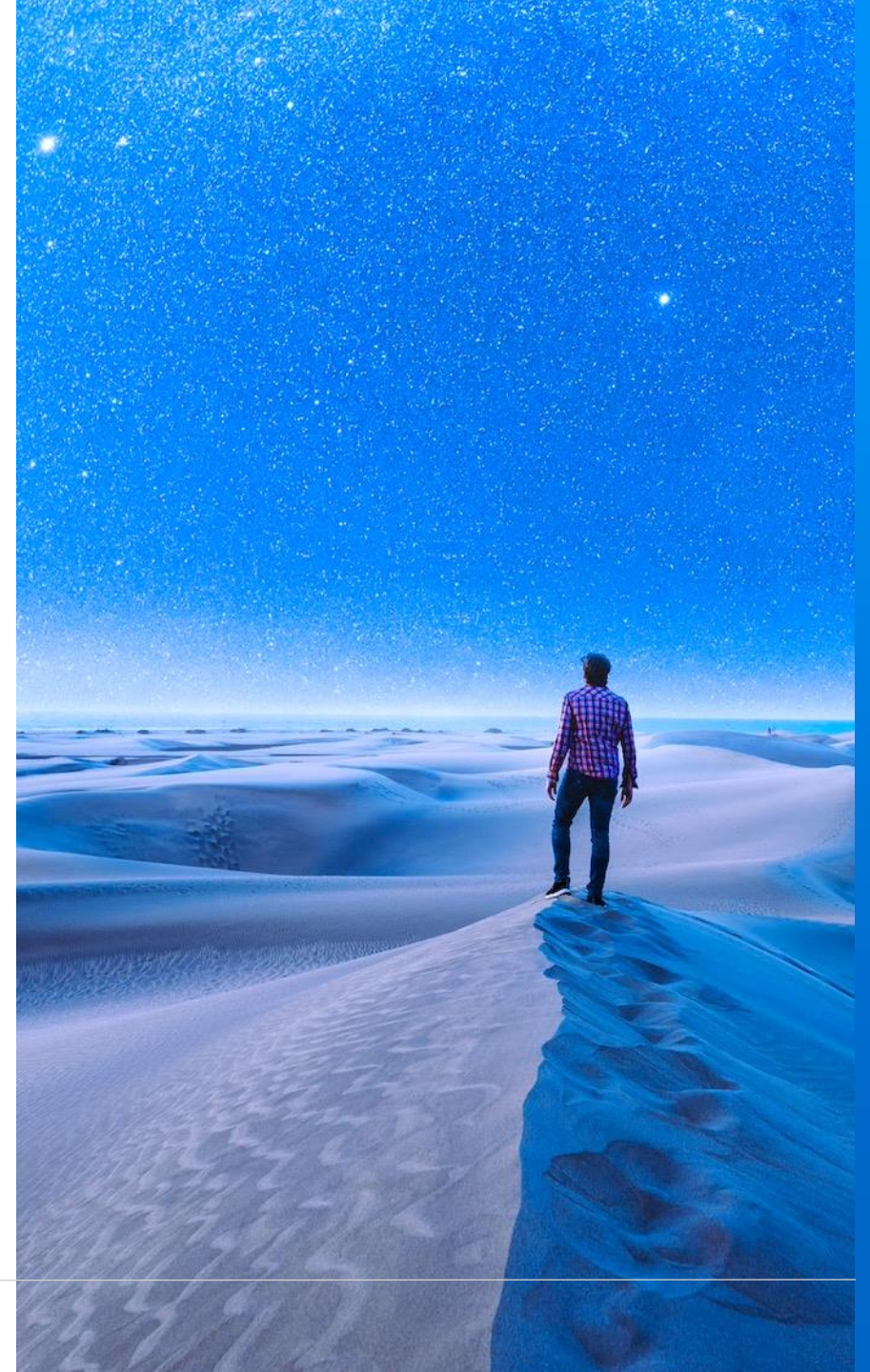




Advisor Wealthtech Survey

February 2025
0270-U-25029



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Methodology

Methodology

Orion partnered with Logica Research to conduct the third annual Advisor Wealthtech Survey to highlight drivers and roadblocks impacting technology adoption and wealth management opportunities.

The 585 advisors surveyed were recruited using Orion and Redtail internal databases as well as an independent, third-party sample. Participation in the survey was voluntary and was fielded during December 2024.

Logica Research is neither affiliated with, nor employed by, Orion Advisor Solutions.

585

TOTAL PARTICIPANTS SURVEYED

285

FROM ORION'S
INTERNAL DATABASES

300

FROM INDEPENDENT
THIRD-PARTY SAMPLE

10

minutes

LENGTH OF SURVEY

December

2 - 23

SURVEY FIELD DATES

Key Findings

Key Findings



Advisors are hopeful about the future, expecting the growth rate they saw in 2024 will continue or improve in 2025

- As they enter 2025, the top area of focus for advisors will be providing their clients with personalized financial advice.
- Growth strategies for 2025 include bringing on new clients through referrals and working with current clients' children.
- Advisors say the biggest barriers to growth are time constraints, such as not having enough time for business development, and too much time spent on internal tasks and small accounts.



Technology's role in advisors' workflow will continue to increase in 2025 and can help to address some of their biggest pain points

- Compared to 2024, advisors expect significant increases in technology investments, especially in the fields of AI and integrated tech workflows.
- These investments could help solve advisors' two greatest pain points related to technology: disconnected solutions and costs.
- Given that a third of advisors spend at least a third of their day on internal tasks, technology can help advisors spend their time on higher value tasks, like business development.



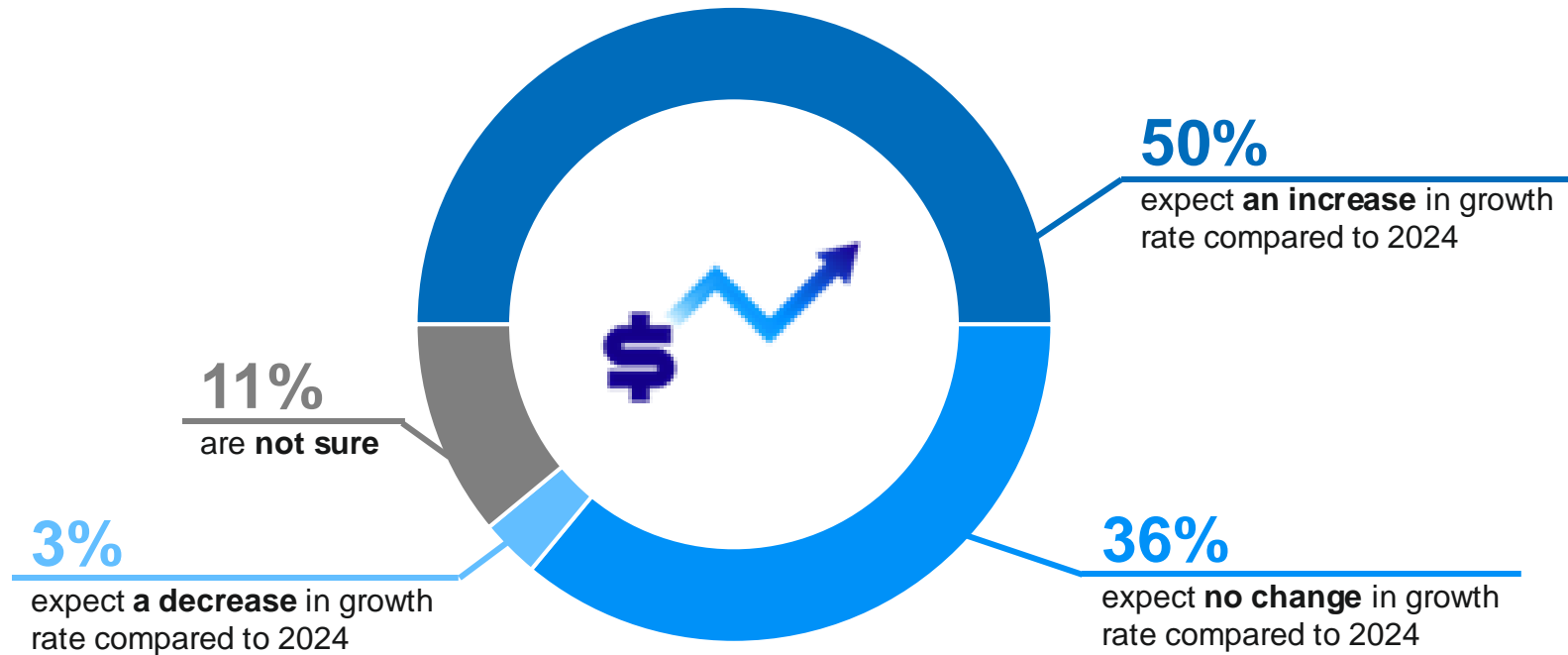
Advisors plan to communicate with their clients using both digital and traditional channels and to spend their time discussing investment-related topics with their clients

- While advisors will continue to use traditional communication channels like phone calls and in-person meetings, they also plan to ramp up their use of digital channels, including email and video calls.
- Two-thirds of advisors say the ideal meeting cadence with their clients is semi-annually or yearly. When they do meet, advisors typically discuss clients' portfolio performance and market conditions.

