

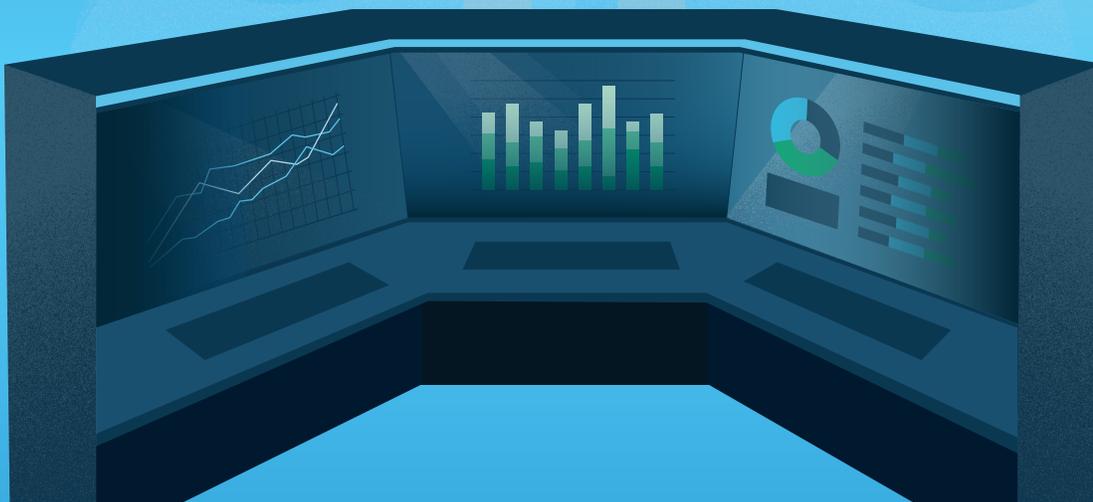


BUSINESS-DRIVEN INNOVATION

CASE STUDY

How a Top Wholesaler Accelerated Sales Through Product Positioning

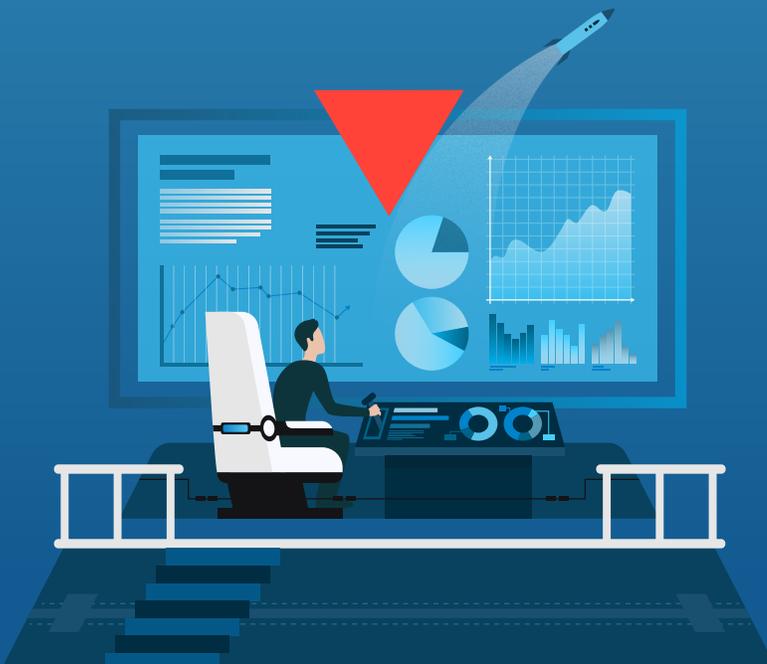
November 2020



The following case study is based on one of Equisoft's clients. All of the names and telling details have been changed to preserve client privacy. It examines how one wholesaler implemented Equisoft/analyze for wholesalers as part of a new value proposition that would attract the attention of top advisors.

