prioritising technology for their business tech roadmaps and strategies.

So how do the AdviceTech Stars go about selecting an IT partner?

There are numerous factors to assess the supplier's suitability for their business' needs. The most considered factor when AdviceTech Stars select a tech supplier is the usability of the software itself (84.4% of AdviceTech Stars), encompassing both the software's feature set and how well it matches the business needs of the firm. It is not surprising that the second most considered factor is then pricing (80.0%).

The support offered by the suppliers is also a critical factor in the selection process. This involves both technical support (80.0% of AdviceTech Stars cite this), such as helping to resolve issues, the availability of call-centres, and SLAs regarding the up-time of the software, as well as training provided (68.9%) by the vendor, including onboarding of new staff, access to frequently asked questions, how-to videos and tutorials.

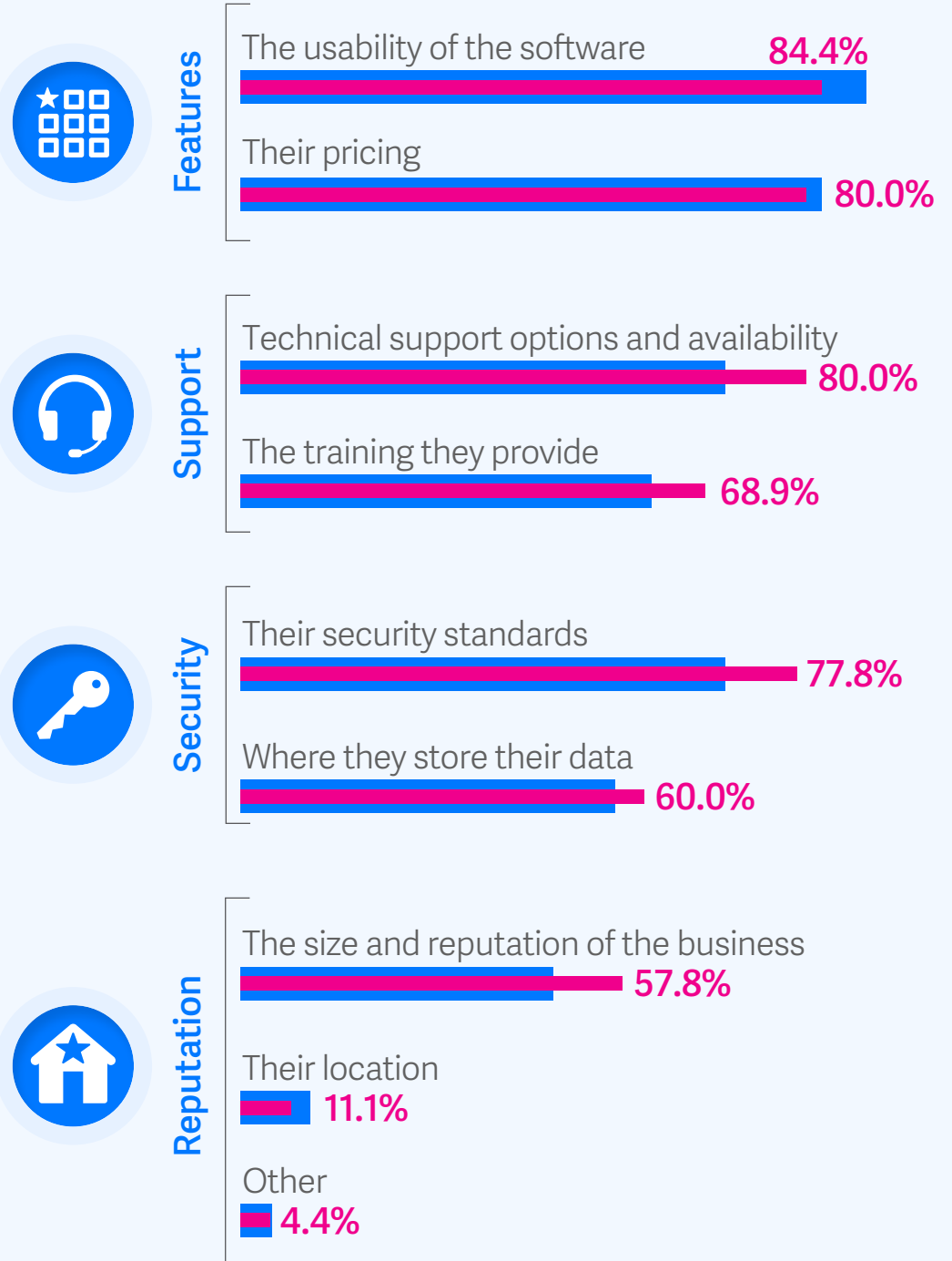
The security credentials of the supplier are also paramount to AdviceTech Stars (77.8% of them), both in terms of their security standards and protocols which may include cybersecurity policies and data breach policies, their disaster recovery setup. Stars (60.0%) also care about where data is stored, where many are looking to ensure it is stored locally.

A supplier's size, reputation and experience are also very important to AdviceTech Stars (57.8%). However, with the rise and acceptance of SAAS-based software from all parts of the world, the location of the vendor can be less of a concern than it once was (11.1%). However, readers should still exercise caution and consider that location can impact levels of support and security which may be offset but size, but not in all cases.

Building a strong relationship with technology partners is critical to having them help you implement the right solutions for your business and your clients. It's a win-win situation: your partner will benefit, and through their deeper understanding of you and your objectives, so will your business and your clients.

When selecting a technology supplier, what factors do you consider?

● AdviceTech Stars ● Overall



2. Having the right tech mindset

Business leadership need to have the right mindset towards technology adoption so they can better embrace it into their strategy, capital, and resource planning.

The adoption of technology starts at the top of the business. As a business leader, the importance of technology for your clients and business starts with you and your management, who regularly set the agenda.

Three quarters of AdviceTech Stars (75.6%) say that management identify and prioritise technology for their business tech roadmap or strategy. Additionally, one in five AdviceTech Stars also rely on a technology committee (22.2%), as well as their board (20.0%), while a further one in six rely on their business' IT manager (17.8%).

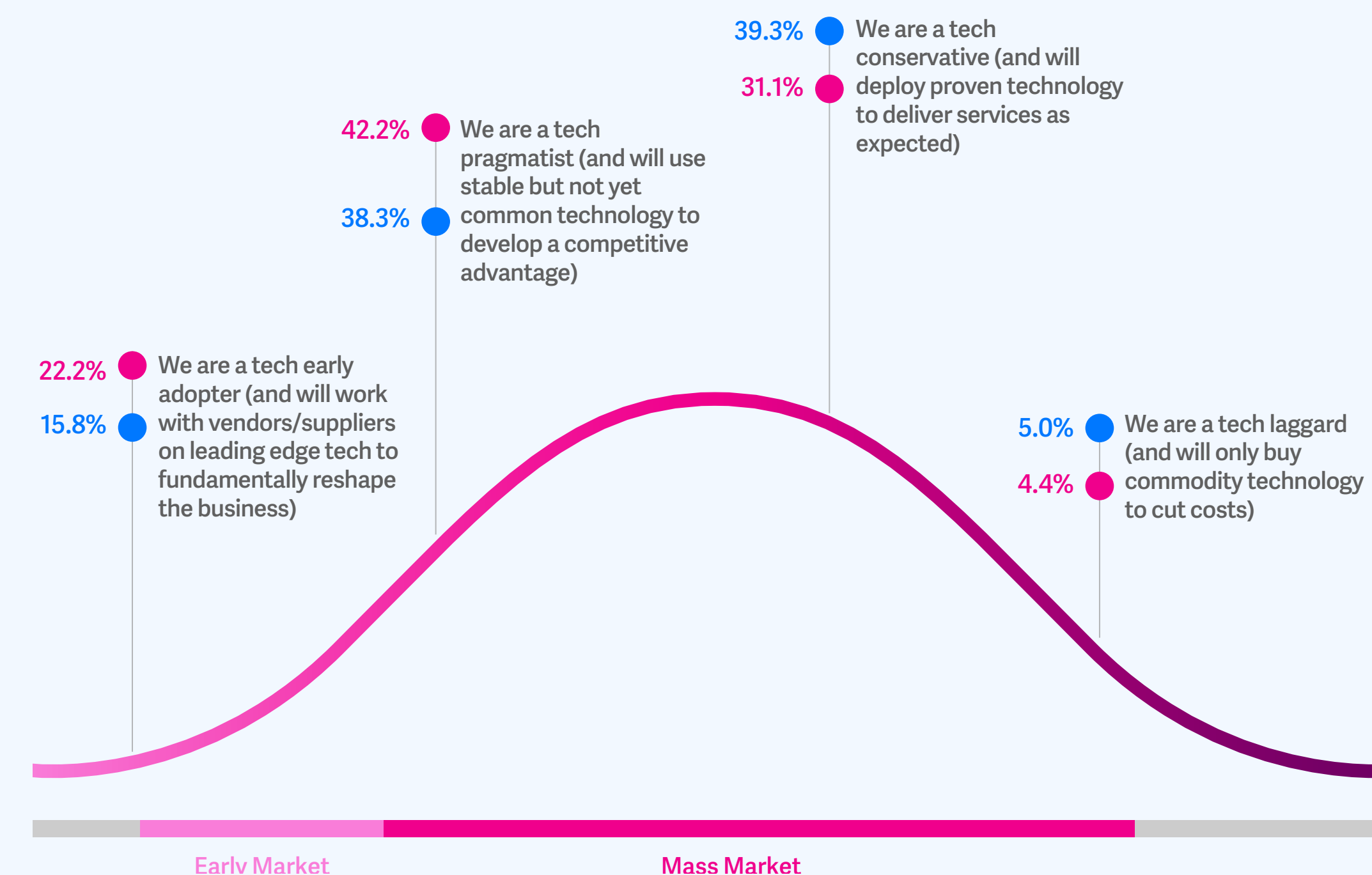
This is only possible if leaders have the correct mindset.

AdviceTech Stars are more likely to have leaders as IT decision makers who identify themselves as being a tech early adopter (22.2% compared to 15.8% overall) or having a tech pragmatist mindset (42.2% vs 39.3% overall) and as such are less likely to be tech conservatives or laggards in decision making.

The technology and digital literacy of a business' staff also has a part to play in the implementation of technology, where the majority of AdviceTech Stars classify their staff as tech pragmatists (75.6%) that are happy to try new technologies, but prefer using common ones.

How would you describe your business' attitude towards making investment decisions in technology?

● AdviceTech Stars ● Overall



2. Having the right tech mindset

Mindset drives proper commitment

This mindset then plays out in how the business allocates their strategy, capital and resources to technology, with AdviceTech Stars continuing to lead the way.

AdviceTech Stars are more likely to:

- Align business objectives with technology priorities, and build clearly articulated short and medium-term roadmaps.
- Allocate appropriate investment and resources to technology.

A technology roadmap

AdviceTech Stars are much more likely to have a roadmap in place, with more than two in three having one for the next year (68.9% compared to 49.8% overall), and are also more likely to have it clearly documented (45.2% vs 34.4% overall). Further, more than half of AdviceTech Stars have a two year tech plan (57.8% vs 23.1% overall), with more than a third having a longer-term roadmap (37.8% vs 23.1% overall).

Appropriate investment

Supporting this roadmap is a commitment to investing in technology implementation. While most businesses (82.8%) tend to be reactive through spending on technology on an ad hoc basis, the AdviceTech Stars are highly likely to have a dedicated annual technology budget (46.7%). The average advice firm spends 8.0% of their revenue on technology, while AdviceTech Stars spend an average of 9.7% having increased their average spend from 5.8% of revenue last year.

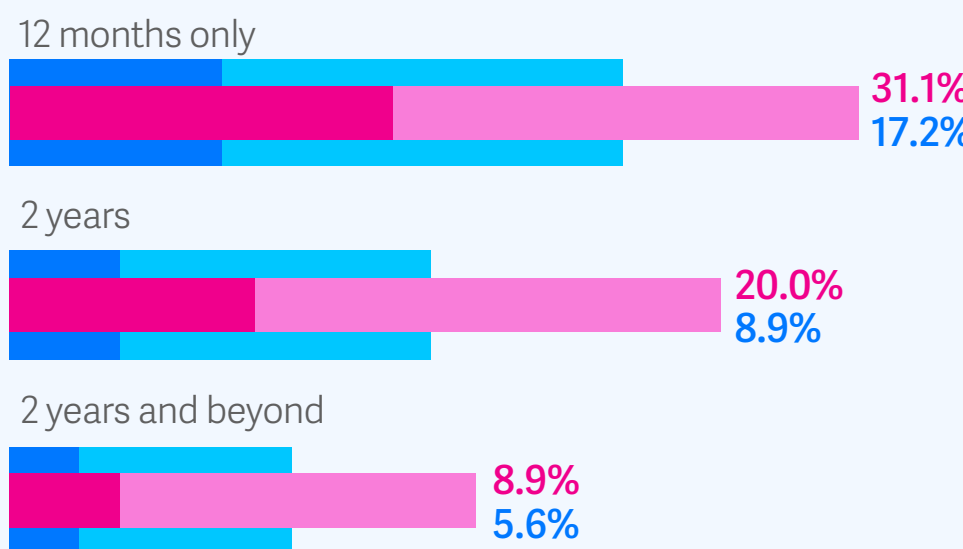
Appropriate staff support

To better achieve the technology ambitions of their firm, some are opting to employ a dedicated in-house technology manager. More than half of AdviceTech Stars (51.1%) have done so, and are almost twice as likely as other advice firms to have employed one (28.1%).

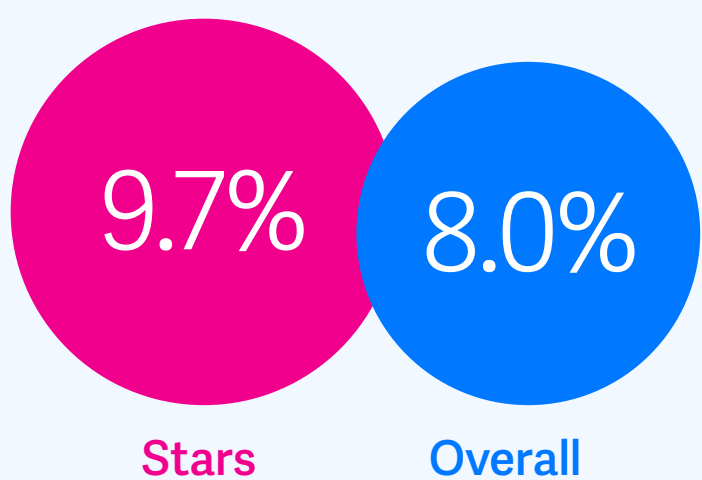
For dealing with IT support issues on a day-to-day basis, AdviceTech Stars are more likely to have an IT support/help desk (88.9% vs 71.6% overall). Two thirds (62.2%) of AdviceTech Stars opt to outsource their IT support desk.

Does your business have a technology roadmap/strategy for the next ...?

- AdviceTech Stars - Yes, it is clearly documented
- AdviceTech Stars - Yes, but it is not clearly documented
- Overall - Yes, it is clearly documented
- Overall - Yes, but it is not clearly documented

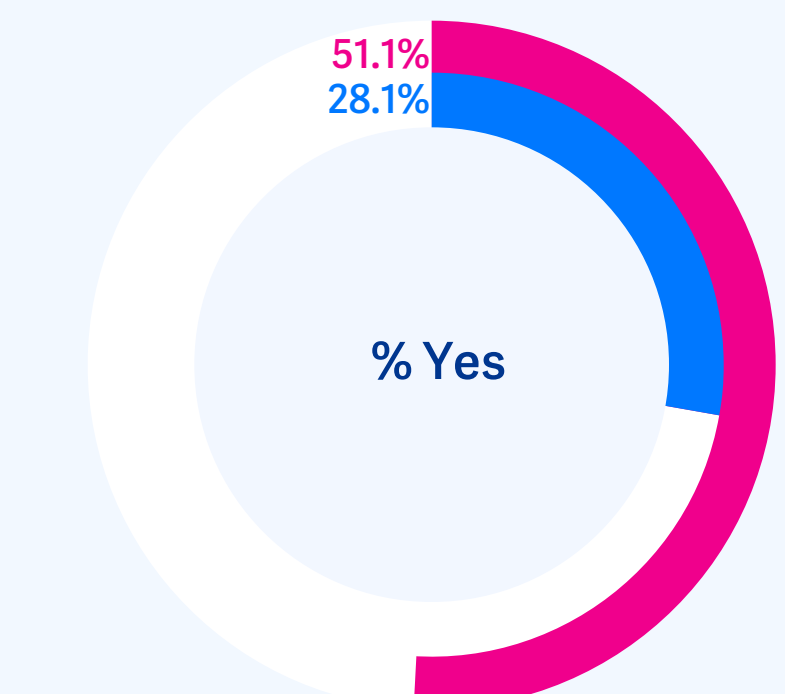


Approximately what percentage of business revenue do you spend on technology?



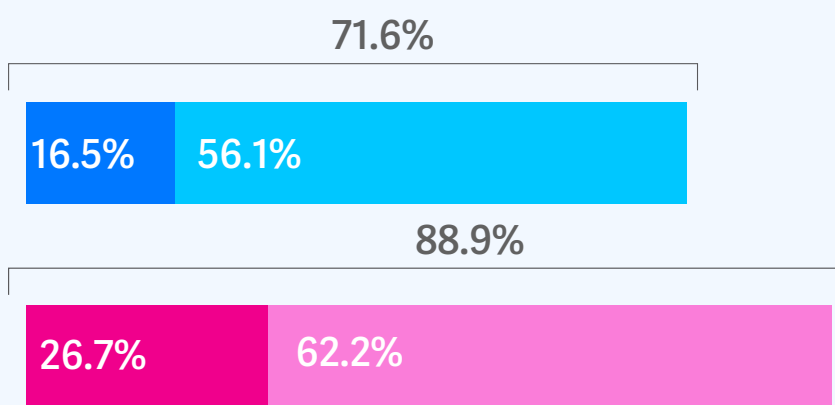
Does your business have a dedicated in-house technology manager?

- AdviceTech Stars
- Overall



Do you have an IT support/help desk?

- AdviceTech Stars - Yes, its in-house
- AdviceTech Stars - Yes, its outsourced
- Overall - Yes, its in-house
- Overall - Yes, its outsourced



3. Getting support from your licensee relationship

For businesses with a licensee relationship – ensuring you are getting the proper support from your licensee for new technologies should be a priority.

For firms that aren’t on their own AFSL, their licensee or dealer group plays an important role in selecting and supporting technologies for their business.

This is clear when considering the many barriers these businesses have in selecting and implementing technologies.

Licensee/dealer groups have recognised this and are playing a growing role in supporting the IT requirements of a firm in terms of IT education, selection, implementation and support.

Almost one in three are helping leaders who don’t have enough time or don’t see the value of technology with information on the latest technologies (35.0% of licensed firms receive this with a further 41.3% wanting this), helping advice firms demystify tech (28.1% with a further 37.5% wanting this) or working with them to understand their tech needs (31.3% with a further 41.9% wanting this).

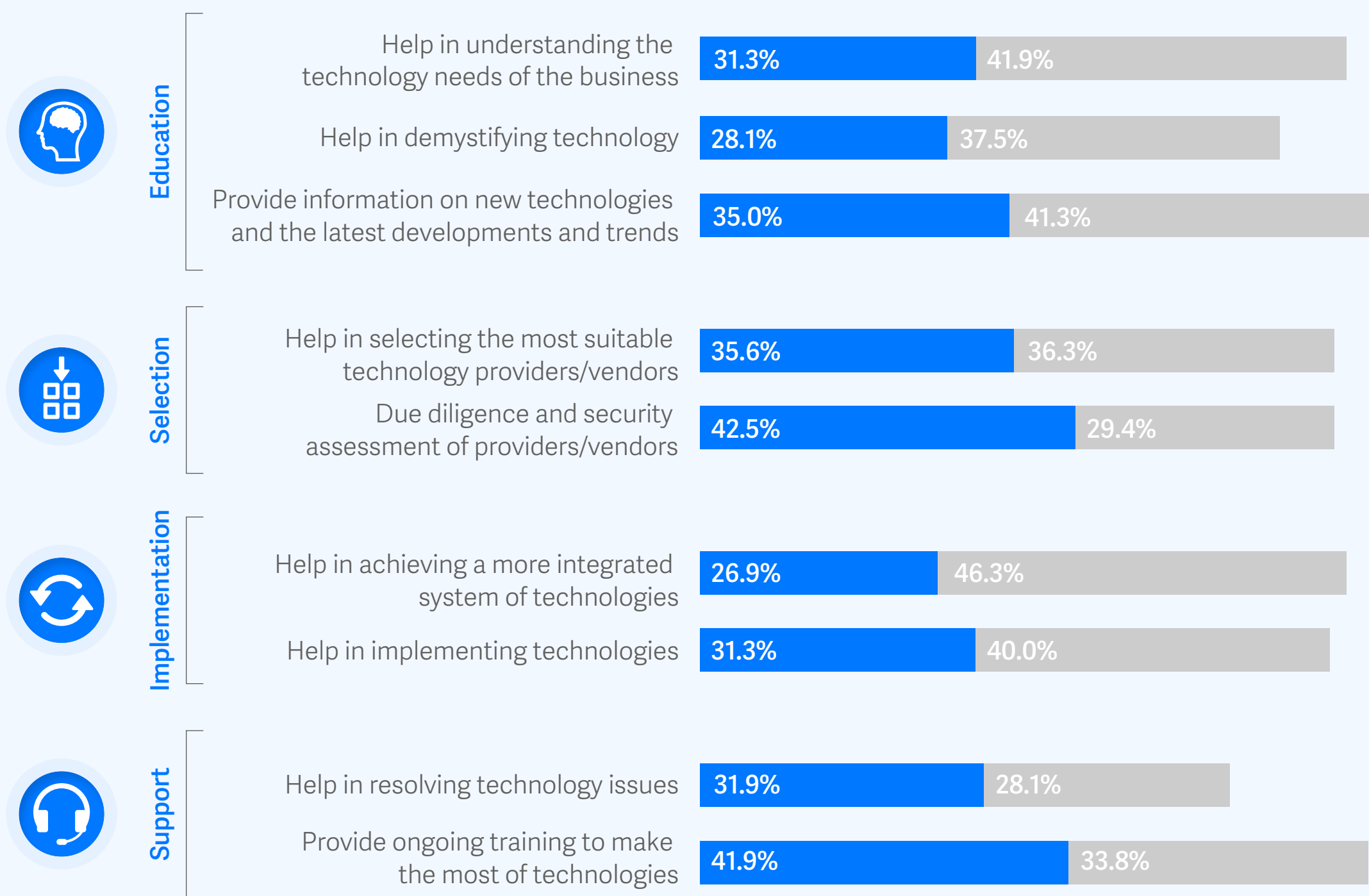
In terms of selecting vendors, almost half of licensed firms (42.5%) are getting help from the dealer group with due diligence and security assessments of IT providers and in selecting the most suitable IT partner (35.6%). A further third of businesses indicated that their licensee or dealer group is not currently doing helping in these areas, but they would like them to (29.4% and 36.3%).

Implementation often takes time, and one in three licensed firms (31.3%) are getting help in implementing technology (with a further 40.0% wanting this support), and are also getting help in achieving a more integrated technology stack (26.9% with a further 46.3% wanting this).

Finally, ongoing support improves usage and the actual success of the implementation, and licensees are stepping up here. Four in 10 (41.9%) provide ongoing training and support and almost one in three (31.3%) help resolve tech issues.

How does your licensee/dealer group support you with regard to technologies in your business? (Non-AFSL holders)

● They currently do this ● Would like them to do





2

Technology adoption and usage

Introducing the AdviceTech Adoption Framework

This year we wanted to examine the changing usage trends of AdviceTech through the lens of our newly developed AdviceTech Adoption framework, which considers:

- the current and year on year growth of AdviceTech usage by all firms and of AdviceTech Stars, and
- the anticipated future adoption of AdviceTech by firms overall and by Stars.

From this we identified five categories of technology adoption by advice firms:

01. Mass adoption

Technology that is used by over 80% of AdviceTech Stars and advice firms in general.

02. Approaching mass adoption

Technology that is used by over 80% of AdviceTech Stars, and by 60% of firms in general AND where intention to use in the next 24 months is high.

03. Mature but not mass adoption

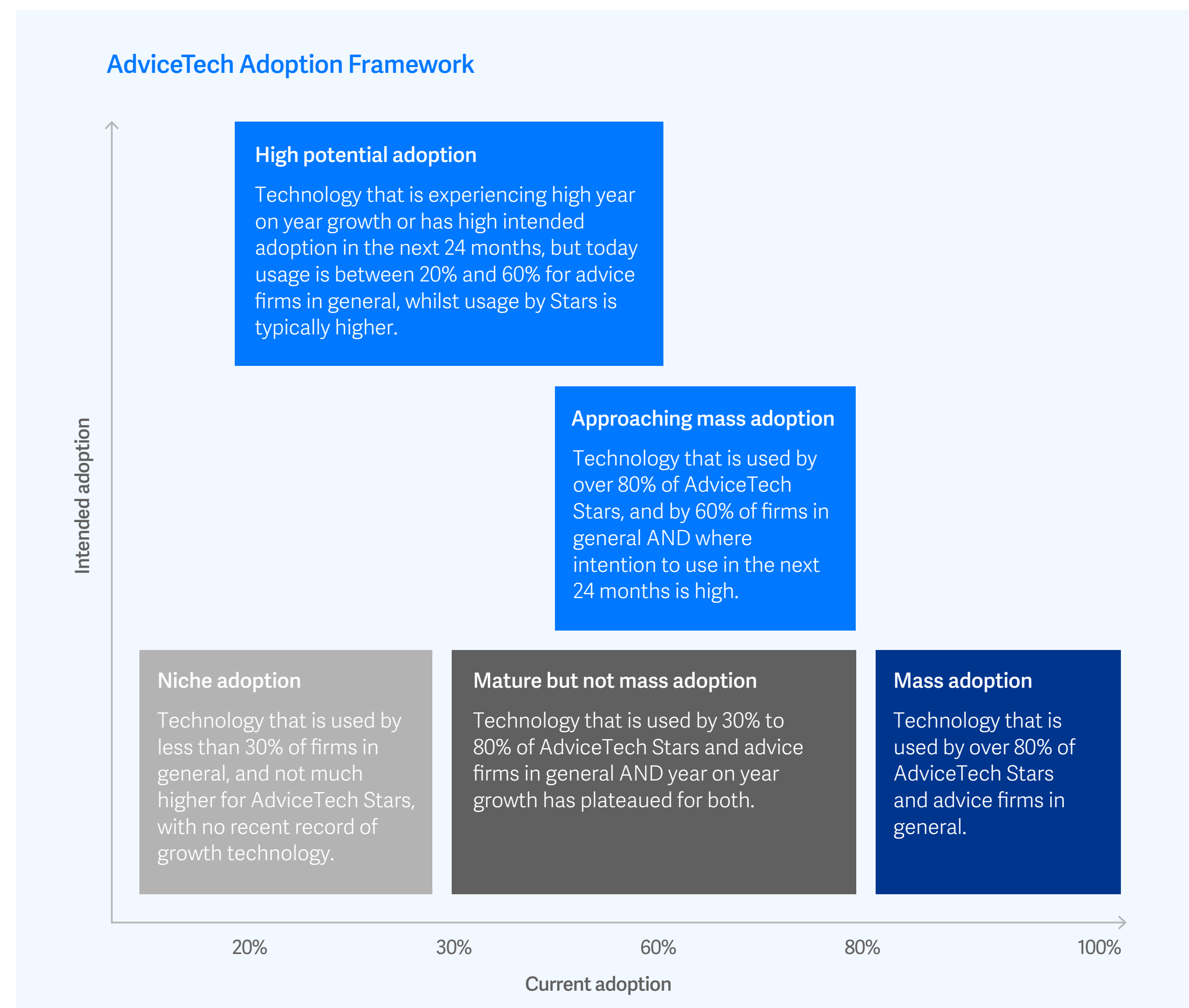
Technology that is used by 30% to 80% of AdviceTech Stars and advice firms in general AND year on year growth has plateaued for both.

04. High potential adoption

Technology that is experiencing high year on year growth or has high intended adoption in the next 24 months, but today usage is between 20% and 60% for advice firms in general, whilst usage by Stars is typically higher.

05. Niche adoption

Technology that is used by less than 30% of firms in general, and not much higher for AdviceTech Stars, with no recent record of growth technology.



Key trends in AdviceTech usage and adoption

Mass adoption technologies

From this framework we have identified several key trends in adoption and intention from our last survey.

Online meeting tool [Learn more](#)

Online meeting tools entered the Mass Adoption classification during the covid lockdowns having been adopted by most advice firms (79.5%) and almost all AdviceTech Stars (88.9%).

AdviceTech Stars have shifted towards Microsoft Teams (65.0% from 52.5%) and away from Zoom (77.5% from 92.5%).

Online meeting tools have been most chosen by businesses (36.6%) as the tool providing the greatest business benefits over the last year.

CRM system [Learn more](#)

CRM systems have reached almost full penetration, now used by almost all AdviceTech Stars (95.6%) and overall firms (90.8%). CRM system is in the top five technologies that have provided the greatest business benefits in the previous 12 months (16.7%).

AdviceTech Stars are moving from Xplan (51.2% from 64.3%) to AdviserLogic (16.3% from 2.4%).

Professional development tools [Learn more](#)

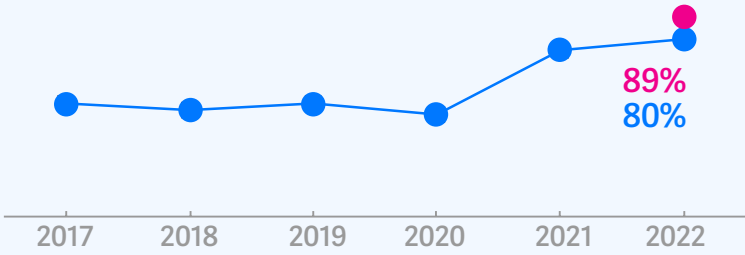
Measured for the first time this year, professional development tools have been adopted by most advice firms (86.8%), with the most popular provider being Kaplan (85.2%).

01. Mass adoption

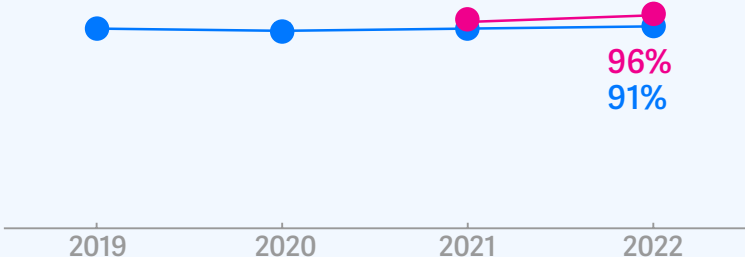
AdviceTech Stars Overall

Usage

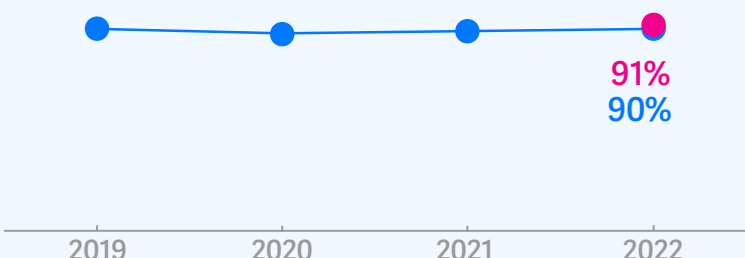
Online meeting tool



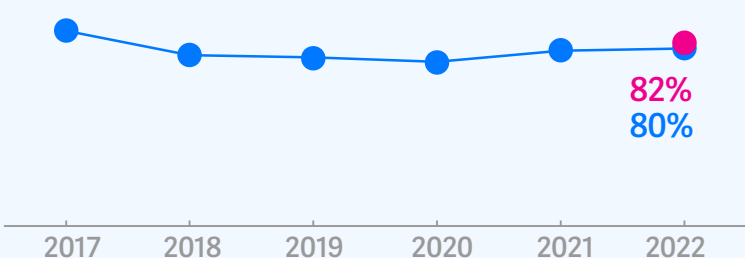
CRM system



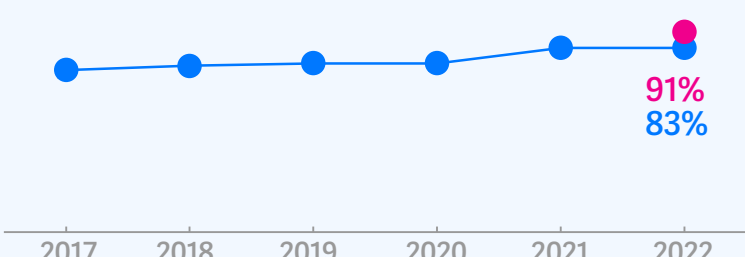
Super/Investment platform



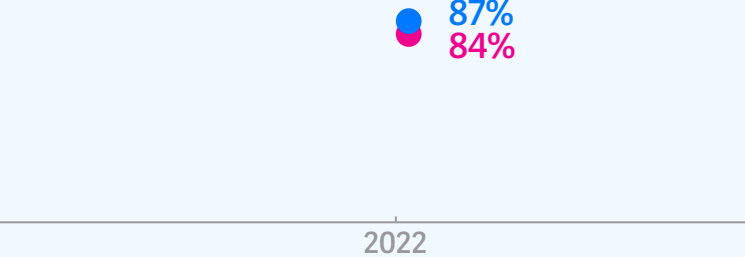
Cloud-hosted online document/file storage and sharing service



Cloud-hosted email service



Professional development tools



Key trends in AdviceTech usage and adoption

Approaching mass adoption technologies

Tools and calculators to demonstrate strategies technology [Learn more](#)

Tools and calculators to demonstrate strategies are a technology to watch, with three quarters of firms (75.6%) using them, up from two in three last year (64.9%).

Email campaign and newsletter management platform [Learn more](#)

This technology is approaching mass adoption by advice firms overall (65.7%), having already been adopted by most AdviceTech Stars (88.9% from 80.0% last year). The most popular supplier for Stars is Mailchimp (42.5%).

Investment research tool [Learn more](#)

Investment research tools are approaching mass adoption, currently used by three in four overall advice firms (73.3%) and even more AdviceTech Stars (80.0%).

Task, activity and project management tool [Learn more](#)

This technology is likely to become adopted by most firms soon, as three in four AdviceTech Stars (75.6%) have adopted it and a further one in five (20.0%) are intending to do so in the coming 24 months.

Internal communications tools [Learn more](#)

Most AdviceTech Stars have already implemented internal communication tools (86.7%), and as the trendsetters, are expected to lead overall advice firms to mass adoption of this tech (currently 64.4%).

Social media networks [Learn more](#)

Usage of social media has increased among AdviceTech Stars (from 77.8% to 93.3%), though has remained consistent in overall advice firms (59.1%).

AdviceTech Stars posting daily has increased (17.8% from 6.7%), as has those posting monthly (31.1% from 20.0%). LinkedIn is now most popular, and they are shifting away from Facebook (69.0% from 88.6%) and Facebook-owned Instagram (28.6% from 45.7%) towards YouTube (26.2% from 8.6%) and Twitter (21.4% from 14.3%).

Digital signatures [Learn more](#)

Digital signature tools have continued to grow since the shift towards remote working and if current growth continues, are likely to be a Mass technology by next year. Adoption has grown to 67.7% (from 55.5%) in firms overall, and to 84.4% (from 75.6%) among AdviceTech Stars. Stars have shifted towards Docusign (84.2% from 61.8%) and away from Adobe (15.8% from 29.4%).

These tools are second most popularly selected by businesses as providing greatest business benefits (36.2%).