Optimism and Growth in 2025

Most advisors expect the growth rate they saw in 2024 to either maintain or improve in 2025

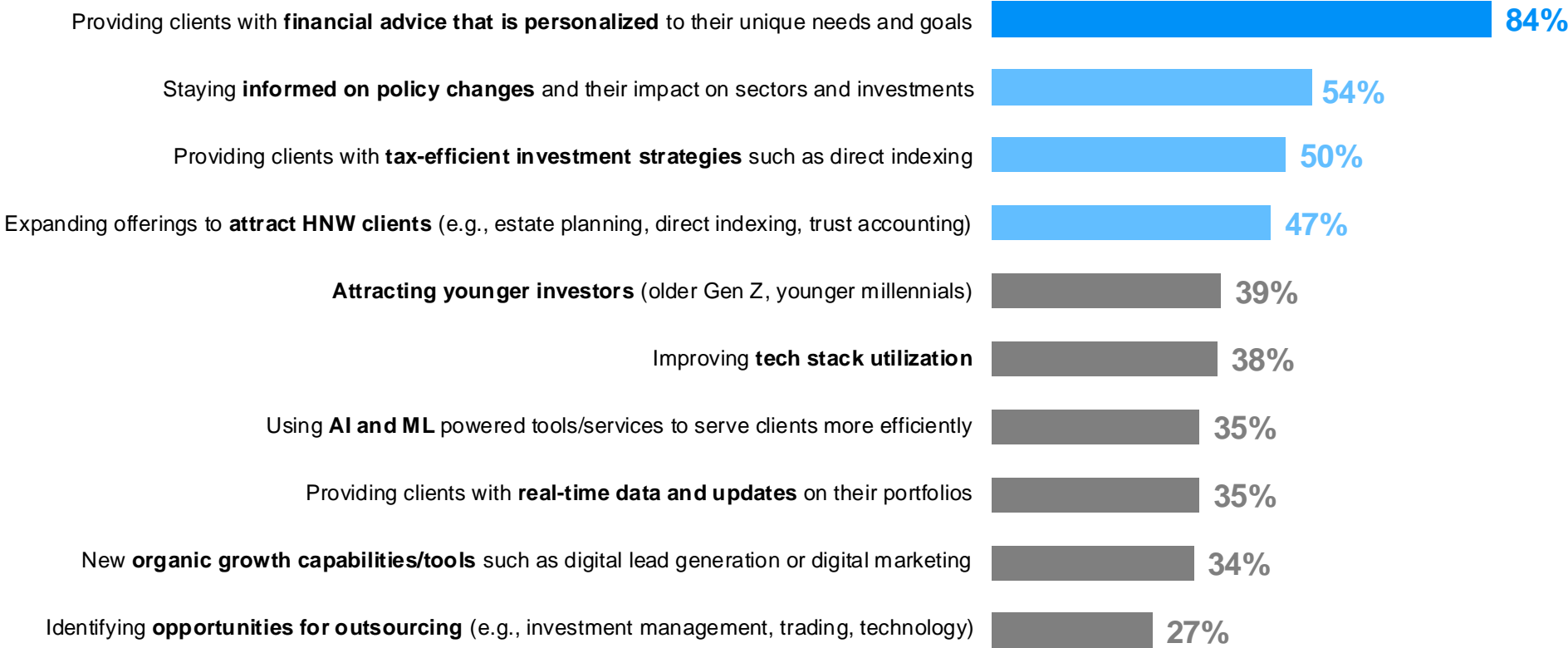
Expected Growth Rate Improvement in 2025



Q18. Thinking about your overall firm's expected growth rate in 2025 (EXCLUDING market appreciation and acquisitions), do you expect it will...?

In 2025, most advisors will focus on providing personalized financial advice to their clients

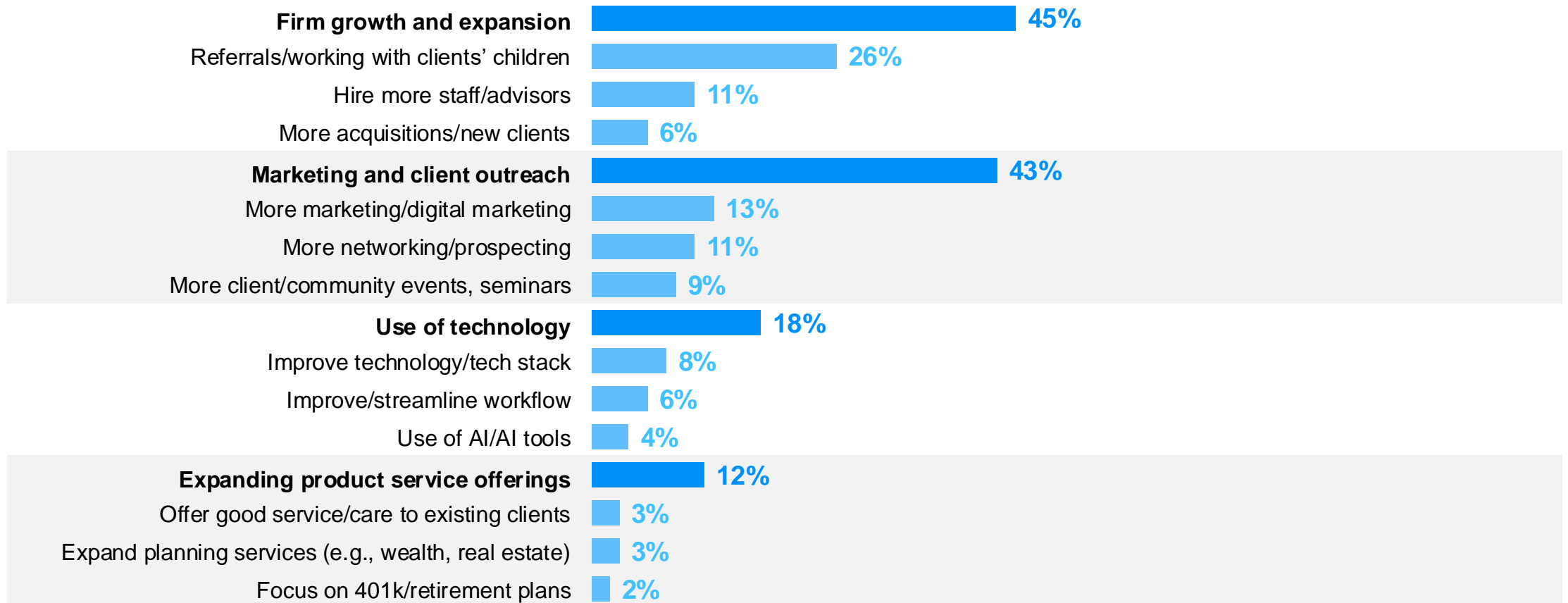
Top Ten Areas of Focus in 2025



Q1. Which of the following will your firm be focusing on in 2025?

Advisors plan to use new client acquisition and marketing to grow their firms over the next two years

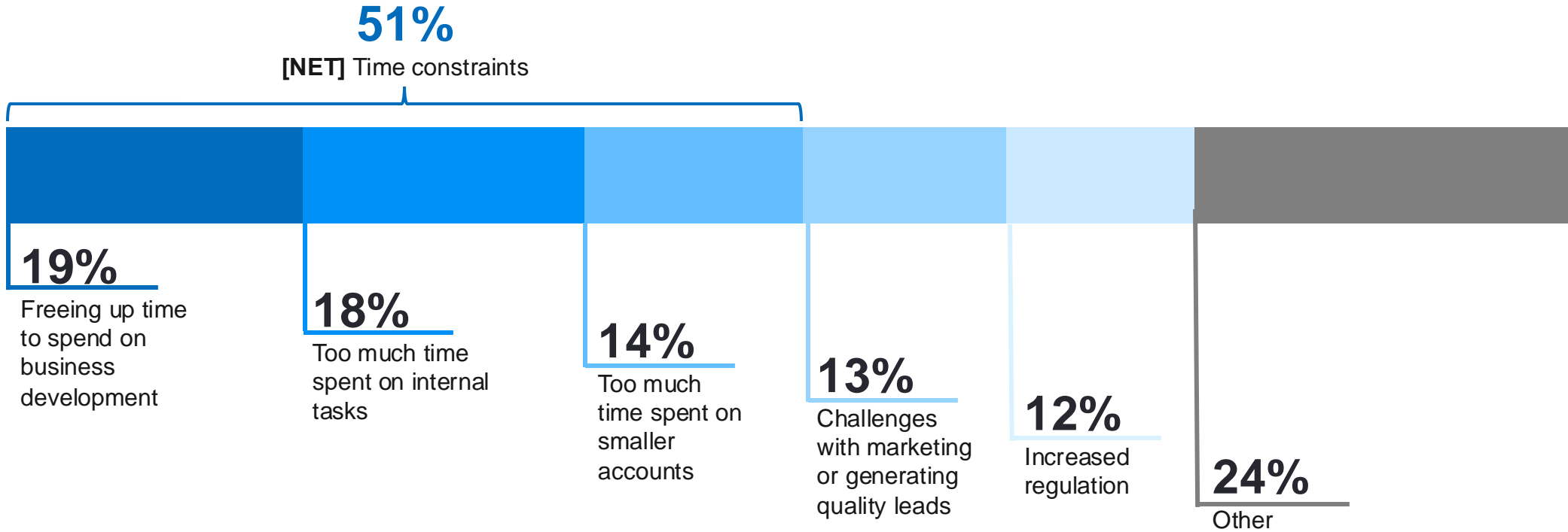
Specific Actions Planned to Grow Practice



Q14. What are some of the specific actions you plan to take in the next 2 years to grow your practice (EXCLUDING market appreciation and acquisitions)?

