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MEDIA RELEASE – Overwhelming majority of clients have high trust and satisfaction with their financial planner: University study

The overwhelming majority of financial planning clients (over 80%) have high levels of trust in, and satisfaction with, their financial planner.

That is one of the key findings of a study, titled ‘Funding our future: Perceptions of the value of financial advice’, led by a team of researchers from the University of Adelaide, University of Technology Sydney and University of Western Australia. The research was supported by a grant from the Australian Research Council in partnership with the Financial Services Council (FSC).

The research findings reinforce the wide ranging benefits that financial planning offers clients.

Key findings

- An overwhelming majority of clients (84%) reported high levels of trust in their financial planner and 80% said they are satisfied with their adviser.
- Clients see value in having a financial planner. Close to 70% of respondents agreed that paying fees for advice is worth it.
- 80% of clients would recommend their financial planner.
- Financial planners adopt different styles in working with their clients (identified as Mentor, Partner, Delegate, Coach and Validator) and 80% of clients are happy with the service style used by their planner.
- Financial planning clients reported higher satisfaction in making financial decisions, higher satisfaction with the financial aspects of life, and peace of mind than non- clients.
- In contrast to non-clients who see cost as a barrier to obtaining advice, it is interesting to note that the majority of financial planning clients think paying fees for advice is worth it.

Why don't non-clients seek advice?

The research identified reasons that non-clients do not seek advice include the perception they do not need a planner, a lack of perceived value and that advice is too costly. However, the research found that sharing client experiences about why they value the advice may help non-clients better understand the benefits.

Commenting on the research, FSC chief executive Sally Loane said: “To encourage more Australians to seek financial planning advice, we need to gain a better understanding of the value experience people get when engaging a financial planner. The research findings showing that the overwhelming majority of

clients are satisfied with their financial planner goes to show there is fantastic work being done by the industry on a daily basis that goes largely unreported.”

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For further information please contact FSC Media Manager Mark Smith on 0434 566 764 or msmith@fsc.org.au

About the Financial Services Council

The Financial Services Council (FSC) has over 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The industry is responsible for investing more than \$2.7 trillion on behalf of 13 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is the third largest pool of managed funds in the world. The Financial Services Council promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.

>80%

**HAVE HIGH LEVELS OF TRUST
IN AND SATISFACTION WITH
THEIR FINANCIAL PLANNER**



**THE
MAJORITY**

agreed that
paying fees
for advice is
worth it



80%

of clients are happy
with the service
style used by
their planner



80%

of clients would
recommend
their financial
planner



Financial planning clients reported:

**HIGHER
SATISFACTION**

with the financial
aspects of life

**GREATER
PEACE OF MIND**

than non-financial
planning clients

Based on a study by researchers from the University of Adelaide, University of Technology Sydney and University of Western Australia, with 1,211 respondents.

