

10 May 2022

Tech-savvy advice firms continue to outperform their peers, according to intelliflo's eAdviser Index

- *Advice firms maximising their use of intelliflo office generated 44% more revenue, 59% more ongoing revenue and 48% more assets under advice than those firms not yet fully using functionality on offer.*
- *The ability to streamline processes and service more clients per adviser will go a long way towards closing the much-reported advice gap.*

10 May 2022: intelliflo, the leading cloud-based technology platform for financial advisers, today shared results from its latest **eAdviser Index**, which found advice firms maximising their use of *intelliflo office* were able to service more clients, attract more assets and generate more revenue than those not yet adopting the technology to its full potential.

eAdviser Index by intelliflo represents 40% of the entire UK financial advice industry and is one of the largest and most comprehensive industry analysis on tech adoption. intelliflo's eAdviser Index collates data from the *intelliflo office* userbase to determine whether there is a correlation between an advice firm's level of technology adoption and its business performance. By analysing nearly 4 billion clicks through intelliflo office over the last year, intelliflo scored and segmented advice firms based on their level of tech adoption. Firms were segmented into four cohorts based on their eAdviser scores: Explorers¹ (firms yet to realise the full potential of technology), Adopters², Embracers³ and Champions⁴ (firms adopting technology to its fullest potential).

intelliflo's analysis revealed that technology adoption is leading to greater business performance. Advice firms in the top technology adoption group, Champions⁴, generate on average 44% more revenue per adviser compared to the lowest adoption group, Explorers¹. Not only are the highest adopters generating more revenue, but tech Champions⁴ are generating 59% more ongoing revenue per adviser than Explorers.

There is also a general correlation in more assets under advice and higher eAdviser Index scores as Champions⁴ have 48% more assets under advice per adviser than Explorers¹. Champions⁴ also have 28% more clients per adviser than Explorers¹.

Figure 1: Chart showing how much more revenue, recurring revenue, clients and assets under advice (AuA) per adviser in each cohort achieved on average, compared to Explorer¹ firms.

Cohort	% increase in revenue per adviser, compared to Explorers ¹	% increase in recurring revenue per adviser, compared to Explorers ¹	% increase in clients per adviser, compared to Explorers ¹	% increase in AuA per adviser, compared to Explorers ¹
Adopters²	+ 8%	+ 15%	+ 5%	+ 8%
Embracers³	+ 15%	+ 23%	+ 13%	+ 19%
Champions⁴	+ 44%	+ 59%	+ 28%	+ 48%

What's more, the Index highlights that tech adoption continues to be on the rise across the advice profession. After reporting a 57% surge in tech-savvy Champions between 2019 and 2020, the latest data shows that this trajectory is continuing. intelliflo's latest eAdviser Index reveals that between 2020 and 2021, Champions increased by 79%. The Embracers also grew by 7%, as advice firms become more sophisticated in their use of technology.

Nick Eatock, CEO of intelliflo, says: *“Adopting technology to its full potential is a big step to closing the affordable advice gap by enabling advisers to service more clients and at a lower cost. This year’s eAdviser Index demonstrates again that adopting intelliflo office to its full potential can have a fundamental impact an advice firm’s revenue and number of clients advised. Yet we still find that some advisers adopt as little as a tenth of the technology they have at their fingertips.”*

Richard Wake, UK Head of intelliflo, added: *“For firms at the start of their technology journey, investing the time to learn, understand and embed intelliflo office into their own processes and systems will reap the benefits. We provide interactive help within the technology so customers can learn ‘in the flow of work’, as well as digital courses and regular webinars on key topics to ensure our customers have a good understanding of new functionality or the recommended way to complete a process. We believe passionately in financial advice and our mission is to make advisers more efficient and effective.”*

Chirine Harb, Head of Operations at Capital Asset Management said: “The need for advice has become even greater as people’s finances have been impacted during the covid crisis and the ability to service more clients per adviser will go a long way towards closing the much-reported advice gap. By investing in technology and firmly embedding it into processes and systems, firms can provide advice to a broader range of people, delivering long-term profitability to the business alongside long-term value to clients. We love how intelliflo office works for our business, mainly because we’ve taken the appropriate amount of time to learn, understand and embed it into our own processes and systems. intelliflo’s open architecture framework and unrivalled integrations provide the frictionless experience that our advisers and their clients need.”

[ENDS]

Methodology

The eAdviser Index scores are calculated by analysing interactions by intelliflo office users to derive a per firm analysis of exactly what and how they use the features and capabilities available to them via intelliflo office. intelliflo’s customer success team has built adoption models across five key areas of intelliflo office; *valuations, income, Document Designer, Personal Finance Portal* and *data quality*. These enable the team to identify where a firm is on its specific adoption journey and then how effectively it is realising the benefits. These models give each firm a score out of 100 in each of the five areas: 0 means that adoption has not yet started and 100 indicates the technology is fully adopted and is being used effectively to a very high level. These scores are then combined to produce one overall score.

Cohort descriptions

Explorers¹ (score 0 - 274)

Firms in this group are typically achieving reasonable scores regarding income processing functionality and have an automated electronic valuation functionality. They are yet to maximise the capabilities these functions offer and have not fully begun with the further efficiency driving capabilities they have access to.

Adopters² (score 275 - 399)

This group of firms, in the 25-50% range, has a good adoption of technology and is typically strong in the core areas that an advice business requires to function, e.g. valuations and income processing. However, these firms are yet to fully leverage other efficiency-driving benefits that intelliflo office can provide.

Embracers³ (score 400 – 524)

This group of firms has very strong adoption of technology and is typically very strong in most areas. These firms have achieved an eAdviser score in the 50-75% quartile of total scores. Many of these

firms have established a technology vision, have delivered much of it and are well on their way to achieving Champion status.

Champions⁴ (score 525 – 700)

This is the top group of firms who have achieved an eAdviser score in the top 25% of total scores. To get this they must be using all parts of the system and must be using a number of the areas very well to the extent of achieving maximum points. These firms have set out a technology vision and are delivering it.

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Notes to Editors:

About intelliflo

intelliflo widens access to financial advice through leading technology which powers the financial advisory experience. We use open software architectures combined with unmatched industry experience to simplify a complex digital landscape to help advisors compete and grow. Our solutions support over 30,000 financial advisors worldwide, representing over three million end-investors, with over \$1 trillion advised across our platforms.