



Final Release
July 11, 2014

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New research examines how financial advisors deliver support for Social Security and the product and service providers they rely on most

Advisors want enhanced support to help clients with Social Security options

BOSTON, July 11, 2014 – While more than 9 in 10 advisors provide retirement-oriented clients with some element of support related to Social Security and claiming strategies, most advisors still need to enhance their knowledge and skills on this increasingly important topic and are looking for greater support from product and service providers according to a new report released today by **Practical Perspectives** in conjunction with **GDC Research**.

The 105 page report “**Social Security Support and Financial Advisors – Insights and Opportunities 2014**” examines how advisors typically work with clients related to Social Security and the types of support currently provided to financial advisors by product manufacturers, distributors, and specialized service firms. The comprehensive analysis reviews multiple aspects of Social Security support including the different ways that advisors deliver assistance, the tools and sources they typically rely on, the influence Social Security support has on relationships with clients, the providers advisors believe offer the most useful tools and capabilities, and the additional help advisors want to better serve clients.

”Social Security is an increasingly important part of the discussions advisors have with clients as they approach and transition to retirement, yet advisors vary considerably in the degree to which they provide assistance on this topic” says Howard Schneider, President of Practical Perspectives author of the report. *”The research indicates advisors providing Social Security support can be categorized into three core groups – Educators (26%), Illustrators (30%), and Planners (36%). Each of these audiences has different needs that product and service providers*

focused on Social Security support should keep in mind when developing new programs and solutions that advisors can leverage.”

The report is based on input from over 600 financial advisors gathered through an on-line survey conducted in May 2014. Those surveyed include full service brokers, independent brokers, financial planners, Registered Investment Advisors (RIAs), and bank representatives. It also includes insights gathered from discussions with leading product providers and service firms.

Highlights of the report include:

- Demand for support is significant, with roughly 3 in 4 advisors likely to seek out additional support, content, or tools related to Social Security in the next year
- The most widely used solutions that advisors rely on for Social Security support include tools available from the Social Security Administration, online calculators, general planning software, and specialized software
- Use of subscription based Social Security tools is currently low, with less than 1 in 7 advisors indicating they rely on these capabilities at present and the majority appearing reluctant to pay for support going forward
- Advisors awareness of various providers of Social Security value add programs and specialized services is limited, with only BlackRock familiar to at least 1 in 2 respondents
- The most frequently mentioned tools and software used for Social Security delivery reflect product providers, general planning tools, and third party sources including MoneyGuidePro, BlackRock, the SSA, Horseshoof, internally developed solutions, Naviplan, and Social Security Analyzer
- Key needs related to Social Security support include more training on using capabilities presently available and uncertainty regarding which tools provide the most appropriate recommendation for clients
- Most advisors perceive delivery of Social Security support to be a means of deepening relationships with clients, with many indicating the impact on new client acquisition is minimal

“This report offers a unique, in-depth advisor driven view of Social Security delivery and support” notes Dennis Gallant, President of GDC Research who assisted on development of the research. *“There is a large investment being made by providers, distributors, and service firms in delivering tools and training on Social Security, so it is important to have insight on how advisors actually use these solutions, what can be done to improve these programs, and what support*

they desire going forward” says Mr. Schneider. “Satisfaction with support from key sources, especially asset managers and insurance companies, is generally modest at best, suggesting significant opportunity for these firms to enhance what is available to advisors.”

The detailed report includes 82 Exhibits and is available for purchase by contacting: howard.schneider@practicalperspectives.com

Practical Perspectives provides customized strategic and tactical support to companies involved in the creation and distribution of asset management products and services. We have issued multiple in-depth research reports in recent years examining both strategic and marketing/sales issues from the distinct perspective of financial advisors. We provide support for a variety of challenges including marketing research, strategy, new business development, competitive intelligence, and retirement issues.

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GDC Research (GDC) is a research and consulting firm providing applicable, actionable and customized solutions for broker dealers, asset managers, banks, insurance firms, and other providers in the financial services marketplace.

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