



The next normal: embracing innovation for financial advisors



Wealth
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By Nate Angelo and Laura Cheeley, RBC Wealth Management – U.S.

It's no secret that COVID-19 has upended and drastically changed our lives forever. Orders to stay home and stay safe have expedited the transformation of digitally enabled relationships and technological advances at an unprecedented pace. This pandemic also has created a nearly immediate acceptance of a virtual working environment – one that will stay with us in some form long after the pandemic passes.

This is true for financial advisors, as well.

Even before the pandemic, technology had started to influence the traditional relationship between advisor and client, and established a new set of client expectations. We have shifted from a world where “good” service was a differentiator to one in which clients expect instant access to resources, data and people (even if not in person). Smartphones and tablets have become an advisor's biggest competition and at the same time one of their greatest assets. Calling and texting have fallen aside as secondary functions on devices that bring immediate access to shopping, social media, limitless entertainment and important financial information – all available instantly from technology that rarely leaves our sides. These capabilities are why a digitally enabled advisor-client relationship is key to the future success of advisors.

At RBC Wealth Management – U.S., clients have access to interactive tools and platforms through their smartphones and browsers that help manage their finances and accounts. These tools enable a more convenient, secure and simple experience for clients. Information accessible to clients instantly is a welcome change from the old-school method of advisors playing the gatekeeper of client information. And as advisors have adapted to the pandemic and found ways to continue having face-to-face

time with clients when in-person meetings have often been impossible, they have welcomed innovation to provide engaging experiences and deepen relationships.

That's because as convenient as these new digital tools are, with COVID-19 causing high anxiety and uncertainty around the country, there is an even greater demand from clients for personal connection. [According to a study by LIMRA](#), 69% of investment-focused advisors have increased their communications with clients during the pandemic to offer more support and reassurance and to connect with them on an emotional level. Clients will remember the advisors who showed up to support, help and guide during difficult times – even if it happens virtually.

Financial advisors are using video conferencing to reach their clients in unique ways, too – hosting virtual game nights, wine tastings, happy hours or even one-on-one virtual lunches with clients. These interactions provide a far more personal experience than a phone call. Additionally, financial advisors are continuing to create “un-virtual” connections, such as dropping off gifts or care packages at a client's doorstep.

We would even argue that the convenience of a digital experience transforms the advisor-client relationship and allows advisors to ask more varied questions and dive deeper into a household. Advisors have the opportunities to learn things about clients that they would have never otherwise known if they are perceptive, ask great questions and listen!

In addition to facilitating more frequent communication, video conferencing removes the client burden of visiting an advisor. In-person meetings can be time-consuming – between leaving the house, driving, parking and waiting to meet with their advisor at their office, an hour-long, in-person

meeting with an advisor can take several hours out of a client's day. Now, clients can access the same face-to-face experience with their advisors in just a few clicks.

Within RBC Wealth Management – U.S., we embrace technology as a foundation for our advisors' client relationships and experiences. In order to ensure our advisors feel fully supported in the current remote environment, we've hosted virtual events and webinars to educate and guide them. Additionally, in the midst of the pandemic, we've created opportunities for our advisors to share their challenges, successes, and experiences of COVID-19's impact on them and their clients.

Our virtual events are now getting a 90% participation rate from our advisors in their respective complexes, showing that they are eager to share and learn from one another during challenging times. We are hosting, moderating and helping push the envelope as our advisors seek to leverage the tools and capabilities that have been put in place to run an optimal practice.

With our continuous efforts to guide advisors to engage and embrace technology in their practices, we not only received positive feedback, but also saw some significant results from our advisors. For instance, one of our advisors in the Pacific Northwest region saw an increase of 17% in YTD revenue YoY after six months of coaching that focused on embracing digital tools to connect with clients.

With the technology to engage with anyone at any time, the client experience is taking on new forms in a virtual world and is becoming more important than ever. This shows, once again, that technology is further enabling and enhancing the advisor-client relationship.

While COVID-19 has accelerated the development and adoption of

technology, clients acknowledge the advantages that innovation brings – access to instantaneous information and the ability to communicate with their advisor at their fingertips. And what certainly has been a year of unusual circumstances, a new normal is beginning to take root for financial advisors, marked by convenience, accessibility and the embrace of digital technology that will continue to transform our lives.

About the authors:

Nate Angelo is complex director for RBC Wealth Management – U.S. in the Pacific Northwest and is former head of practice management.

Laura Cheeley leads practice management and advisor development at RBC Wealth Management – U.S.



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