

RDR – Will it Work?

RDR – will it work?

New Distribution Models – an IFA perspective

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10 ways to murder a business

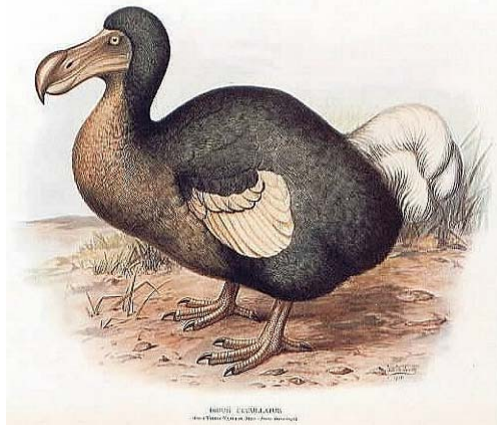
- Take on too much debt
- Choose the wrong business partner
- Become over dependent on one customer
- Get ill
- Make a mess of a major IT project
- Get into a price war
- Sign a burdensome property lease
- Forget your customers
- **Never evolve**
- Don't bother investing



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Never Evolve = Extinction!

- RIP



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Unbundling

- Advice
- Product implementation



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What do consumers really, really want?

- Information
- Guidance
- Advice
- Planning
- Solutions



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Information

- Free
- Factual, data, wide audience, wide availability
- Internet, newsletters, magazines, books, etc

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Guidance

- Free
- Moneymadeclear
- Examples, options, choices
- Internet, newsletters, magazines, books, face to face



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Advice

- Paid for
- Specific, personal, tactical
- Mainly face to face
- Internet (simplistic)

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Solutions – advisers not needed

- Regular savings
- Building a pension fund
- Family protection
- Basic investments

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Why are they not needed?

- Too expensive
- Complex regulatory environment
- Variable output/outcomes

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Solutions – advisers needed

- Complex stuff
- Portfolio management
- At retirement options
- Estate planning



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Why are they needed?

- Adds value
- Qualified to a level of understanding
- Outcomes less variable

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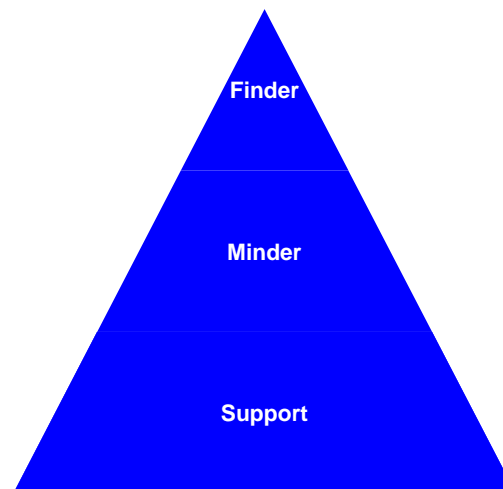
New distribution model

- Information
- Planning
- Guidance
- Advice
- Execution
- Implementation
- Internet
- Face to face



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Finder, minder, support



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RDR – Will it Work?

New distribution model attributes

- Team based
- Unbundled
- Systems and processes (checklists)
- Technology enabled
- Brand developed
- Profitable

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