Half of advisors say time constraints are the largest barriers to their firm's growth

Largest Barriers to Firm's Growth

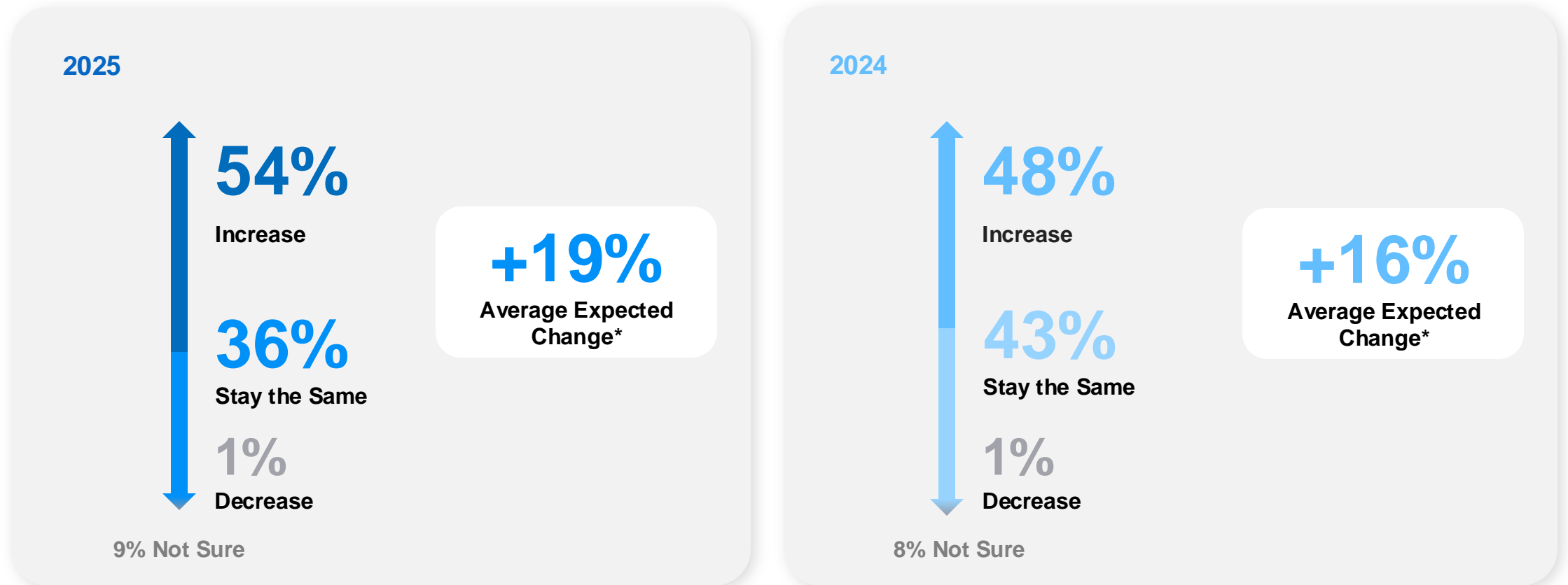


Q16. In general, what would you say is your firm's largest barrier to growth?

Tech Trends and Tech Stack Utilization

Investments in technology are expected to be significantly higher in 2025 compared to 2024

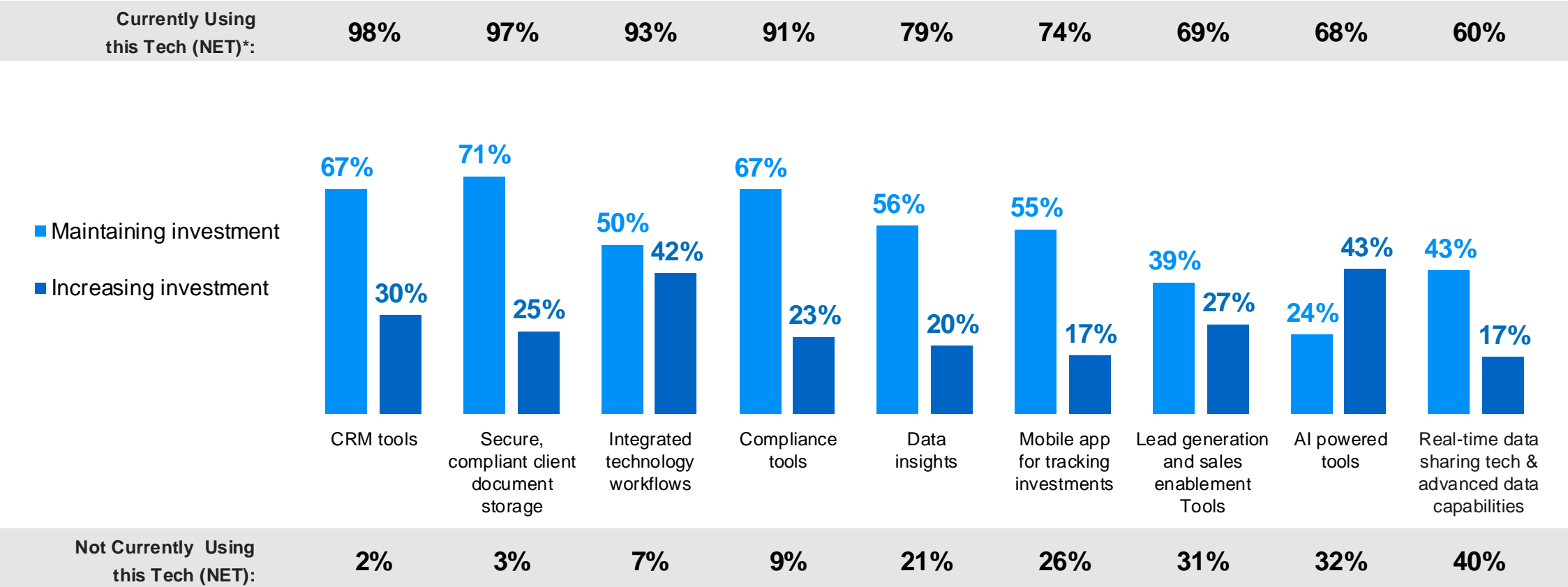
Expected Changes in Technology Investment



*Average was calculated to **exclude** zero and negative values
Q19. Thinking about your overall firm's investment in technology in 2024, do you expect it will...?

Advisors are investing more in AI-powered tools and integrated technology workflows in 2025

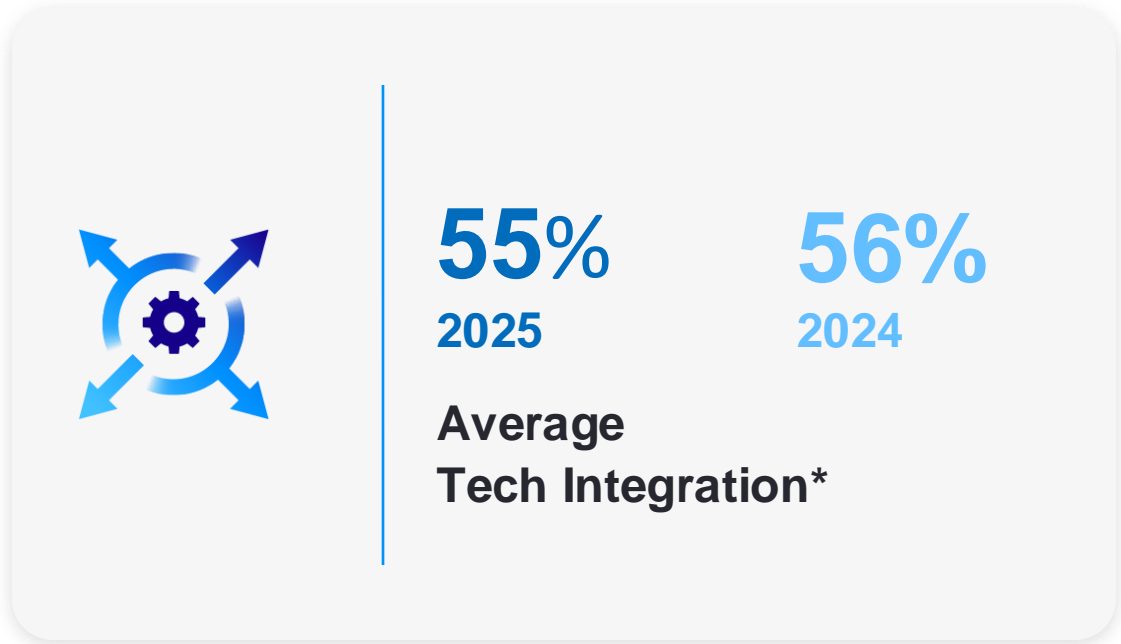
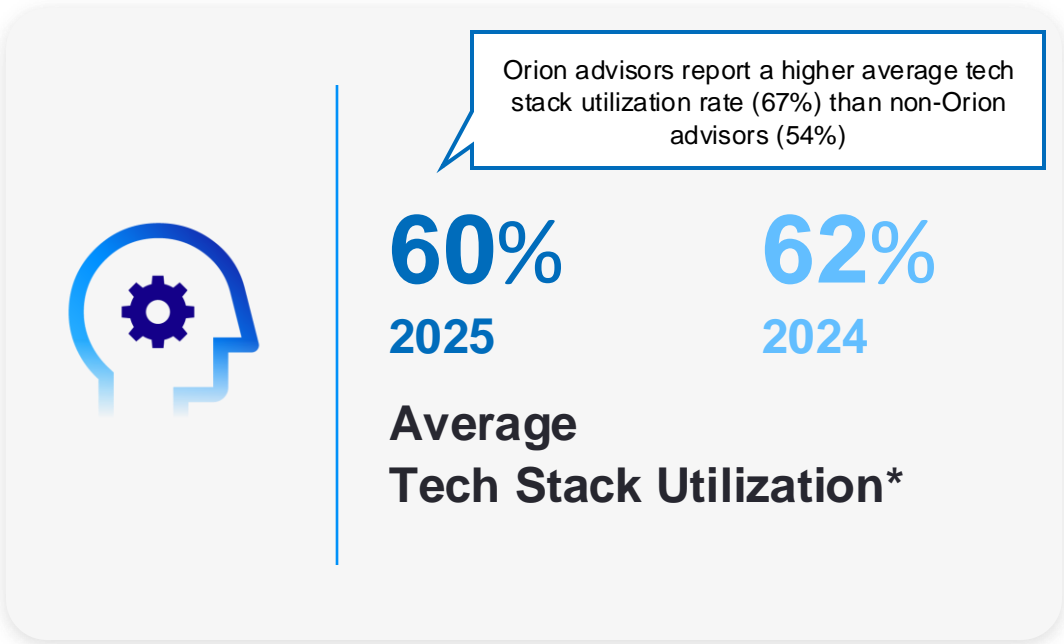
Investment in Technology in 2025