02. Approaching mass adoption

Tools and calculators to demonstrate strategies technology

Email campaign and newsletter management platform

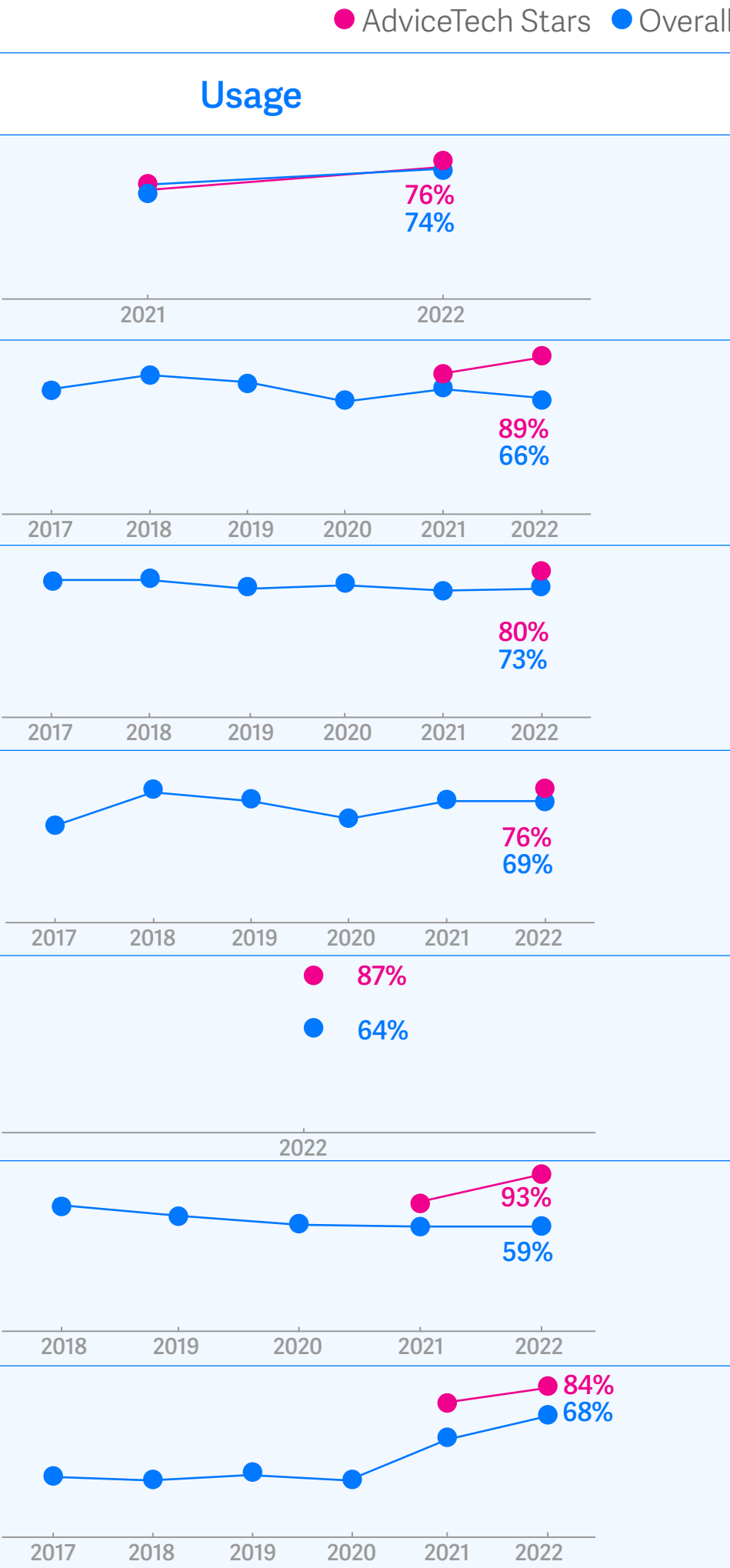
Investment research tool

Task, activity and project management technology

Internal communications tools

Social media networks

Digital signature tool



Key trends in AdviceTech usage and adoption

Mature but not mass adoption technologies

Staff knowledge sharing technology [Learn more](#)

Usage of this technology is significantly higher among AdviceTech Stars (68.9%) than overall firms (35.6%), and this greater uptake by the trendsetters make this one to watch.

People-management technology [Learn more](#)

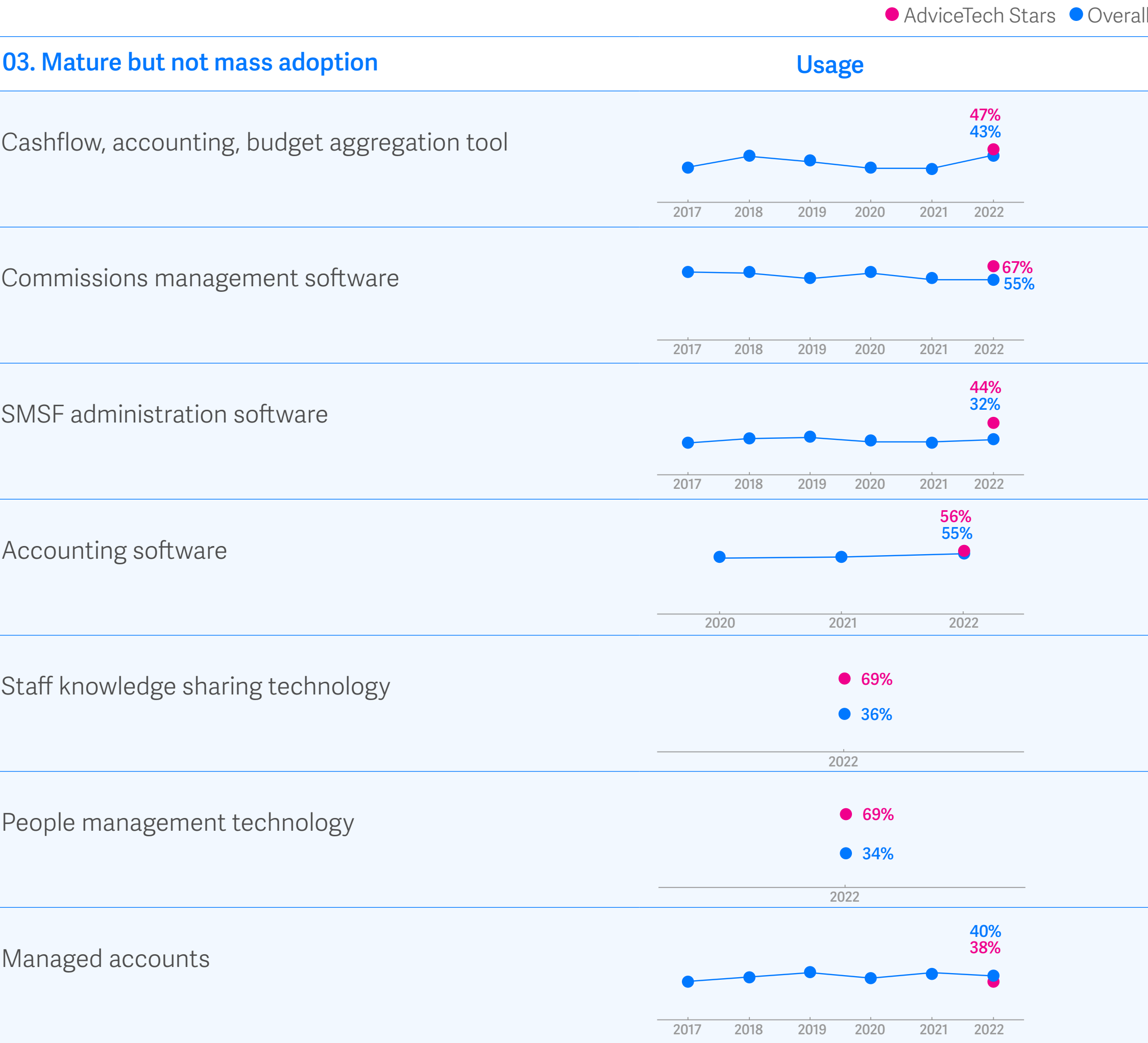
AdviceTech Stars are much further ahead in their adoption of people management tech (68.9%) than most firms (34.3%), meaning uptake of this technology is likely to grow in future.

Managed accounts [Learn more](#)

Usage of managed accounts has remained stagnant among overall firms (40.3%), however we have seen that firms are now using it for more of their clients, with now more than one in five (21% and 29% of Stars) using it for more than three-quarters of their client base (up from 10% only two years ago).



03. Mature but not mass adoption



Key trends in AdviceTech usage and adoption

High potential adoption technologies

Client portal technology [Learn more](#)

Although not yet highly adopted by most firms (30.4%), high growth among AdviceTech Stars (42.2% from 28.9%) and high intention to adopt among this group (33.3%) means this technology has potential to grow precipitously in uptake.

Survey and client feedback tool [Learn more](#)

Usage of this technology has grown among AdviceTech Stars (57.8% from 46.7%) and a further one in five (20.0%) intends on adopting it in the coming two years meaning it has potential to become another popular tech.

Website content management platform [Learn more](#)

Adopted by two in five firms (40.6%), usage has increased strongly among the AdviceTech Stars (68.9% from 48.9%) as a further quarter (24.4%) intend on adopting this tech, meaning it has high growth potential.

Online fact-find and risk profiling tool [Learn more](#)

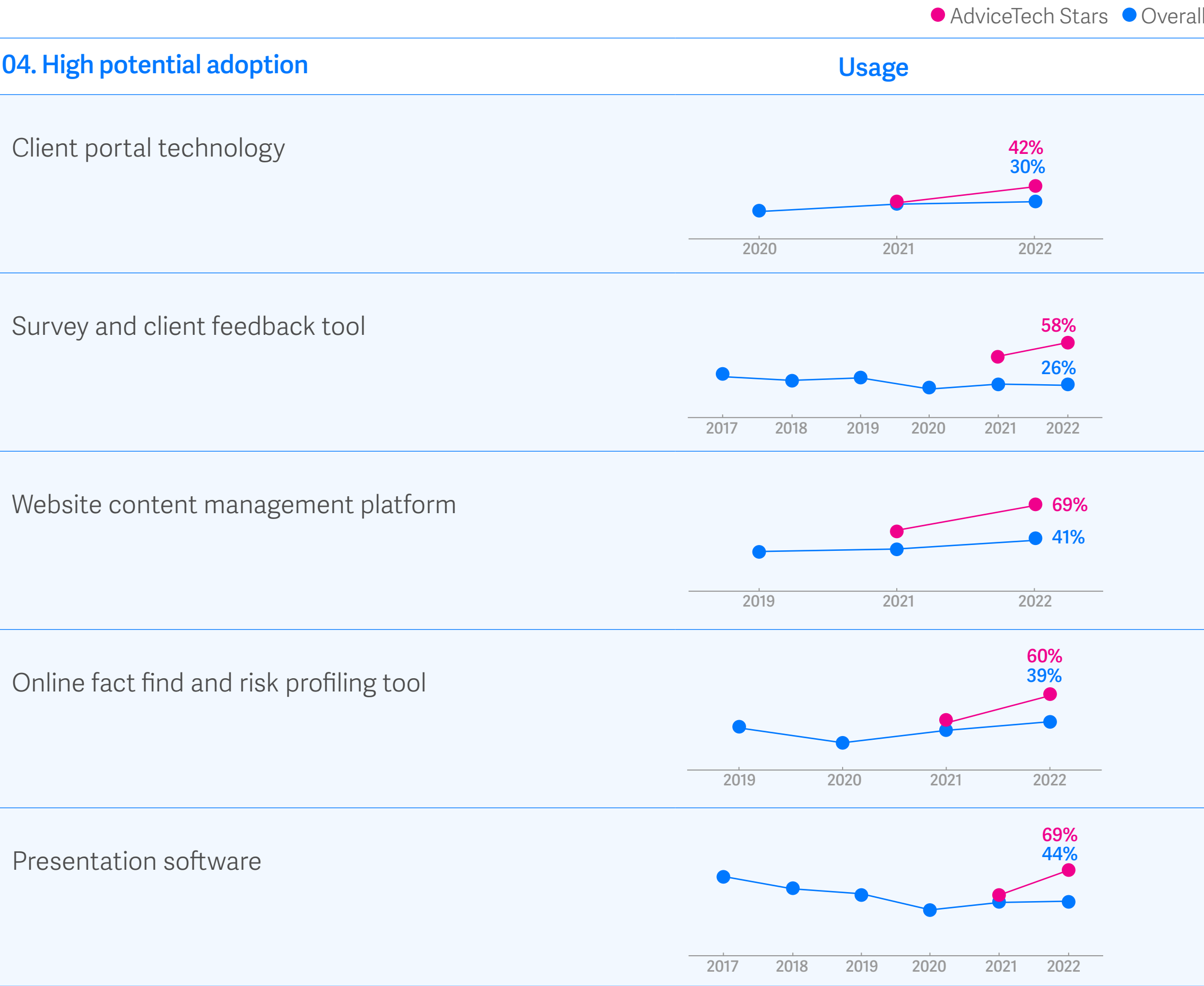
Usage has increased over the previous two years (38.9% from 22.4% in 2020), and is even more widely adopted by AdviceTech Stars (60.0%).

Over this same period, advisers are moving away from Astute Wheel (15.3% from 23.5%) and are spread across a large variety of providers.

Presentation software [Learn more](#)

Presentation software usage has remained consistent in most advice firms (43.9%) but has increased among the AdviceTech Stars (68.9% from 48.9%) meaning this is a technology that has potential for increased adoption more widely.

04. High potential adoption



Key trends in AdviceTech usage and adoption

High potential adoption technologies

Social media content management platform [Learn more](#)

Although not yet adopted by many firms (19.5%), usage of these platforms has grown this year among AdviceTech Stars (40.0% from 24.4%) making this a technology with growth potential.

Scaled advice tool [Learn more](#)

Usage of these tools has grown among AdviceTech Stars (37.8% from 31.1%), and a further one in three (35.6%) plan to implement it in the coming two years. Further, two in five advice firms (38.0%) flag scaled advice tools as a tech that will have the greatest impact on advice firms in the next five years, indicating this is a technology with the potential for high adoption.

Business reporting/dashboard tools [Learn more](#)

Adopted by almost one-third of firms (30.4%), a high proportion of AdviceTech Stars (44.4%) intend on implementing this in the coming two years meaning it is likely overall usage of this technology will increase.

Client data reporting/dashboard tool [Learn more](#)

Similarly, these tools have not yet been widely adopted (31.4%), but have a high intended implementation rate among the AdviceTech Stars (42.2%).

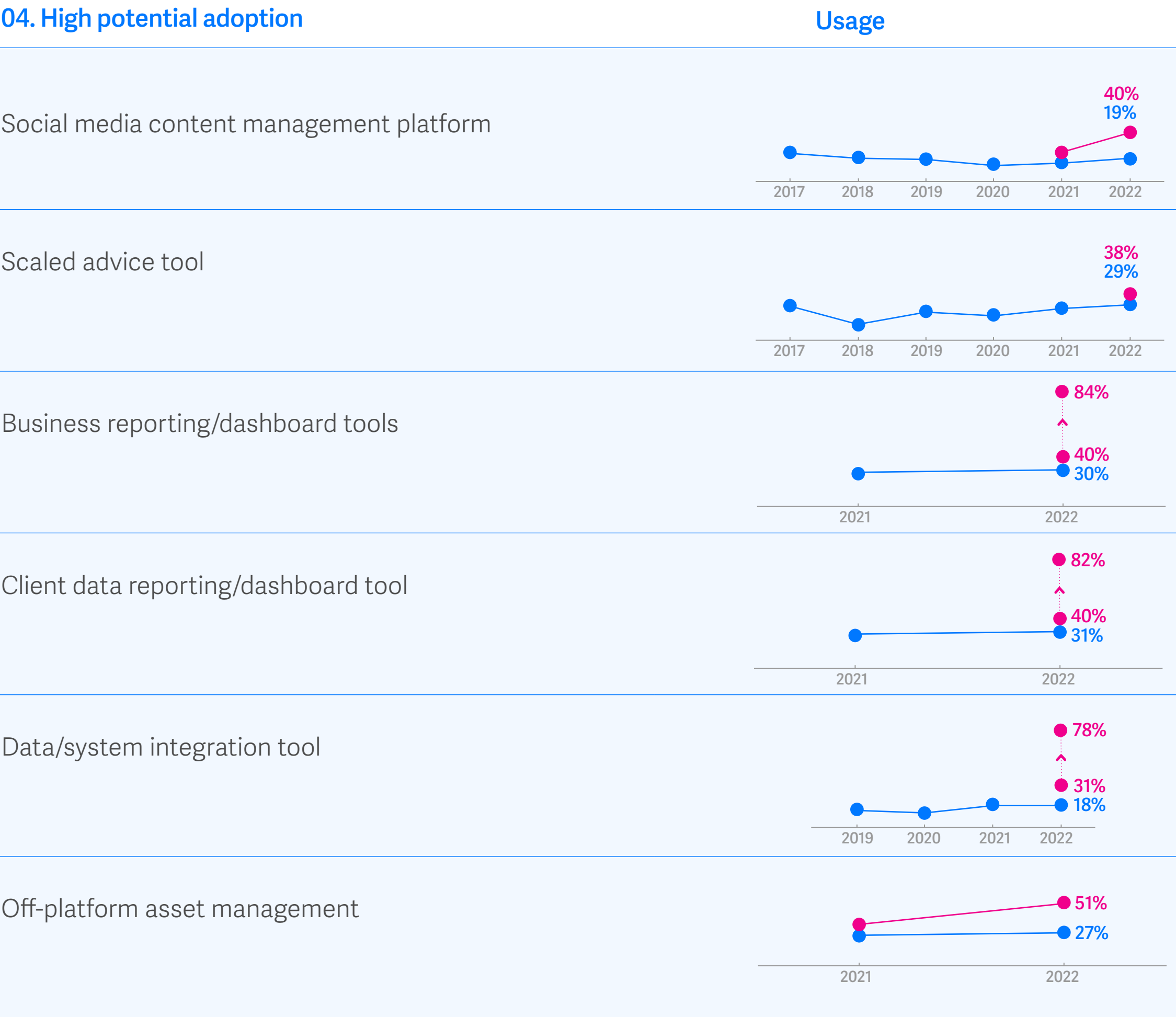
Data/system integration tool [Learn more](#)

Usage of data and system integration tools remains low among advice firms (18.8% overall), but almost one-third (31.1%) of AdviceTech Stars use them with another half (46.7%) intending on implementing them in the coming two years. Further, over a quarter of firms (27.2%) believe they are a technology that will have the greatest impact on advice practices in the next five years meaning they have a large growth potential.

Off-platform asset management [Learn more](#)

Usage of off-platform asset management has remained steady for most advice firms (26.7%), but has increase among the AdviceTech Stars (51.2% from 34.1%) meaning usage of this technology has potential to grow.

04. High potential adoption



Key trends in AdviceTech usage and adoption

Niche adoption technologies

Online/mobile advertising [Learn more](#)

Although the rate of advice businesses spending on online and mobile advertising is low (10.6% overall compared to 20.0% of AdviceTech Stars), Stars are increasing their spending in this space - with the most shifting towards spending between \$2,501 and \$5,000 monthly (33.3% from 0.0%), and also spending between \$1,001 and \$2,500 increasing (22.2% from 11.1%). However, overall usage makes this a niche tech for most advice businesses.

While online and mobile advertising usage has remained consistently low, provider preference has shifted towards Google paid search (65.6% from 50.0%), and away from Facebook paid advertising (59.4% from 68.2%).

VPNs [Learn more](#)

VPN usage is low among most advice firms (27.4% and 31.1% of AdviceTech Stars), and this is unlikely to increase with low intention among overall firms (11.2%) and AdviceTech Stars alike (13.3%) meaning this is to remain a niche technology for the immediate future.

Staff surveys [Learn more](#)

Only a small proportion of advice firms (22.1%) use staff surveys, but higher usage among AdviceTech Stars (55.6%) means these may not remain a niche technology forever.

Employee benefit portal [Learn more](#)

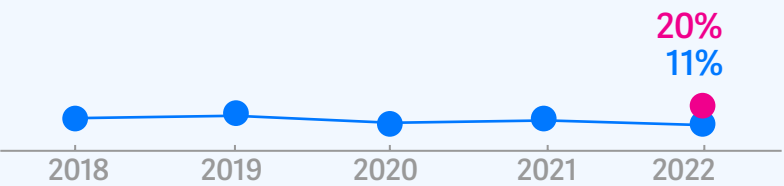
Employee benefit portals are used by few businesses (4.6%) and marginally more AdviceTech Stars (17.8%), and low implementation intention among the Stars (11.1%) means this is unlikely to shift from being a niche technology soon.

05. Niche adoption

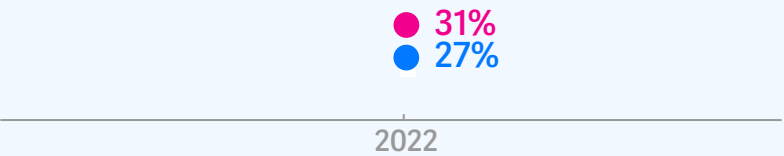
● AdviceTech Stars ● Overall

Usage

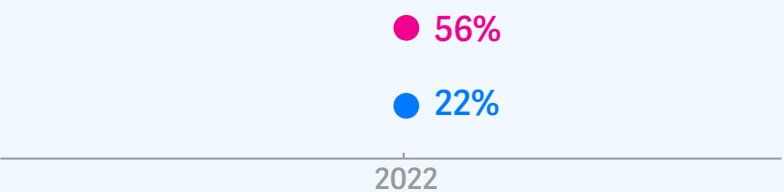
Online/Mobile Advertising



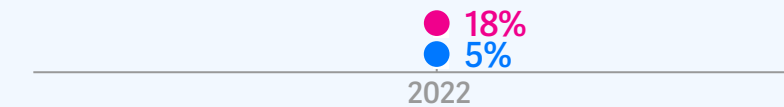
VPNs



Staff surveys



Employee benefit portal



Technology disruption will impact the advice process in so many ways

Not every client interaction needs to be digital, but advisers recognise that certain steps in the advice process will benefit from being digitised in the future.

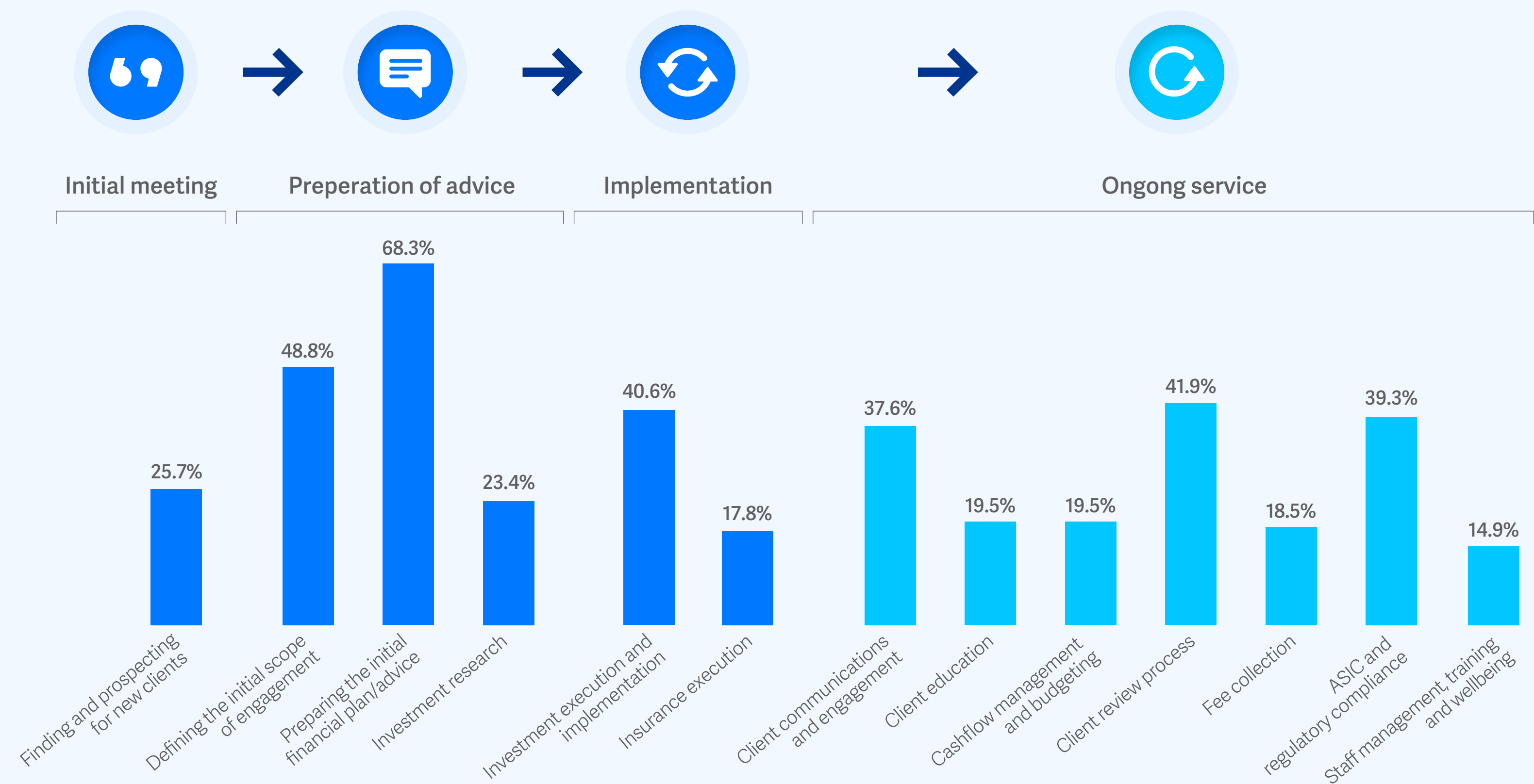
Thinking forward to how technologies will affect the financial advice process, most advisers predict preparing of the initial plan and SOA creating to be most impacted (68.3%) by technology in the next 5 years, as well how they define the initial scope of engagement and the fact-find process (48.8%). Both of these processes reflect a significant investment in time by the advice firm, so it is with little surprise there is hope that technology can solve this challenge.

There are numerous client-advice touchpoints where technology is seen to have the most impact in the next 5 years, these include the client review process (41.9%) and client communications and engagement (37.6%).

Execution of the plan is seen to also be impacted in the next 5 years – with both the investment execution and implementation process (40.6% of firms) and insurance execution (17.8%).

Not surprisingly, with the never-ending compliance burden faced by firms, 39.3% of firms believe ASIC and regulatory compliance is seen to be impacted by technology most in the next 5 years.

Which parts of the financial advice process will be impacted most by technology in the next 5 years?



Regtech: Technology and compliance

It should come as little surprise that the significant majority (83.8%) of advice firms believe the overall compliance burden on their firms has increased in the past 12 months, including almost six out of 10 (57.8%) who believe it has increased a lot.

And as a result, four in 10 (39.3%) firms believe dealing with the demands of ASIC and meeting regulatory compliance requirements are expected to be impacted the most by technology most in the next five years. AdviceTech Stars are significantly more likely (60.0%) to increase their investment in RegTech compared to firms overall (37.0%)

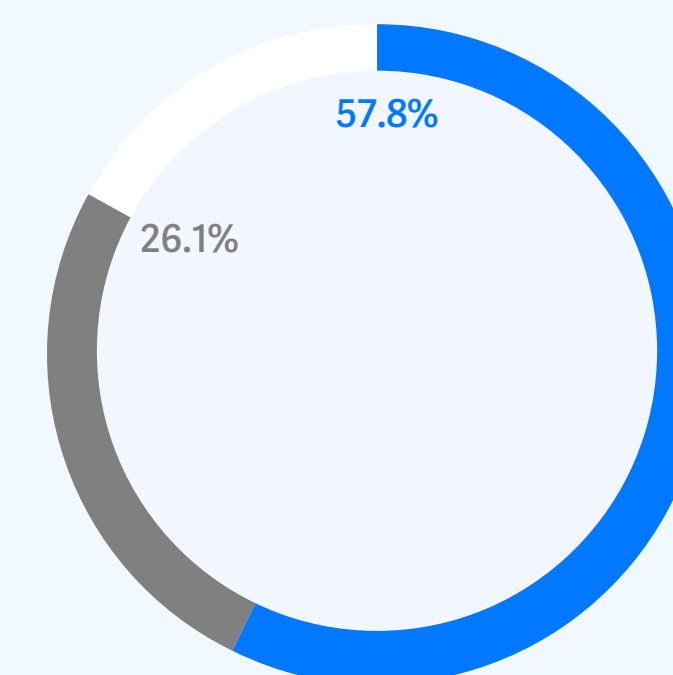
Typically, advisers tend to use the RegTech capabilities built into systems they already use. But in some areas – notably breach reporting, risk management and audit – a significant proportion are making use of stand-alone solutions. RegTech is being used mainly to address Statement of Advice (SoA) and Record of Advice (RoA) issues, for process and workflow oversight and for meeting legislative obligations, including managing advice fee consent.

However, AdviceTech Stars generally make more and better use of RegTech in their firms than the average. It's being used across a wide range of issues, but those where AdviceTech firms clearly lead the rest of the industry are in risk management (where RegTech is used by 26.7% of AdviceTech Stars compared to 15.2% of firms overall), transaction monitoring 15.6% compared to 10.2%), monitoring data breaches/privacy 22.2% compared to 10.2%), ensuring consumer protection (11.1% compared to 5.9%), monitoring for fraud (15.6% compared to 4.6%) and dispute resolution (11.1% compared to 4.6%).

The relatively low take-up of RegTech among firms overall suggests one of two things: either these activities are not being undertaken within a large majority of firms; or where they are being undertaken the processes may be more manual – and hence, more time- and resource-consuming – than for AdviceTech Stars.

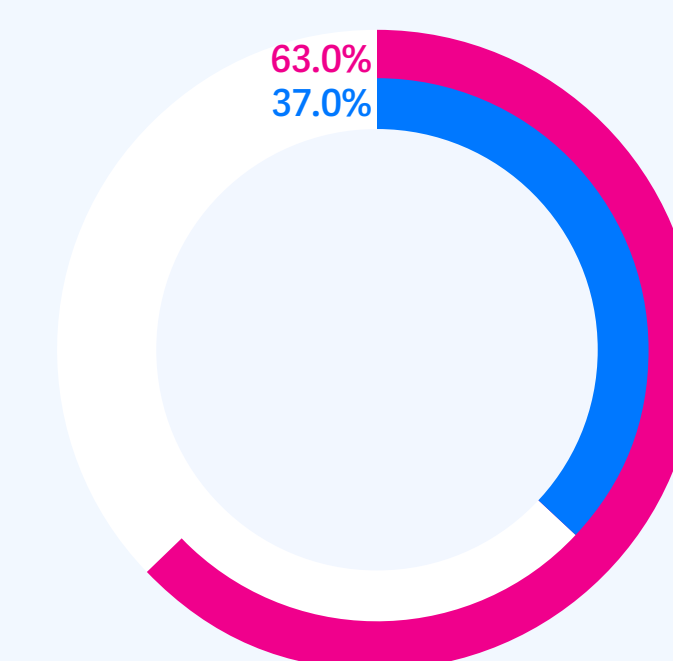
Has the overall compliance burden on your business increased, decreased or remained about the same in the past 12 months?

● Increased a lot ● Increased a little



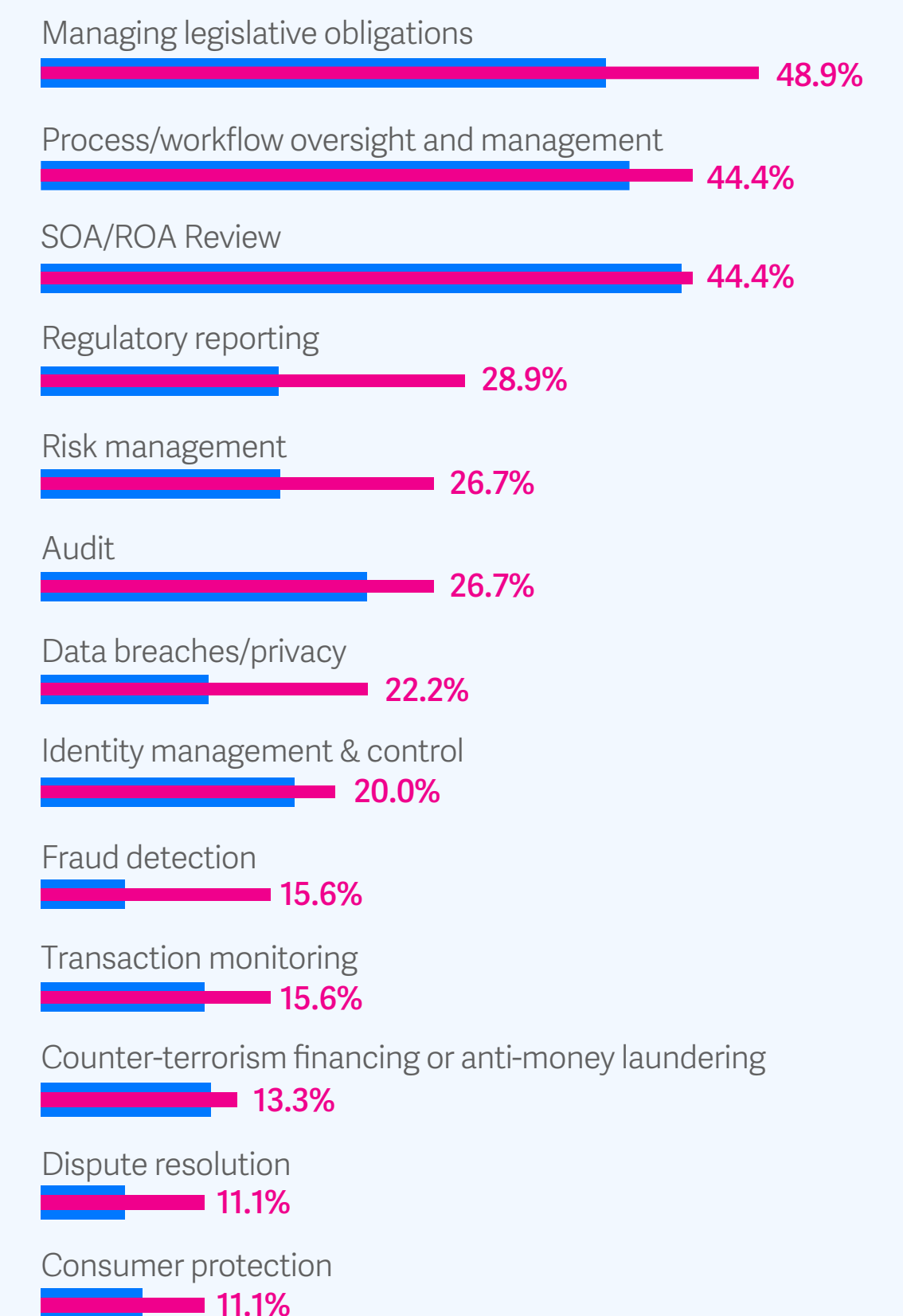
Are you looking to increase your investment in Regtech features and/or stand-alone systems?

● AdviceTech Stars ● Overall



Which areas of your business do you use AdviceTech in to improve compliance and regulation burdens?

● AdviceTech Stars ● Overall









































3

A-Z Supplier List

AdviceTech Adoption

	Technology	Currently use	Not used, but plan to in next 24 months	Total use and considering	Most used suppliers
	Accounting software	55.4%	4.0%	59.4%	Xero, MYOB
	Business reporting/dashboard tools	30.4%	30.7%	61.1%	CRM reporting tools, Microsoft Excel, PowerBI
	Cashflow, accounting, budget aggregation tool	43.2%	17.5%	60.7%	Xplan, Microsoft Excel, Google Sheets, MyProsperity
	Client data/reporting dashboard tool	31.4%	34.7%	66.1%	CRM reporting tools, PowerBI
	Client portal technology	30.4%	31.0%	61.4%	CRM/financial planning software, Built in-house, Dedicated client portal tech
	Cloud-hosted email service	83.2%	4.6%	87.8%	Microsoft Office 365 (including Microsoft Office and Teams)
	Cloud-hosted online document /file storage and sharing service	80.2%	8.9%	89.1%	Microsoft OneDrive, Xplan, SharePoint, Dropbox
	Commissions management software	55.4%	8.3%	63.7%	Commpay, Worksorted, Revex
	Content marketing tools	70.0%	-	70.0%	-
	CRM system	90.8%	4.6%	95.4%	Xplan, Worksorted, AdviserLogic
	Database and system integration technology	17.8%	31.7%	49.5%	Built in-house, Xeppo, Microsoft Excel, Zapier
	Digital signature tool	67.7%	22.8%	90.5%	DocuSign, Adobe
	Email campaign and newsletter management platform	65.7%	14.2%	79.9%	Mailchimp, Xplan, Microsoft Outlook
	Employee benefit portal	4.6%	7.9%	14.5%	Built in-house, Employment Hero
	Internal Communications Tools	64.4%	5.3%	69.7%	Email, Instant messaging (e.g., MS Teams, Slack), Video conferencing (e.g. MS Teams, Slack)
	Investment research tool	73.3%	11.9%	85.2%	Morningstar, Lonsec
	Managed accounts	40.3%	13.5%	53.8%	-
	Off-platform asset management	26.7%	-	26.7%	CRM system, online broking/trading platform, Microsoft Excel
	Online fact-find and risk profiling tool	38.9%	30.7%	69.6%	Xplan, Built in-house, MyProsperity, Astute Wheel
	Online meeting tool	79.5%	10.6%	90.1%	Zoom, Microsoft Teams
	Online/mobile advertising	10.6%	11.9%	22.5%	Google paid search, Facebook paid advertising, LinkedIn paid advertising
	People management technology	34.3%	13.9%	48.2%	Xero

AdviceTech Adoption

	Technology	Currently use	Not used, but plan to in next 24 months	Total use and considering	Most used suppliers
	Presentation software	43.9%	24.4%	68.3%	Microsoft PowerPoint, Canva, Xplan
	Professional development tools	86.8%	5.0%	91.8%	Kaplan
	Scaled advice tool	28.7%	31.0%	59.7%	Xplan Prime, Plutosoft
	SMSF administration software	32.0%	6.9%	38.9%	Class Super, BGL, SuperConcepts
	Social media content management platform	19.5%	25.7%	45.2%	Outsourced, Hootsuite, Buffer
	Social media networks	59.1%	-	59.1%	Facebook, LinkedIn
	Staff knowledge sharing technology	35.6%	13.9%	49.5%	Microsoft Teams, SharePoint
	Staff surveys	22.1%	11.9%	34.0%	SurveyMonkey
	Super and investment platforms	90.1%	2.3%	92.4%	-
	Survey and client feedback tool	26.1%	26.1%	52.2%	Survey Monkey, Adviserratings.com.au, Google reviews
	Task, activity and project management technology	69.3%	15.5%	84.8%	CRM/Planning software, Microsoft Outlook/Planner, Microsoft Teams, Microsoft Excel
	Tools and calculators to demonstrate technology	74.3%	12.5%	86.8%	Xplan, Microsoft Excel, Provider calculators, Built in-house, Plutosoft
	Virtual private networks (VPNs)	27.4%	11.2%	38.6%	Provided by IT team/company
	Website content management platform	40.6%	27.1%	67.7%	Wordpress, Squarespace, Wix



Accounting software



Xero
Accounting software

Usage

Use of accounting software has trended up over the past three years, and now 55.4% of advice firms overall use this tech – only a very slightly higher proportion (55.6%) of AdviceTech Stars use it. Planned implementation in the next 24 months is low, with fewer than one in 20 firms (4.0% overall, 4.4% of AdviceTech stars) planning to use it.