Effectively positioning her company's funds in advisor portfolios with Equisoft/analyze for wholesalers, helped a top wholesaler accelerate sales

The traditional ways a wholesaler approaches their advisor relationships – networking, marketing, and product presentation – aren't dead. But in today's world, building a lasting relationship requires the wholesaler to add significant value to the advisor's practice. That was the challenge faced by wholesaler, Lisa Fleming.





The Challenge

As a wholesaler for Hamilworth Mutual Funds, Lisa has a complex role, with several different, not always complimentary aspects. She's charged with developing new advisor relationships, while also maintaining and strengthening relationships with the advisors she already works with. Yet, she also needs to build advisor awareness and usage of her company's products. She shared with me:

“ The challenge for all of us is that, as agents redefined themselves as advisors in response to increased customer expectations, they expected wholesalers to make a similar change. Advisors are much less interested in giving you their time just for product presentations now. They want your advice – especially when it comes to practice growth. ”

She pointed out that pretty much anything advisors want to know about her company's funds could be easily accessed online. The days of a wholesaler hoping to impress an advisor with a PowerPoint presentation and a giveaway, like a pen or a golf-shirt, are long gone.

Lisa was sympathetic to the advisor situation. Advisors face their own challenges. Their clients have higher expectations than ever before. The ever-changing regulatory landscape, fee pressures, the rise of robo-advisors and other technologies are putting pressure on them to offer better, faster and cheaper advice with increased value in order to satisfy their clients.

Advisors want wholesalers to step up and act as business consultants who can help them meet those challenges. For Lisa, the key question was, **“What's the best way to make that pretty significant, transition?”**



The Solution

Developing a modern, service-based approach to the advisor

To me, the answer lies in reframing the wholesaler approach and using the right technology to deliver the value advisors are looking for. Leveraging technology to become the tech-enabled business consultant advisors are eager to work with, can begin by implementing a digital platform that enables portfolio optimization, investment analysis, and creates report generation tools.

Rather than asking for a meeting to do a product presentation – which hasn't been working – wholesalers can provide advisors with the opportunity to take advantage of a great new service – portfolio design and analytics. Wholesalers can offer to analyze the advisor's clients' portfolios and provide recommendations for optimizing them to better suit their investment needs. This enables advisors to provide better advice and deliver increased value to their clients.

Offering a technology-based service instead of a product presentation is a great way to act as a true partner in helping advisors grow their business. And it becomes a much more interesting proposition.

How to transition the wholesaler value proposition

I suggested that the best way for Lisa to start offering this service and transitioning her value proposition, would be to select a small trial group from the advisors she works with. She could try out her new messaging with that group, telling them she wanted to understand their business from a portfolio design perspective and offer guidance on realizing the full potential of their model portfolios. If they were interested, she could request their portfolio models for their various investor profiles (e.g. conservative, balanced and aggressive clients).

Lisa would then be able to quickly and easily run the portfolio holdings (whatever combination of stocks, mutual funds, ETFs, separately managed accounts, etc.) through her portfolio design solution – Equisoft/analyze for wholesalers. It would generate a report showing how to optimize the portfolio so that the advisor could provide even better service to his or her clients. And, Lisa would be able to show how one or more of her company's products fit nicely into the mix – reducing portfolio downside risk or improving after-tax yield for example. It would be a win-win for everyone.



Breakthrough Results

Creating breakthrough results for both wholesalers and advisors

The following quarter, Lisa and I sat down again, this time to review her experience with her trial group of advisors.

“First of all, approaching advisors with an offer to provide a new service that can help them grow their business was far more effective at getting their attention, than requesting a product presentation meeting. I was able to engage eight of the ten advisors we approached, whereas in the past, that number may have been much lower – maybe two or three.”

The advisors who were interested in portfolio optimization sent her their model portfolios, which she entered into Equisoft/analyze for wholesalers. The application analyzed the models, automatically matched suitable replacements from her company's product shelf, identified product strengths and selling points she could speak to, and then generated a PDF report she could share with the advisor.

She was excited about the results. The new value proposition led to her being able to develop a new relationship with an advisor she'd been trying to work with for a long time.