*Decreasing Investment is not reported in the chart due to percentages below 4% for all options, but is included in the Currently Using net Q2. Still thinking about your firm's investment in technology in 2025, how do you expect your firm's level of investment to change for each of the following?

Advisors' tech stack utilization and tech integration are in line with last year

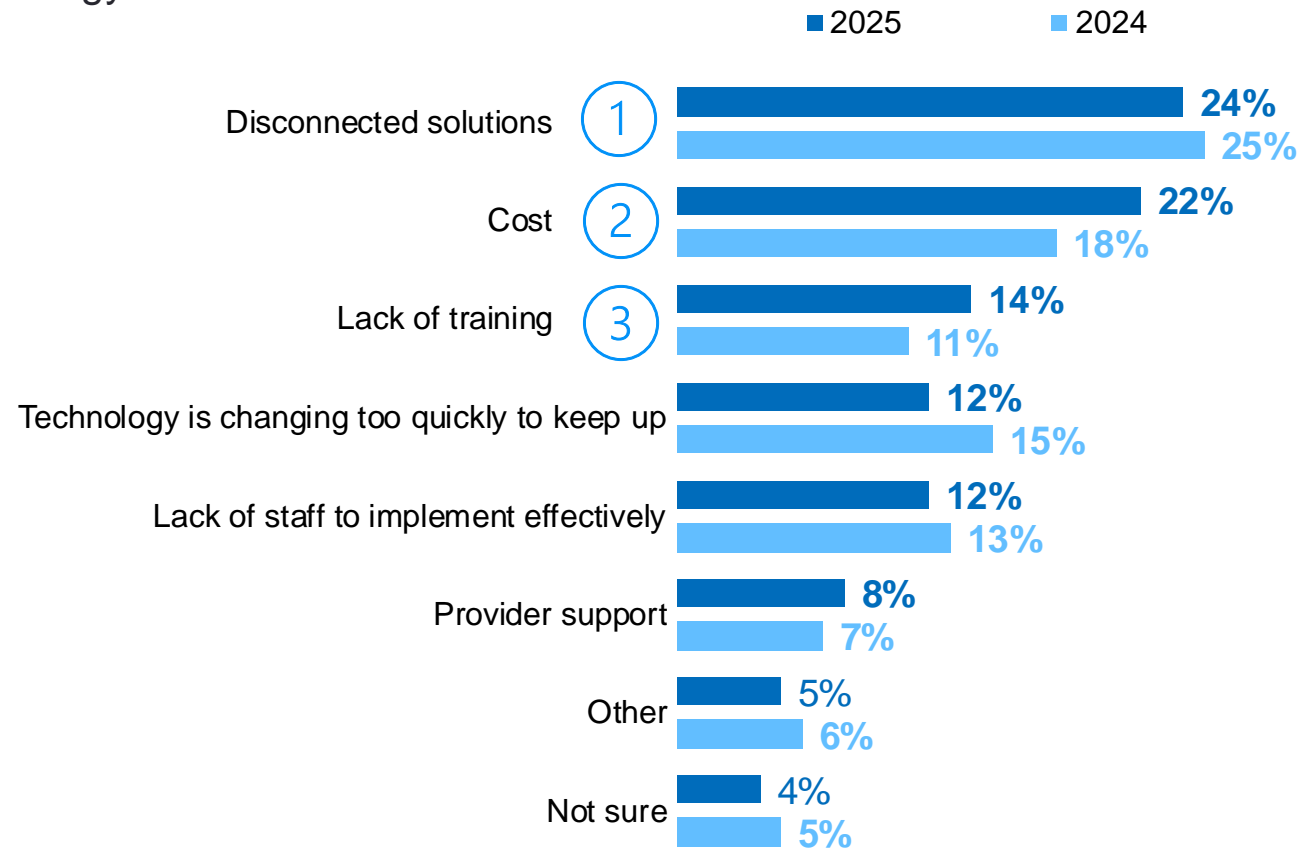
Technology Utilization and integration



*Average was calculated to include zero and negative values
 Q6. What percentage of your tech stack are you utilizing? Please think about all of your tech solutions.
 Q7. How integrated are your tech solutions?

The top technological pain points remain disconnected solutions and costs

Technology Pain Points

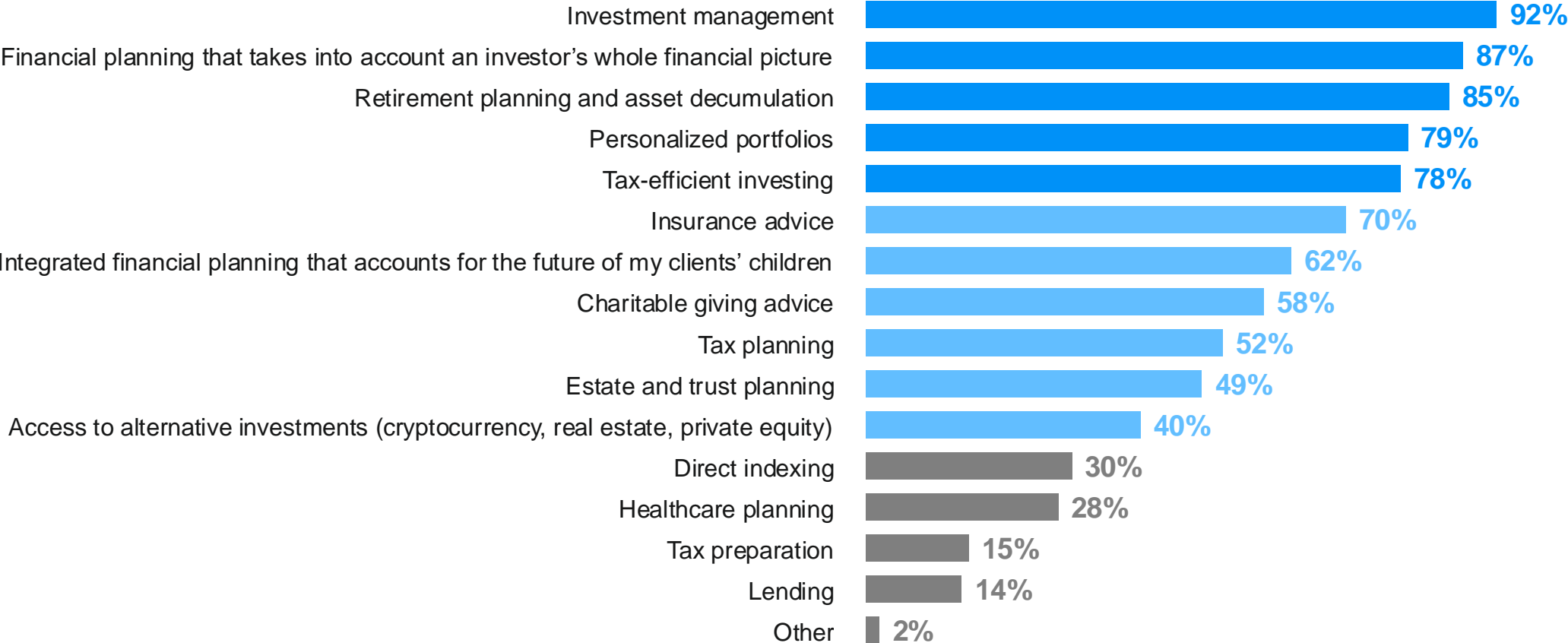


▲ ▼ indicates higher/lower than 2024 at the 95% confidence level
Q3. What is the biggest pain point that technology causes your firm?