Description

To track financial transactions, manage accounts and receive reporting and analysis of business financials.

Benefits

Increases efficiency in business operations; helps maintain budgets; and effective for managing staff payroll.

Suppliers

Xero remains the dominant accounting software provider, used by around seven in 10 practices (67.9%) that use accounting software. Those that do not use Xero typically use MYOB (28.6% of firms).

Adoption

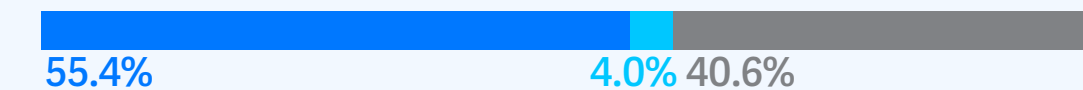
Does your business use accounting software?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



Overall

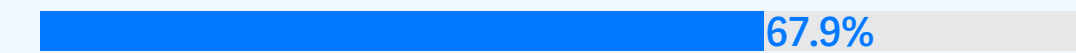


Most popular suppliers

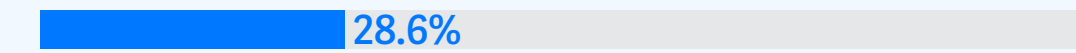
Advice businesses who use accounting software

● 2022

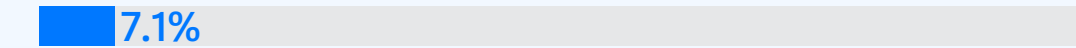
Xero



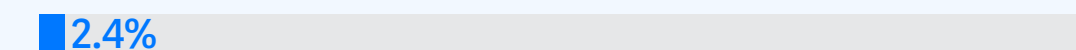
MYOB



QuickBooks



Reckon





Business reporting/dashboard tools

Usage

There's been a decline in the use of business reporting and dashboard tools, so that this year less than a third (30.4%) of firms overall use them. However, usage among AdviceTech Stars (40.0%) is notably higher, as is intended usage in the next 24 months (44.4% of AdviceTech Stars compared to 30.7% of firms overall).

Description

Technology that can be used to create interactive dashboards, reports and charts from data sets (sometimes from disparate sources).

Benefits

Helps to visualise data for analysis so people within a business can identify actionable insights or monitor key performance indicators. Highly configurable so numerous dashboards, reports and charts can be developed.

Suppliers

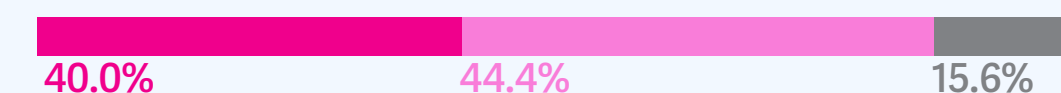
Generally, most advice firms (55.4%) rely on the reporting tools built into customer relationship management (CRM) platforms; where they rely on something else it is most often Microsoft Excel (22.8% of firms) or PowerBI (18.5%).

Adoption

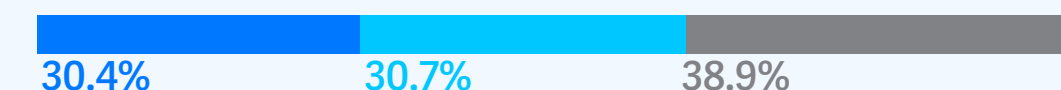
Are digital/online dashboards or reporting tools used to display important business-related data to better understand your business?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



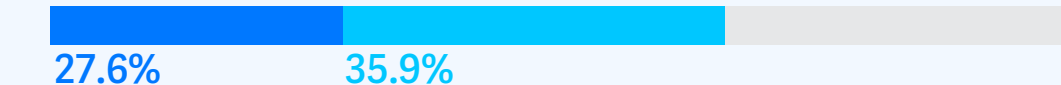
Overall



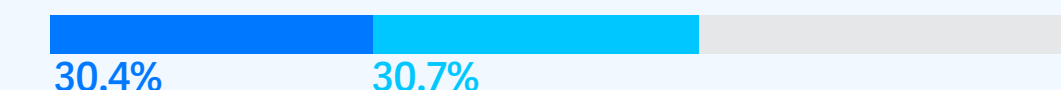
Overtime - Are digital/online dashboards or reporting tools used to display important business-related data to better understand your business?

- Yes
- No, but plan to in the next 24 months

2021



2022

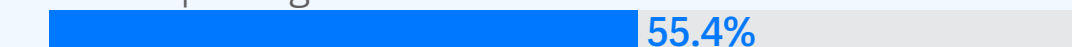


Most popular suppliers

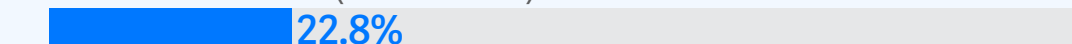
Advice businesses who use business reporting/dashboard tools

● 2022

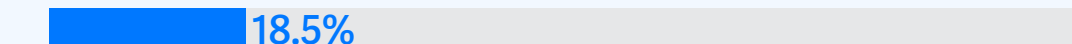
CRM reporting tools



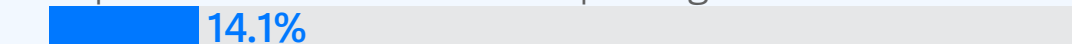
Microsoft Excel (or manual)



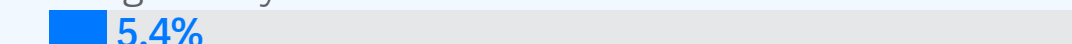
PowerBI



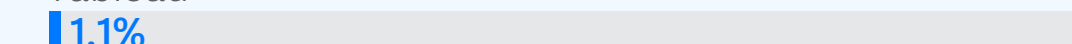
Super/investment Platform reporting tools



Google analytics



Tableau



Usage

Use of cashflow, accounting, budget aggregation tools has generally trended up over the past six years; it is at its highest level since 2018. While it dipped in the years following it made a strong comeback this year, with more than four in 10 (43.2%) firms overall using this AdviceTech, up from three in 10 (30.7%) last year.

Description

Amalgamates bank, super and investment accounts into a single online interface for tracking and managing money, investments, cash flow, budgeting and savings goals.

Benefits

Provides a new service offering for many advisers – particularly useful for younger generation of clients who are looking for help in budgeting. Helps clients keep savings on track; helps advisers to get a better understanding of a client’s position; improves client engagement.

Suppliers

The list of preferred suppliers has been substantially reshuffled this year, with usage of Xplan leaping tenfold, from 3.7% of firms last year to 39.7% this year. That’s apparently come at the expense of MyProsperity (down from 28.0% to 16.8%) and Moneysoft (down from 15.9% to 7.6%). Plutosoft has emerged as a new supplier, unused by advisers last year but used by 12.2% of firms in 2022.

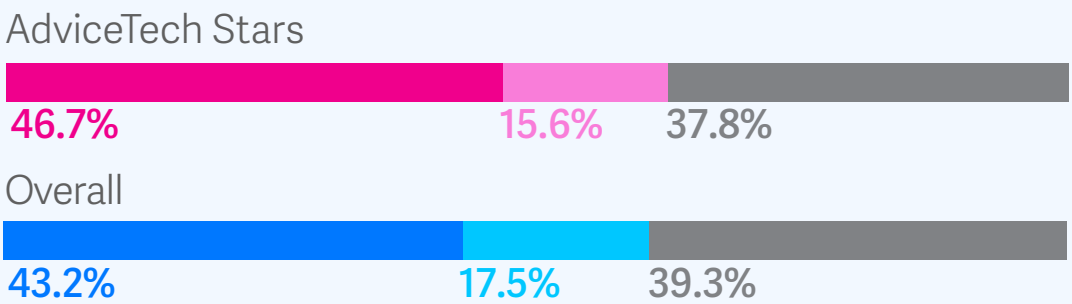
Adoption

Does your business use cashflow, budgeting and account aggregation tools for client advice?

- Yes

No, but plan to in the next 24 months

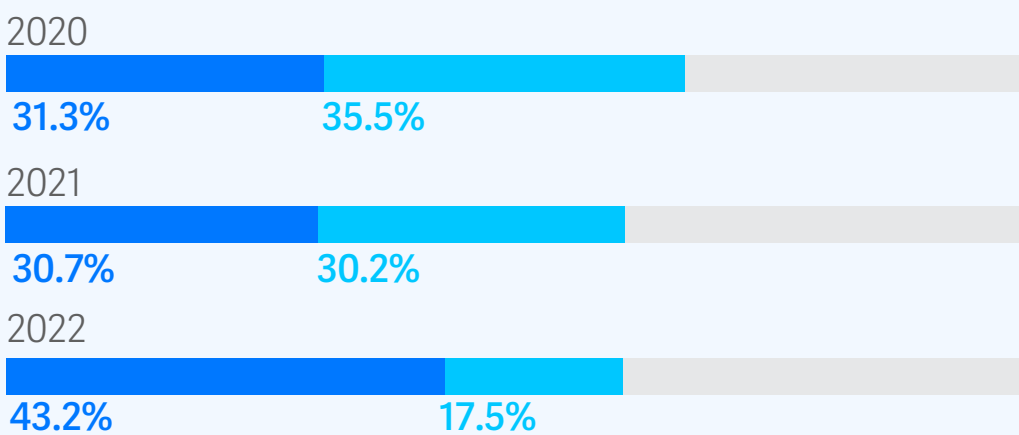
No, and don't plan to in the next 24 months



Overtime - Does your business use cashflow, budgeting and account aggregation tools for client advice?

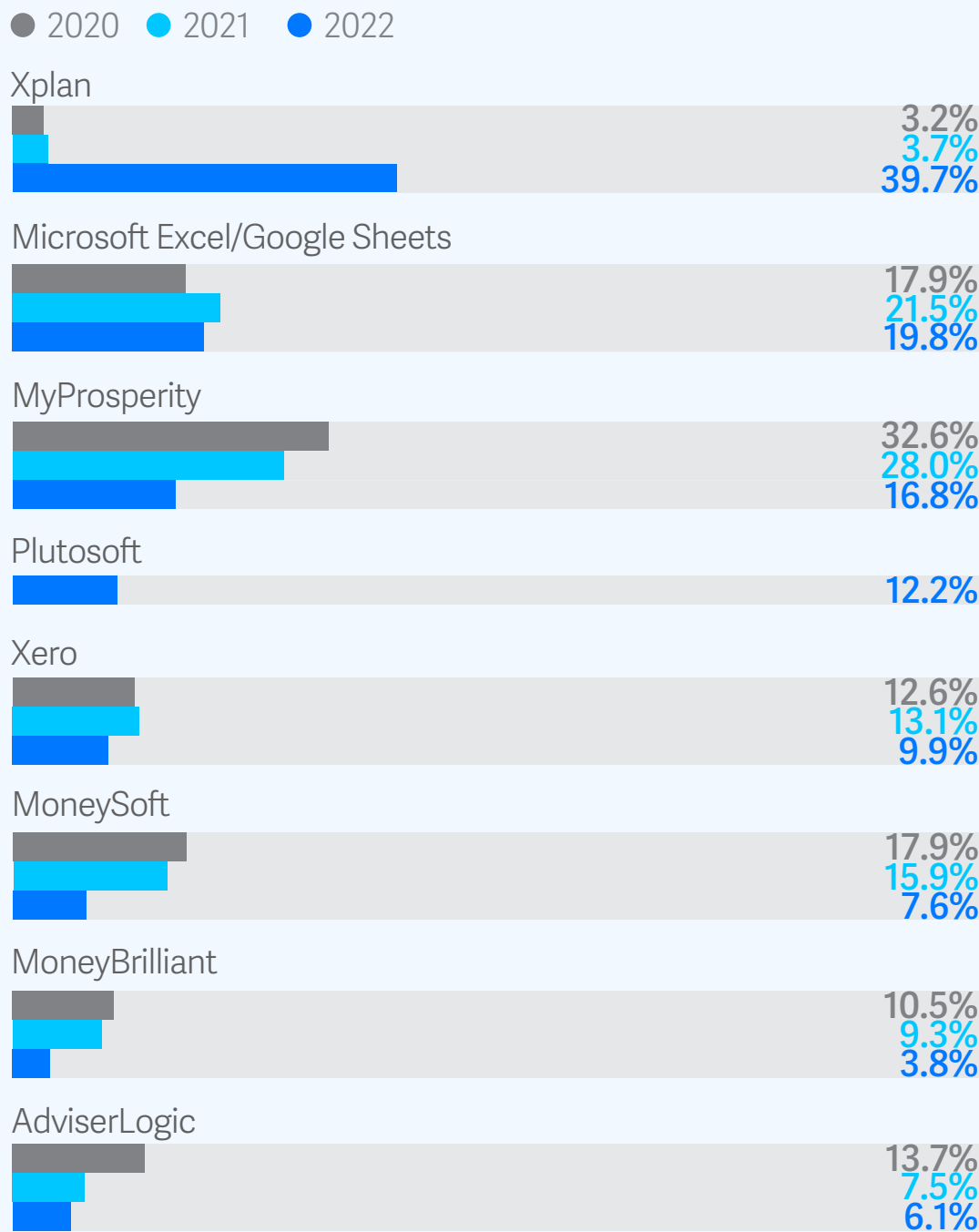
- Yes

No, but plan to in the next 24 months



Most popular suppliers

Advice businesses who use cash-flow, budgeting and account aggregation tools



Client data/reporting dashboard tool

Usage

More AdviceTech Stars (40.0%) than firms overall (31.4%) use digital/online dashboards or reporting tools to display information about clients, and more AdviceTech Stars (42.2%) than firms overall (34.7%) plan to implement this tech overall.

Description

Tools to gather and display information about clients in easy-to-read and intuitive interactive dashboards.

Benefits

Allows well-informed decisions to be made about client activities, needs and behaviours, and helps business identify new (or improve) services, communications and engagement.

Suppliers

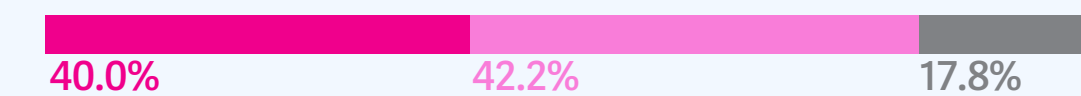
Most advice firms produce client information dashboards using the reporting tools built into their customer relationship management (CRM) software (61.1%), while a similar proportion (18.9%) use PowerBI or their superannuation/investment platform reporting features.

Adoption

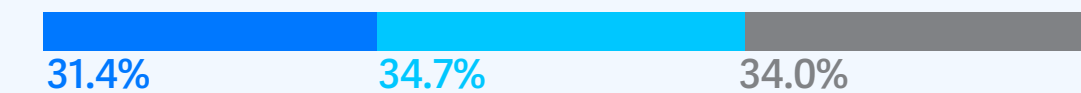
Do you use digital/online dashboards or reporting tools to display important client-related data to better understand your clients?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



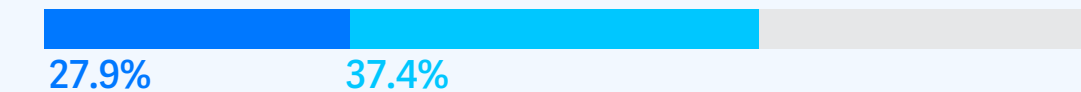
Overall



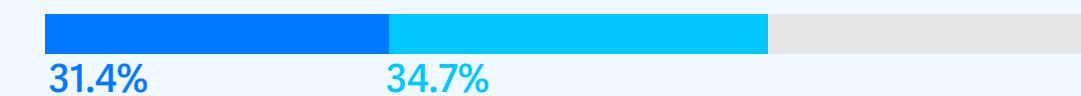
Overtime - Do you use digital/online dashboards or reporting tools to display important client-related data to better understand your clients?

- Yes
- No, but plan to in the next 24 months

2021



2022



Most popular suppliers

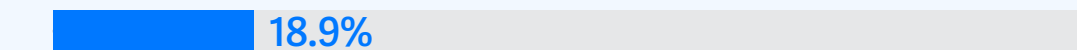
Advice businesses who use digital/online dashboards or reporting tools

● 2022

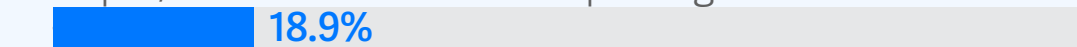
CRM reporting tools



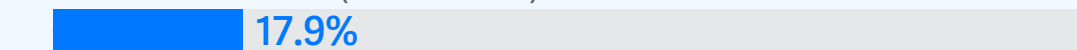
PowerBI



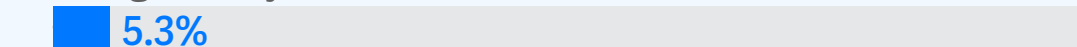
Super/investment Platform reporting tools



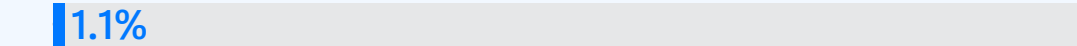
Microsoft Excel (or manual)



Google analytics



Tableau



Client portal technology

Usage

Usage, by 30.4% of firms overall (and 42.2% of AdviceTech Stars), is up somewhat since last year, but is up by more than eight percentage points since 2020, when a client portal was used by 22.0% of firms overall. Around a third of firms (31.1% overall and 33.3% of AdviceTech Stars) plan to implement this tech in the next 24 months.

Description

Provides secure online access for clients (or members) to engage and manage their super, investment and/or banking accounts via desktop or mobile. Key features include aggregation of accounts for reporting from multiple financial institutions, two-way messaging, fact-find and goal setting, cash flow and budget tracking, document vault, and investment consent and execution.

Benefits

Central point of information for clients; improves client engagement; improves transparency; aids compliance; improves security; and provides access on-the-go to accounts via mobile phones apps.

Suppliers

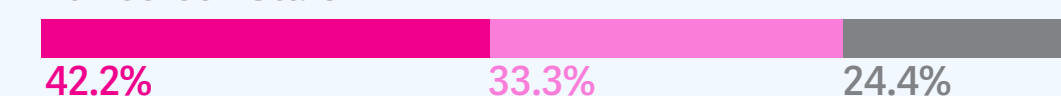
Advice firms still mostly (30.4%) use their customer relationship management (CRM) or financial planning software to provide portal functionality. However, the figure is down from last year (46.6%) and there's been a trend towards building the functionality in-house (19.6% in 2022, up from 10.3% in 2021). The remainder is speciality portal providers like MyProsperity (17.4%), super/investment platforms (12.0%) and newcomers to this space – Plutosoft (7.6%) and iFactFind (5.4%).

Adoption

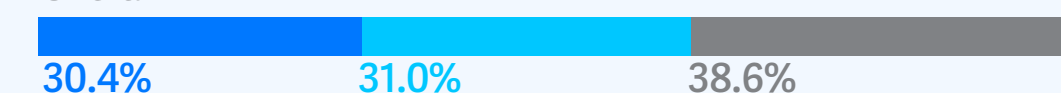
Does your business use a client portal to improve client engagement?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



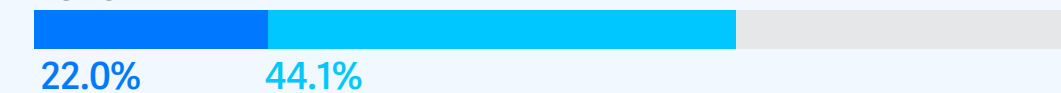
Overall



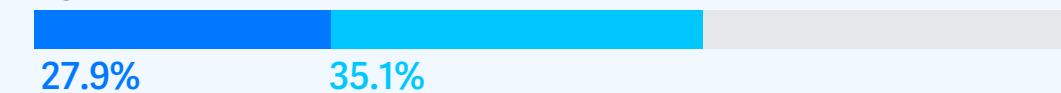
Overtime - Does your business use a client portal to improve client engagement?

- Yes
- No, but plan to in the next 24 months

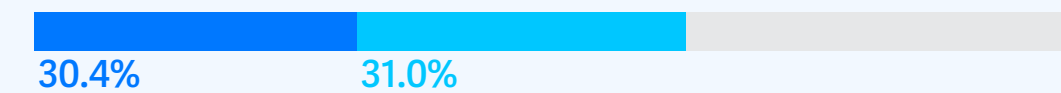
2020



2021



2022

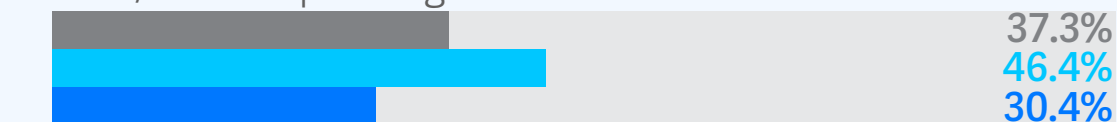


Most popular suppliers

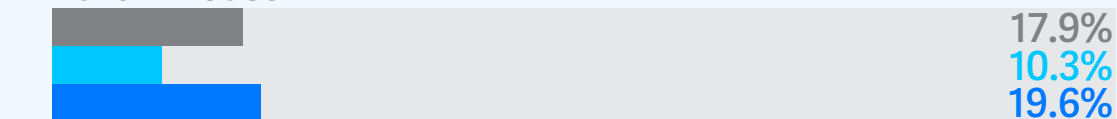
Advice businesses who use a client portal

● 2020 ● 2021 ● 2022

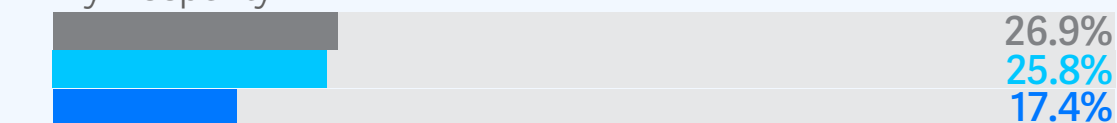
CRM/financial planning software



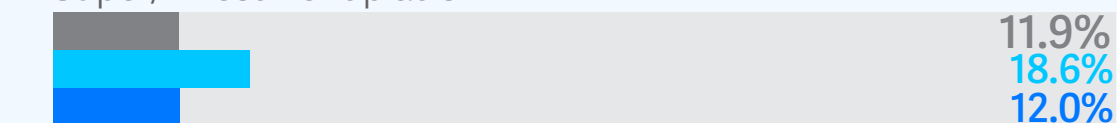
Built in-house



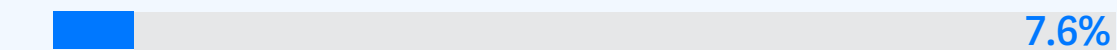
MyProsperity



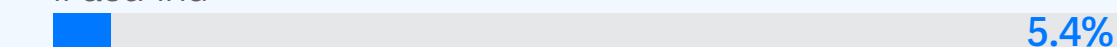
Super/investment platform



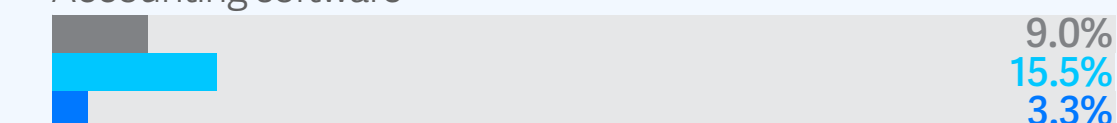
Plutosoft



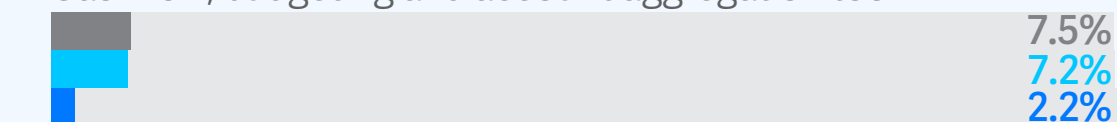
iFactFind



Accounting software



Cashflow, budgeting and account aggregation tool



Cloud-hosted document storage and sharing services



Microsoft OneDrive
Cloud-hosted document storage and sharing

Usage

The use of cloud-hosted document storage and sharing services is used by eight in 10 (80.2%) firms. AdviceTech firms are slightly (82.2%) more likely to use this tech. Given high levels of current usage, intentions in the next 24 months are relatively low, with around one in 10 (8.9% of firms overall and 11.1% of AdviceTech Stars) planning to adopt it.

Description

Cloud-based storage of documents, images, presentations and other formats which can be shared and accessed online or downloaded to computers or mobile devices. Some providers have built-in security and sharing features.

Benefits

Browser-based, so can work on files from anywhere; simplifies document sharing and collaboration; backup of files; preview files even without the appropriate full software (for example, Adobe Acrobat); secure transfer and sharing of documents.

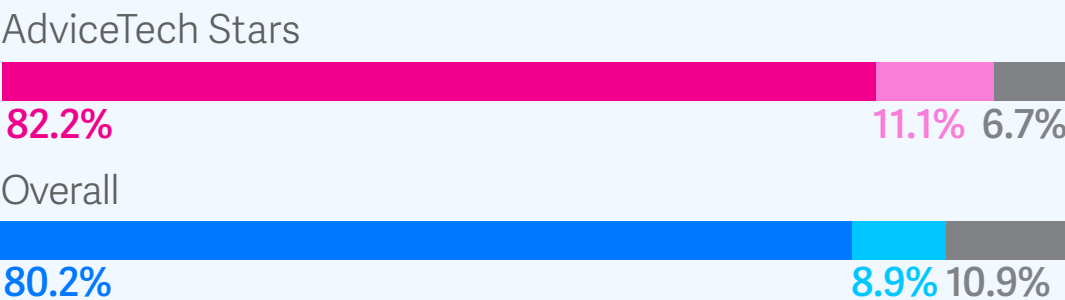
Suppliers

The principal suppliers of this AdviceTech in 2022 are Microsoft (OneDrive, used by 40.3% of firms; and Sharepoint, used by 25.1%), followed by Xplan (28.4%) and Dropbox (19.8%).

Adoption

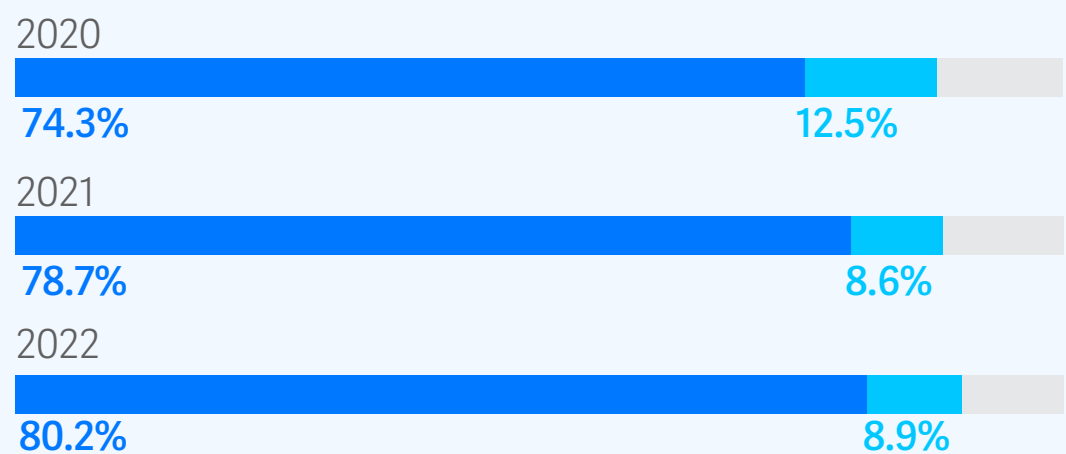
Does your business use cloud-hosted online document/file storage and sharing services?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months



Overtime - Does your business use cloud-hosted online document/file storage and sharing services?

- Yes
- No, but plan to in the next 24 months



Cloud-hosted document storage and sharing services

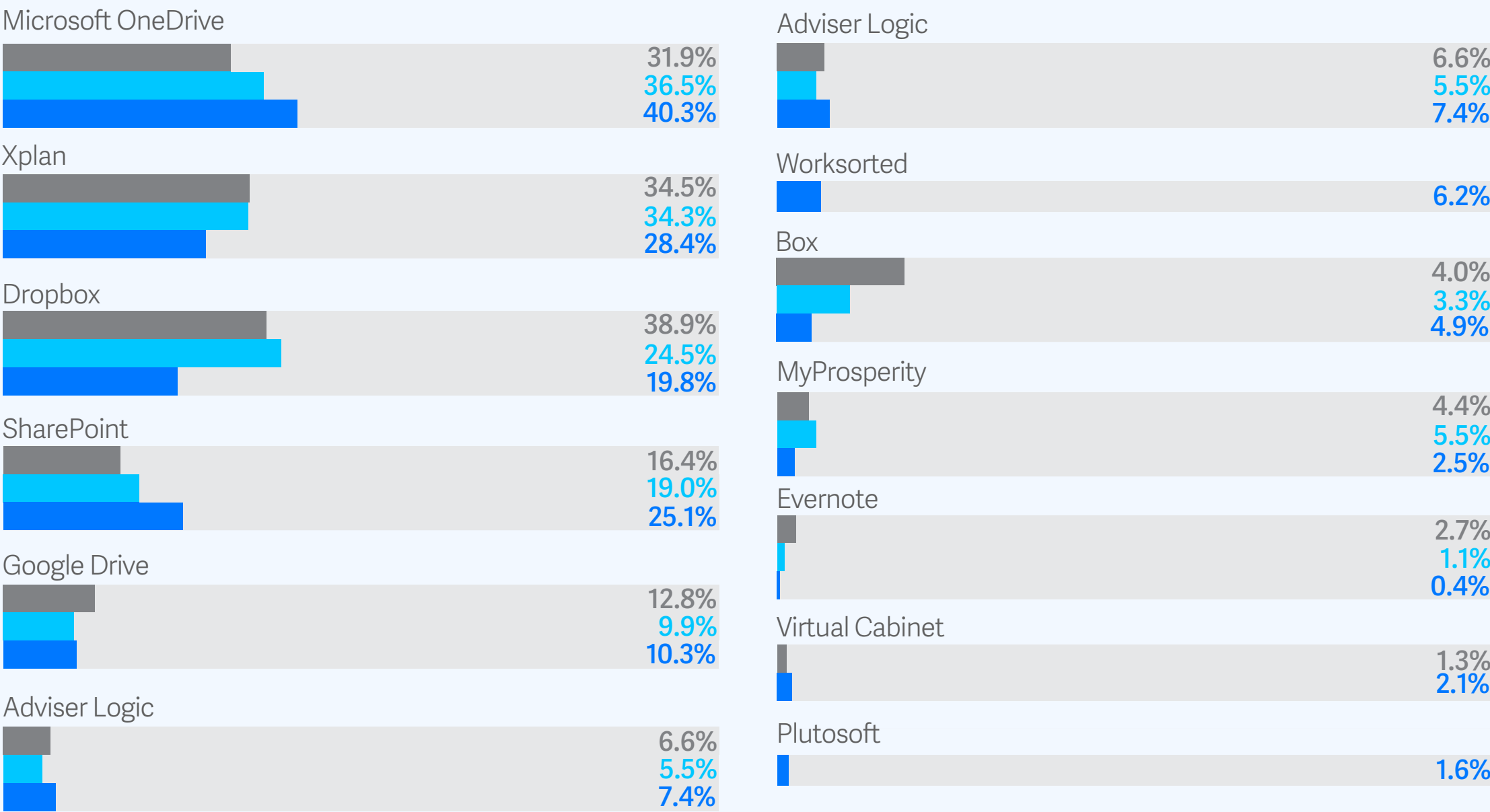


Microsoft OneDrive
Cloud-hosted document storage
and sharing

Most popular suppliers

Advice businesses who use cloud-hosted document storage and sharing services

2020 2021 2022



Cloud-hosted email and communication technology



Microsoft Office 365
Cloud-hosted email and communication

Usage

Usage is essentially unchanged from last year (83.2% compared to 83.3%) but has trended up steadily over the past six years, from 72.7% in 2017. As a relatively mature form of technology, planned adoption in the next 24 months is relatively low, at 4.6% of firms overall and 8.9% of AdviceTech Stars. However, if the latter rate of implementation is followed through, 100% of AdviceTech Stars will use this tech by 2024.

Description

Online access to office emails, instant messaging, calendar, video conferencing and calendars.

Benefits

Secure, browser-based, so can access it from anywhere; mobile access; subscription pricing plans available.

Suppliers

The sector is dominated by Microsoft, whose Office and Teams software is used by nine out of every 10 (90.1%) firms; around two in 10 (20.2%) use Zoom; and one in 10 (9.5%) use the Google suite of apps.

Adoption

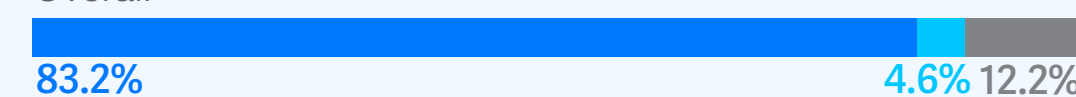
Does your business use cloud-hosted email or other cloud-hosted internal communication services (e.g. Office 365, Skype, Slack)?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



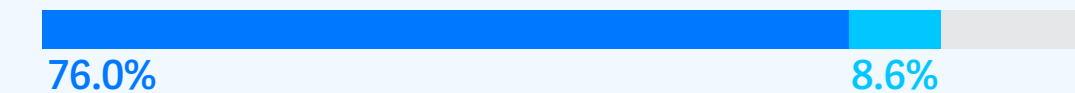
Overall



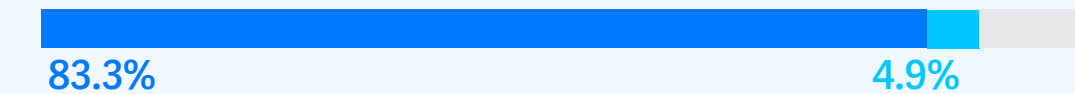
Overtime - Does your business use cloud-hosted email or other cloud-hosted internal communication services (e.g. Office 365, Skype, Slack)?

