



Demand For Financial Advice Doubles In Five Years

If your car engine sounds dodgy, you see a mechanic. If you're unwell, you see a doctor. If you've got a tooth ache, you see a dentist. What about when you're looking to better manage your finances though?

According to 2020 figures from research group Investment Trends, 2.6 million Aussies said they intended to seek help from a financial adviser over the next two years, up from 2.1 million in 2019 and double the levels seen in 2015.

Findings also revealed that COVID-19 had prompted greater engagement between Aussies and financial advisers where a relationship already existed.

DEMAND FOR ADVICE IS ON THE RISE

Talking about the report findings, Investment Trends Senior Analyst King Loong Choi said, against a backdrop of economic uncertainty and volatile markets, a record number of non-advised Australians realise they need assistance from a professional.

"Among these potential advised clients, the pandemic has been a major catalyst, with 44% saying the COVID-19 situation had increased their likelihood of seeking advice," he said.

GREATER ENGAGEMENT BETWEEN ADVISERS AND CLIENTS

The research also showed three in four financial advice clients had been in contact with their adviser to discuss the impact of the COVID-19 pandemic.

"Most financial planners have proactively engaged with their clients during this period of volatile markets, and clients themselves acknowledge these efforts," Choi said.

THE TOPICS AUSSIES WANT ADVICE ON

There might be particular goals, events or circumstances that prompt financial advice, including unexpected situations like redundancy, death or divorce.

According to a survey by ASIC, the most common topics that participants had received advice on, or were interested in receiving advice on, were:

- investments (eg shares and managed funds) - 45%
- retirement income planning - 37%
- growing superannuation - 31%
- budgeting or cash flow management - 22%
- aged care planning - 18%

Other topics also included risk protection, self-managed superannuation funds, debt management, switching or consolidating superannuation, and estate planning.

WHAT'S INVOLVED WHEN YOU SEE AN ADVISER

You may opt to receive simple advice on a particular issue, broader financial advice, or ongoing financial advice.

After you've discussed your goals, objectives and attitude to risk, your adviser can then provide you with recommendations and a product disclosure statement for any product they've recommended.

As part of this process, it's important to understand how you will be charged and you'll also need to assess whether the advice provided is right for you. After all, it is your money.

Source: AMP

If you have any questions around your particular circumstances, give Shaun or Vicky a call on 4927 4588 (Rockhampton) or 4939 1766 (Yeppoon).



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