Wealth and Client Relationship Management

Investment management, holistic financial planning and retirement planning are the most common services

Services Currently Offered

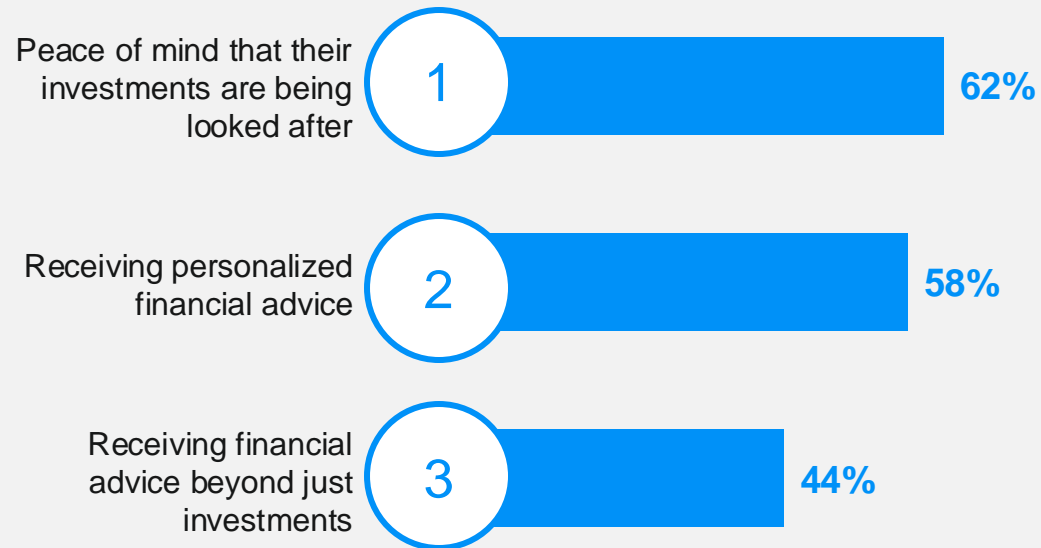


Q4. Which of the following services does your firm currently offer to clients?

According to advisors, their clients work with them for peace of mind and personalized financial advice

Clients' Primary Goals for Working With Advisor

Top 3 Primary Goals for Working with Advisor



Other Goals for Working with Advisor

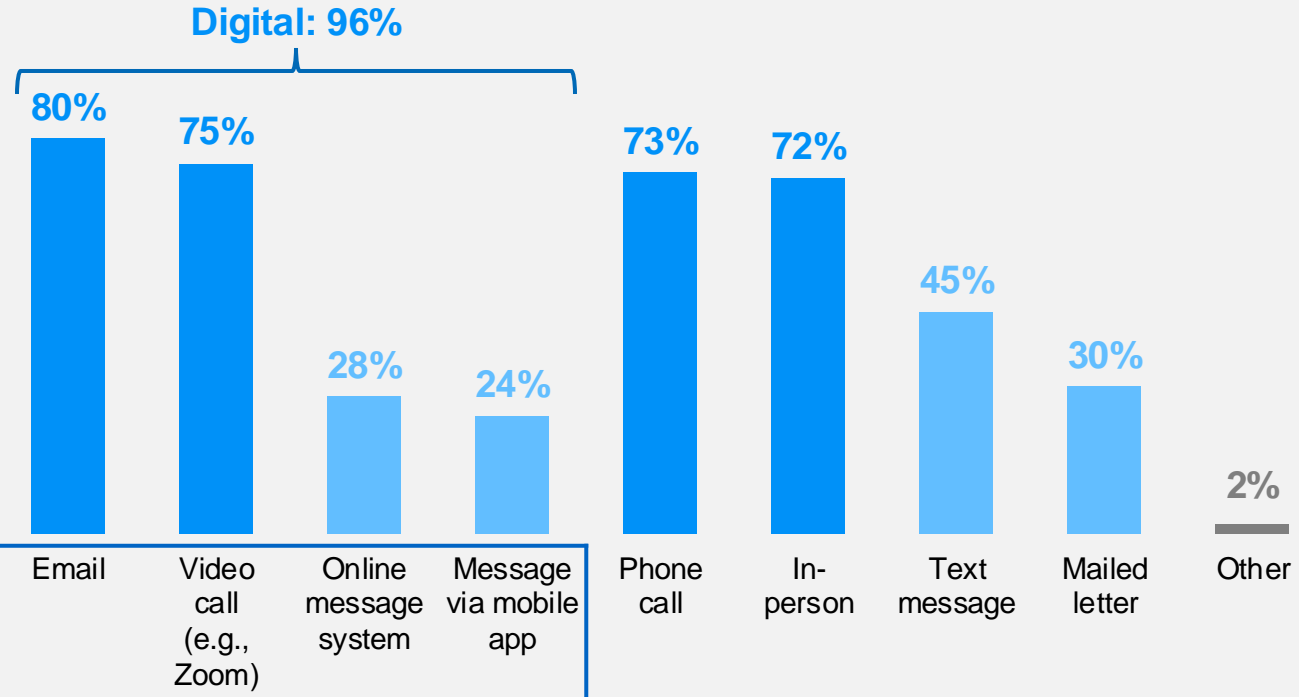
Understanding personal goals & objectives	42%
Maintaining regular & clear communication	32%
Providing appropriate, goal-based returns	15%
Proactively addressing market volatility	12%
Minimizing tax costs	12%
Access to wide range of financial products	10%
Minimizing fees	6%
Other	1%

Q11. What do you think your clients' top 3 primary goals are in working with you?

Advisors plan to use both digital and traditional communication channels more in the next three years

Advisor Communication with Clients

Communication Channels Advisors Plan to Use More in Next 3 Years



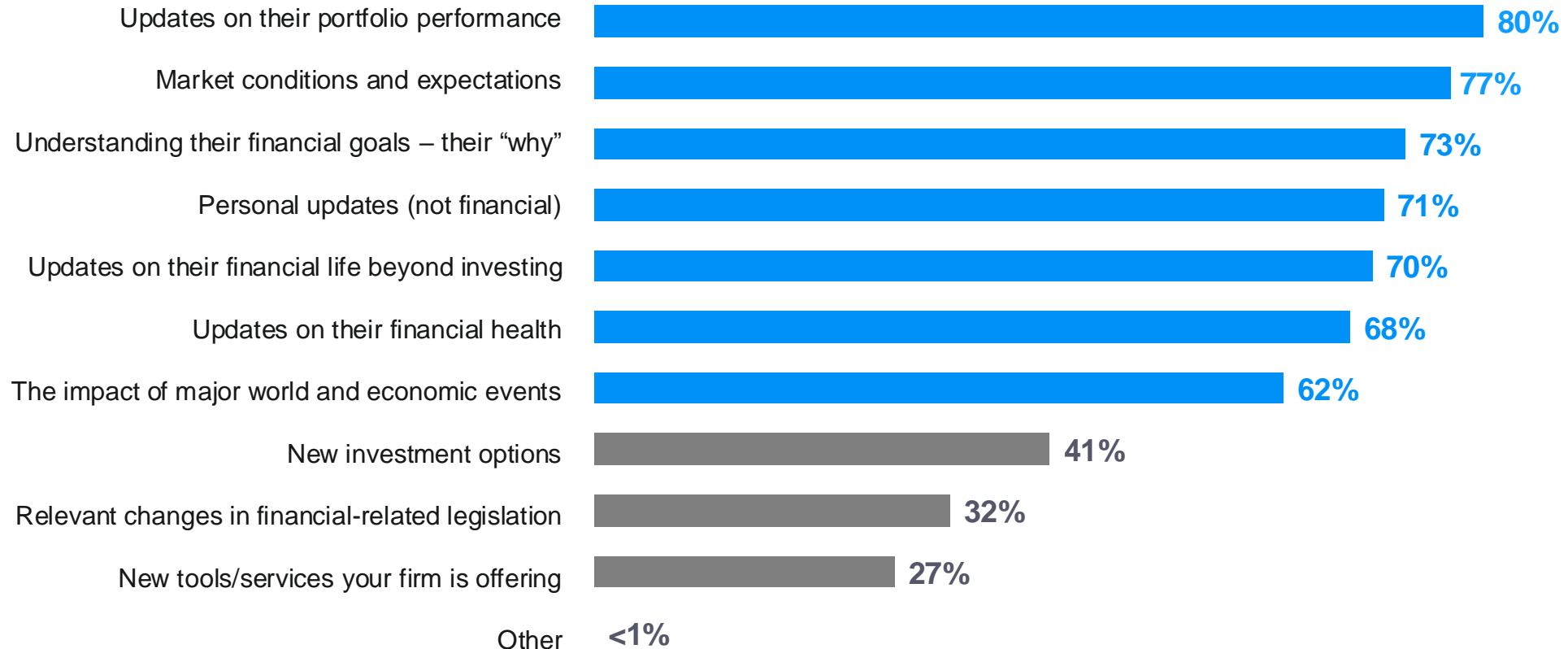
Ideal Meeting Frequency with Clients

NET: Less than quarterly	69%
Yearly	25%
Semi-annually	44%
NET: Quarterly or more	30%
Quarterly	27%
Monthly	2%
More often than monthly	1%
Only when necessary (e.g., a life-changing event happens)	1%

Q5. Which of the following ways to communicate do you plan to use more in the next three years?
 Q9. In general, what is the ideal frequency for meeting with your clients?