- Yes
- No, but plan to in the next 24 months

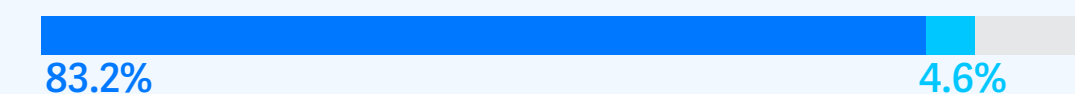
2020



2021



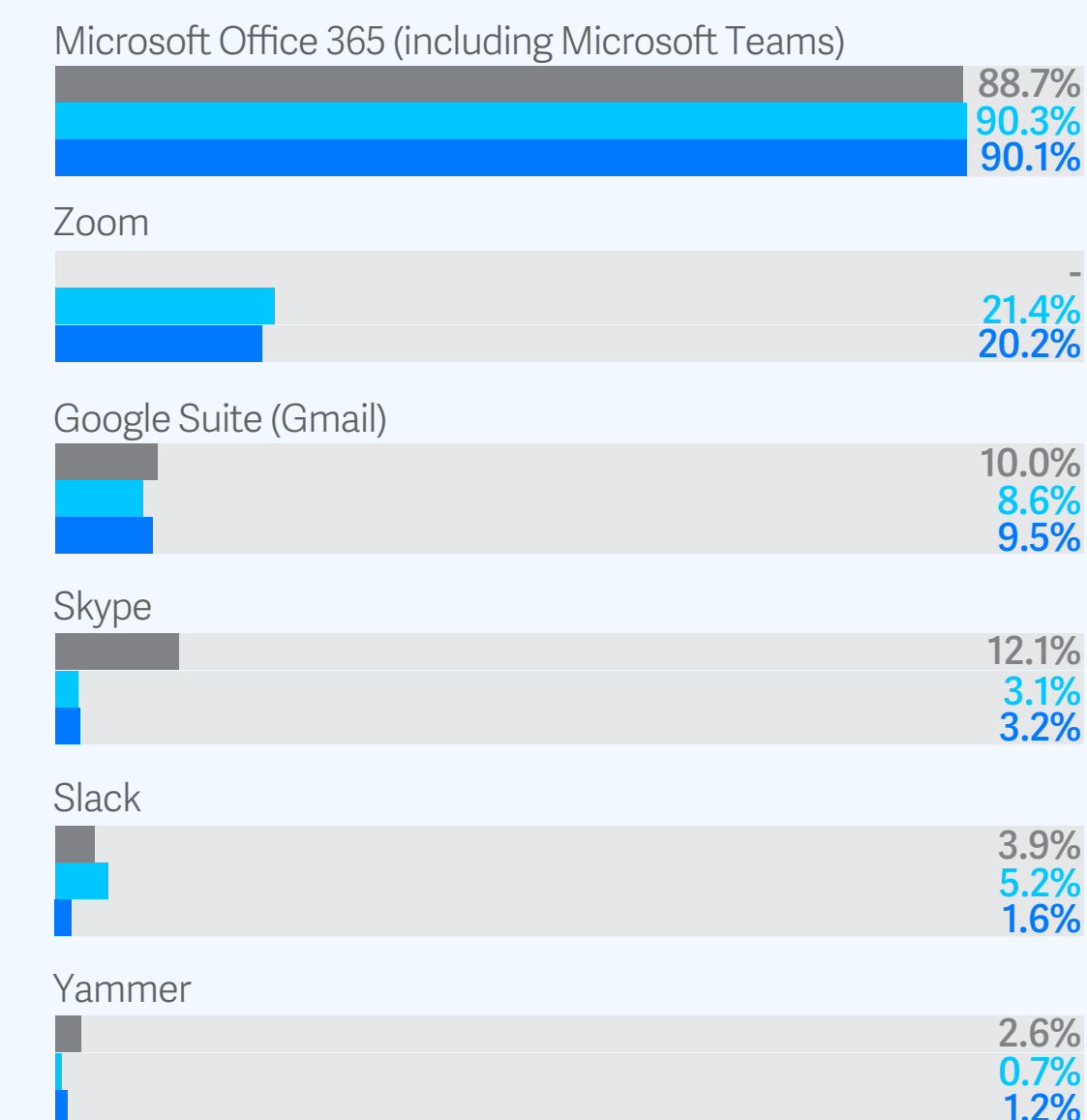
2022



Most popular suppliers

Advice businesses who use cloud hosted email and communication services

● 2020 ● 2021 ● 2022



Commission management software



Commpay
Commission management software

Usage

Just over half (55.4%) of firms overall use commission management software, (but usage is higher among AdviceTech Stars, at 66.7%), which is on a par with last year but lower than in 2017 (62.4%). This may reflect a general move towards direct invoicing of clients for advice services or the additional functionality of other AdviceTech systems.

Description

Rules-based revenue, commission payment and remuneration management system.

Benefits

Improves back-office efficiency (including data input) when creating, consolidating and distributing payments or statements to clients and other stakeholders (such as fund managers).

Suppliers

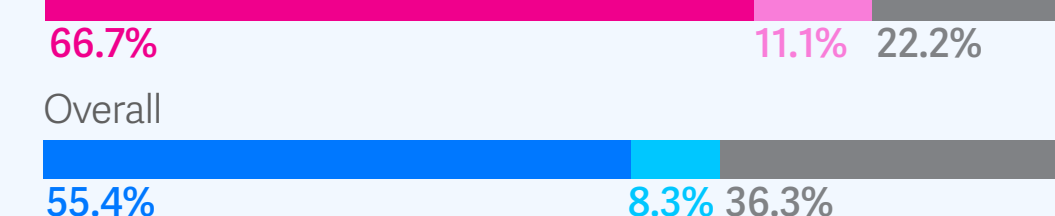
Commpay dominates this sector of AdviceTech, used by 45.8% of firms that use commission management software, but its dominance is waning – last year usage was 60.2%. There has been a significant jump (from 7.9% to 16.7%) in the use of Revex; from 4.7% to 11.9% in the use of AdviserLogic's PayLogic; and a small increase (from 16.2% to 17.3%) in the use of Worksorted.

Adoption

Does your business use commission management software?

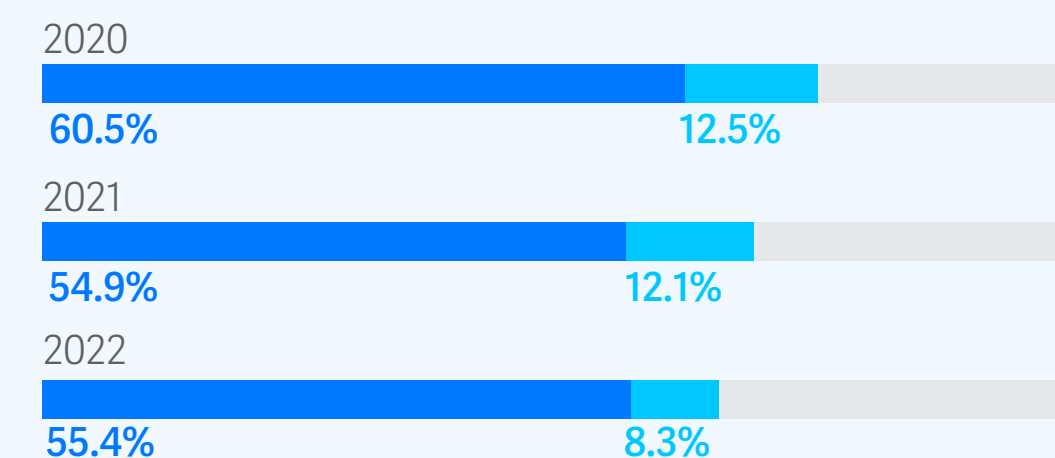
- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



Overtime - Does your business use commission management software?

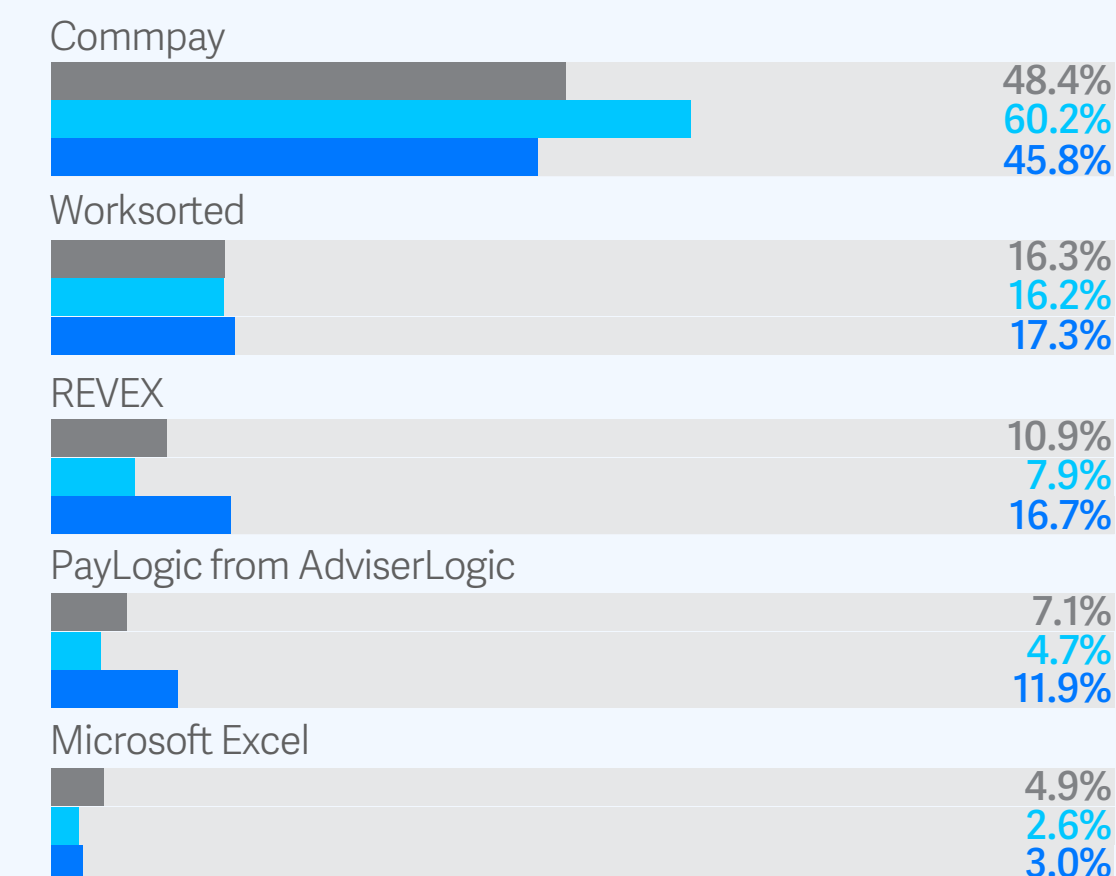
- Yes
- No, but plan to in the next 24 months



Most popular suppliers

Advice businesses who use commission management software

- 2020
- 2021
- 2022



Content marketing

Usage

Most advice firms (70.0% overall and 88.9% of AdviceTech Stars) create content for clients, and overwhelmingly this content is in the form of articles (56.1% of firms overall, 71.1% of AdviceTech Stars). AdviceTech Stars are more likely to use more channels to push content to market, including podcasts, videos and live streaming.

Description

Content marketing is a form of marketing that focuses on the creation of information for clients and prospects designed to stimulate interest in the business and its products or services. Most of it is digital in nature, such as blog articles, videos or webinars. Content is then promoted (or distributed) via various channels such as email, social media or a company's website or blog.

Benefits

The biggest benefits of content marketing to businesses include improved engagement with clients and prospects improved perceptions of credibility and expertise and improved business reputation.

However, there are many more benefits including higher visibility in search engines, more client leads/referrals, improved social media followers or improved client conversations.

Distribution of content

Email dominates content distribution for advice firms (93.4% of firms overall and 90.0% of AdviceTech Stars), followed by the firm's own website (including use of blogs). AdviceTech Stars are more active on social media (37.5% compared to 29.2%) and podcast syndication (17.5% compared to 7.5%).

Adoption

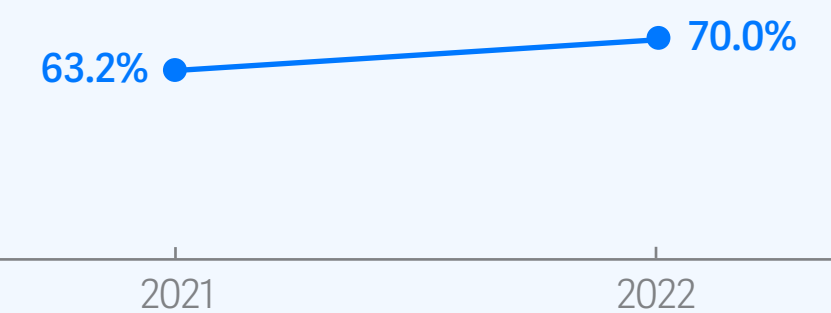
Advice businesses who use content marketing, which of the following types of content do you create for clients?

- Create at least one type of content
- None, I do not create content for clients



Overtime - Advice businesses who use content marketing

- Create at least one type of content

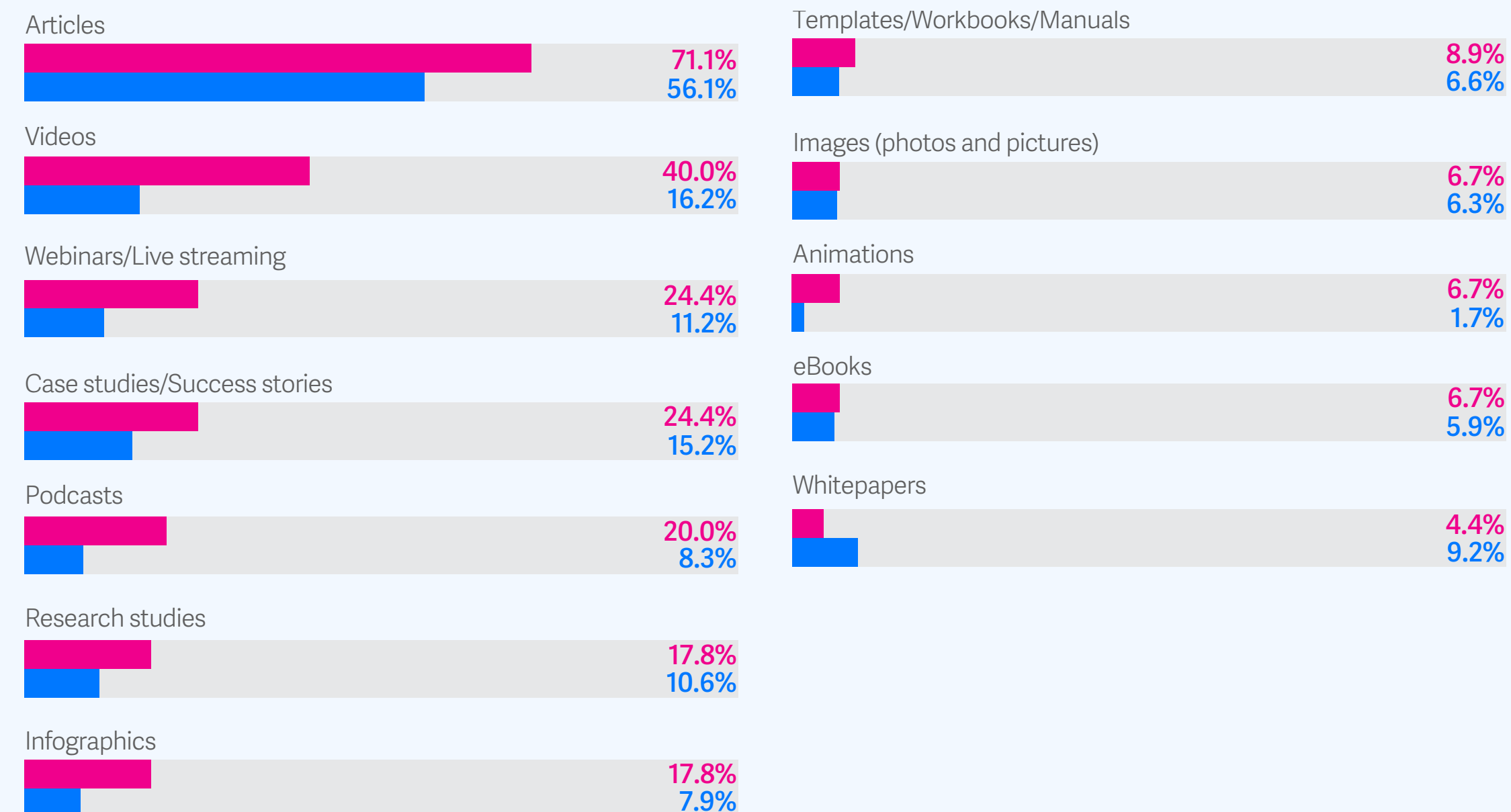


Content marketing

Types of content

Which of the following types of content do you create for clients?

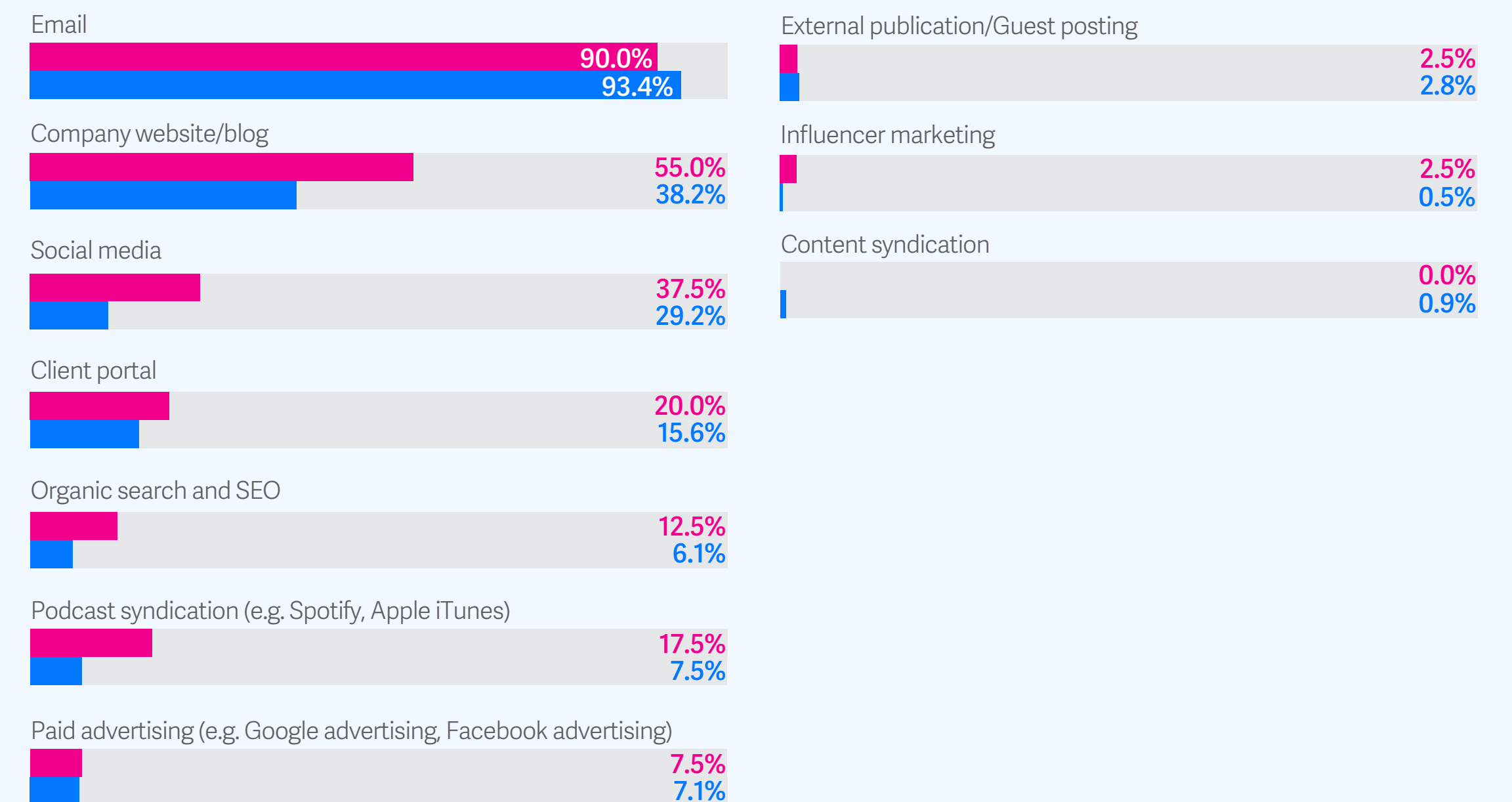
● AdviceTech Stars ● Overall



Most popular distribution methods

How do you typically distribute content to clients (or prospects)?

● AdviceTech Stars ● Overall





CRM (customer relationship management tools)



Xplan
CRM

Usage

Most advice firms (90.8%) use a customer relationship management (CRM) tool, and this level of usage is consistent with previous years. As another mature AdviceTech, planned adoption in the next 24 months is low, at 4.6% of firms overall.

Description

A system that collects, organises and analyses customer information, notes, tasks and workflows, documents, interactions and other data throughout the life cycle of a client.

Benefits

Improves efficiency through effective pipeline management and improves relationships with clients by facilitating better communication and service. It also helps the back-office manage and coordinate client activities. It is often used as a compliance tool as well to capture important client communications.

Distribution of content

This space is dominated by Xplan, which is used by more than half (52.2% of firms overall) but that is down from last year (60.8%). Modest gains in usage have been recorded across a range of alternative suppliers, including AdviserLogic (8.3% to 9.8%) Plutosoft (3.5% to 8.0%) Salesforce (4.8% to 6.2%) and Xero (3.5% to 4.7%).

Adoption

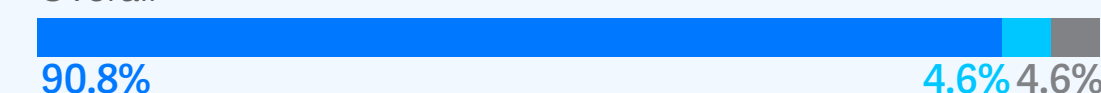
Does your business use a CRM system to manage client information?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars

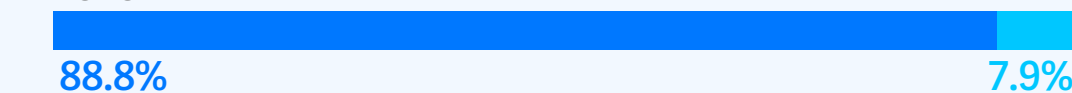


Overall

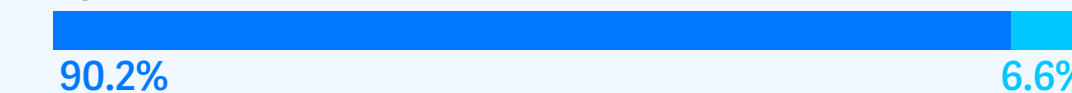


- Yes
- No, but plan to in the next 24 months

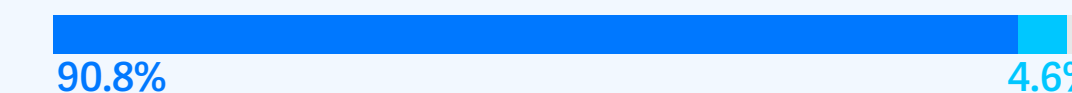
2020



2021



2022





CRM (customer relationship management tools)

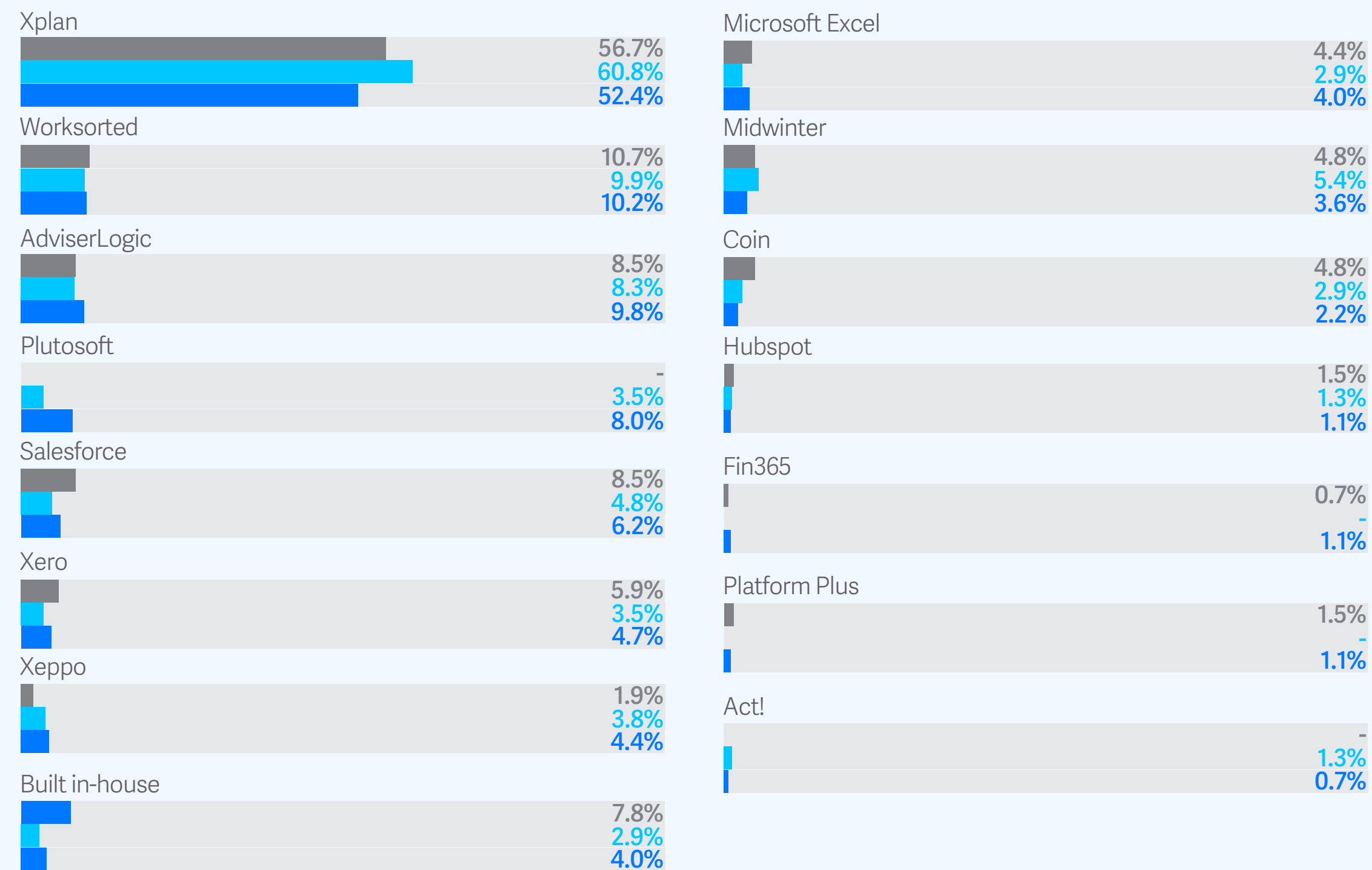


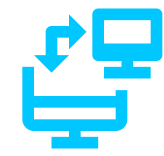
Xplan
CRM

Most popular suppliers

Advice businesses who use a CRM system

● 2020 ● 2021 ● 2022





Database and system integration technology



Xeppo
Database and systems
integration technology

Usage

AdviceTech Stars are more advanced than the average firm in usage of database and system integration tools: 31.1% of AdviceTech Stars use this tech compared to 17.8% of firms overall. In addition, more AdviceTech Stars (46.7%) than firms overall (31.7%) plan to implement this technology in the next 24 months.

Description

Technology to enhance document flow, data integration, reporting and general process improvement, user-friendly forms, linking of independent web apps to pass information between popular cloud-based apps/software systems, online business intelligence reporting and note-taking tools.

Benefits

Links disparate IT systems and data sets together to improve workflow efficiencies (such as removing double-handling in data-entry); simplifies analysis and reporting on disparate data sets.

Distribution of content

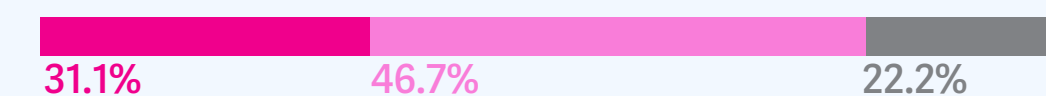
Most advice firms (31.5%) develop in-house solutions to integrating databases and systems. Where they use a solution provided by a third party, Xeppo (24.1%), Microsoft Excel (22.2%), Zapier (22.2%) are used broadly equally.

Adoption

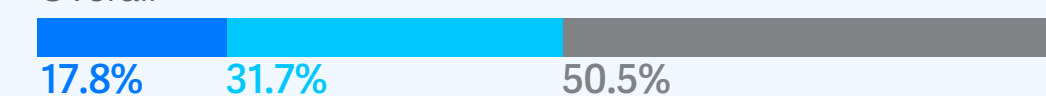
Do you use technologies to connect or integrate disparate/different databases, data sets or internal systems?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



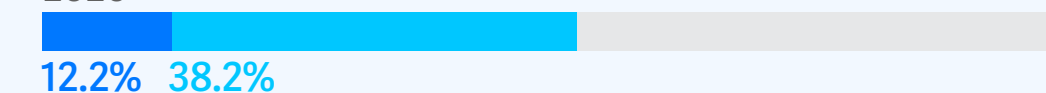
Overall



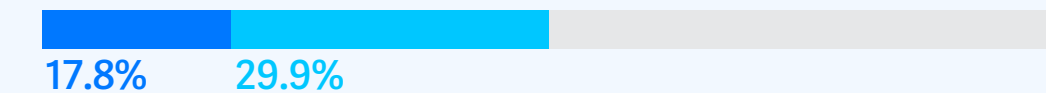
Overtime - Do you use technologies to connect or integrate disparate/different databases, data sets or internal systems?

- Yes
- No, but plan to in the next 24 months

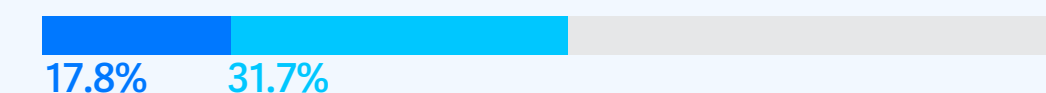
2020



2021



2022

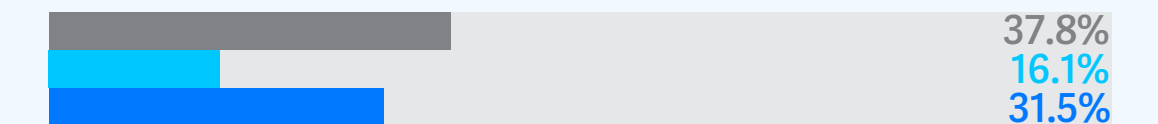


Most popular suppliers

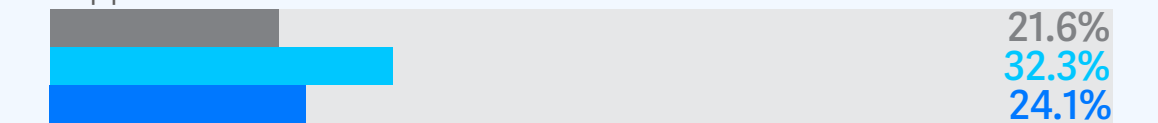
Advice businesses who use technologies to integrate internal systems or databases

● 2020 ● 2021 ● 2022

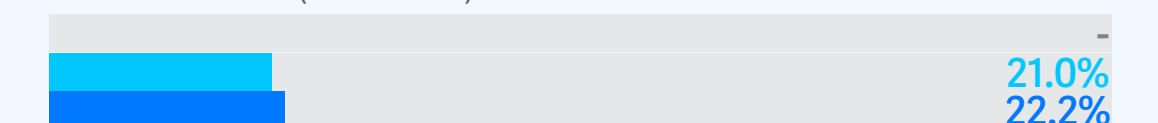
Built in-house



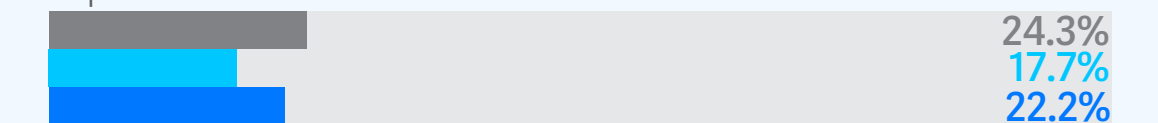
Xeppo



Microsoft Excel (or manual)



Zapier



Digital signature tools



DocuSign
Digital signature technology

Usage

Most (67.7%) firms use digital signature tools, and around two in 10 (22.8%) plan to use on in the next 24 months. Usage is greater (84.4%) among AdviceTech Stars. If current adoption plans are followed through then within 24 months all (100.0%) AdviceTech Stars and more than 90.0% of firms overall will use a digital signature tool.

Description

The ability to capture hand-written or digital signatures online via a computer or mobile device to support the document signing process.

Benefits

Streamlines transactions; improves the speed of completing applications, getting SoAs, RoAs and other instructions accepted; improves administration efficiency.

Suppliers

The sector is dominated by DocuSign (used by three-quarters of all firms, up from 68.4% last year). These gains appear to have come at the expense of Adobe (down from 29.5% to 22.9%) and MyProsperity (down from 8.8% to 5.9%).

Adoption

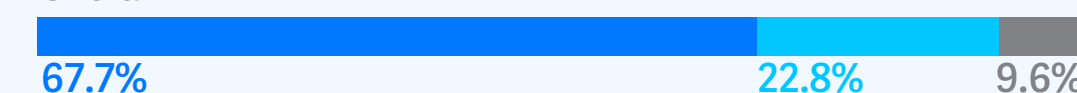
Do you use digital signature tools with clients?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



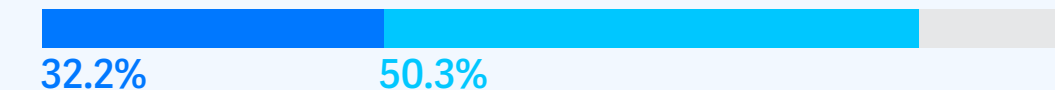
Overall



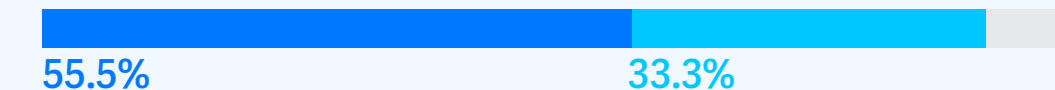
Overtime - Do you use digital signature tools with clients?

- Yes
- No, but plan to in the next 24 months

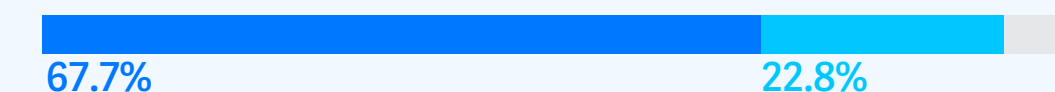
2020



2021



2022



Most popular suppliers

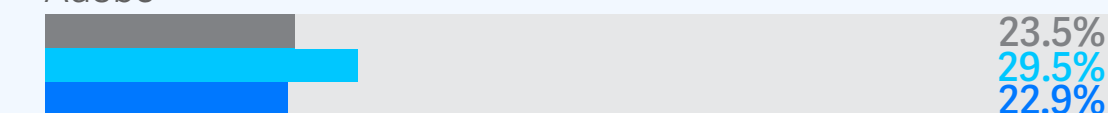
Advice businesses who use a digital signature tool

● 2020 ● 2021 ● 2022

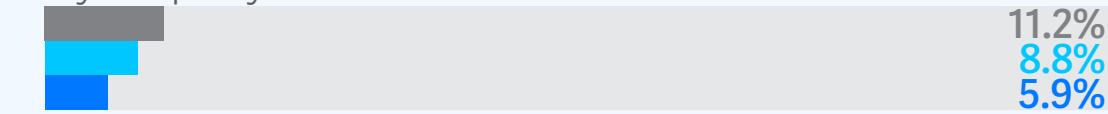
DocuSign



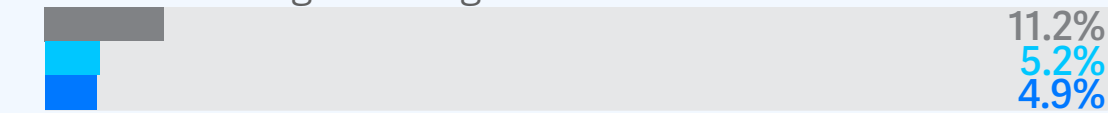
Adobe



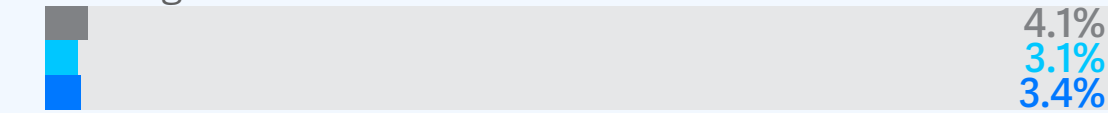
MyProsperity



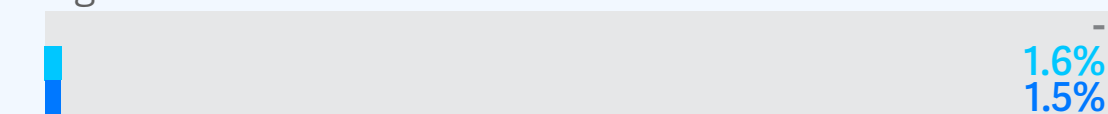
Netwealth integrated eSignature



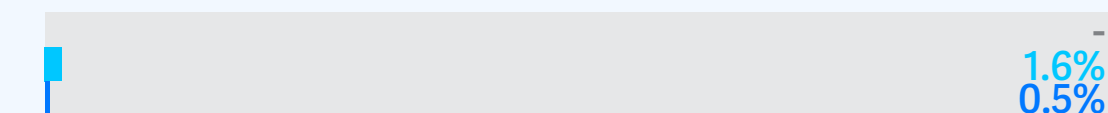
HelloSign



SignNow



Zoho



Email campaigns and newsletter management technology



Mailchimp
Email campaigns and newsletter management technology

Usage

Almost two-thirds (65.7%) of firms overall (and 88.9% of AdviceTech Stars) use tech to create and send email campaigns (including newsletters) to clients. Mostly these campaigns are sent monthly (by 43.7% of firms) or quarterly (39.2%). Around one in seven (14.2%) of firms plan to adopt this technology in the next 24 months.

Description

Assists in the creation and automation of electronic communications, typically email and newsletters, but also extends to text and in-app messaging, and to social media.

Benefits

Automates repetitive email tasks; personalises messages to improve marketing outcomes; makes it easier to analyse email marketing performance through reports.

