

Harnessing the Power of Next-Generation Client Platforms

By Dan Gregerson

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In centuries past, humankind's knowledge doubled over millennia, and in the past century, it doubled again. Today, many believe doubling time has shrunk to a few years, allowing far less time in each cycle for human beings to adapt.

Financial advisors, like all of us, are experiencing this increasing pace of life fueled by the acceleration of technology and the immediacy it brings. Their external pressures occur amidst shifting demographics, evolving client expectations, and increasingly complex financial landscapes.

Next-generation client platforms present a unique opportunity to manage change. Offering a centralized information and communication hub, these platforms buffer clients and operating personnel from complexity and simplify technology decisions by providing the digital client experience first, then working backward from there.

The challenges ahead

Financial advisors face a growing demand for personalized, real-time advisory services. With the rise of tech-savvy, digitally native clients, expectations for user-friendly, intuitive, and immediate digital experiences are skyrocketing. Simultaneously, advisors grapple with an ever-changing regulatory landscape demanding meticulous compliance and data management.

On the horizon

Demand for personalized financial advice continues to surge, propelled by a rapidly aging population—the U.S. fertility rate was 1.782 in 2022, far short of the 2.1 needed for generational replacement. Fewer children, wealth concentration, and the intricacies of portfolio management theory happen amidst the fallout from cycles of economic shock. Financial advisors that leverage next-generation client platforms today will position themselves to improve client outcomes and streamline operations in the years ahead.

What are these platforms?

Modern client platforms embrace technological advancements via plug-and-play connections to the outside world, new ways of visualizing data, and increasingly intelligent and responsive behavior elicited by apps that run within and inherit the platform's security, privacy, and other services.

Apps allow firms to promote their unique offerings to



every client cohort. Built-in connectors link to portfolio management, reporting, risk, rebalancing, CRM, etc., giving everyone relevant, timely information. Likewise, clients need a central place to organize and protect all their life-critical and family information. Those data and the apps that support them go beyond traditional financial graphs, charts, and tables. The online wealth management client environment is becoming holistic.

The advent of such systems presents an opportunity to centralize information and communication and to transform the way advisors interact with clients, regulators, and each other.

For a wealth management firm, key objectives include enhancing engagement, improving retention, increasing AUM, and streamlining compliance. For their clients, one online destination where their digital lives are always backed up and protected and where they can interact with their advisors and family members will be essential.

The path forward

Facilitating seamless communication and creating a fully integrated, interactive environment for advisors, clients, and operations management is the first critical step to positioning the firm for new opportunities in the years ahead.

Collecting far-flung information, delivering a safe venue for all types of private communication, and, in general, building digital trust are the hallmarks of such endeavors.

There's little doubt that the future of financial advisory lies in harnessing the power of technology. While the challenges and opportunities are significant, advisors will be armed to prosper with innovation, agility, and a client-centered culture. ■

Dan Gregerson is Chairman and CEO at Summitas.

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