



Print Format Sponsored By



Nearly A Third Of Advisor Clients Keep Secrets, A New Survey Says.

AUGUST 22, 2013 • FA STAFF

Twenty-nine percent of financial advisor clients say they haven't told their advisors about everything that could affect their finances. Health concerns, private investments and marital difficulties are the secrets most often kept from advisors, according to recent survey by Securian Financial Group.

The survey of 720 consumers who work with advisors found that while the majority of respondents (71 percent) said they share all personal topics with their advisor, many of those who withhold critical information fall into most advisors' target markets. Nearly one-third are pre-retirees and retirees; two-thirds are 40 years old or older; and one-fifth are affluent or mass affluent, with annual household incomes of \$100,000 or more.

Almost half (48 percent) of all respondents say trust is the most important aspect of their advisor relationships. Of the 29 percent who withheld critical information, only 11 percent said it's because of a lack of trust.

Fifty-two percent of those with secrets said the information is too personal to share. Another large group, 45 percent, believe their secrets are outside of their financial strategies and don't need to be shared. One-fifth are too embarrassed to reveal their secrets.

"They may not realize it," said Michelle Hall, manager of market research at Securian, "but personal matters can profoundly affect a family's financial stability."

According to Securian, some clients hold back because they don't want to hear what their advisors would say if they had the full picture. When asked what changes their advisors would likely recommend, 50 percent said it would be to increase savings or reduce spending. One-fourth said their advisors would want to create new financial plans.

Nicole Winter Tietel of Winter & Associates in St. Paul, Minn., worries about clients who don't share important facts with their advisors. "If they keep secrets, they likely have duplication in their investment portfolios, are underinsured or carry debt that eats away at their net worth," she said. "Ultimately, they are taking more risk."

KEYNOTE SPEAKER
ROBERT C. DOLL

3RD ANNUAL
FIDUCIARY GATEKEEPER RESEARCH MANAGER SUMMIT

OCTOBER 24 - 25, 2013 • HYATT REGENCY BOSTON

PRODUCED BY
FA
Private Wealth