Suppliers

Advice firms most commonly use Mailchimp (43.7% of firms), with lower levels of usage of Xplan (26.1%) and Microsoft Outlook (13.6%), and around one in 20 (5.0%) outsource this task to an external agency.

Adoption

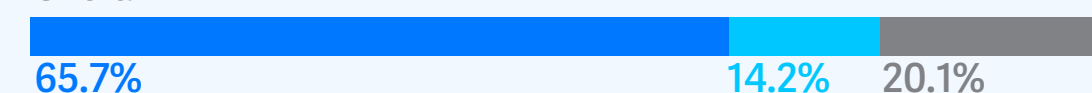
Does your business use technology to create and send email campaigns and newsletters of an educational or informational nature to clients (i.e. not personal correspondence)?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



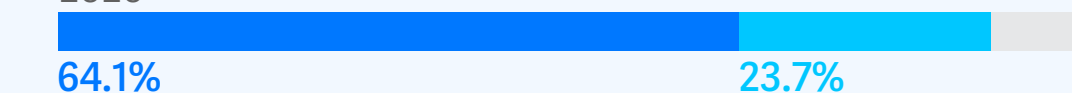
Overall



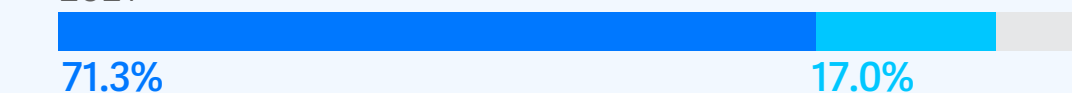
Overtime - Does your business use technology to create and send email campaigns and newsletters of an educational or informational nature to clients (i.e. not personal correspondence)?

- Yes
- No, but plan to in the next 24 months

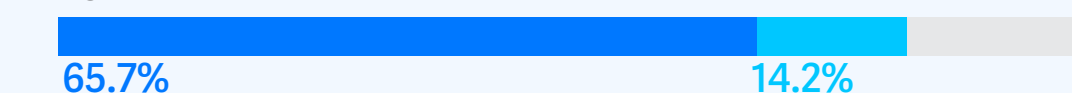
2020



2021



2022



Email campaigns and newsletter management technology

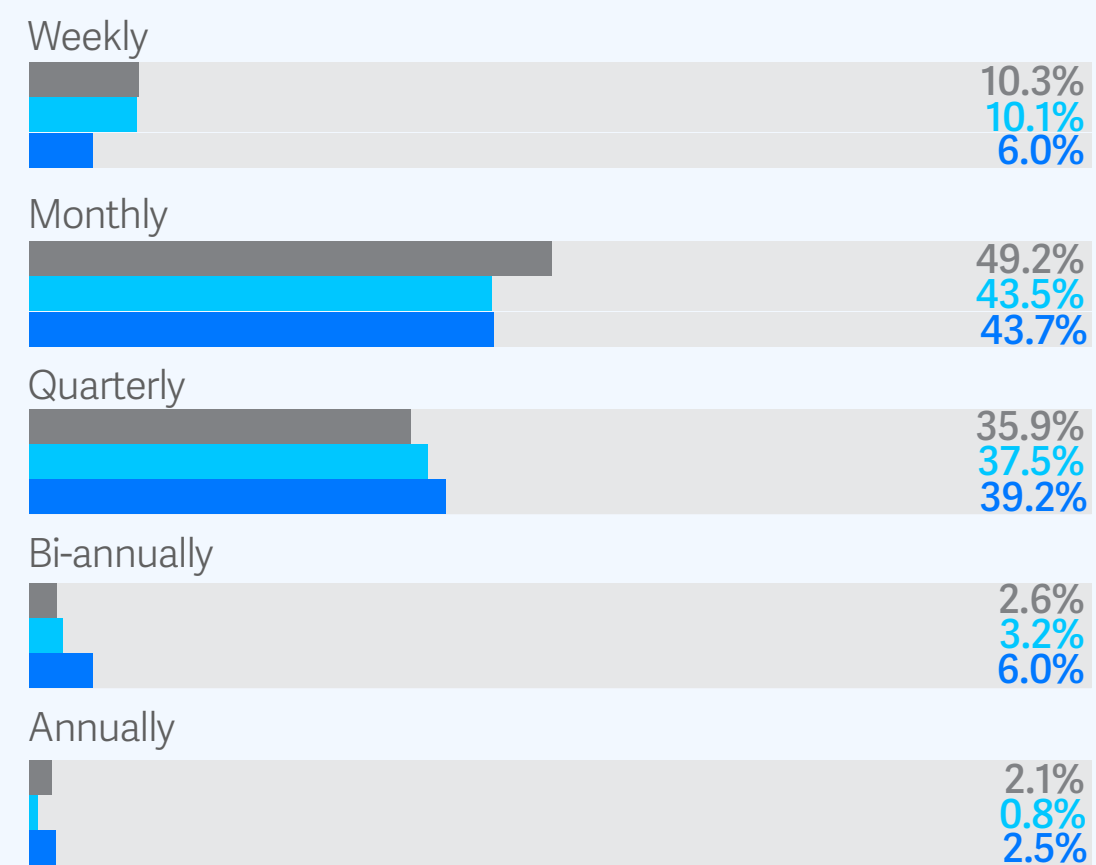


Mailchimp
Email campaigns and newsletter
management technology

Frequency of use

Does your business use technology to create and send email campaigns and newsletters of an educational or informational nature to clients (i.e. not personal correspondence)?

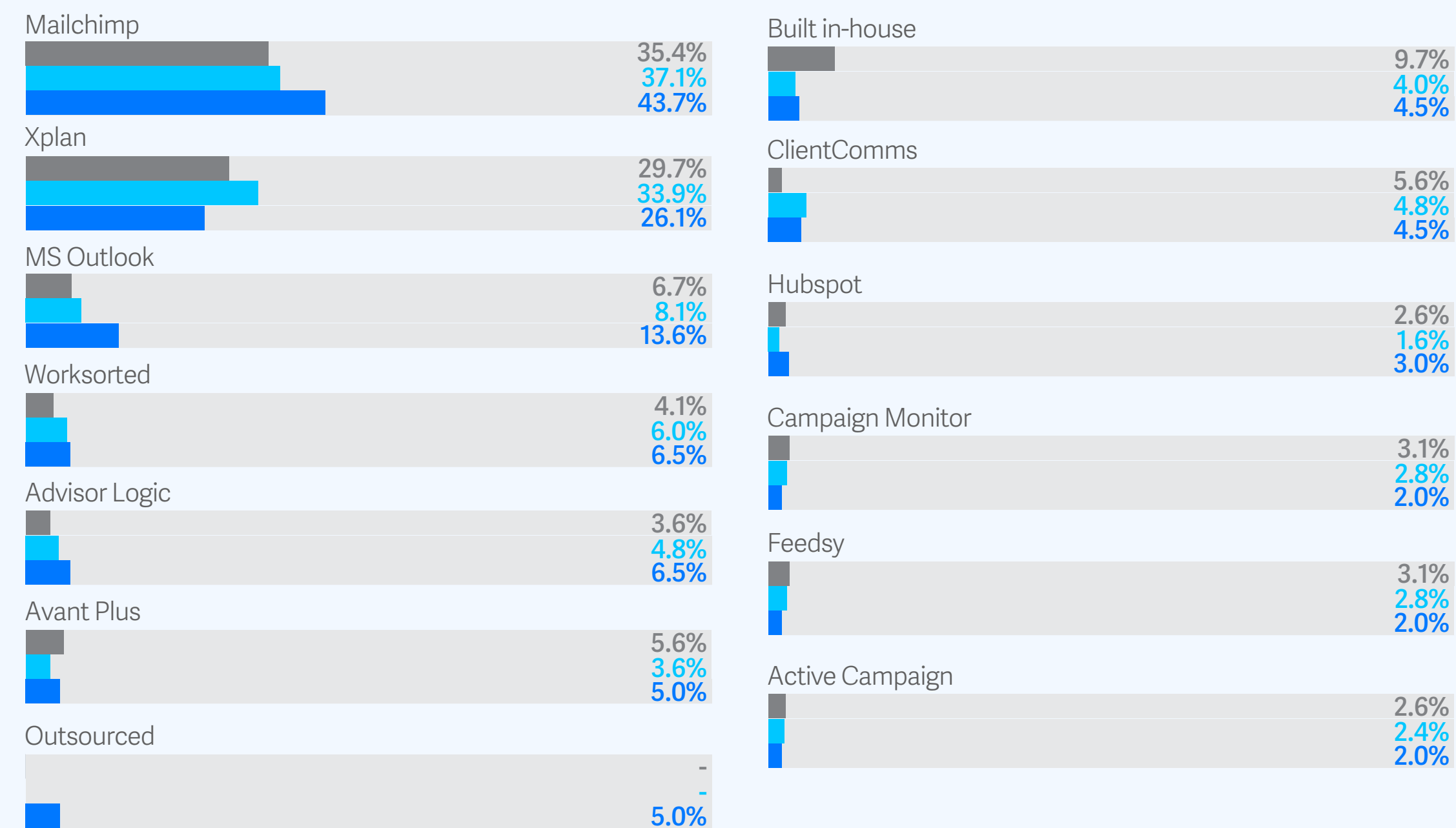
● 2020 ● 2021 ● 2022



Most popular suppliers

Advice businesses who use AdviceTech to create and send email campaigns and newsletters

● 2020 ● 2021 ● 2022



Employee benefit portal

Usage

Employee benefit portals are in their infancy in the financial advice industry, used by just 4.6% of firms overall. However, AdviceTech Stars have cottoned onto their benefits more rapidly, with 17.8% of these firms using this tech. Intended implementation is also greater among AdviceTech Stars (11.1% of firms) than among firms overall (7.9%).

Description

These tools provide staff with online access to a range of employee benefits, that can range from deals and discounts (such as discounted gym membership or health insurance), to free perks (such as health check-ups), and access to volunteer days and charities. They give rewards to staff over and above their salary.

Benefits

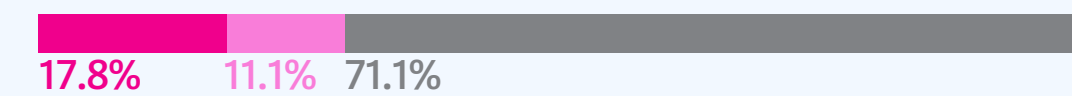
The benefits of such programs include happier staff, greater staff satisfaction plus the ability for firms to attract future employees.

Adoption

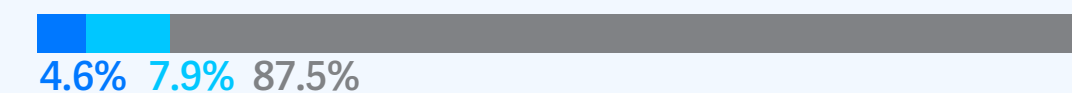
Does your business use an employee benefit portal?

- ● Yes
- ● No, but plan to in the next 24 months
- ● No, and don't plan to in the next 24 months

AdviceTech Stars



Overall



Financial planning and modeling software



Xplan
Financial planning and modeling software

Usage

For the purposes of the survey, it is assumed that all firms use this technology.

Description

Technology that supports in the financial planning and modelling of a client's portfolio, including portfolio reporting. Generally, they also support the development of advice documents, like SOAs and ROAs. They may also provide research, CRM, compliance, reporting, client portal and workflow related features.

Benefits

The ability to efficiently develop multiple scenarios and models to compare the outcome of different strategies that meet client needs.

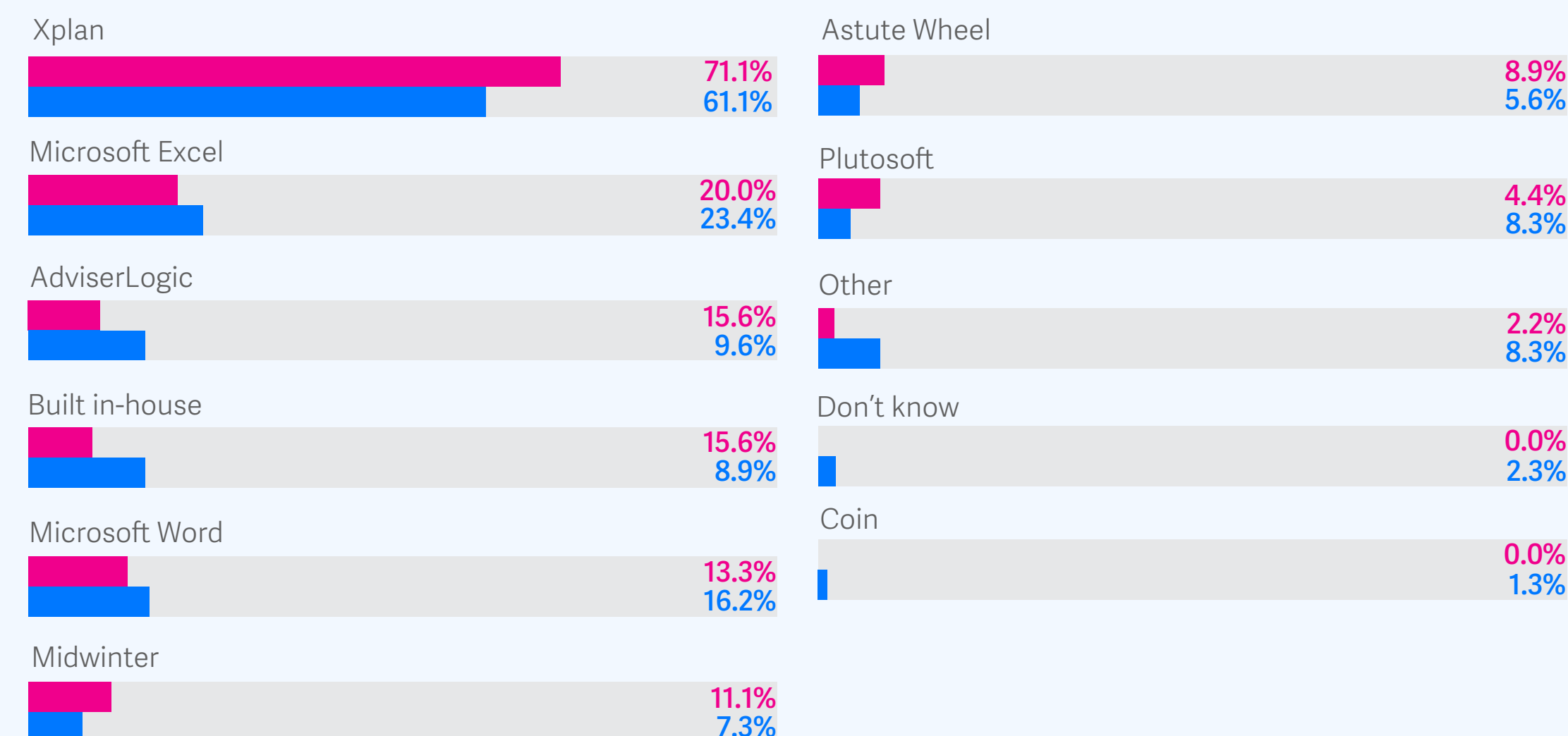
Suppliers

Advice firms most commonly use Xplan (61.1% of firms and 71.1% of Stars). There are many firms who are using Microsoft Excel (23.4% of firms overall and 20.0% of AdviceTech Stars) or building something themselves in-house (8.9% of firms overall and 15.6% of Stars) or even using Microsoft Word (16.2% of firms overall vs 13.3% of Stars). Other platforms of note include AdviserLogic, Midwinter and Plutosoft.

Most popular suppliers

Advice businesses who use financial planning and modeling software

● AdviceTech Stars ● Overall



Internal Communication Tools

Usage

AdviceTech Star firms more commonly (86.7%) use internal communication tools than firms overall (64.4%), and more (8.9%) are likely to adopt this technology in the next 24 months compared to firms overall (5.3%). Significantly, almost one in three (30.4%) firms overall do not use and do not intend to use this technology in the next 24 months, compared to less than one in 20 (4.4%) AdviceTech Stars.

Description

Tools to enable efficient and effective communication within companies – across all employees, and across members of defined teams or other groups.

Benefits

Reduces time and resources keeping staff members informed and up to date with the progress of projects and on work-related issues, improving efficiency and delivery of on-time and profitable projects and services.

Technologies used

Email remains the dominant internal communication tool, used by more than eight in 10 (82.1%) AdviceTech Stars using internal communication tools. But instant messaging (71.8%) and video conferencing (61.5%) are also commonly used.

Less commonly used are company intranets (23.1%) mobile messaging apps (20.5%) and internal newsletters (15.4%).

Adoption

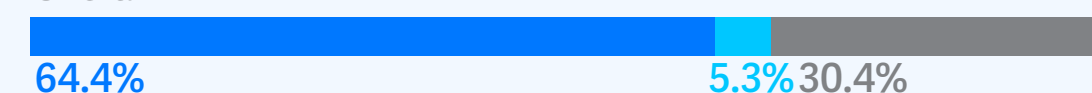
Does your business use internal communication tools?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



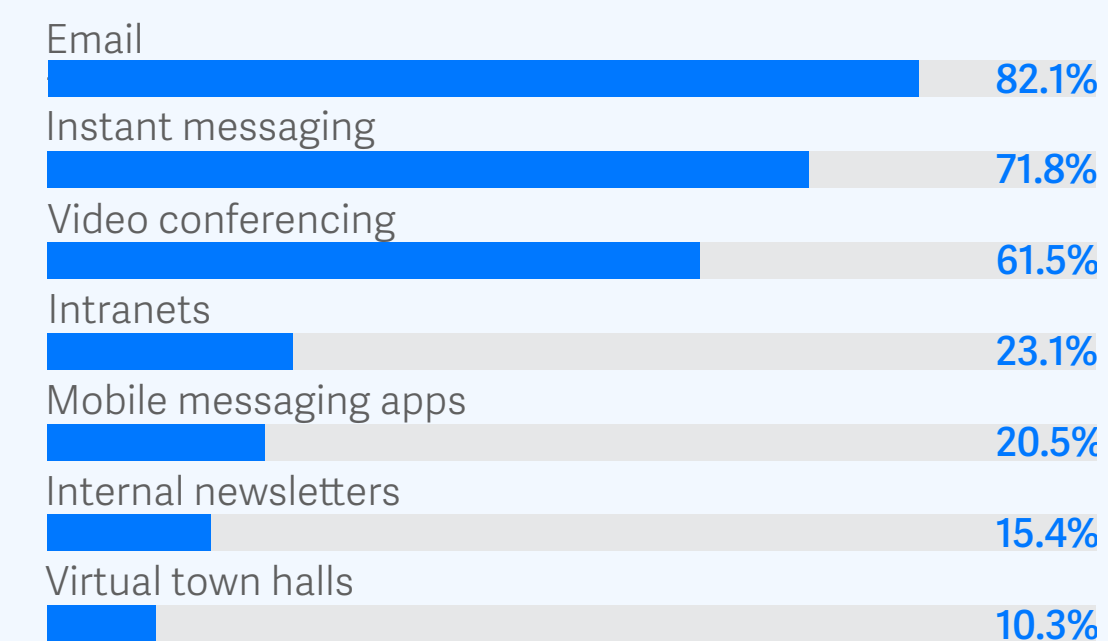
Overall



Most popular technologies

Advice businesses who use internal communication tools

● 2022





Morningstar
Investment research tool

Usage

Usage of tools to support investment decision making is high across the board, used by almost three-quarters (73.3%) of firms overall and eight in 10 (80.0%) AdviceTech Stars. Planned adoption in the next 24 months is consistent at 11.9% of firms overall and 11.1% of AdviceTech Stars.

Description

Research, ratings and commentary on investment products. Often reliant on a mix of qualitative research and quantitative analysis using big data, algorithms and sometimes artificial intelligence.

Benefits

Supports internal investment decision-making and portfolio construction; useful in educating and engaging with clients; provides new investment ideas.

Suppliers

Morningstar and Lonsec are the dominant suppliers of investment research, ratings and commentary, used by 57.2% and 52.3% of firms, respectively. Around one in 10 firms use Zenith (13.5%), Chant West (10.4%) or stockbroker research (9.0%).

Adoption

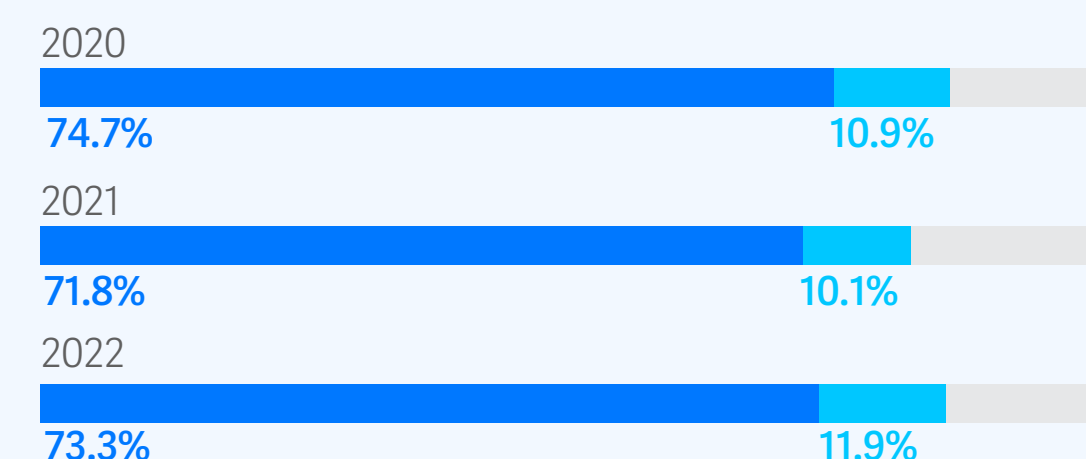
Does your business use investment research tools and technologies for investment selection?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months



Overtime - Does your business use investment research tools and technologies for investment selection?

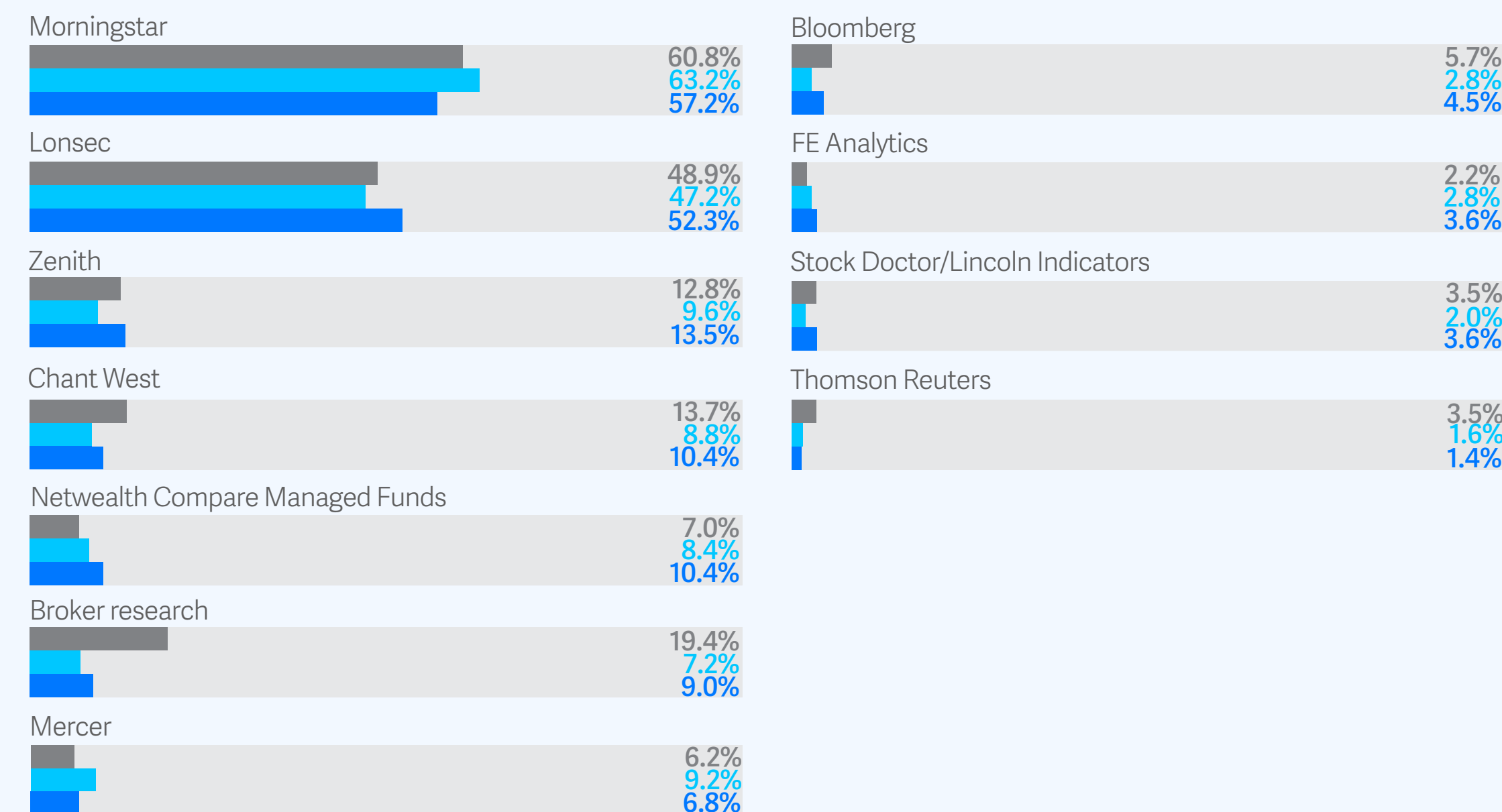
- Yes
- No, but plan to in the next 24 months



Most popular suppliers

Advice businesses who use investment research tools

2020 2021 2022



Usage

Managed account usage has remained constant across advice firms since 2019, at around four in 10 firms (40.3% in 2022) and it's comparable among AdviceTech Stars (37.8% of firms). Currently, around one in 12 (8.3%) firms don't use a managed account service but plan to implement one in the next 12 months, and a further one in five (21.1%) don't currently use managed accounts but are considering using them.

There has been a steady growth in how firms are using managed accounts, with almost one in five now using them for more than 75 per cent of their client base (up from one in 10 firms in 2020). Although still the majority (42.6%) use them for less than 25 per cent of their client base.

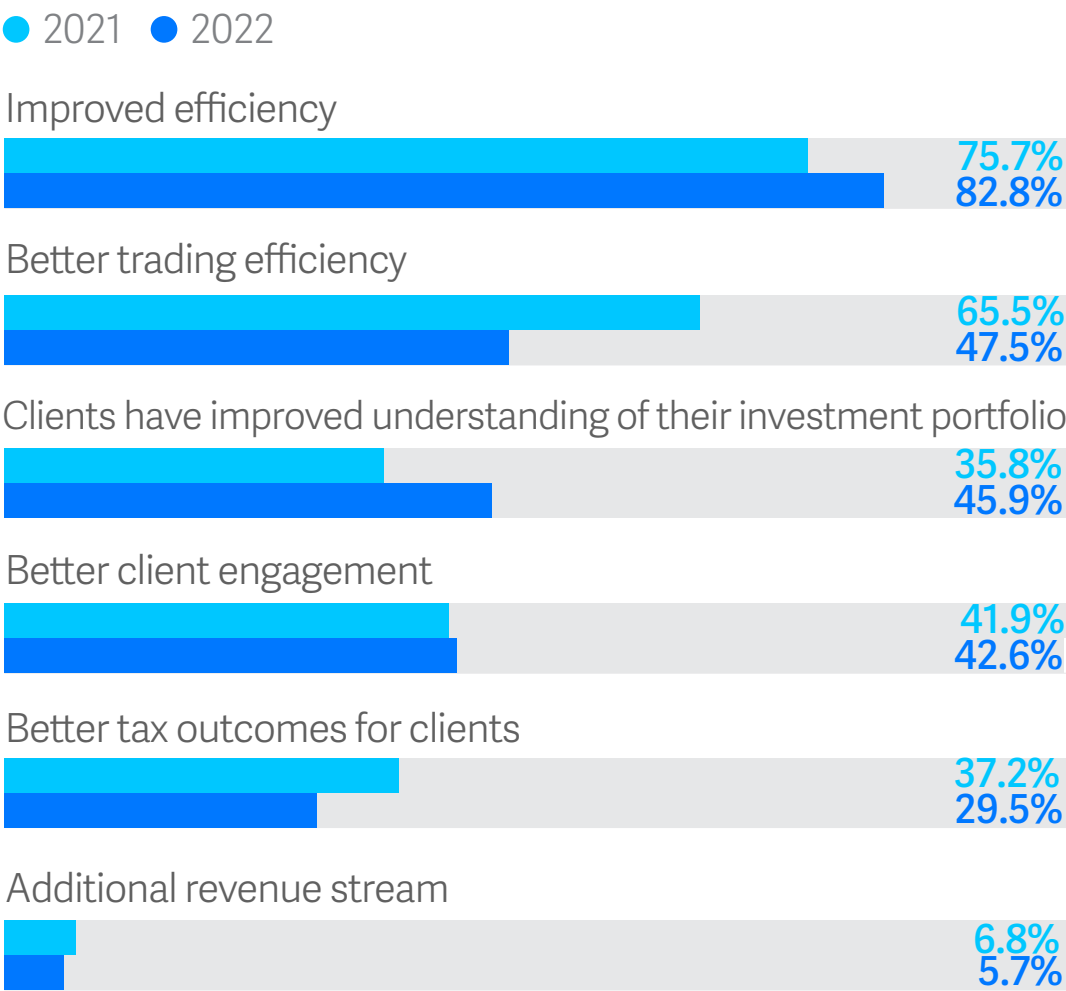
Description

A portfolio of individual securities or assets managed by a professional investment manager. Provides advisers with an alternative structure to managed funds and other portfolio structures. Changes to portfolios by an investment manager can be implemented across some or all clients as frequently as required, without the need for individual RoAs or SoAs.

Benefits

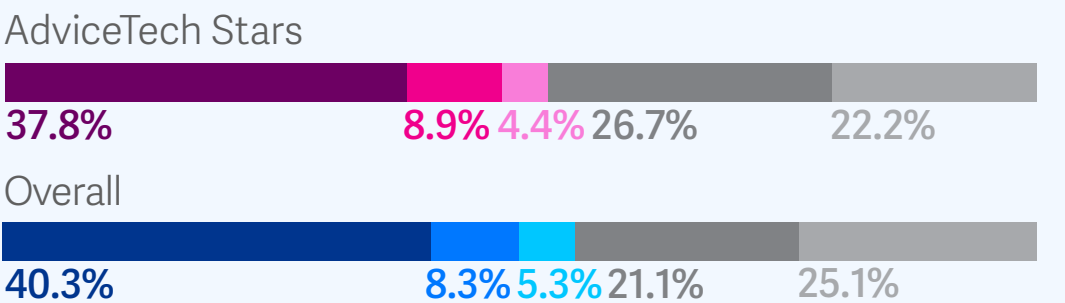
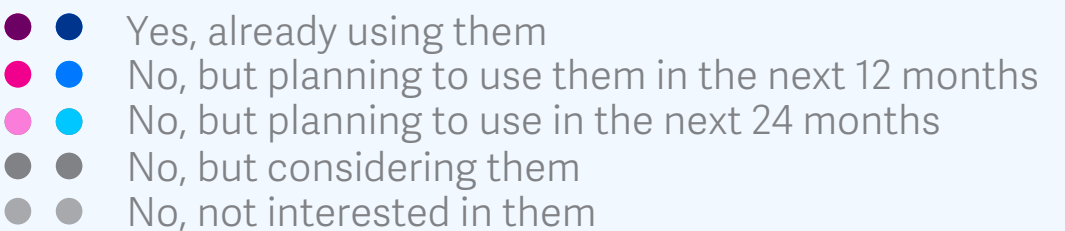
Ability to create a consistent investment process; easier to demonstrate a clear investment value proposition; potential to reduce investment implementation leakage; and improve efficiency and reduce adviser work.

What business and client benefits do you receive from using managed accounts?

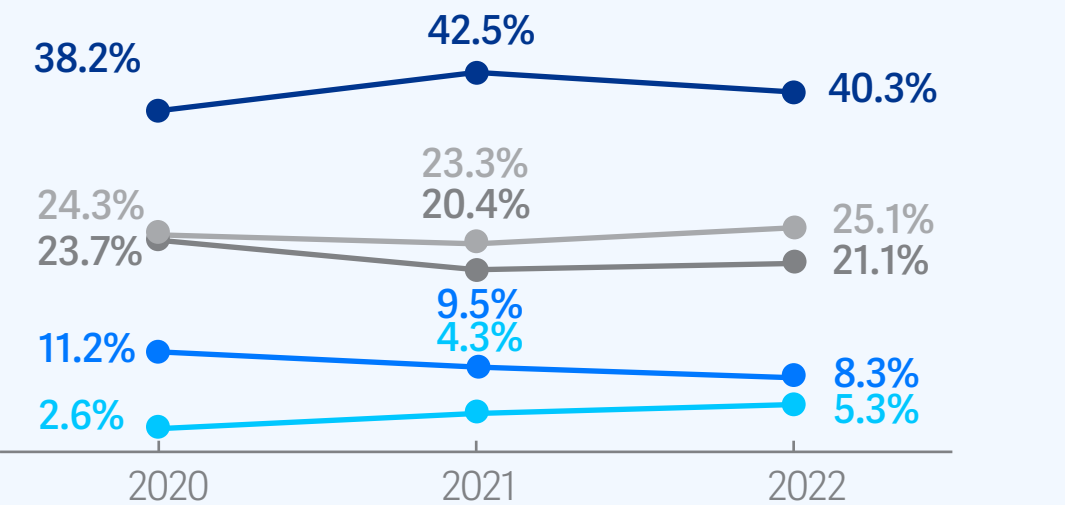
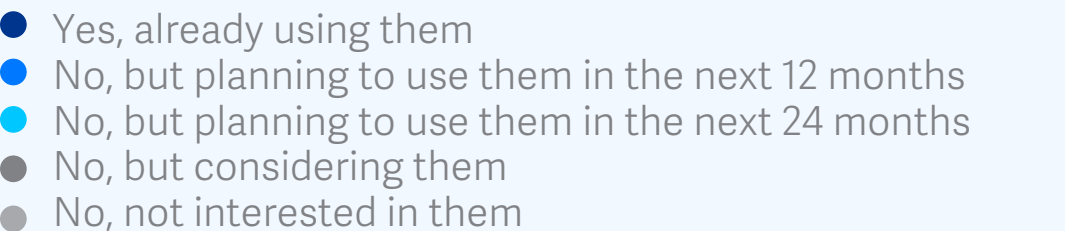


Adoption

Do you use a managed account solution for at least some of your clients?

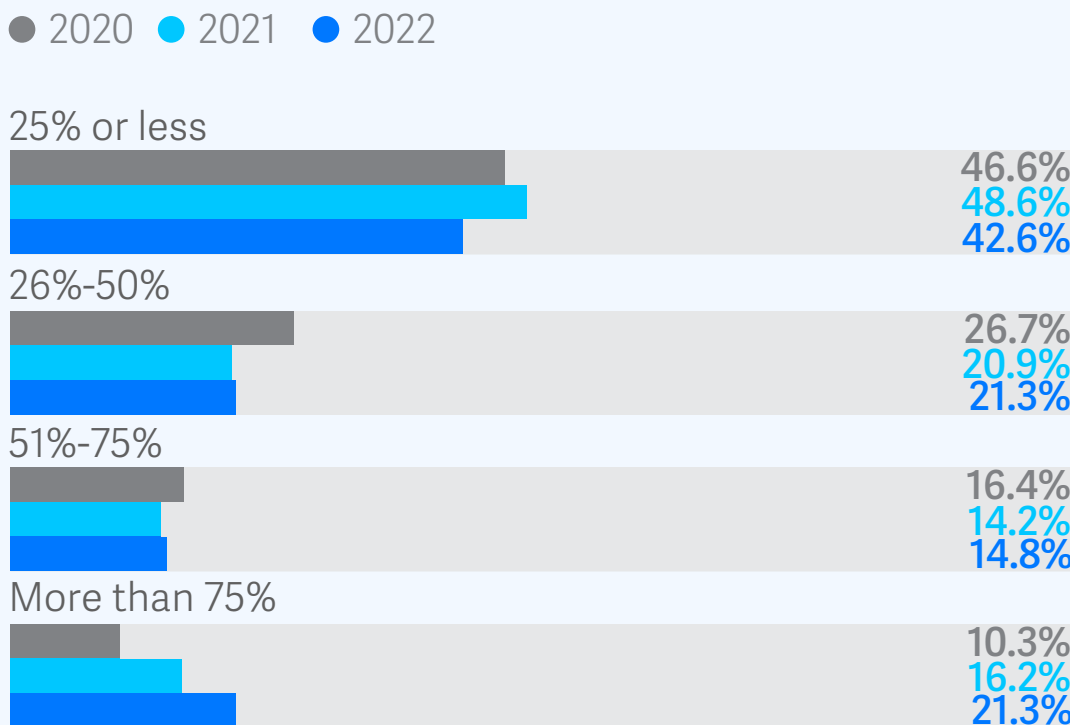


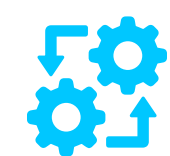
Overtime - Do you use a managed account solution for at least some of your clients?