Advisors' client conversations typically cover portfolio performance, as well as a wide range of other topics

Typical Discussion Topics with Clients



Q12. Which of the following topics do you typically discuss with your clients?

Advisors' Time

An advisor's average day has not changed much since 2024, with most of their time spent on client engagement

Average Time Allocation Per Day by Tasks

2025 2024



37% | 34%

Client Engagement*



29% | 28%

Operations and Administrative Tasks*



19% | 19%

Investment Management and Trading*



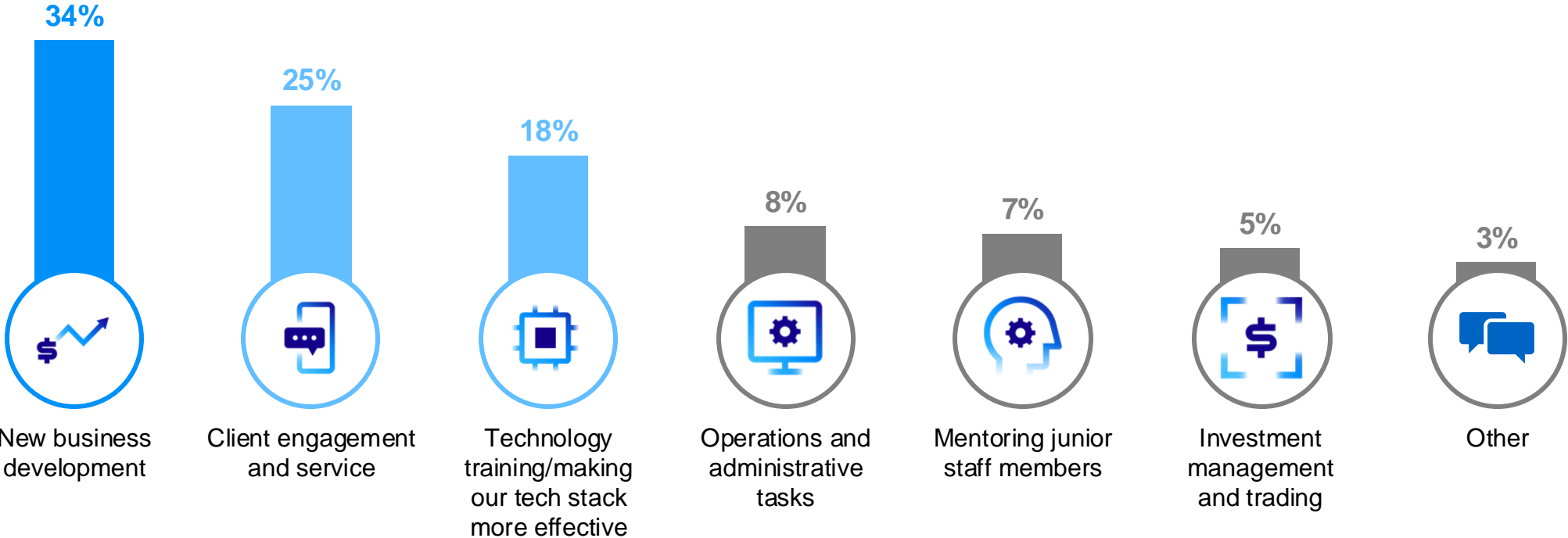
14% | 15%

New Business Development*

*Average was calculated to include zero
Q8. Thinking about your day to day, what percentage of your time is spent on each of the following tasks, on average?

If given an extra hour, advisors would work on new business development or client engagement

How Advisors Would Spend an Extra Hour in Their Day



Q13. If you had an extra hour in your day, what would you spend it on?

Finding Alignment and Disconnects Between Financial Advisors and Investors

Key Findings



While advisors and investors who work with advisors are generally aligned on the top goals for working together, disconnects exist

- Both advisors and investors say that the top goal for working together is peace of mind that investments are being looked after.
- However, advisors overestimate how many investors want to receive advice unrelated to investments.
- At the same time, advisors also underestimate how much investors want goals-based returns and minimized fees.



Investors are also unaware of the full suite of services their advisors offer, presenting an opportunity for further education and messaging

- Investment management is the most commonly offered service, according to both advisors and investors.
- At the same time, most advisors offer services like tax-efficient investing, insurance advice, and charitable giving, yet only a minority of investors report their advisor offering it.

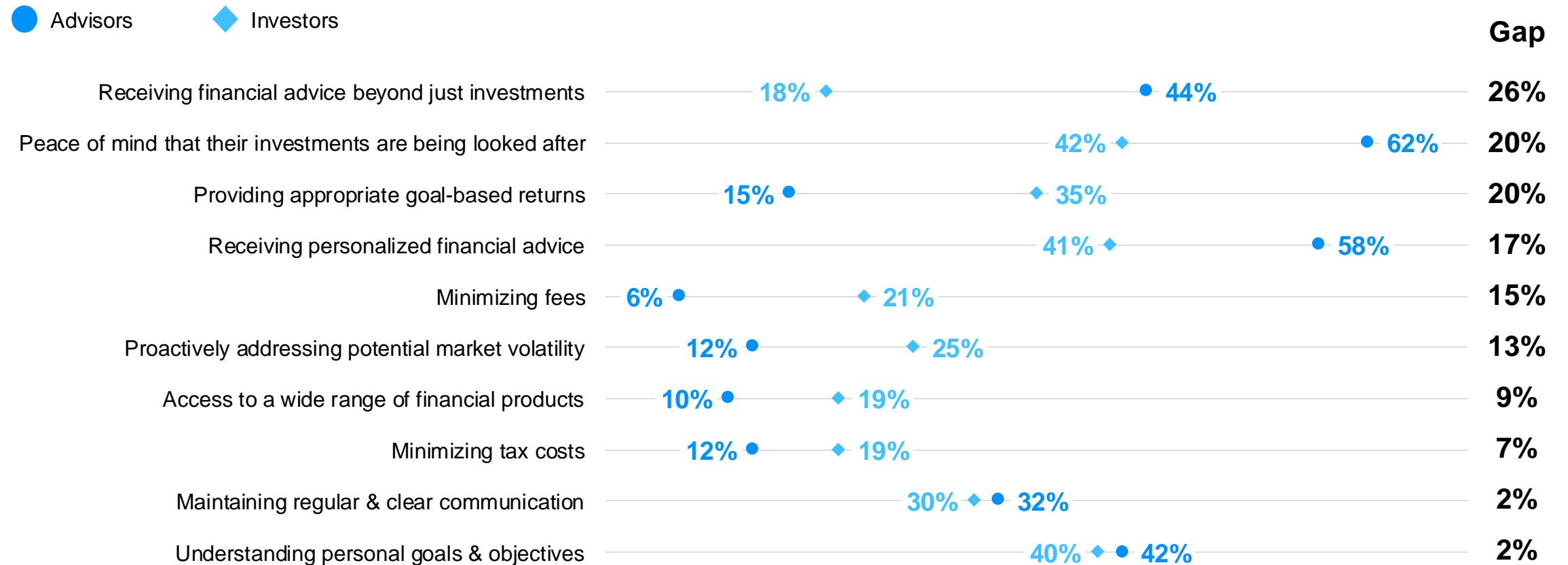


Compared to advisors, investors prefer to communicate through non-digital channels and want to meet more often

- In the next two years, advisors plan to focus on both digital and traditional communication channels for their clients. However, twice as many investors today prefer a phone call or in-person meeting to emails or video calls.
- Although a majority of advisors say the ideal meeting frequency is semi-annually or less often, most investors want to meet at least quarterly or more often.

Advisors overestimate investors' desire for advice unrelated to investments

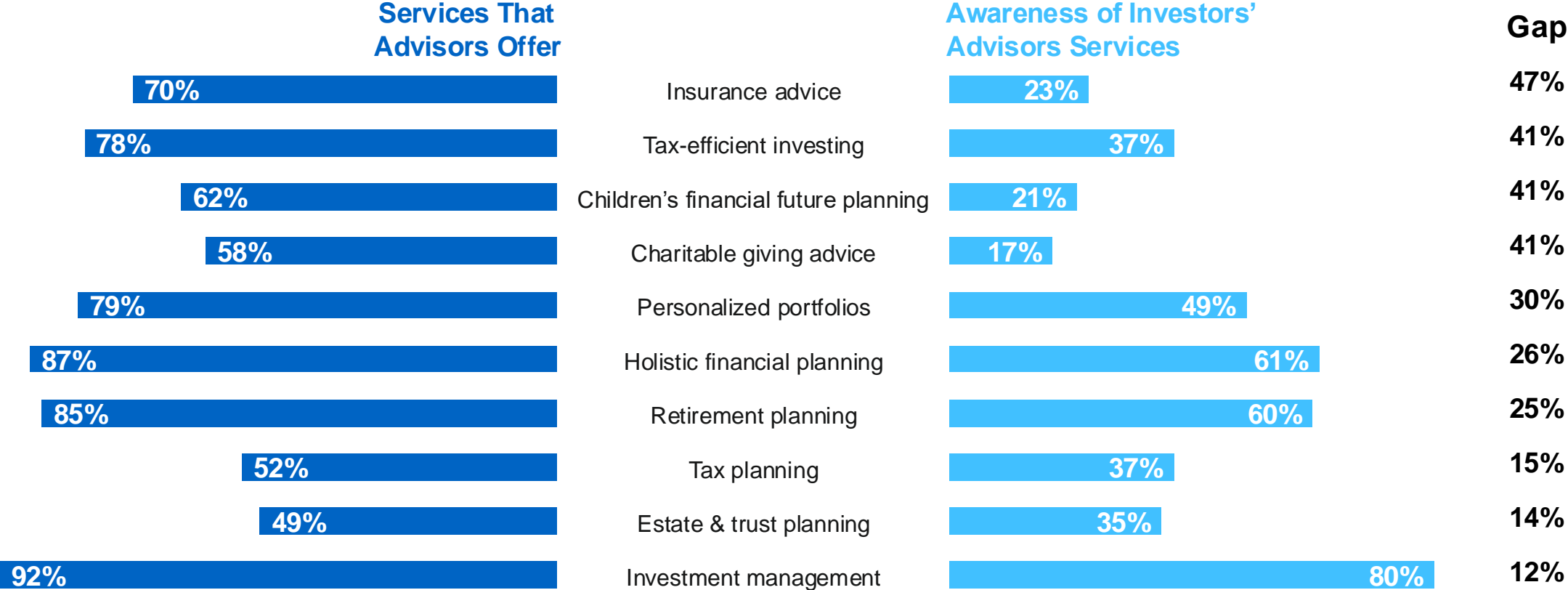
Primary Goals for Working with Advisors – According to Advisors and Investors