“Using the new approach demonstrated that I was interested in more than just bringing in new assets,” she said. “I was able to offer something he could see helping him increase his value to clients.”

The advisor didn't know about her company's emerging markets fund. But, using Equisoft/analyze for wholesalers, she was able to show how that fund would help geographically diversify his portfolios and reduce overall risk. Just what many of his clients needed. He's now made it part of his more aggressive model portfolios and recommends it to all of his clients who fit the scenario.

Lisa saw equally impressive results with the advisors she was already working with. She was able to use Equisoft/analyze for wholesalers to help them win new business by showing the strength of their recommended portfolio compared to the prospect's current portfolio – all backed by data and analytics. Additionally, the optimization process enabled her to show them how some of her company's other products could enhance their portfolios and help them grow their businesses. In every case, they were interested in her recommendations and were responsive to the fact that she was working with them to better serve their clients and, ultimately, grow their businesses. As Lisa, said, **"It's such a different approach to the whole relationship – partnering rather than pushing product, and they appreciate that."**

Implementing a modern, systematic approach that pays dividends

The trial was so successful that Lisa started considering how she could roll out this value-added approach using the portfolio optimization solution to benefit all of her advisors. She had discovered that her new approach solved one of the problems she'd long been struggling with.

“ It used to be that we'd commonly recommend the latest high-performing fund to an advisor. Which was great – until it wasn't. Funds often regress to the mean, and today's high-performer could become tomorrow's average fund. When that happened, it didn't benefit the advisor or their clients in the long term. ”

The portfolio optimization solution, and the analysis behind it, is a completely different approach. By partnering with the advisor, she enables them to offer better solutions that improve their results, and in turn, their relationships with their clients over time. That builds trust and advisor confidence in Lisa. Her advisor relationships became deeper and stronger. To the point where, in many cases, advisors are now reaching out to her for advice proactively. A much different experience for Lisa than spending most of her time trying to convince someone to meet with her.

Because she was instrumental in helping advisors overcome some of their biggest challenges, their opinion of Lisa and the value she could deliver, changed dramatically. They began to respect her as an important resource and a partner in growing their business.

She decided that going forward she would make portfolio reviews a recurring activity with her advisors – an on-going process rather than a one-time event. Equisoft/analyze for wholesalers saves the advisors' portfolio models, so she could proactively and systematically review and update them, review the analytics and reach out to each advisor to revisit the allocations.

“ Now I have a system in place for consistently developing and deepening advisor relationships over the long-term, she said. Based on the success of this trial, I'm rolling out my approach to optimize portfolios with the rest of the advisors I work with. It's a game changer and will set us up for long-term growth. ”

To find out how Equisoft can help you increase your wholesalers' productivity, connect with us today.

Connect with us to learn more:

USA

Shawn Gillespie

Vice President, Wealth Solutions, USA
Shawn.Gillespie@equisoft.com

Caribbean

Ruben Veerasamy

Senior Vice President, Caribbean
Ruben.Veerasamy@equisoft.com

Canada

Anthony Stockley

Vice President, Wealth Solutions, Canada
Anthony.Stockley@equisoft.com

Europe, Middle East & Africa

Shingie Maramba

Director, Wealth & Insurance Solutions, EMEA
Shingie.Maramba@equisoft.com

Latin America

Belisario Fernandez

Director, Wealth & Insurance Solutions, LATAM
Belisario.Fernandez@equisoft.com

Asia Pacific

Rana Biswas

Vice President, Wealth & Insurance Solutions, APAC
Rana.Biswas@equisoft.com

See how our wealth solutions like [Equisoft/analyze for wholesalers](#) can help.

About Equisoft

Founded in 1994, Equisoft is a global provider of advanced digital solutions in life insurance & wealth management. Recognized as a valued partner by over 50 of the world's leading financial institutions in 15 countries, Equisoft offers innovative front-end applications, extensive back-office services and unique data migration expertise. Equisoft is also Oracle's largest & most experienced integration partner for the Oracle Insurance Policy Administration platform.



BUSINESS-DRIVEN INNOVATION

equisoft.com