Proportion of clients who use managed accounts

Advice businesses who use managed accounts





Off-platform asset management

Usage

More than one-quarter (26.7%) of firms that are using a super/investment platform have more than 25 per cent of client assets held in off-platform arrangements. That figure is higher among AdviceTech Stars where 51.2% of firms have more than 25 per cent. On average 20.5% of client assets are held off-platform by firms overall and 32.2% of client assets are held off-platform by AdviceTech Stars.

Description

Allows a firm to manage and administer the data associated with assets that are held by a client 'off platform' such as transactional data; often they allow for reconciliation between transactions and investments.

Benefits

Allows advice firms to advance their 'whole of wealth' reporting and advice offering by providing more holistic client reporting to provide a better understanding of client portfolio performance and asset allocation.

Suppliers

More than half (55.0%) of firms whose clients' super and investments are held off-platform use a CRM to manage these assets. Online broking or trading platforms are used in almost a quarter (23.1%) of cases, and around one in six (16.0%) firms use a spreadsheet to keep track of off-platform assets. A lower proportion of firms use accounting/tax software (10.5%) and super/investment platforms (8.0%).

Adoption

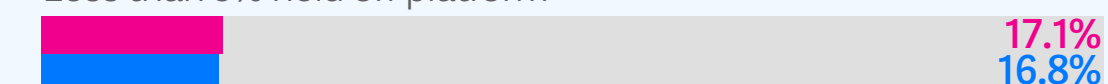
On average, what percentage of your clients super and investment is held off-platform?

● AdviceTech Stars ● Overall

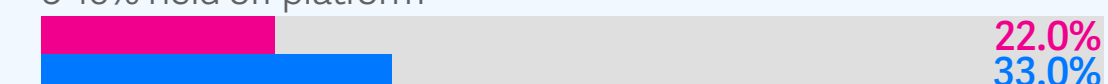
Average % held off-platform

32.2% 20.5%

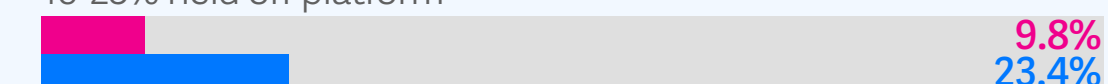
Less than 5% held off platform



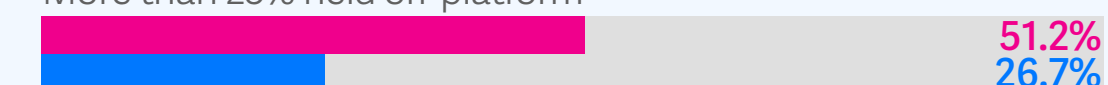
5-10% held off platform



10-25% held off platform

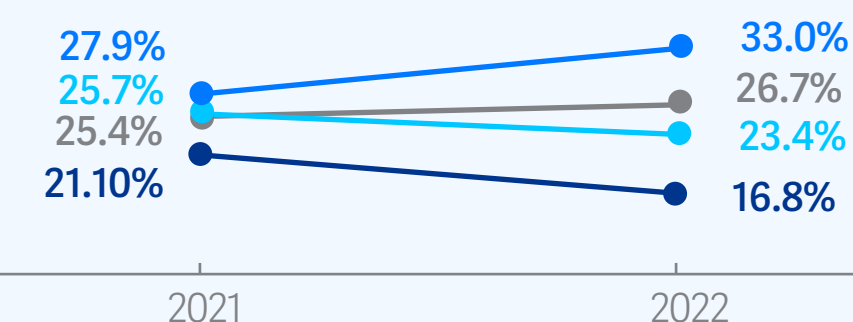


More than 25% held off-platform



Overtime - On average, what percentage of your clients super and investment is held off-platform?

● Less than 5%
● 5-10%
● 11-25%
● More than 25%



Most popular suppliers

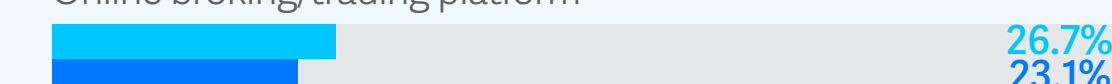
Of those businesses that use a super/investment platform, what technologies do you use to manage some of your clients' super and investments 'off-platform' (in a non-custodial environment)?

● 2021 ● 2022

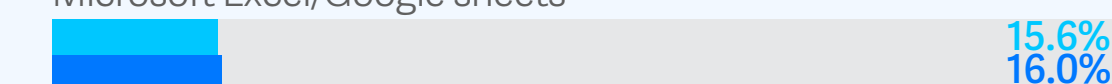
CRM system



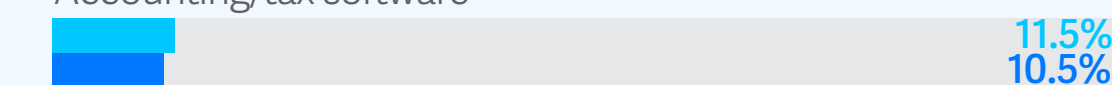
Online broking/trading platform



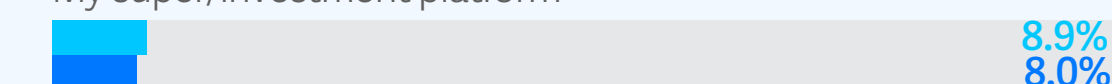
Microsoft Excel/Google sheets



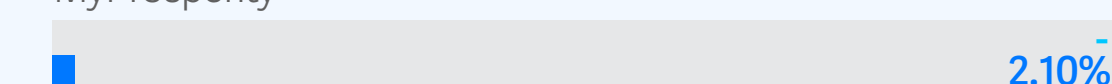
Accounting/tax software



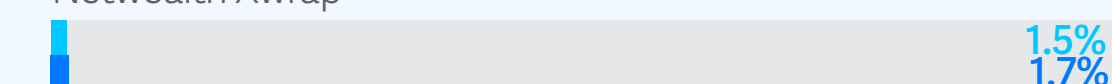
My super/investment platform



MyProsperity



Netwealth Xwrap



Online fact-find and risk profiling tool



Xplan
Online fact-find and risk profiling

Usage

The fact-find and risk profiling are integral to the advice process yet only two in five (38.9%) firms overall have adopted online tools. Take-up is significantly greater among AdviceTech Stars, with six in 10 (60.0%) using this technology. Overall usage is up from last year (31.9%). As many as three in 10 (30.7%) firms have plans to use them in the next 24 months – which is slightly higher than AdviceTech Stars (24.4%).

Description

Online tools to capture information about the client during the fact-find process, including analysis of their risk profile.

Benefits

Streamlines initial meetings and fact-find process; improves customer experience; speeds up SoA and RoA process.

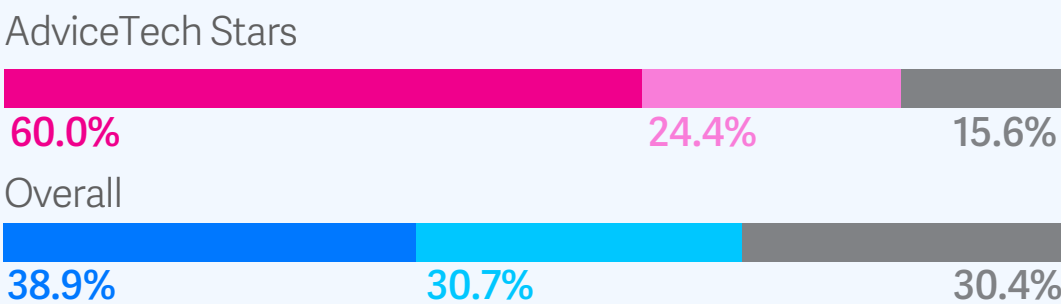
Suppliers

Xplan is the most used fact-find and risk profiling tool (22.0% of firms overall), and as many advice firms (16.9%) use an in-house fact-find tool as use the next-biggest supplier (MyProsperity, 16.9%). A relative newcomer, Plutosoft, has trebled its usage since last year (from 3.6% of firms to 11.0% of firms). Long-time purveyor of risk profiling tools, Finametrica, is used by 10.2% of firms.

Adoption

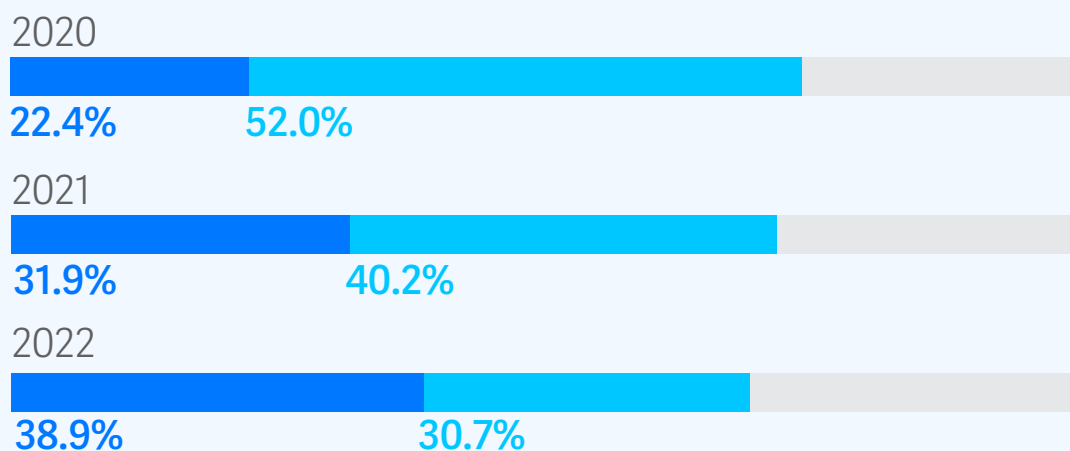
Does your business use online self-service tools to capture client (or prospect) information, including their risk profile?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months



Overtime - Does your business use online self-service tools to capture client (or prospect) information, including their risk profile?

- Yes
- No, but plan to in the next 24 months



Online fact-find and risk profiling tool

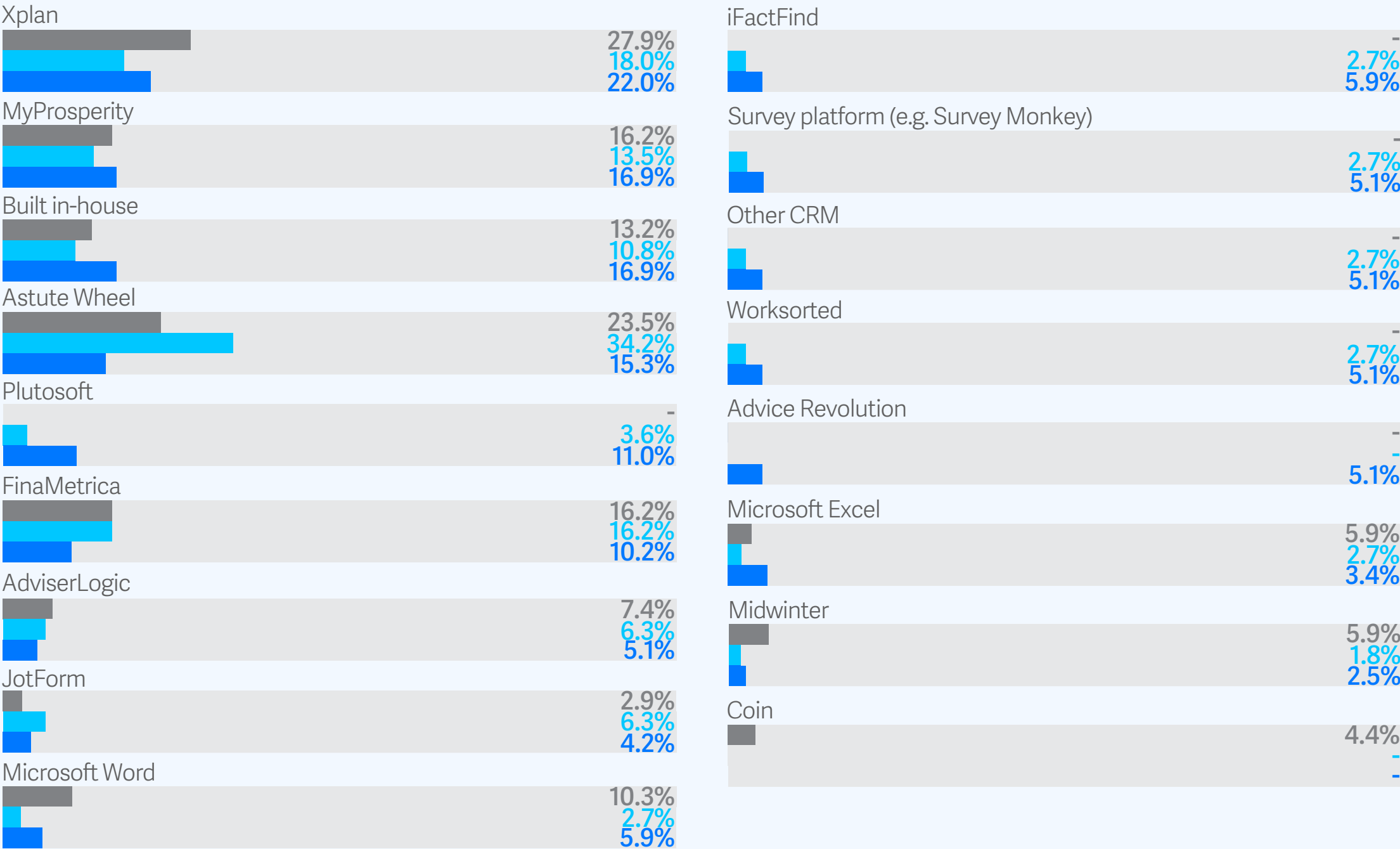


Xplan
Online fact-find and risk profiling

Most popular suppliers

Advice businesses who use online fact-find and risk profiling tools

● 2020 ● 2021 ● 2022



Online meeting tools



Zoom

Online meeting technology

Usage

Online meeting tools have increased in usage since 2017, largely driven by the COVID-19 pandemic and widespread and long-lasting lockdowns. Eight in 10 (79.5%) firms overall and nine in 10 (88.9%) AdviceTech Stars now hold meetings online, up from 45.7% of firms overall in 2020.

Description

A solution that facilitates a virtual meeting between an adviser and client via any device with an internet connection, using voice, chat and video streaming.

Benefits

Supports timely meetings at the convenience of the client; facilitates remote working habits; and meetings can be easily recorded and stored for compliance.

Suppliers

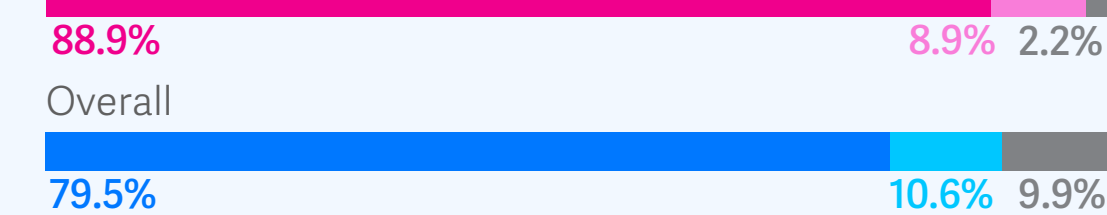
Zoom and Microsoft Teams dominate the list of suppliers, used by 85.5% and 65.1% of firms overall. However, use of Zoom has declined somewhat (from 89.3%) while the use of Teams has increased strongly, from 54.4%. Fewer than one in 10 firms use Google (5.0%), GoToMeeting (7.9%) and Skype (8.3%).

Adoption

Does your business use online meeting tools for client meetings?

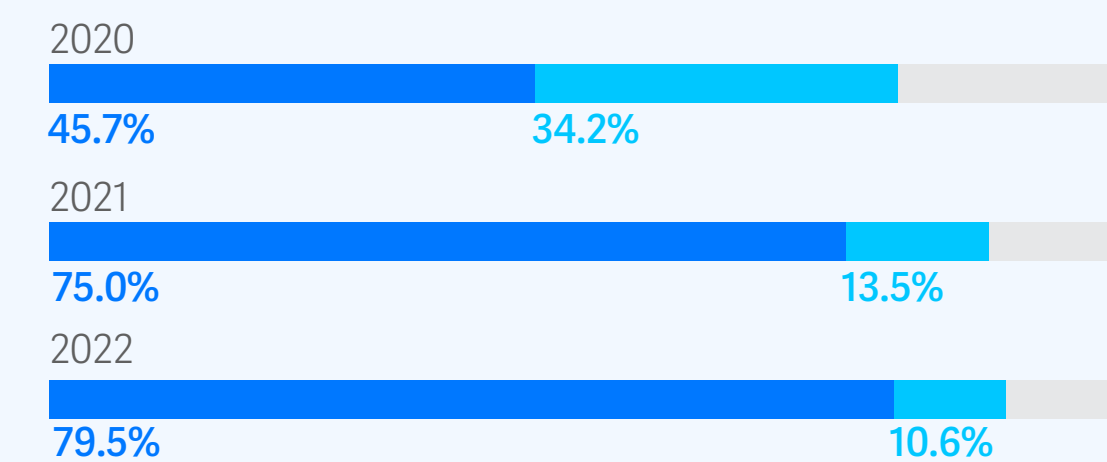
- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



Overtime - Does your business use online meeting tools for client meetings?

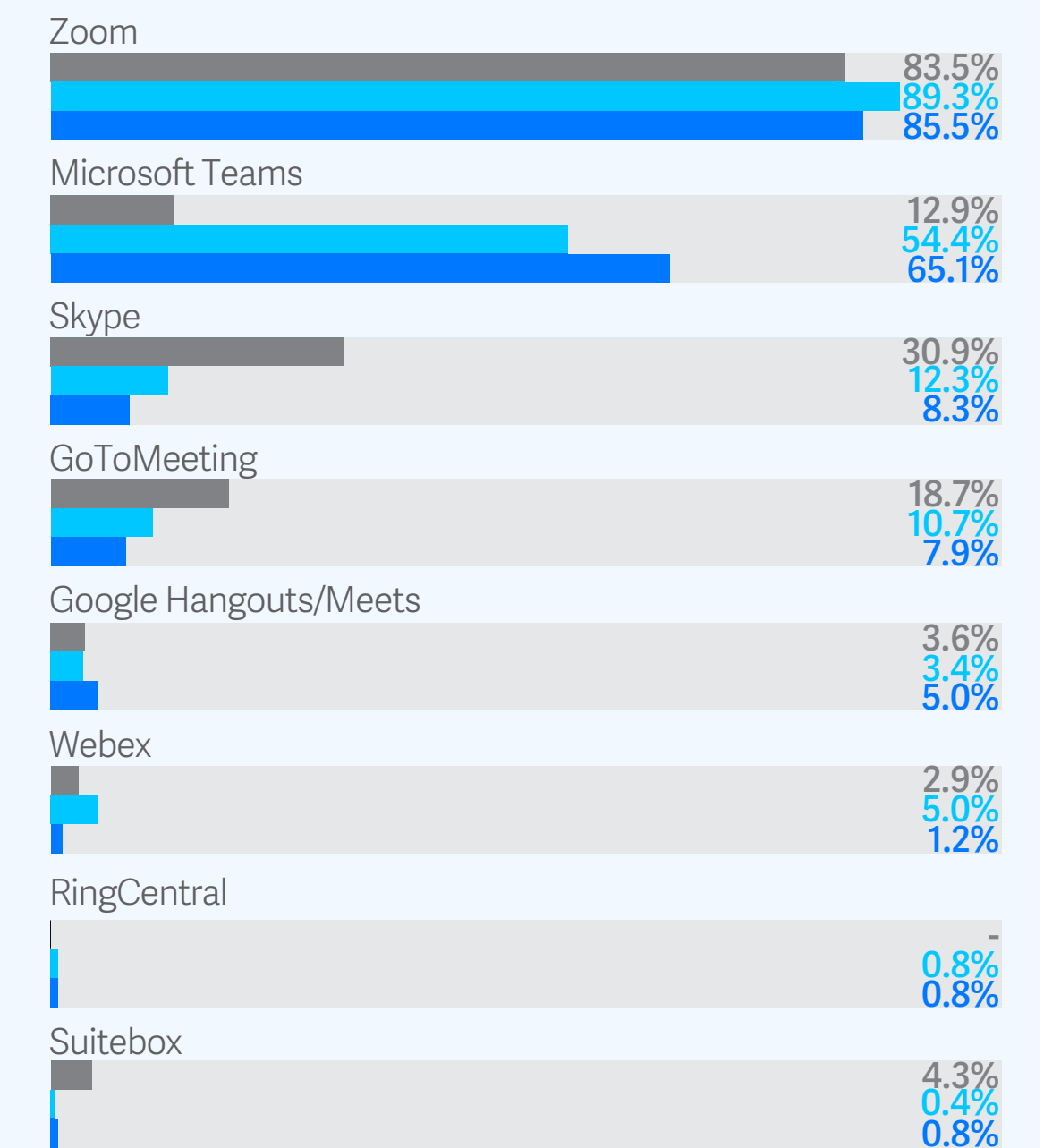
- Yes
- No, but plan to in the next 24 months



Most popular suppliers

Advice businesses who use online meeting tools

2020 2021 2022



Online and mobile advertising



Google

Online and mobile advertising

Usage

Relatively few (10.6%) firms pay for online or mobile advertising, but usage is almost twice that level (20.0%) among AdviceTech Stars, reflecting this group's generally greater use of digital media to reach clients and potential clients. Overall, the usage of online and mobile advertising has declined by almost half, from 15.2% in 2019 to 10.6% this year. As in previous years, most firms (43.8% in 2022) spend \$500 or less a year on advertising, with another 15.6% of firms spending between \$500 and \$1000. However, of note, one quarter (25.0%) spend more than \$1,000 per month.

Description

Advertising displayed on a website, mobile app or other digital medium containing brand and promotional marketing messaging, imagery and video. Tools commonly used include search engine marketing, social media advertising, web banner advertising, in-video advertising, email advertising, digital radio or podcast advertising, sponsored content articles and mobile advertising.

Benefits

Targets specific audiences, which can improve lead conversions; transparently measures advertising effectiveness via detailed analytics; creates campaigns easily without external support; and can reach a different (more digitally orientated) audience than traditional advertising.

Suppliers

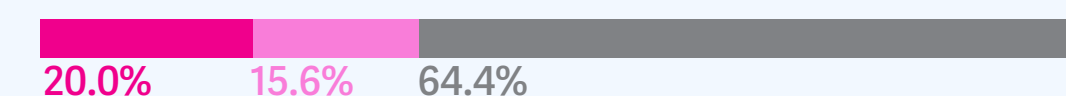
Google paid search is the most-used form of paid advertising, with usage up from 50.0% to 65.6% of firms that pay for advertising. Fewer firms in 2022 than in 2021 (12.5% compared to 20.5%) use Google display network, continuing a trend that's been clear since 2019. Fewer firms (59.4% compared to 68.2%) are using Facebook, but on the other hand, use of Instagram for advertising has risen from 8.3% of firms in 2020 to 12.5% this year.

Adoption

Does your business pay for online or mobile advertising?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



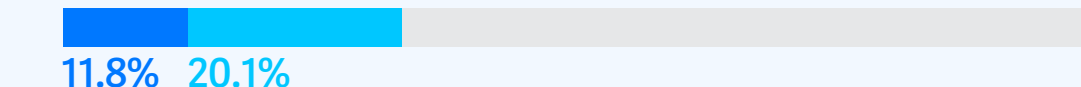
Overall



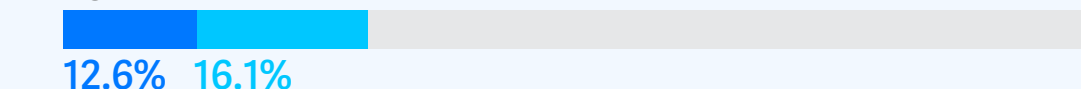
Overtime - Does your business pay for online or mobile advertising?

- Yes
- No, but plan to in the next 24 months

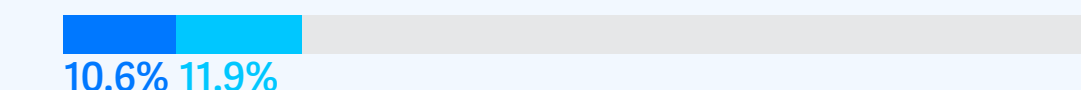
2020



2021



2022





Online and mobile advertising



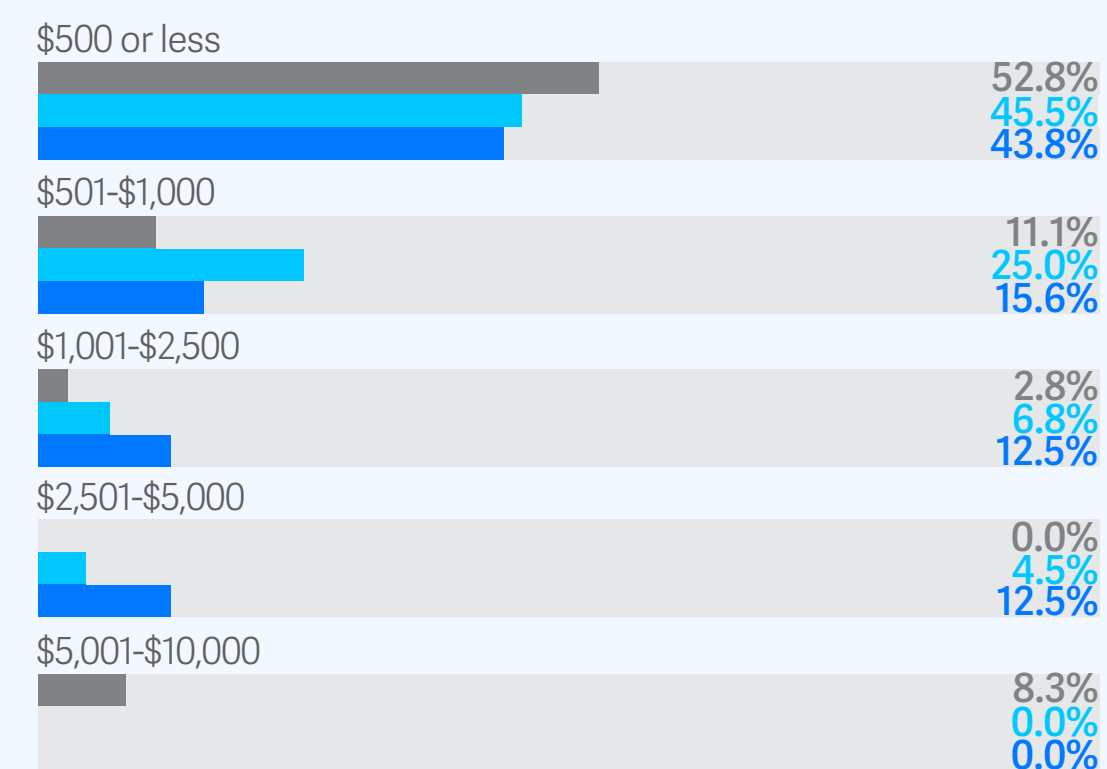
Google

Online and mobile advertising

Online or mobile advertising spend

Advice businesses who pay for online mobile advertising, how much do you typically spend per month on online or mobile advertising?

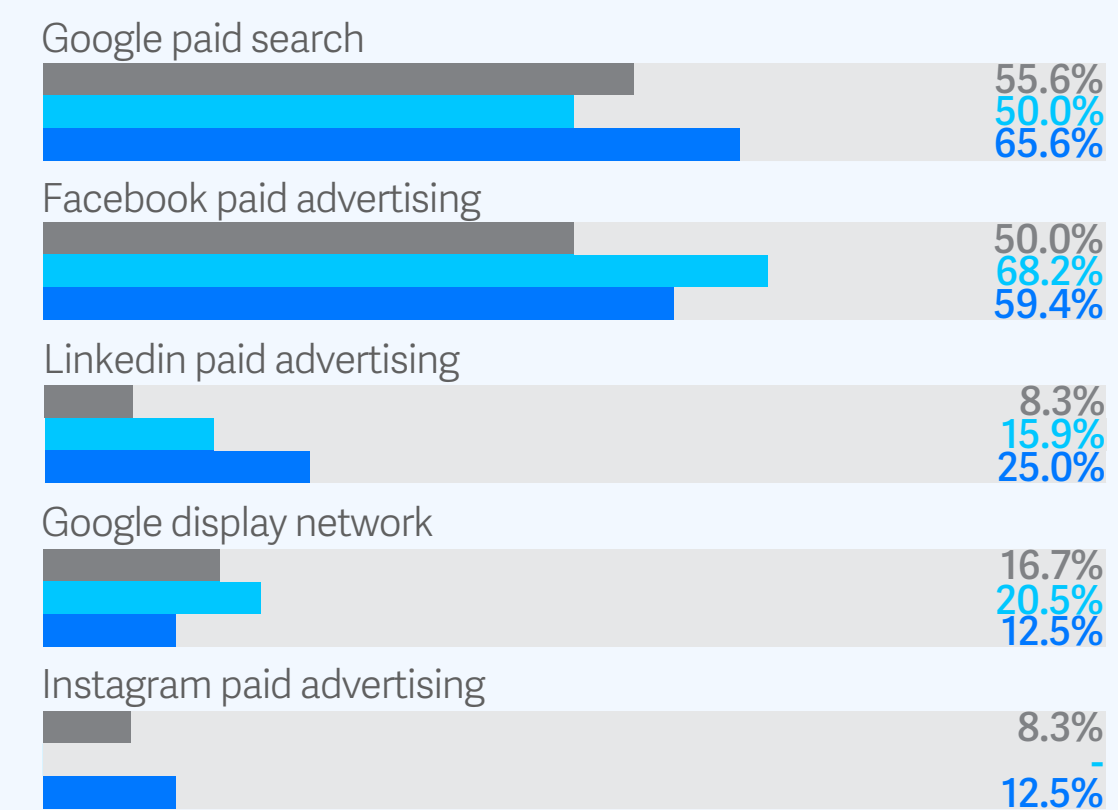
● 2020 ● 2021 ● 2022



Most popular suppliers

Advice businesses who pay for online mobile advertising

● 2020 ● 2021 ● 2022



People management technology (HR support tools)



Xero
People management technology

Usage

AdviceTech Stars are about twice as likely as firms overall (68.9% compared to 34.3%) to use online tools for employee administration. Adoption intention in the next 24 months is broadly the same across AdviceTech Stars (13.3%) and firms overall (13.9%); but surprisingly as many as half (51.8%) of firms overall say they will not use this technology compared to just 17.8% of AdviceTech Stars.

Description

These tools to help employees and HR staff track and administer staff-related issues, such as:

- updating employee information
- applying for jobs in different departments
- performance feedback
- peer-to-peer (P2P) recognition of other staff
- booking flights, accommodation, etc.
- approving expense reports
- managing leave
- payroll information.

Benefits

Centralising general HR and support tools simplifies the sometimes challenging and time-consuming administration of people-management tasks.

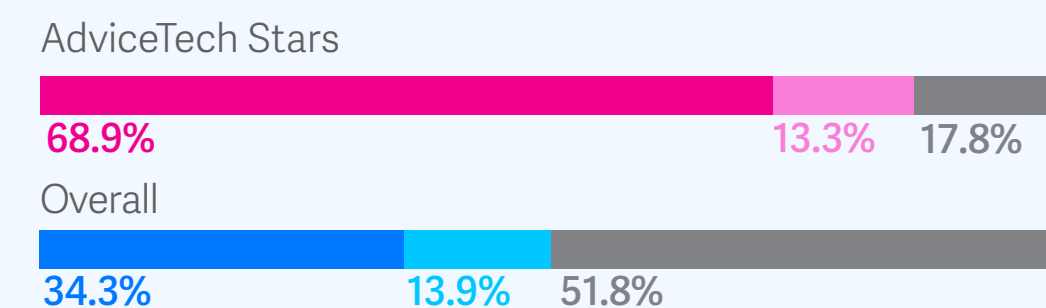
Suppliers

The category is dominated by Xero, possibly largely for payroll only, used by almost four in 10 (38.5%) firms. No other supplier is used by more than about one in 12 firms.

Adoption

Does your business use people management technology to manage staff leave, expenses, performance, etc.?

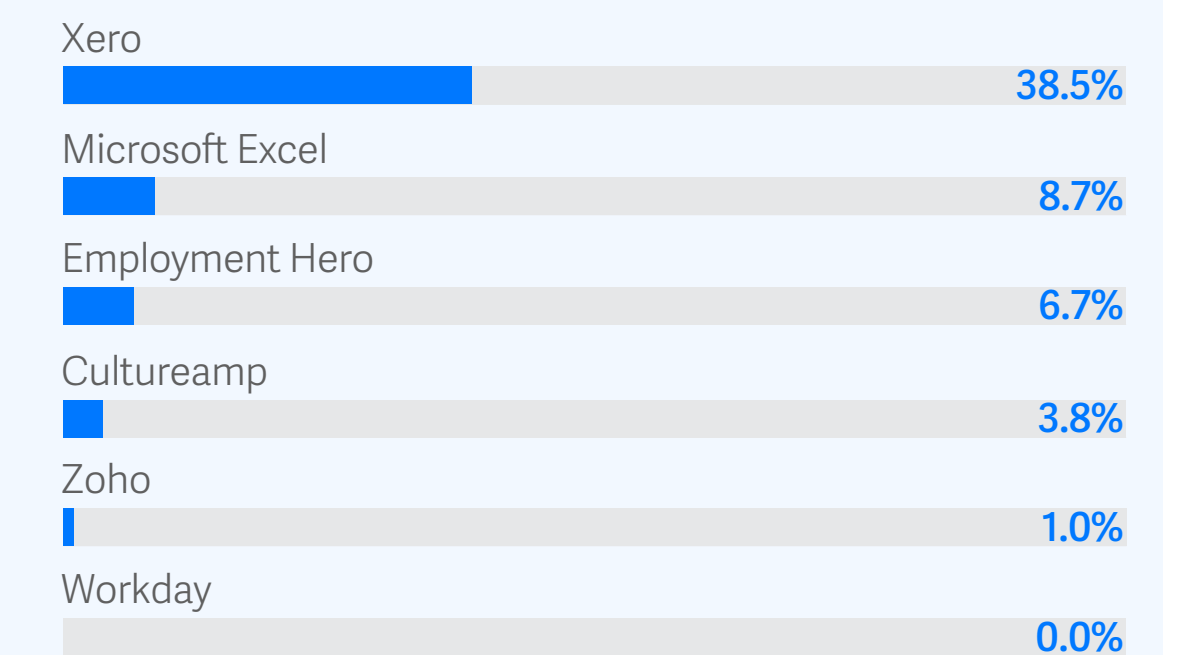
- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months



Most popular suppliers

Advice businesses who use People management technology (HR support tools)

● 2022





Presentation software



Microsoft PowerPoint

Presentation software

Usage

Use of presentation software dipped in 2020 (to 36.5% of firms), possibly reflecting the shift to online meetings that occurred around the same time. It has since recovered, to reach 43.1% of firms last year and 43.9% this year. More AdviceTech Stars (68.9%) use presentation software than firms overall (43.9%). About a quarter of firms overall (24.4%) plan to introduce it in the next 24 months, compared to one in five (20.0%) firms overall.

Description

Tools to support the creation and customisation of client presentation slides.

Benefits

Allows tailored and personalised presentations designed to reflect the client's circumstances, needs and goals.

Suppliers

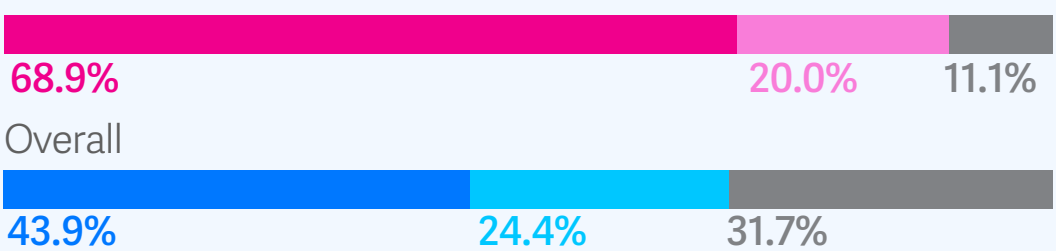
Use of the dominant presentation software, Powerpoint, has declined from 84.7% of firms last year to 70.7% this year. At the same time, the use of Canva has almost doubled, from 12.7% to 24.8%. Usage of Canva now exceeds that of Xplan (21.1%).

Adoption

Does your business use software to create presentations to clients?