Q11: What do you think your clients' top 3 primary goals are in working with you? [Advisor]
 Q8: Which of the following are your top three goals when working with your financial advisor? [Investor]

Investors recognize common advisor services but may overlook the full range of available services

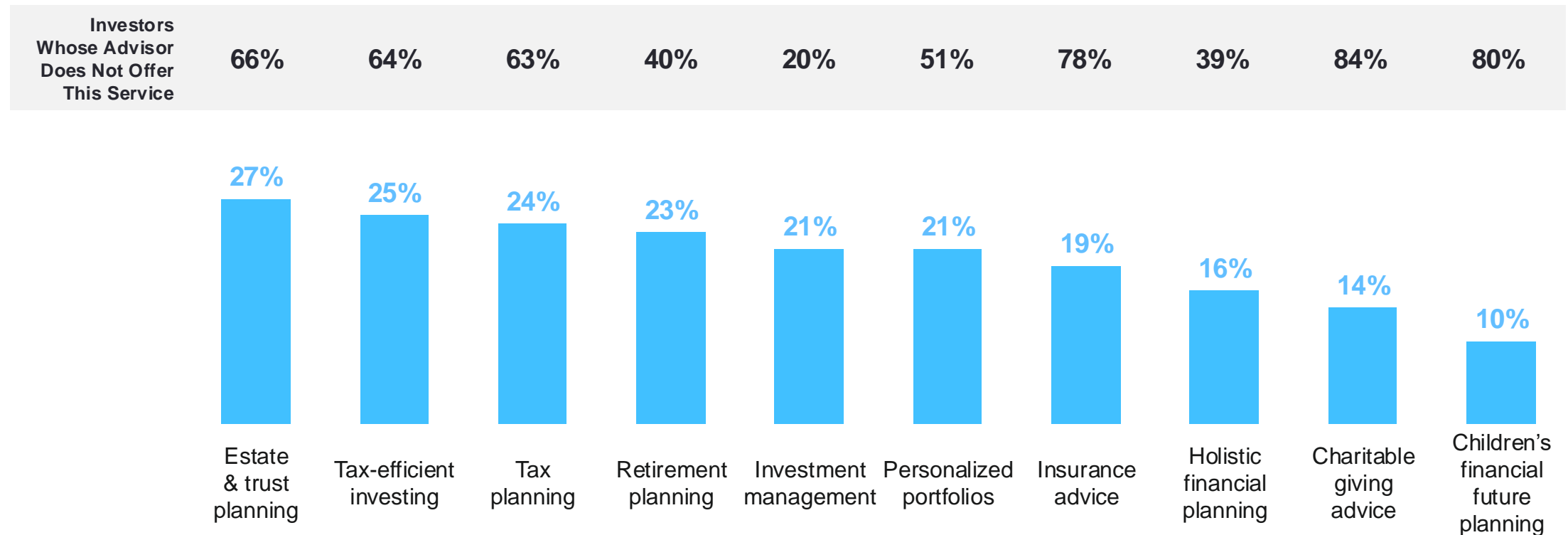
Top Ten Services Currently Offered by Advisors, as Reported by Advisors



Q4. Which of the following services does your firm currently offer to clients? [Advisors]
 Q2. Which of the following services does your financial advisor offer? [Investors]

Estate and tax planning are the most desired services among investors who currently lack access

Services Desired by Investors Whose Advisor Does Not Currently Offer

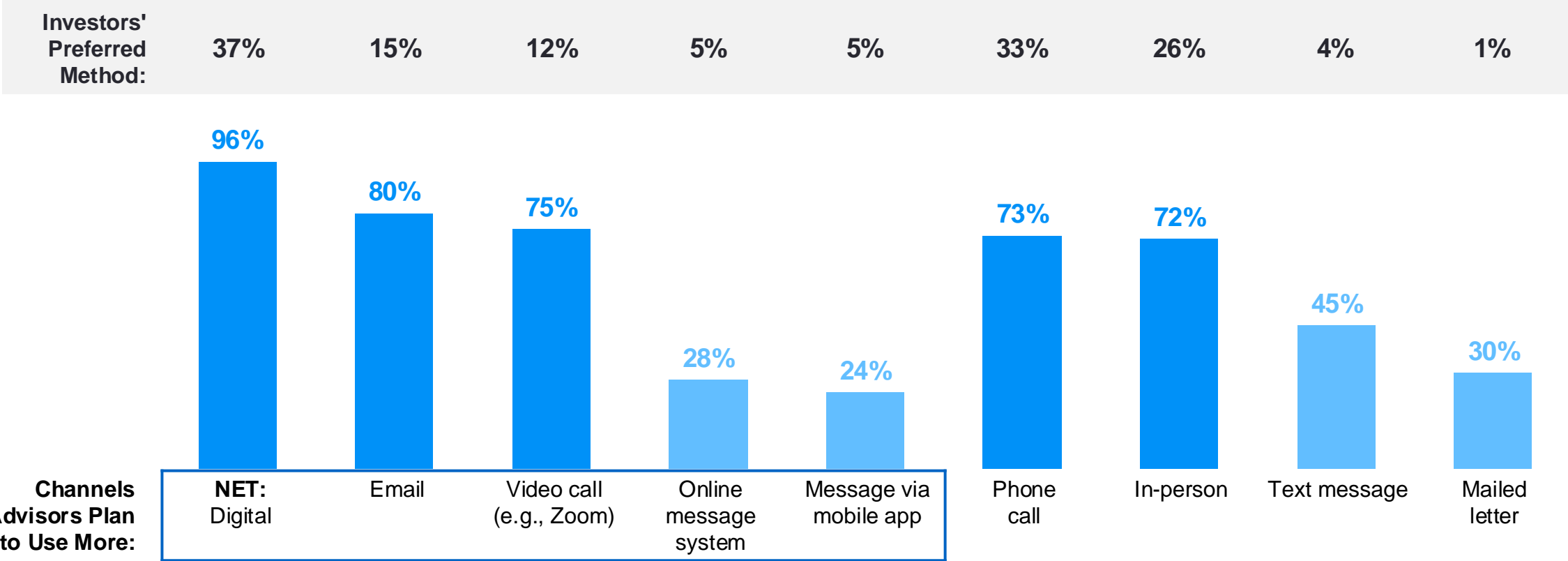


Q2. Which of the following services does your financial advisor offer? [Investors]

Q3: Which of the following services do you wish your financial advisor offered? [Investors]

Advisors will focus on digital methods of communications; investors prefer traditional methods

