



Maximizing Reach and Efficiency: How SigFig Can Help Empower Financial Advisors

According to Cerulli, advisors spend more than 50% of their time on non-client facing activities like investment research, due diligence and monitoring, trading and rebalancing, and managing day-to-day operations.¹ SigFig can greatly improve efficiency in the majority of these areas by incorporating automation and other tech-enabled functions into your firm's new client onboarding and servicing processes.

How SigFig Helps Advisors Save Time

Onboarding can be particularly time-consuming with activities like meeting prep, account setup, and inputting data into forms. Advisors are often dealing with multiple systems that don't talk to each other. The amount of time lost working across different systems can be staggering.

We estimate that SigFig's technology **can save over 30 minutes per account in onboarding and account opening** by simplifying proposal development and investment selection and streamlining data flow through a single platform, regardless of whether advice is delivered remotely or in-person.

Our technology can also save an average of **20 minutes per account in annual maintenance** by automating tasks like making deposits and withdrawals, tax and statement requests, account updates and automating annual review compliance requirements.

Based on this data, if an advisor services 300 accounts per year, that could save 100 hours of their time each year.

¹ Cerulli Associates, in partnership with the Investments & Wealth Institute and the Financial Planning Association (FPA®), 2021

| | Current Process | SigFig Platform | Cost Savings |
|--|---|--------------------|---|
| <p>New Client Proposal & Account Opening</p> <p>⦿ Pain Points</p> <ul style="list-style-type: none"> Multiple platforms Limited data integration Investment selection complexity High error & NIGO rates Onerous account opening Lack of automation | 35-70 mins | 10-15 mins | 45 mins per account 75 hrs per year (per 100 accounts) 9 days a year |
| <p>Account Review</p> <p>⦿ Pain Points</p> <ul style="list-style-type: none"> High NIGO with costly resolution Complex funding solutions & verification Complex compliance tools (roll-over, suitability, etc) | 15-30 mins | 0-5 mins | 15 mins per account 25 hrs per year (per 100 accounts) 3 days a year |
| <p>Client Servicing</p> <p>⦿ Pain Points</p> <ul style="list-style-type: none"> Costly client servicing issues Tax loss harvesting Money movements - deposits & withdrawals Tax and statement requests Account updates Annual review outreach | 25-60 mins annually | 5-15 mins annually | 30 mins per account 150 hrs per year (300 accounts) 19 days a year 73% of client self-acknowledged an annual review saving advisors ~4,800 phone calls per year |
| | <p>✓ Time Saved</p> <p>60-120 mins per client</p> | | <p>✓ Time Saved</p> <p>30 days a year</p> |

If we assume the average advisor and middle office cost is approx. \$80 per hour, that would amount to \$8,000 per year per advisor that is saved.

It also yields benefits in reducing frustration and complexity for advisors so that they can focus their energies into more productive client conversations.

How SigFig Can Help Improve Margins

When comparing costs for client- and advisor-led digital solutions with traditional servicing models, digital solutions generally save firms between 20 to 60 bps.

The ongoing firm cost to support a client-led digital solution generally ranges between 13 to 19 bps while the ongoing cost to support an advisor-led digital solution ranges between 20 and 35 bps.

Cost Estimate - Digital vs Current

| | | Digital Solution Client-Led | Digital Solution Advisor-Led | Current Solution Traditional |
|--|---------------|--------------------------------|---------------------------------|---------------------------------|
| Client Account Onboarding | | 6 | 8 | 25 |
| Financial Planning | | 0 | 10 | 10 |
| Client Servicing | | 4 | 7 | 15 |
| Compliance & Account Review | | 2 | 2 | 15 |
| Portfolio Management | | 4 | 7 | 10 |
| Cost Estimates | Total - bps | 16 | 34 | 75 |
| | Per \$500 MM | \$800,000 | \$1,700,000 | \$3,750,000 |
| Cost Estimates | Avg Fee - bps | 40 | 85 | 100 |
| | Per \$500 MM | \$2,000,000 | \$4,250,000 | \$5,000,000 |

Perhaps even more importantly, digital solutions can provide a more consistent and streamlined experience for investors, helping them to feel more supported as they work toward their goals.

Connect with us on **LinkedIn** or **via email** to learn more about our products and how we power some of the largest financial institutions in the US and Canada to deliver a modern advice and service experience.

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