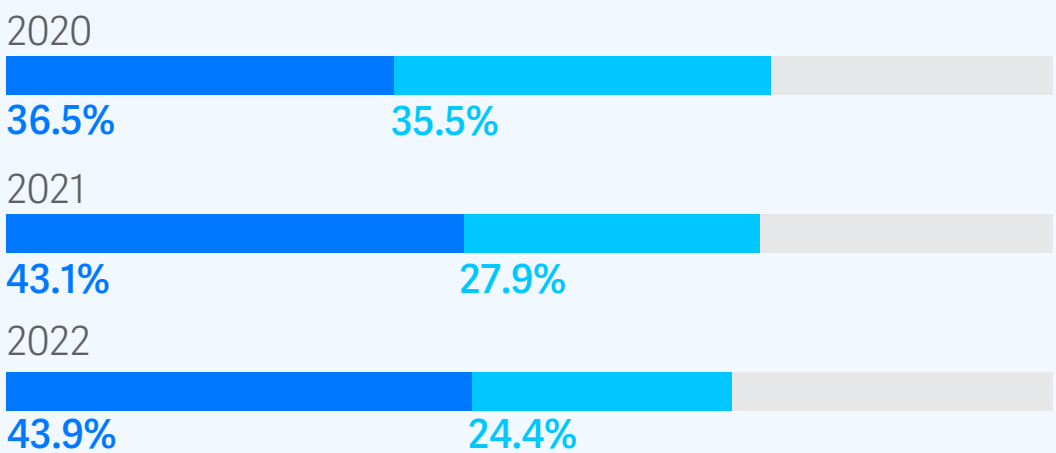
- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



Overtime - Does your business use software to create presentations to clients?

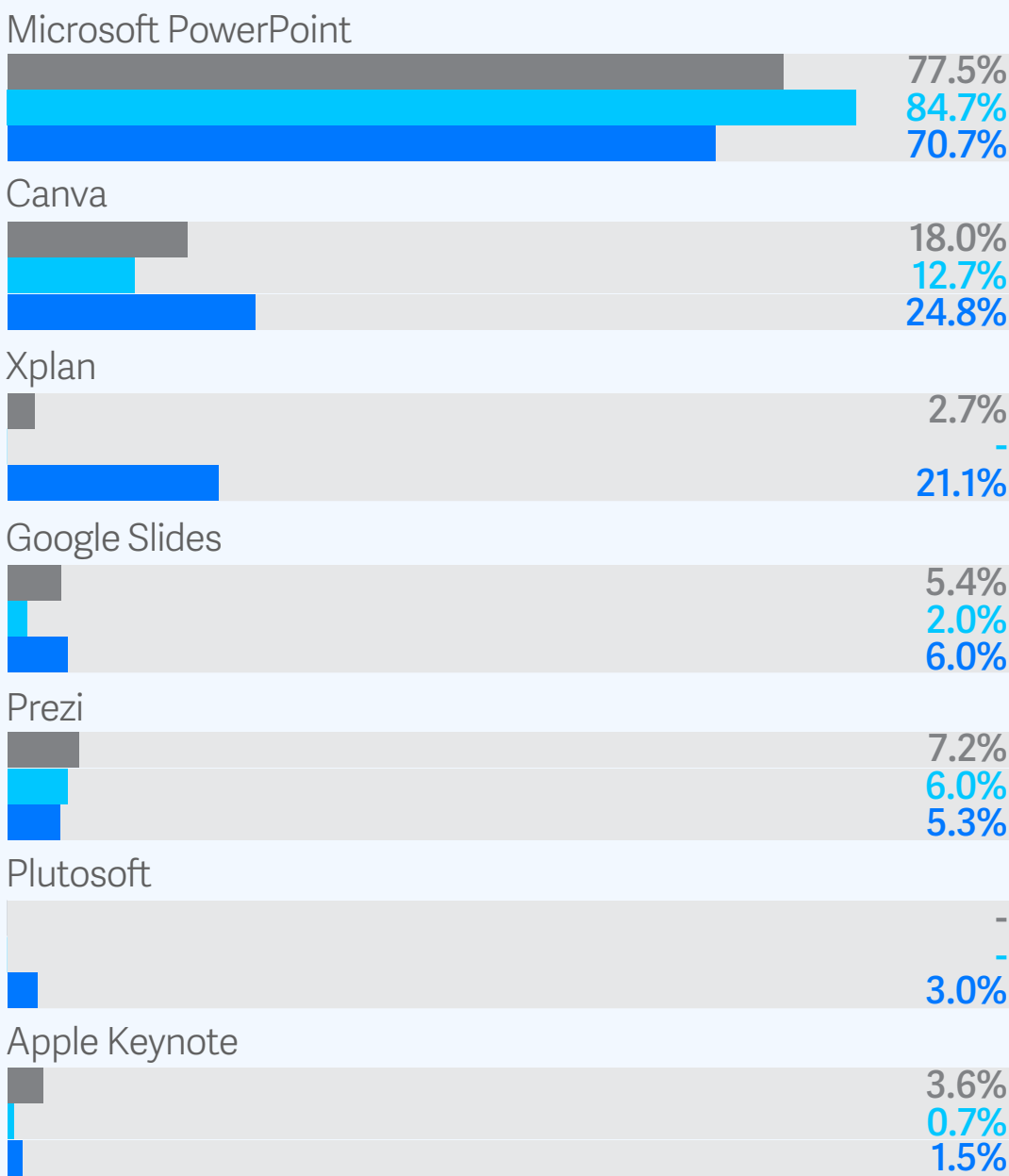
- Yes
- No, but plan to in the next 24 months



Most popular suppliers

Advice businesses who use software for client presentations

2020 2021 2022



Professional development tools



Kaplan
Professional development tool

Usage

The use of online professional development tools is high across the industry, used by 86.8% of firms overall and 84.4% of AdviceTech Stars. AdviceTech Stars planned usage in the next 24 months is slightly higher than firms overall (8.9% compared to 5.0%) and if those plans are followed through, 93.3% of AdviceTech Stars will use online tools compared to 91.7% of firms overall.

Description

Online training portals and other tech, such as webinars, to support financial advisers in meeting mandatory continuing professional development (CPD) requirements and improve their general education.

Benefits

Meeting mandatory continuing professional development requirements, keeping advisers and staff up to date with latest developments in industry standards (legislative, professional) and best practice. Access to new insights and knowledge.

Suppliers

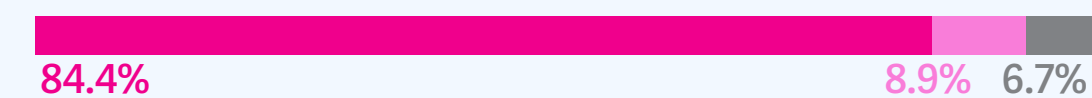
The sector is clearly dominated by Kaplan, which is used by almost six out of every seven (85.2%) firms. More than one in 10 (13.7%) get professional development support from their licensee.

Adoption

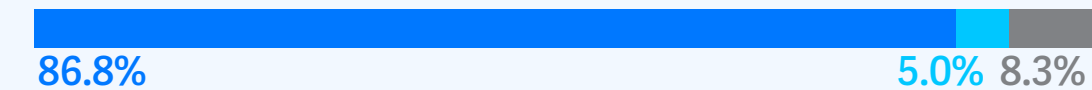
Does your business use online professional development tools or providers for CPD?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



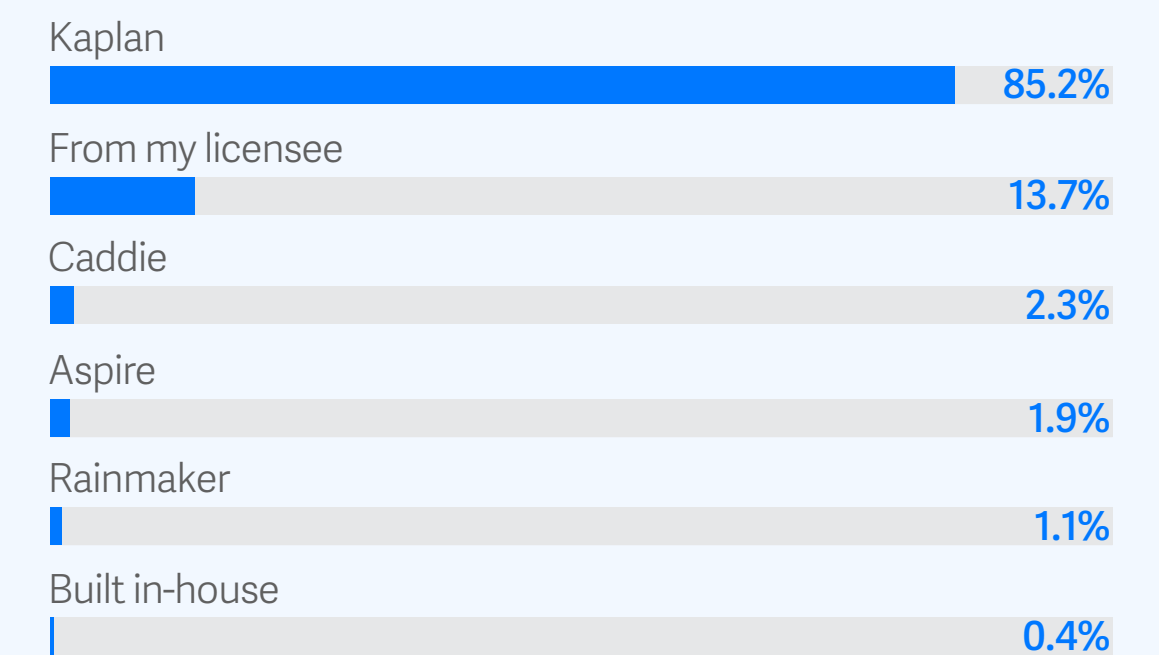
Overall



Most popular suppliers

Advice businesses who use accounting software

● 2022



Scaled advice technology



Xplan Prime
Scaled advice technology

Usage

Use of scaled advice technology has increased generally across firms overall since 2020 (from 20.1% to 28.7%), but planned implementation of this AdviceTech in the next 24 months has gradually declined, from 47.3% to 31.0%), and the proportion that don't currently use this technology and don't plan to use it in the next 24 months has increased, from 29.8% to 40.3%). However, AdviceTech Stars more commonly use this technology today (37.8% of firms), and more AdviceTech Stars (35.6%) than firms overall plan to use it in the coming two years.

Description

Personal advice limited in scope, or piece-by-piece advice rather than holistic or comprehensive advice, often provided over the phone or online at a fraction of the cost of holistic advice.

Benefits

May suit younger clients; can assist in expanding client base if willing to provide piece-by-piece advice at the client's request.

Suppliers

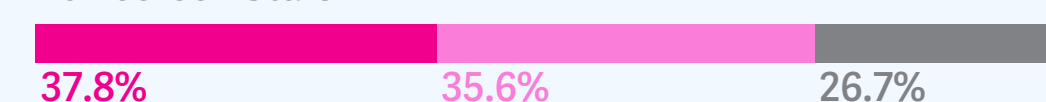
Plutosoft entered this space in 2020 and since then has increased in usage from 3.3% of firms overall to 18.4%. Usage of Xplan Prime has increased over the same period, from 21.3% to 37.9%. At the same time, usage of Astute Wheel has declined significantly, from 13.1% to 3.4%, and usage of Midwinter AdviceOS has fallen from 14.8% to 10.3%.

Adoption

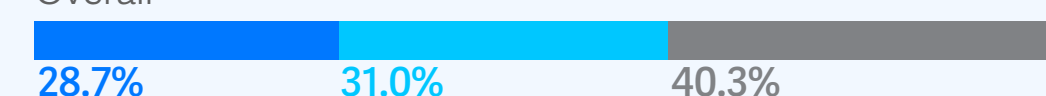
Does your business use scaled advice technologies for the provision of advice, including SOA/ROAs to clients?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



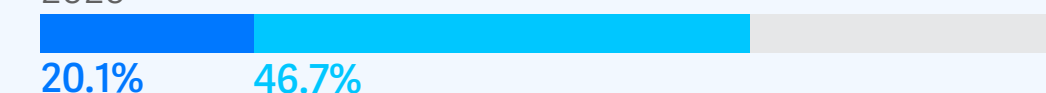
Overall



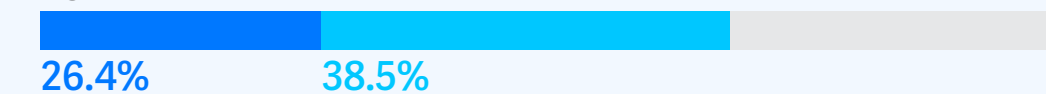
Overtime - Does your business use scaled advice technologies for the provision of advice, including SOA/ROAs to clients?

- Yes
- No, but plan to in the next 24 months

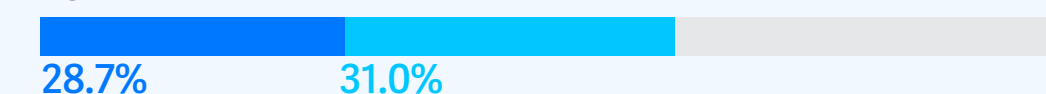
2020



2021



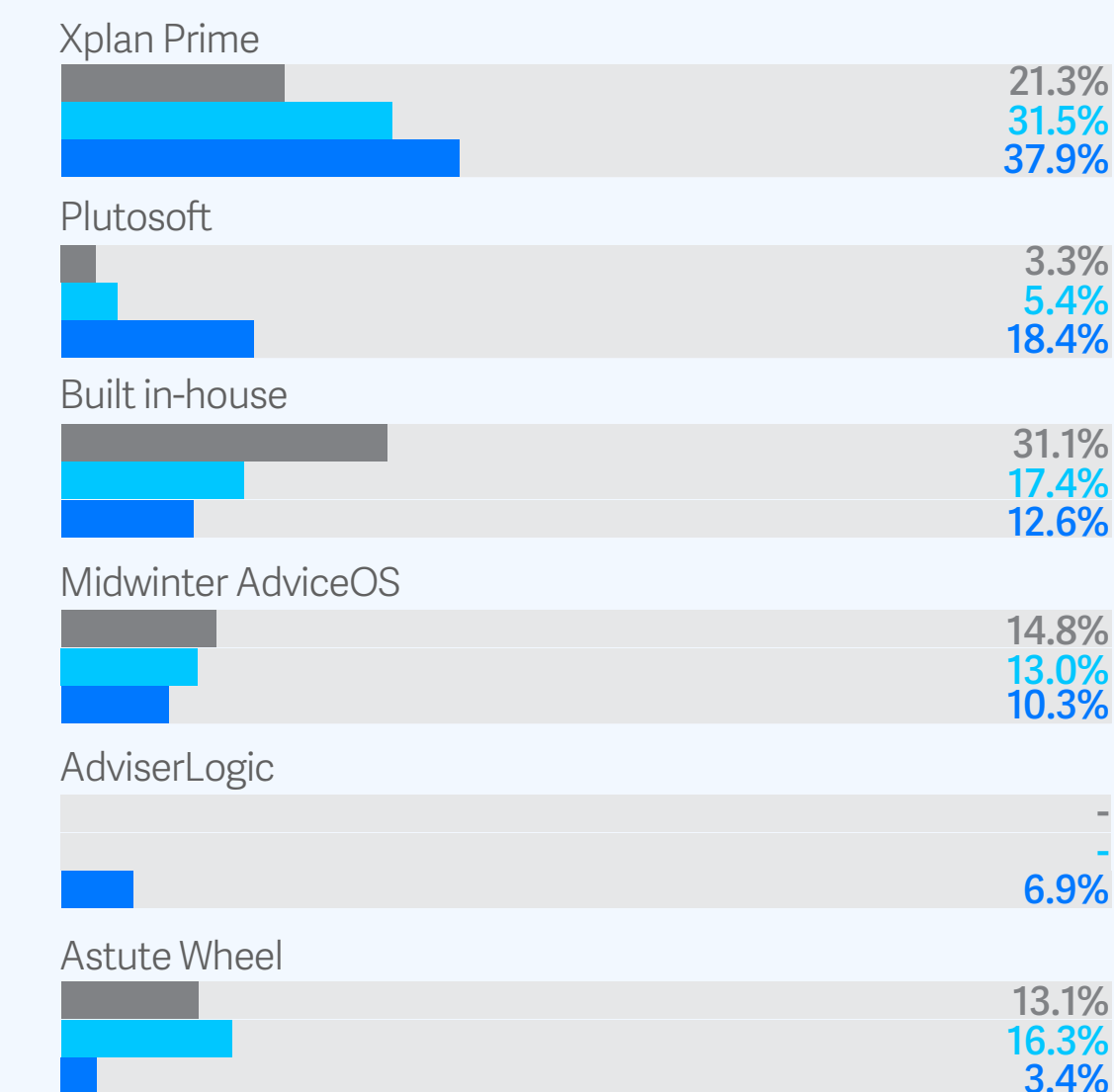
2022



Most popular suppliers

Advice businesses who use a scaled advice technology

2020 2021 2022



SMSF administration software



Class Super
SMSF administration software

Usage

Around a third (32%) of firms overall use SMSF admin software, a relatively steady level over the past four years. Planned usage has softened, from 9.2% of firms in 2019 to 6.9% in 2022. In this space, more AdviceTech Stars (44.4%) than firms overall use SMSF admin software, and they are slightly more likely (8.9%) to plan to use it in the next 24 months.

Description

Cloud-based SMSF software to assist in the administration and compliance of SMSFs by trustees and their advisers.

Benefits

Effective SMSF compliance; streamlined SMSF administration; enhance reporting; improve speed of tax return completion.

Suppliers

Around half (50.5%) of firms overall use Class Super as their supplier of SMSF admin software, almost twice the usage of BGL (25.8%) and well ahead of SuperConcepts (20.6%).

Adoption

Does your business use SMSF administration software for clients?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars

44.4% 8.9% 46.7%

Overall

32.0% 6.9% 61.1%

Overtime- Does your business use SMSF administration software for clients?

- Yes
- No, but plan to in the next 24 months

2020

30.3% 7.9%

2021

29.6% 8.3%

2022

32.0% 6.9%

Most popular suppliers

Advice businesses who use SMSF administration software

● 2020 ● 2021 ● 2022

Class Super

56.5%
53.4%
50.5%

BGL

37.0%
30.1%
25.8%

Super Concepts

3.3%
3.9%
20.6%

Heffron

-
-
4.1%

Social media networks



Facebook

Social media networks

Usage

Around six in 10 (59.4%) advice firms post content to social media – a level consistent with last year, but down from 2019 (68.2%). Most commonly they do so either weekly (19.5% of firms) or less frequently than monthly (19.8%). There's been an increase in the proportion of firms (from 1.7% in 2021 to 4.3% in 2022) that post to social media daily.

Description

Social media networks are websites and mobile apps designed for people and businesses to share information with each other, through the posting of text, images, video and also supports commenting, liking or sharing this information with others.

Benefits

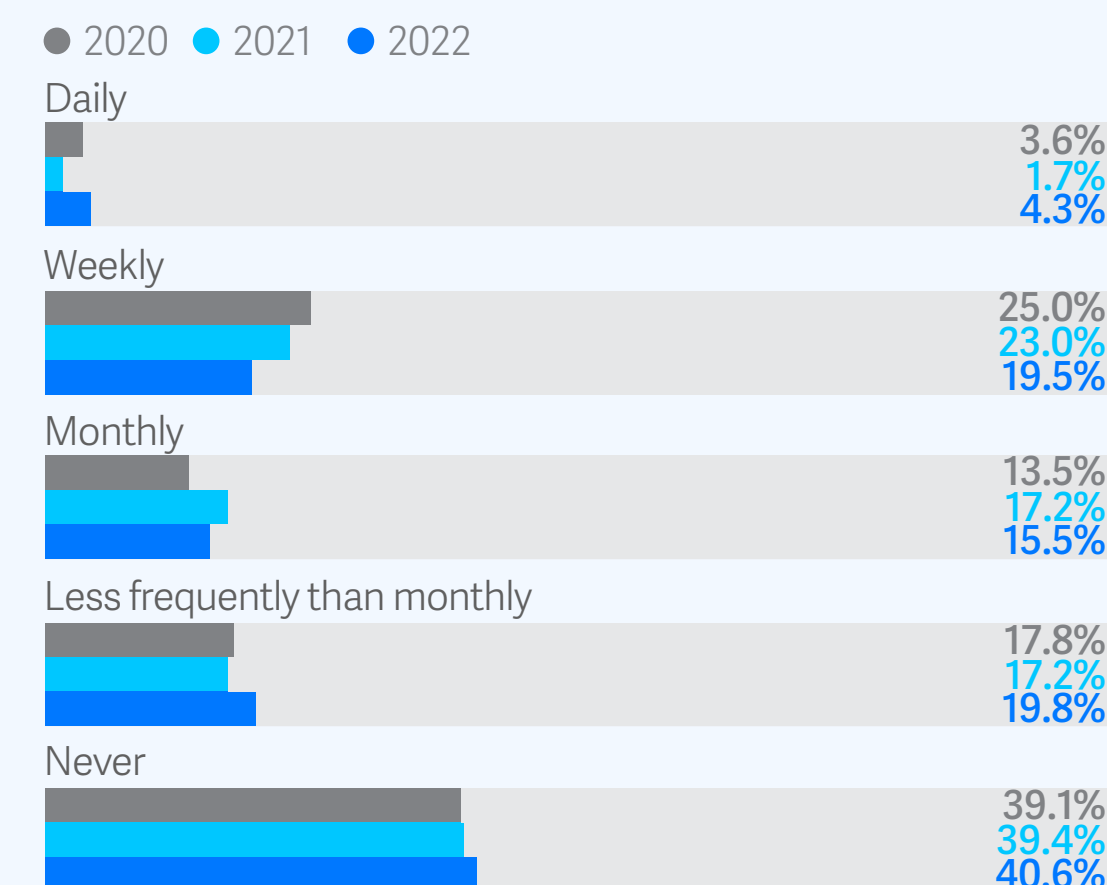
Helps communicate a business's identity and builds reputation with their target market, including future employees and shareholders; allows for the establishment of a direct relationship with individuals through two-way conversations and sharing.

Suppliers

Facebook is still the social media platform most firms post to (75.6%), but its usage has declined since last year (88.6%). Usage of Instagram has declined (from 32.7% to 25.0%), but at the same time usage of LinkedIn has climbed (from 59.2% to 63.9%). There only has been a minor (1.1%) take-up of TikTok.

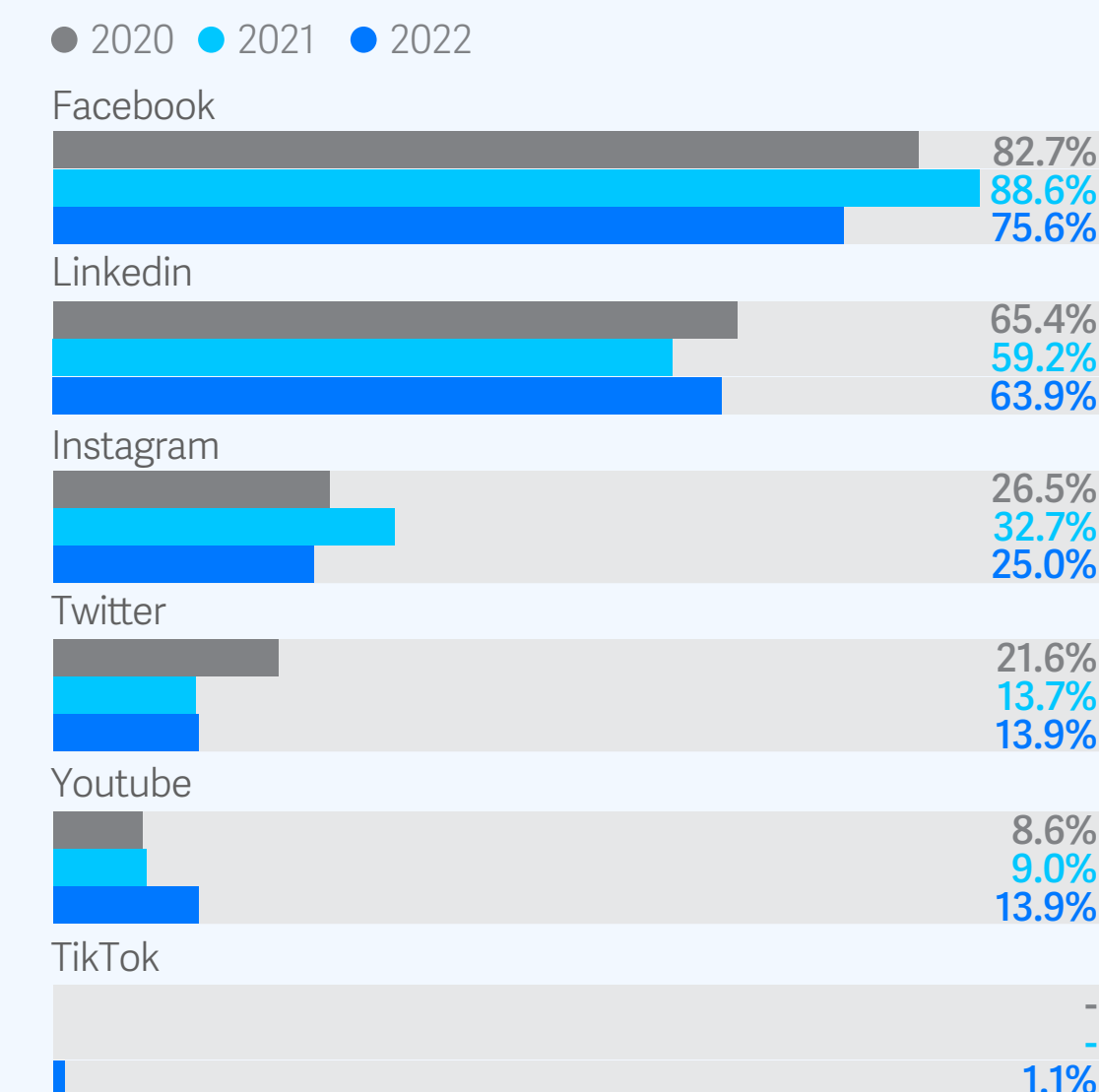
Frequency of use

How often does your business post to social media networks?



Most popular suppliers

Advice businesses who post to social media



Social media management tools

Usage

For those advice firms that do post content to social media, around one in five (19.5%) use social media management tools to help, up from 14.9% last year. About twice as many (40.0%) AdviceTech Stars use this tech. However, planned adoption of social media management tools in the next 24 months has declined significantly, from 43.8% of firms overall in 2019, to 28.7% last year and 25.7% this year.

Description

Social media management tools allow the coordination of social media posts via scheduling across multiple social networks from a single online location. They also provide reporting and analytic tools.

Benefits

Social media management tools can help save considerable time (particularly when posting frequently) by permitting the same content to be published to many social media platforms and improves insights into which social media posts and platforms are performing better.

Suppliers

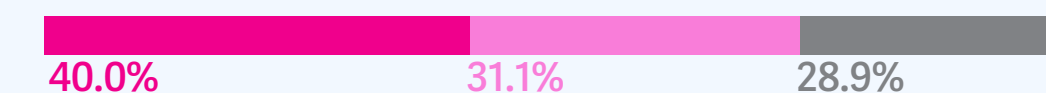
Management of social media posts is most commonly outsourced to an external agency (by 25.4% of firms overall). Where it's managed in-house, almost one in five (18.6%) use Hootsuite, but that figure is down from 34.6% last year; and 15.3% use Buffer.

Adoption

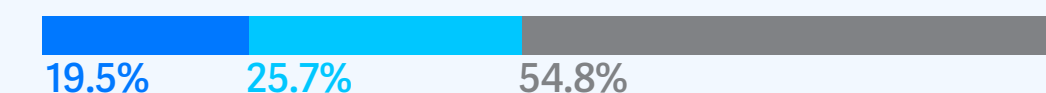
Does your business use technology to manage posts and activities on social media networks?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



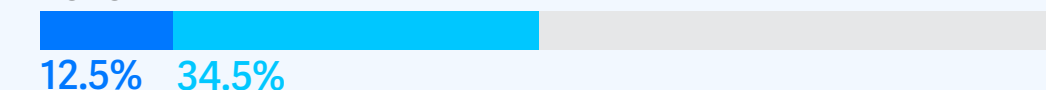
Overall



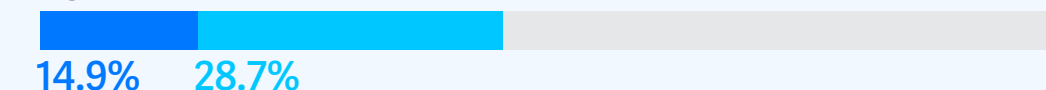
Overtime - Does your business use technology to manage posts and activities on social media networks?

- Yes
- No, but plan to in the next 24 months

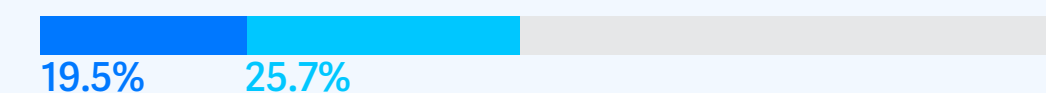
2020



2021



2022

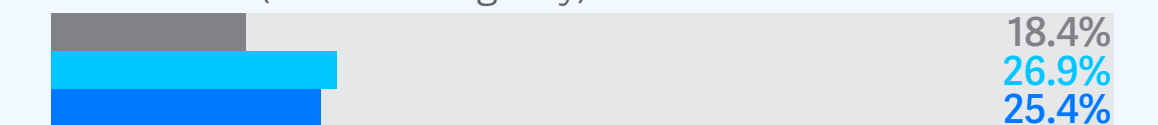


Most popular suppliers

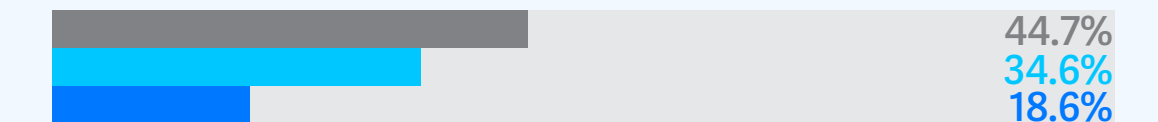
Advice businesses who use social media management tools

- 2020
- 2021
- 2022

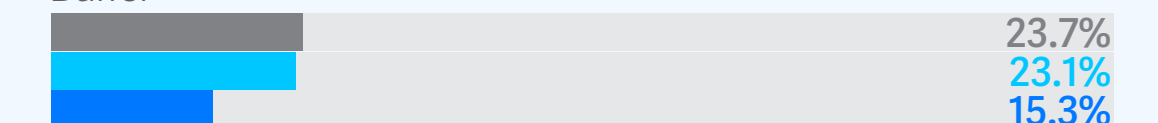
Outsourced (to external agency)



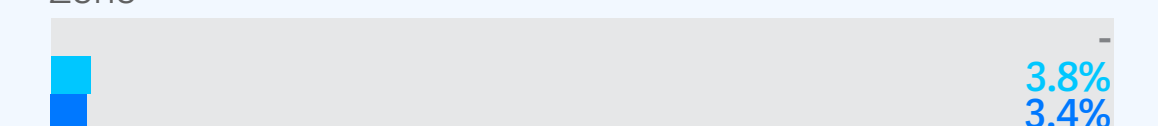
Hootsuite



Buffer



Zoho



→ Staff knowledge sharing technology



Microsoft Teams
Staff knowledge sharing technology

Usage

AdviceTech Stars are significantly greater users of staff knowledge-sharing technology (68.9% of firms compared to 35.6% of firms overall), and significantly fewer (20.0% compared to 50.5% of firms overall) say they do not plan to implement this technology in the next 24 months.

Description

Technology to help facilitate the sharing and development of knowledge among staff about company policies, processes, know-how and philosophies.

Benefits

Having a central and common repository means that they can be easily accessed by staff and can be easily reviewed and updated.

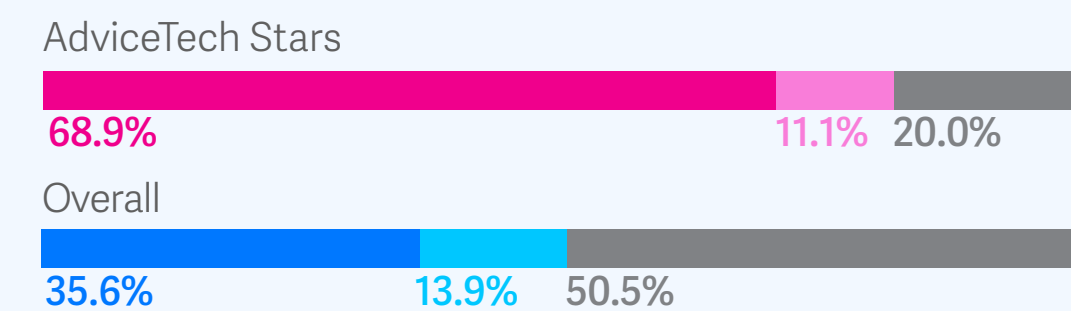
Suppliers

Almost half (48.1%) of all firms use Microsoft Teams as their staff knowledge sharing technology, with around four in 10 (38.0%) using Sharepoint; and about a quarter (24.1%) using a system built in-house. Around one in 10 (11.1%) rely on a corporate intranet to make sure all staff can access company-specific knowledge.

Adoption

Which of the following technologies for knowledge sharing, FAQs or self-service training does your business use?

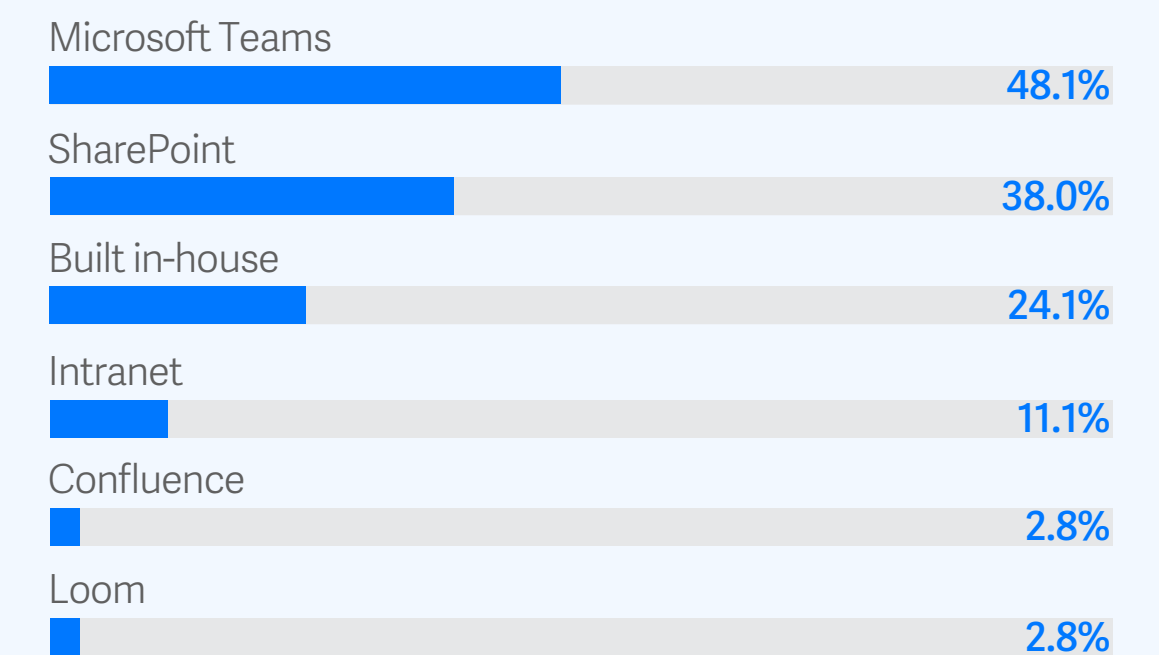
- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months



Most popular suppliers

Advice businesses who use staff knowledge sharing technology

● 2022



Staff surveys



SurveyMonkey
Staff surveys

Usage

Well over half (55.6%) of AdviceTech Stars seek formal feedback and insights from staff using staff survey tools. This figure is more than twice the proportion of advice firms overall (22.1%) that formally seek their employees' views and opinions. AdviceTech Stars (15.6%) are also more likely than firms overall (11.9%) to be planning to use this technology in the next 24 months.

Description

This technology helps firms to create online surveys to gather staff feedback on a range of staff or operational-related issues, including performance feedback and engagement scores.

Benefits

By surveying staff you are demonstrating to your team that you value their opinion, you also might get feedback on aspects of the firm's operations that may not be apparent to management or get insights and ideas on improving processes, client service and other aspects of how the firm is run.

Suppliers

The staff survey space is dominated by SurveyMonkey, used by half (50.7%) of firms overall, with a lower usage (17.9%) of Microsoft forms. There is minor usage of Typeform (1.5%) and Google Forms (3.0%).

Adoption

Does your business use staff surveys?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars

55.6% 15.6% 28.9%

Overall

22.1% 11.9% 66.0%

Most popular suppliers

Advice businesses who use staff surveys

● 2022

SurveyMonkey	50.7%
Microsoft Forms	17.9%
Outsourced	7.5%
My people management system	4.5%
Google Forms	3.0%
Typeform	1.5%

Super and investment platforms

Usage

The use of superannuation and investment management platforms has remained constant, and high, at around nine in 10 firms (91.1% in 2019, 90.1% in 2022). Consequently, planned usage of this technology is very low (between about 2% and 5% of firms each year since 2019). AdviceTech Stars are only very slightly more likely (91.1%) than firms overall to use a super or investment platform.

