

MEDIA RELEASE

LESS IS THE KEY TO SUSTAINABLE GROWTH IN THE NEW ADVICE WORLD: CLEARVIEW

Wednesday, April 26, 2017: The holy grail of financial advice; sustainable growth, is within reach but advisers must be prepared to tear down and rebuild their value proposition, and shed clients to attain it, according to a new paper by Matrix Planning Solutions.

Based on the paper, titled *The answer is strategic advice*, the business model of the future will see advisers providing comprehensive strategic advice and high touch service to only 150-200 clients, and if executed well, the outcome will be sustainable growth.

Todd Kardash, Chief Executive Officer, Matrix Planning Solutions and ClearView Financial Advice, said traditional advice models were under extreme pressure due to multiple factors including the proliferation of automated and omni-channel advice offerings, decreasing customer loyalty and further remuneration changes under the Life Insurance Framework.

“LIF will be a major catalyst for change in advice models because advisers, particularly risk specialists, are set to experience a significant decline in revenue,” he said.

“As a licensee, there are a number of ways that we’re helping advisers adapt their advice models and lay a solid foundation for ongoing growth and success.”

The paper, which draws on the experiences of Matrix advisers who have already adopted a strategic advice model, includes a section called Strategic Advice in Practice. This section details potential opportunities in four key client segments: young couples with no mortgage, couples with a mortgage, pre-retirees and retirees. There’s also a section on pricing tips and pitfalls.

Allison Dummett, Head of Strategic Advice, Matrix Planning Solutions and ClearView Financial Advice, said consumers increasingly wanted advice on a wider range of matters such as property investing, debt management and aged care but historically, advisers - often on the direction of their licensee – had steered away from these areas.

“In the past, advice has been transactional and product-focused in nature however there isn’t a nice neat product solution for advice on property investing, debt management or aged care. Strategic advice is the solution,” she said.

“With strategic advice, there may be no product sale at all. It’s a proposition based on ongoing advice, coaching and mentoring to keep clients on track towards achieving their goals.”

Ms Dummett said the “adviser of the future needed to be supported by the dealer group of the future” which was why Matrix and ClearView Financial Advice were continuously looking at innovative ways to practically support advisers and drive efficiencies in their practices.

A copy of the paper, '*The answer is strategic advice*', is available for free download at <https://www.clearview.com.au/ebook/white-paper>

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About ClearView

ClearView is an ASX-listed diversified financial services company which partners with financial advisers to help ordinary everyday Australians protect and build their wealth, achieve their goals and secure a comfortable financial future.

The group's three business segments: Life Insurance, Wealth Management and Financial Advice are focused on delivering quality products and services.

ClearView is proudly non-institutionally owned with \$171 million of in-force premium, \$2.27 billion in funds under management and 243 financial advisers overseeing \$8.5 billion in funds under management and advice and \$223 million of premiums under advice (as at 31 December 2016).