

# 5 WAYS ROBO-ADVICE IS CHANGING THE INVESTMENT LANDSCAPE

*The introduction of robo-advice is opening investment management to a whole new market. Robo-advice is appealing across Millennials, Gen X and Baby Boomers thanks to lower rates, greater accessibility and easy to use self-service.*

## How is robo-advice changing your wealth management business?

These are the trends that can help you understand how robo-advice is assisting the new American investor.



### 1. Planning for longevity:

- ✓ Longevity is turning out to be a major financial challenge
- ✓ Avoids difficult conversations by taking a dispassionate approach to planning
- ✓ Robo-advice can help investors anticipate future costs like planning for increasing healthcare expenses

### 2. Managing complex financial responsibilities:

- ✓ Fluid socio-demographics: more solo heads of household make it harder to save
- ✓ More multigenerational and blended households create complex financial planning needs
- ✓ Robo-advice makes investing accessible through no or low starting balances addressing a variety of investor needs

### 3. Broader investment options:

- ✓ More, better, cheaper, investment options
- ✓ More products, more channels, lead to investors doing more shopping for investment options, defecting, and blending multiple channels
- ✓ A broad range of investment approaches and options makes robo-advice appealing to mass affluent and HNWI alike

### 4. Benefits for freelancers:

- ✓ Job changes occurring more frequently, every 4-6 years
- ✓ More freelance work means employee-sponsored benefits are slowly disappearing
- ✓ Digitally assisted advice options empower anyone to be an investor on their terms, no matter what their career looks like

### 5. Holistic financial planning:

- ✓ With US credit-card balances on track to hit \$1 trillion this year, there is a need for greater financial management assistance
- ✓ Investors often do not know where to start
- ✓ Through a digital interface robo-advice takes the confusion out of investing by using a proactive approach

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