Description

Administration service for investments, to facilitate the management of multiple funds in a portfolio.

Benefits

Reduces paperwork; accesses a greater choice of investments; and aggregates reporting for investments.

Adoption

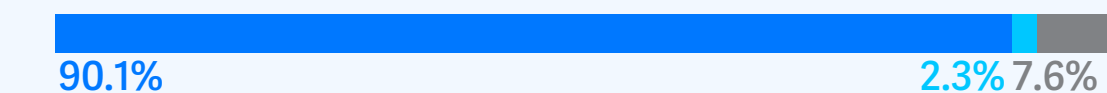
Does your business use a super/investment platform?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



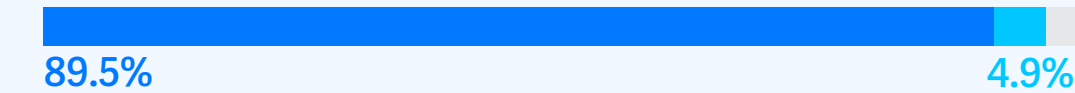
Overall



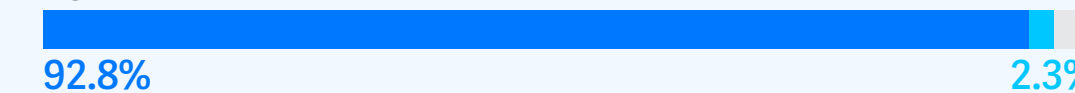
Overtime- Does your business use a super/investment platform?

- Yes
- No, but plan to in the next 24 months

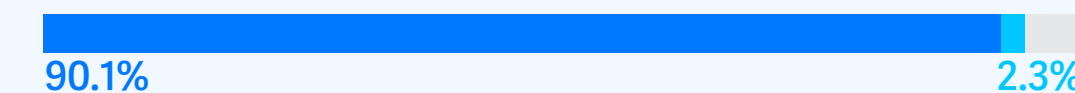
2020



2021



2022



Survey and client feedback tools



SurveyMonkey
Client surveys

Usage

About a quarter (26.1%) of firms overall use surveys to ask for, gather and analyse feedback from clients. The use of surveys has declined from around a third (32.1%) of firms overall in 2019. AdviceTech firms are more than twice as likely (57.8%) to use surveys as a way of garnering feedback from clients. Planned usage in the next 24 months has fallen from 42.0% of firms overall in 2019 to 26.1% of firms overall in 2022.

Description

Client feedback tools fall into two broad areas: 1. Client survey tools - Tools to capture client feedback through the development of surveys and feedback forms, which enable advisers to craft questions and seek feedback on specific issues; and 2. Online ratings and reviews - Online websites where clients share experiences and rate service with stars and descriptions.

Benefits

A better understanding of clients through profiling and satisfaction scores and ratings; an ability to benchmark service levels against other providers; the ability to identify areas of the business that need further improvement; the ability to capture comments that can be used to improve marketing efforts and the acquisition of new clients.

Suppliers

To collect feedback from clients, firms most commonly (41.8%) use SurveyMonkey to create and deploy surveys. There is minor usage of Typeform (7.6% of firms overall).

For online ratings and reviews, they commonly use Adviser Ratings (35.4%) and Google Reviews (35.4%). A smaller proportion (13.9%) use Facebook for this purpose.

Adoption

Does your business use online survey, review and rating tools to capture feedback from clients?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars

57.8% 20.0% 22.2%

Overall

26.1% 26.1% 47.9%

Overtime - Does your business use online survey, review and rating tools to capture feedback from clients?

- Yes
- No, but plan to in the next 24 months

2020

22.7% 44.4%

2021

27.0% 33.3%

2022

26.1% 26.1%

Which of the following online survey, review and rating tools do you use to capture feedback from clients?

2021 2022

Client survey tools

62.8% 55.7%

Online ratings and review tools

43.6% 49.4%

Survey and client feedback tools



Adviser Ratings
Online ratings and reviews



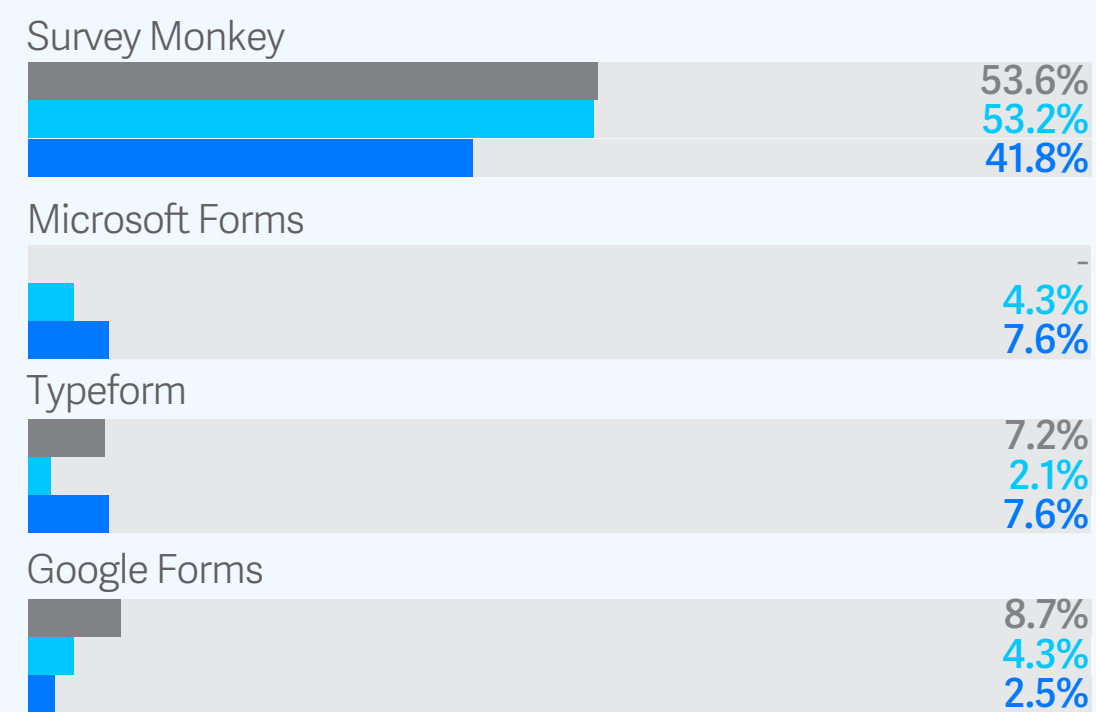
Google Reviews
Online ratings and reviews

Most popular suppliers

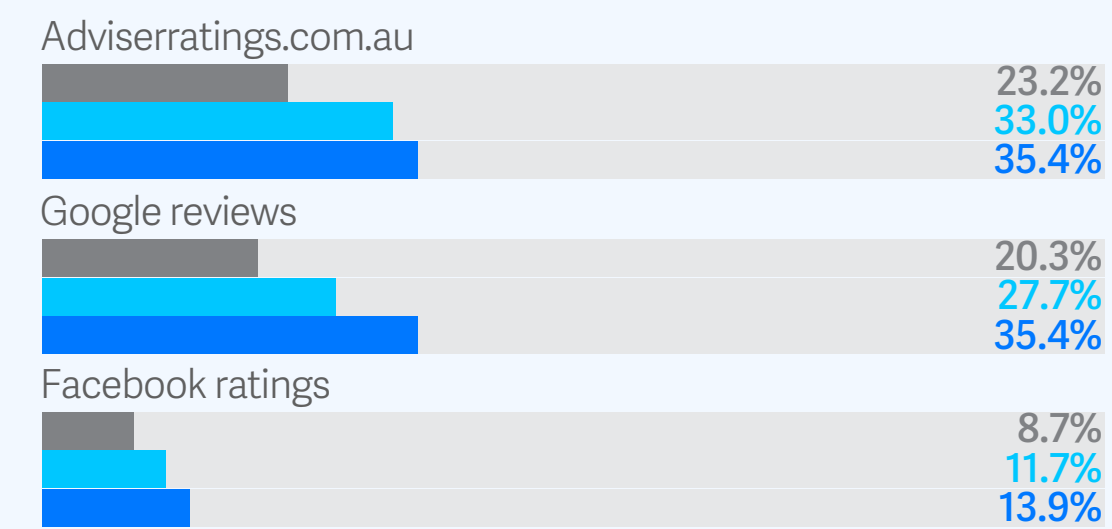
Advice businesses who use survey tools for client feedback and reviews

● 2020 ● 2021 ● 2022

Client survey tools



Online ratings and reviews





Task, activity and project management technology

Usage

The use of technology to manage projects, staff tasks and activities is unchanged over the past four years (69.0% in 2019; 69.3% in 2022). More AdviceTech Stars (75.6%) than firms overall use this technology; more (20.0%) also plan to use it. In the next 24 months compared to firms overall (15.5%).

Description

A tool which allows people to collaborate, communicate and coordinate projects by managing tasks, processes, and workflows.

Benefits

Improves project planning; more effective team communication and collaboration; greater transparency on progress; ability to optimise resource allocation and delegate tasks; standardises project delivery; centralises project reporting.

Suppliers

The most commonly used tech in this space is the firm's existing CRM or planning software (used by 56.2% of firms overall). Microsoft's Outlook/Planner and Teams software are each used by 24.8% of firms; and around one in five (19.0%) use Microsoft Excel.

Adoption

Do you and/or your staff use digital tools to manage internal tasks, activities and/or projects in your business (i.e. not client tasks, activities and/or projects)?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars

75.6% 20.0% 4.4%

Overall

69.3% 15.5% 15.2%

Overtime - Do you and/or your staff use digital tools to manage internal tasks, activities and/or projects in your business (i.e. not client tasks, activities and/or projects)?

- Yes
- No, but plan to in the next 24 months

2020

59.2% 23.4%

2021

68.7% 16.7%

2022

69.3% 15.5%

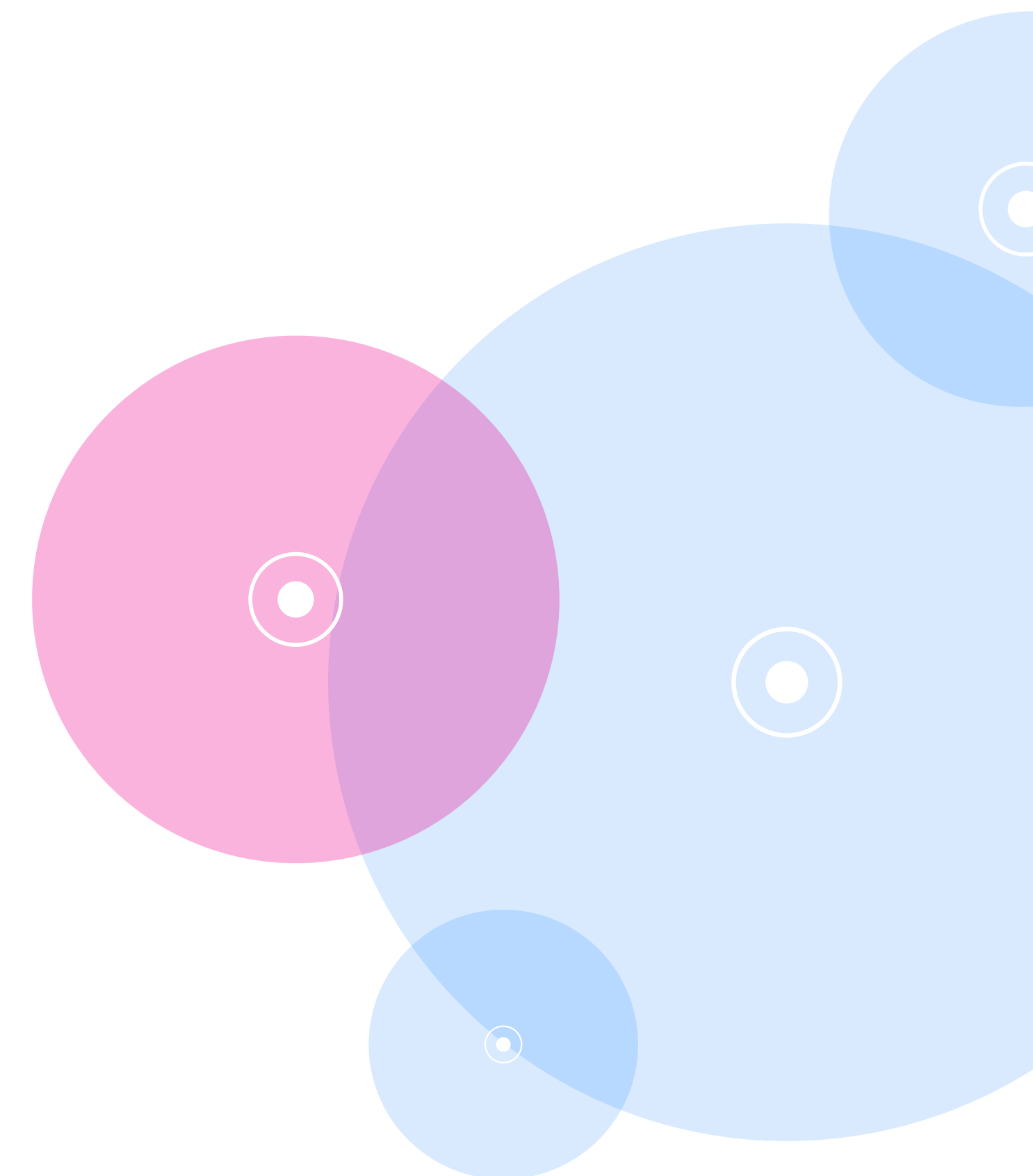
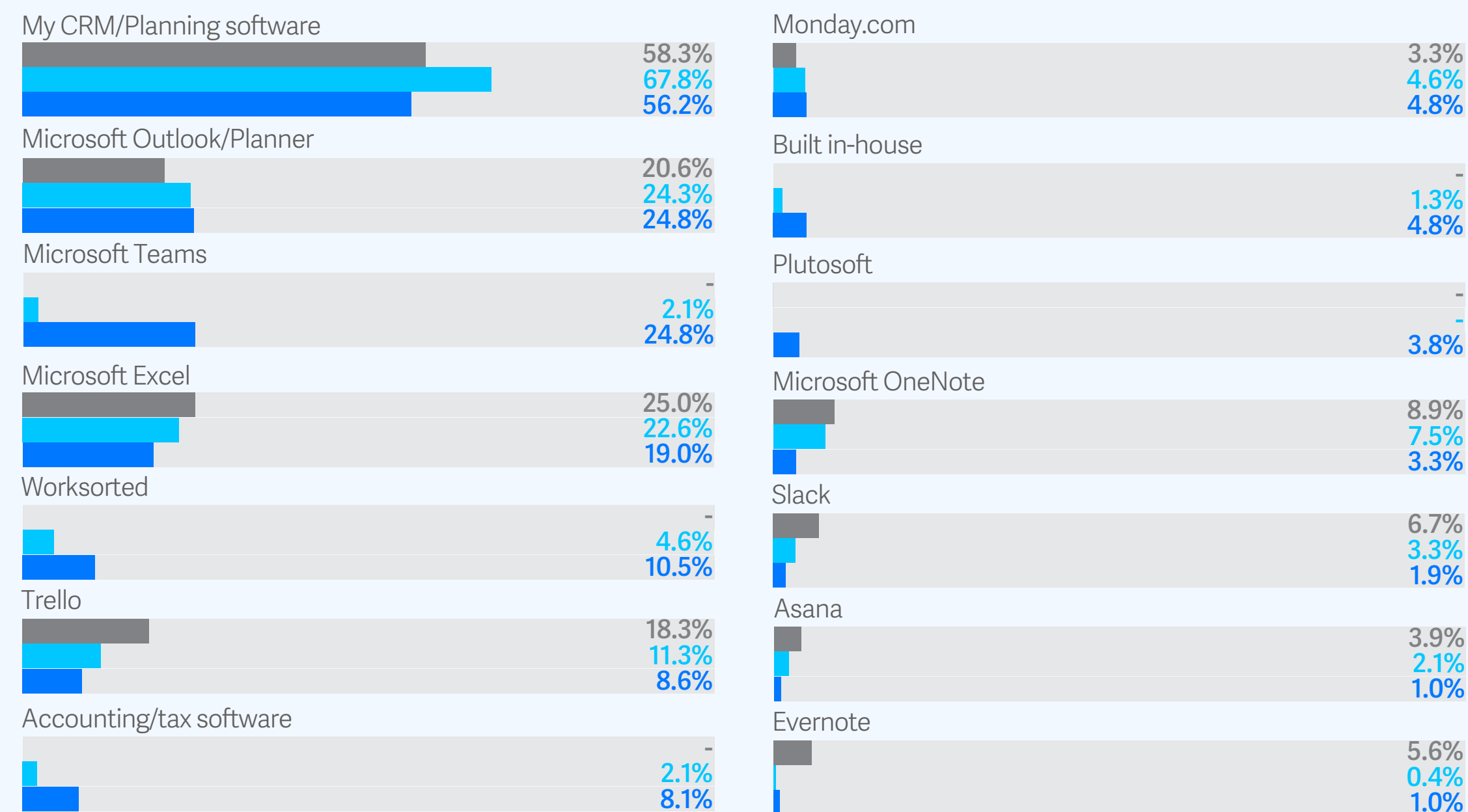


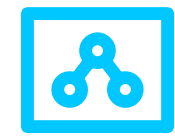
Task, activity and project management technology

Most popular suppliers

Advice businesses who use tools for managing internal tasks, activities or projects

● 2020 ● 2021 ● 2022





Tools and calculators to demonstrate strategies



Xplan
Wealth tools & calculators

Usage

Three-quarters of firms overall (74.3%) and AdviceTech Stars (75.6%) use tools and calculators to demonstrate and explain advice and investment strategies to clients. Overall usage is up from 64.9% last year. About one in eight (12.5%) firms overall and slightly more (15.6%) AdviceTech Stars plan to use this AdviceTech in the next 24 months.

Description

Educational tools and calculators are tools to help explain complicated financial advice topics often using online tools that are interactive and may visually display complex data and information.

Benefits

Designed to help educate clients on various elements of financial advice and different advice strategies, as well helping them visualise sometimes complex financial concepts and longer-term investment horizons.

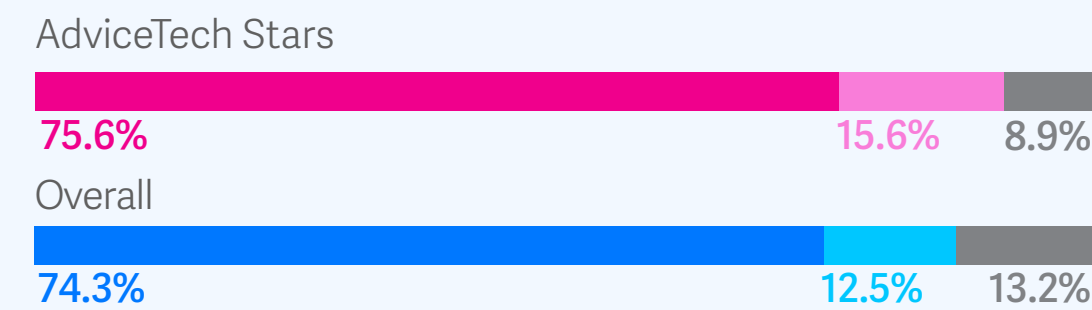
Suppliers

Xplan is the dominant supplier of tools and calculators, used by half (50.7%) of firms overall. About one in five (21.3%) use tools and calculators provided to them by entities like their licensee, fund managers and insurance companies. About one in eight (12.9%) use calculators they've built in house; and there's about a quarter of firms that use a spreadsheet (Excel – 25.8%) to demonstrate and explain advice and investment strategies.

Adoption

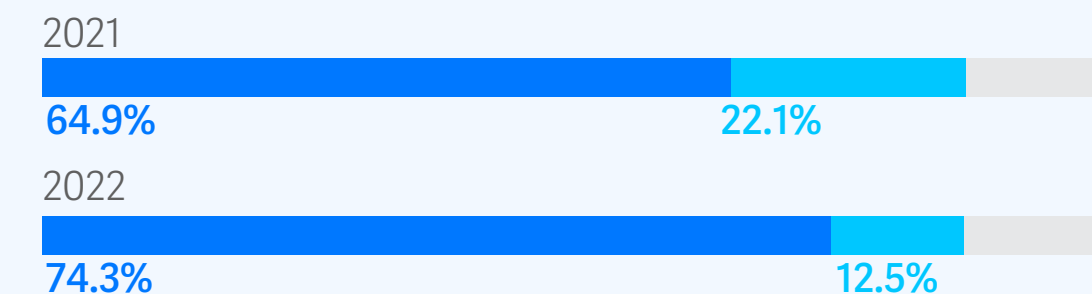
Does your business use tools and calculators to demonstrate strategies to clients (e.g. retirement calculators)?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months



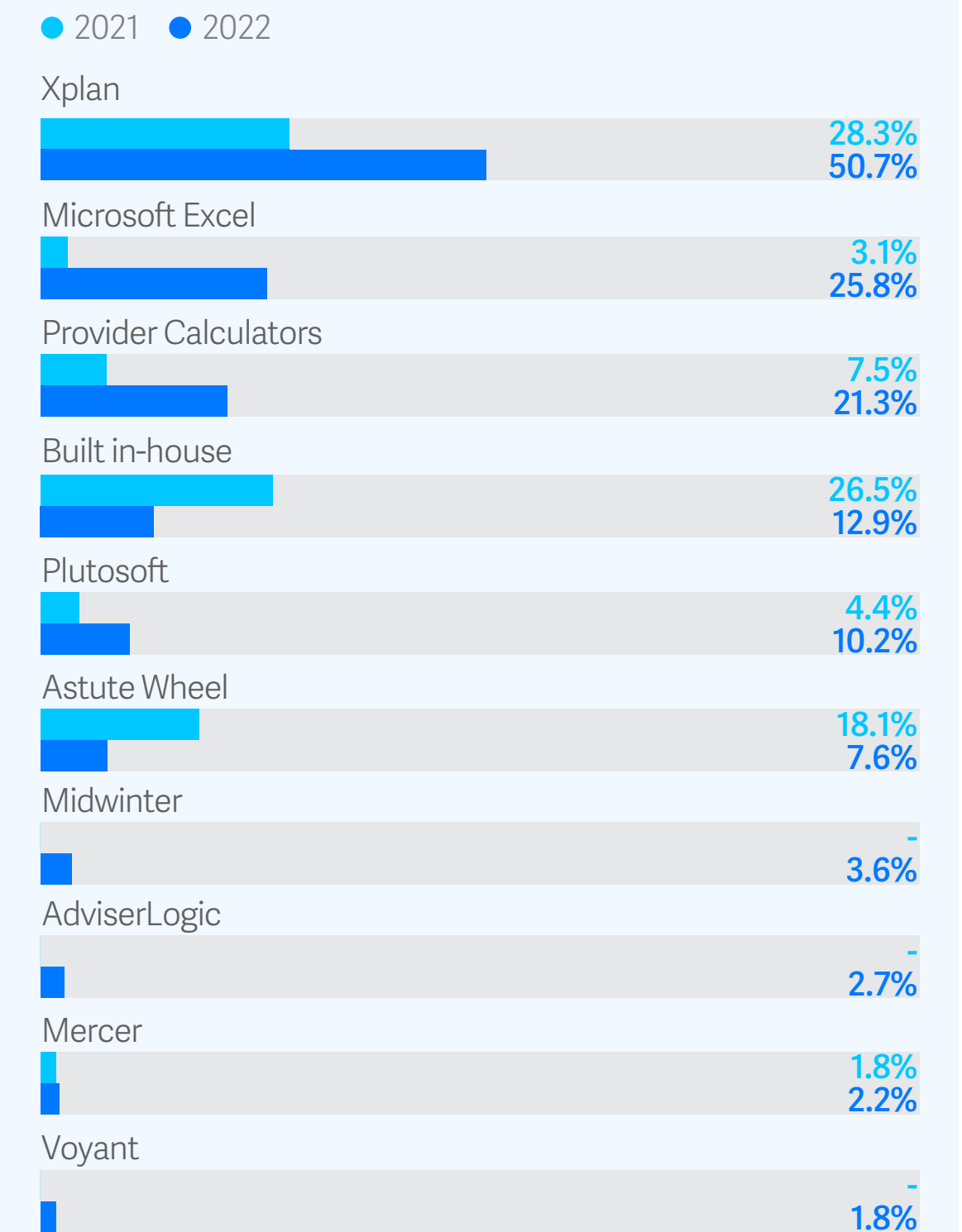
Overtime - Does your business use tools and calculators to demonstrate strategies to clients (e.g. retirement calculators)?

- Yes
- No, but plan to in the next 24 months



Most popular suppliers

Advice businesses who use tools and calculators to demonstrate strategies to client



Virtual private networks (VPNs)

Usage

VPNs are used by just over a quarter (27.4%) of firms overall and by just over three in 10 (31.1%) AdviceTech Stars. Planned adoption is relatively modest, with only 11.2% of firms overall and 13.3% of AdviceTech Stars planning to adopt a VPN in the next two years. As things stand, around six in 10 (61.4%) firms overall say they do not plan to have a VPN set up in the next 24 months, but a renewed focus in cybersecurity by the industry overall may see those plans change.

Description

A service that protects an internet connection and privacy online by creating an encrypted connection for sending and receiving data (including client data). A VPN also protects a user's identity online by hiding IP addresses and allows the safe use of public Wi-Fi hotspots.

Benefits

Secure transmission of sensitive information between adviser and client, adviser and service provider and between advice firm and staff.

Suppliers

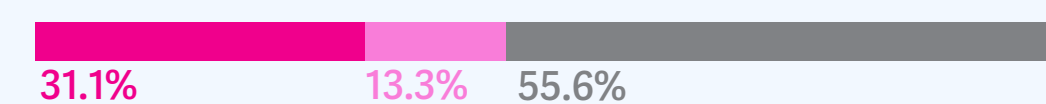
An advice firm's VPN is typically (for 54.2% of firms) set up and managed by the firm's in-house IT team, or by the firm's outsourced IT provider. Where a VPN is supplied by a specialist provider, fewer than one in 10 use NordVPN (9.6%) or Express VPN (6.0%).

Adoption

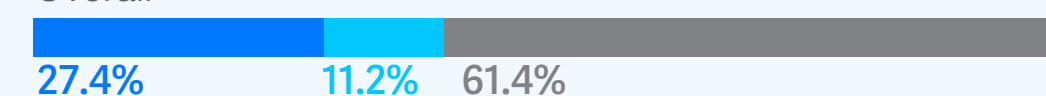
Which of the following VPNs does your business use?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months

AdviceTech Stars



Overall

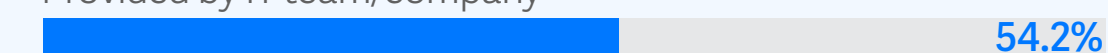


Most popular suppliers

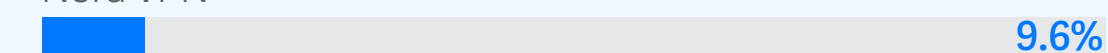
Advice businesses who use VPN

● 2022

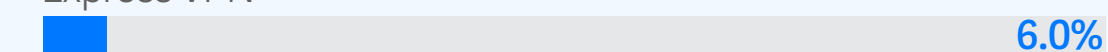
Provided by IT team/company

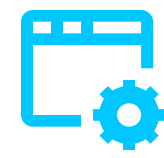


Nord VPN



Express VPN





Website management and blog tools



Wordpress Website and blog management

Usage

Around four in 10 (40.6%) firms overall use technology to manage website content, including their blogs. The figure has jumped from 34.5% last year and has trended up steadily since 2019. More AdviceTech Stars (68.9%) than firms overall use tech to manage their website content; and significantly fewer (6.7%) AdviceTech Stars than firms overall (32.3%) say they do not plan to use this technology in the next 24 months.

Description

Tools to assist in the creation and modification of web pages, blogs or online stores.

Benefits

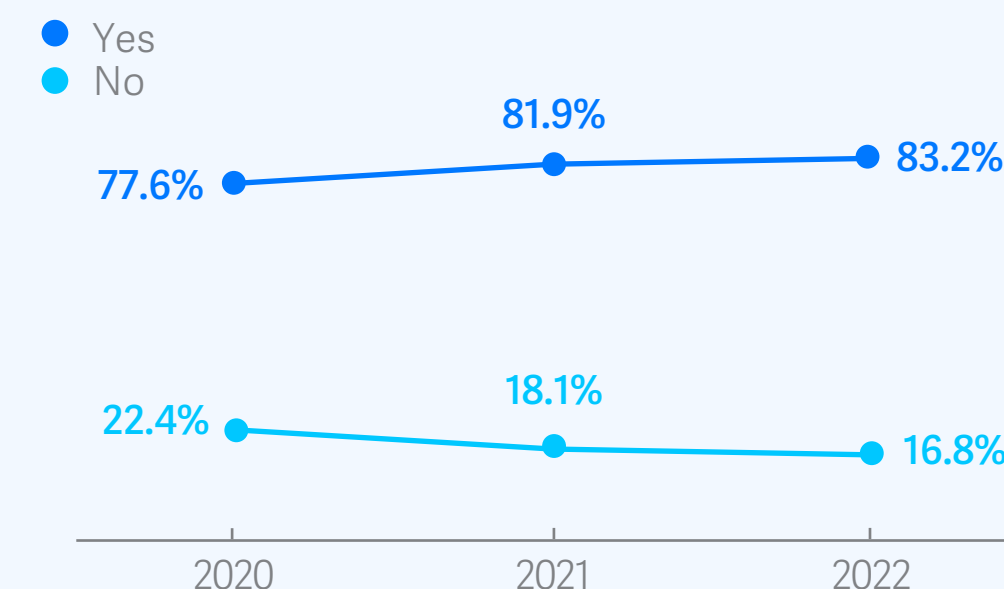
Keeps a website fresh to create the right impression with prospective clients; improves website performance and conversion; attracts more visitors to the website through improved SEO performance.

Suppliers

Advice firms most commonly (46.3%) use WordPress to manage website content and usage of this supplier has exceeded 40% of firms each year since 2019. Where WordPress is not used, most firms (33.3%) outsource the task to an external agency. There is only minor usage of Squarespace (7.3% of firms) and Wix (3.3%).

Mobile compatible website

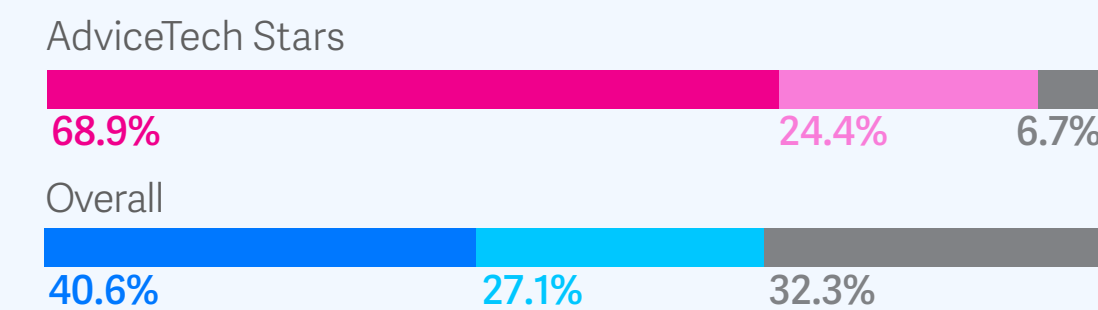
Is your website (including your blog) mobile-compatible (i.e. it responds or adapts to a mobile phone screen size)?



Adoption

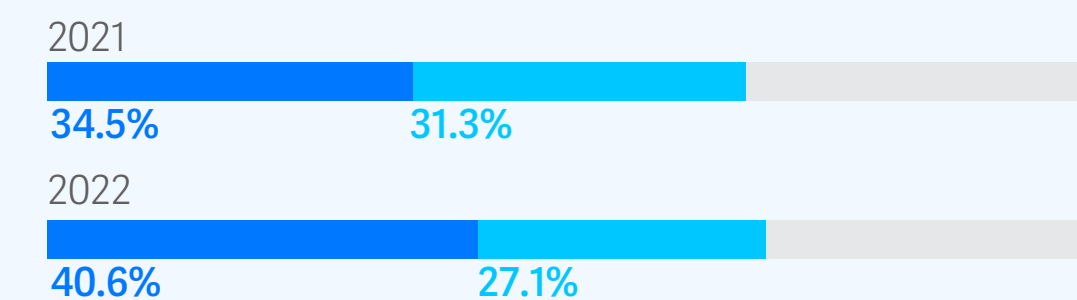
Does your business use technology to manage content on your website, including your blog?

- Yes
- No, but plan to in the next 24 months
- No, and don't plan to in the next 24 months



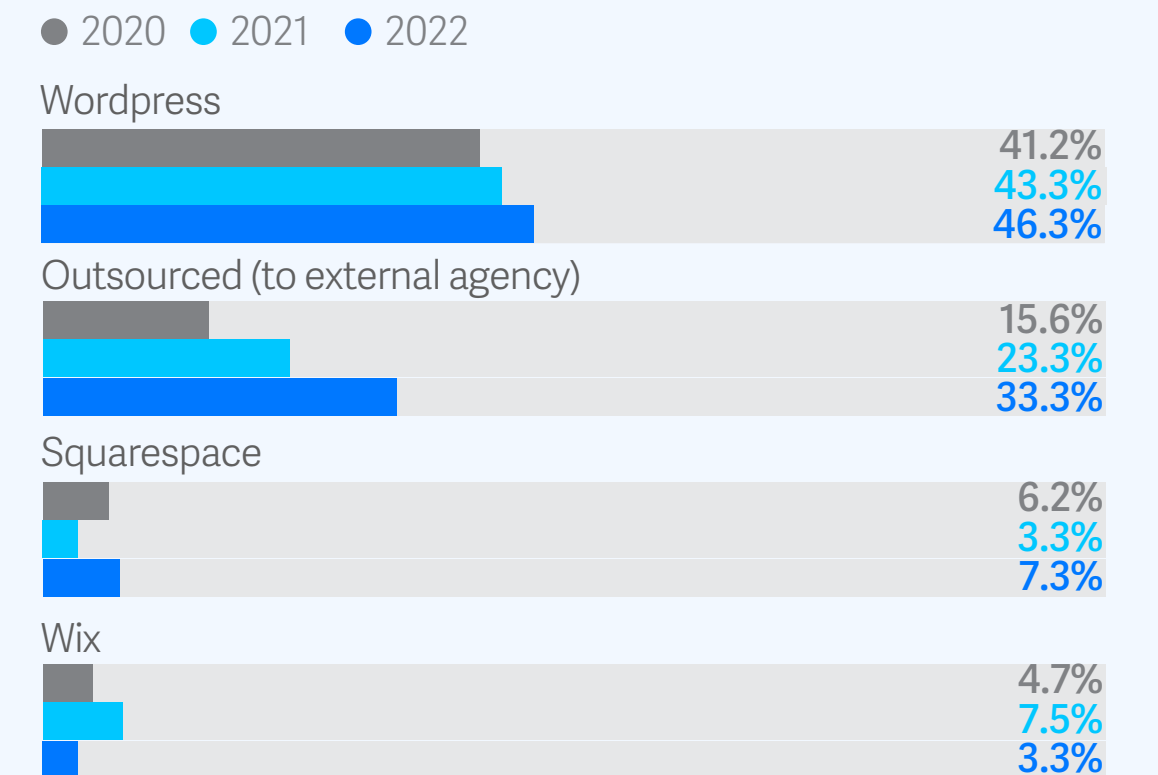
Overtime - Does your business use technology to manage content on your website, including your blog?

- Yes
- No, but plan to in the next 24 months



Most popular suppliers

Advice businesses who use website management and blog tools



Methodology

In this year’s 2022 Netwealth AdviceTech Research Report we surveyed 303 advice firms. Fieldwork took place from April 13 to May 19, 2022

AdviceTech Segmentation methodology

In the 2020 AdviceTech Report, we created a segmentation method to split advice firms into five different groups based on the success of the business and the rate at which they adopt technology. This methodology was replicated in this year’s survey. This is how we defined our AdviceTech Stars in the report. We developed a Business Success Score comprised of measures such as a practice’s funds under advice (FUA) and revenue growth or decline from the previous year. We also considered a ratio of FUA to active clients and to length of business operation. Practices that have better business success score higher. The average Business Success Score is 50.1 out of 100 for all practices.

We also developed a Technology Adoption Score, comprised of the number of technologies used by a practice, how many technologies they are considering implementing in the short term, and characteristics about their technology investment and management. Practices that adopt more technology in a planned manner score higher. The average Technology Adoption Score across all practices is 62.9 out of 100.

Five segments were determined based on these two scores:

	Tech Score	Success Score	Segment size
AdviceTech Stars	76.4	70.9	17.6%
AdviceTech Moderate Performers	71.9	54.3	27.7%
AdviceTech Underperformers	47.6	58.6	10.5%
AdviceTech Conservatives	70.2	39.2	24.6%
AdviceTech Laggards	38.7	34.7	19.5%

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