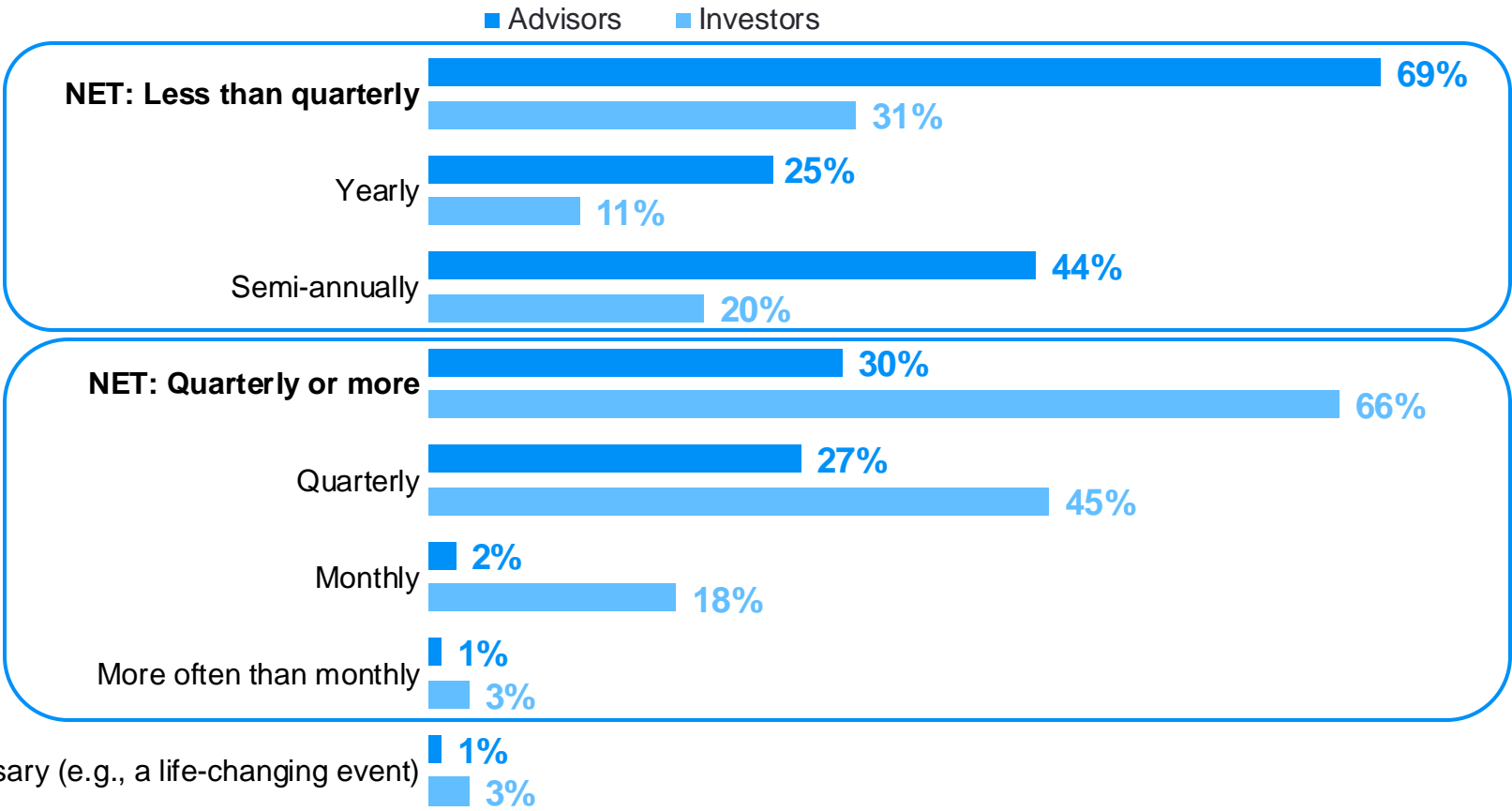
Communication Channels Advisors Plan to Use More, and Current Investor Preferences



Q5. Which of the following ways to communicate do you plan to use more in the next three years? [Advisors]
 Q21. And how would you prefer to communicate with your financial advisor? [Investors]

Investors want to meet at least quarterly or more often, while advisors prefer less frequent meetings

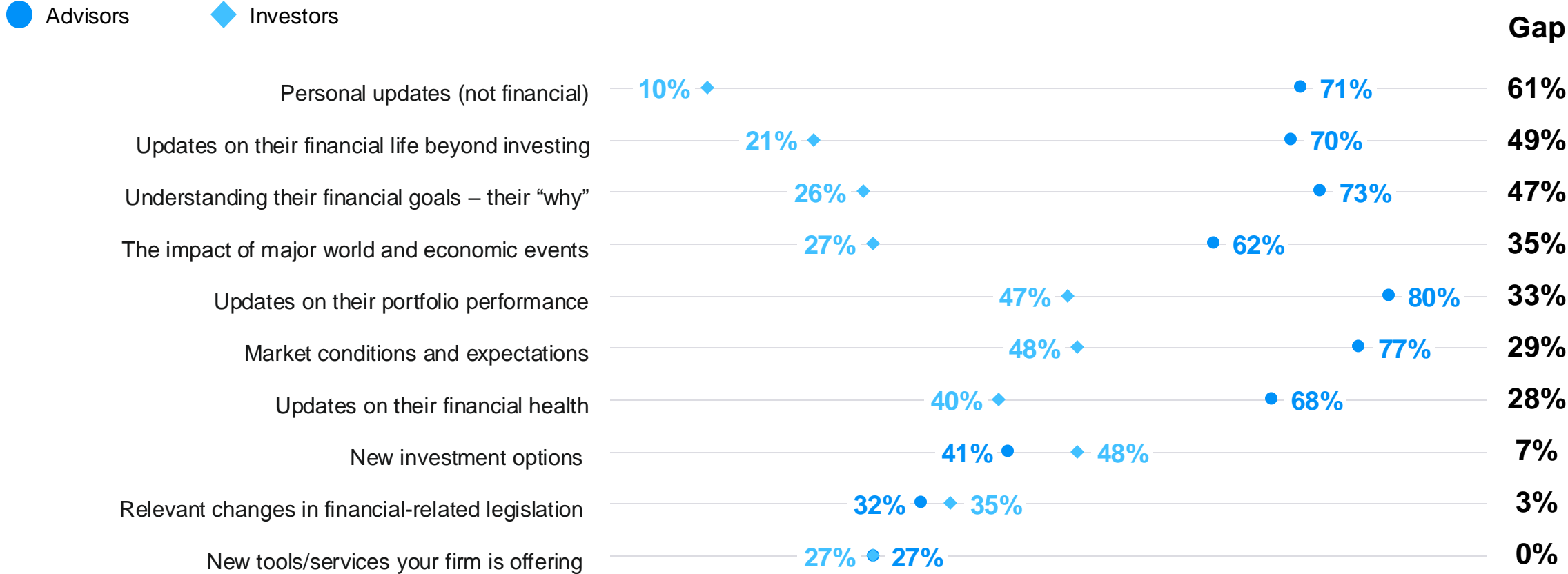
Preferred Meeting Frequency – According to Advisors and Investors



Q9. In general, what is the ideal frequency for meeting with your clients? [Advisors]
 Q23. In general, what is the ideal frequency for meeting with your financial advisor? [Investors]

Investors are most interested in discussing investing details and less on other subjects

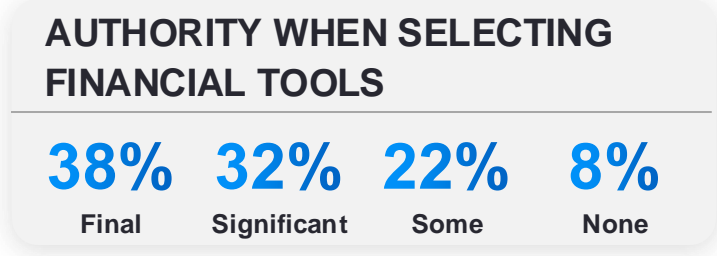
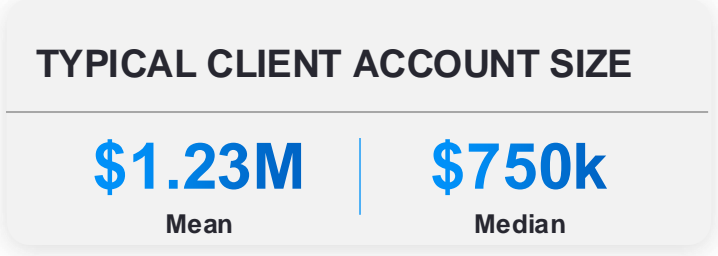
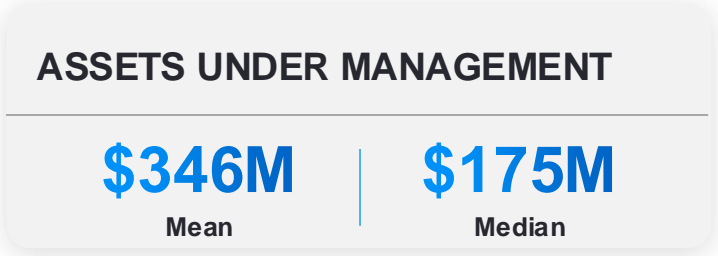
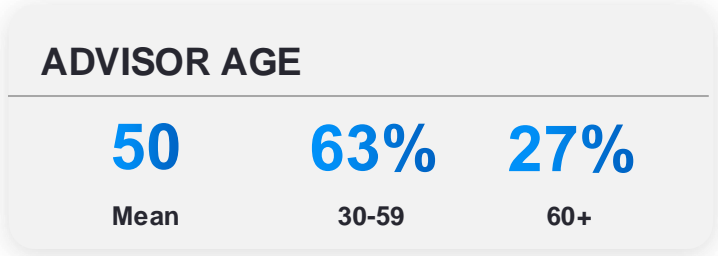
Current Discussion Topics According to Advisors, and Which Topics Investors Want to Discuss More



Q12. Which of the following topics do you typically discuss with your clients? [Advisors]
 Q26. Which of the following topics would you want your financial advisor to spend more time covering? [Investors]

Appendix

Firmographic Snapshot



D1. Approximately, what is the total value of assets managed by your firm?
 D2. What is the typical account size for the individual clients your firm advises or manages? Please do not include any institutional money management.
 D3. How many employees, including yourself, are at your firm?
 D4. Which of the following best describes your primary role in the firm?
 D5. How long have you worked at your current firm?
 D6. What level of decision-making authority do you have on selecting or using financial tools for your firm?
 D7. In which of the following does your age fall?