

# Hymans Robertson Investment Services Consumer Survey 2023



## Who are we?

Hymans Robertson Investment Services (HRIS) is a discretionary investment manager, part of Hymans Robertson group.

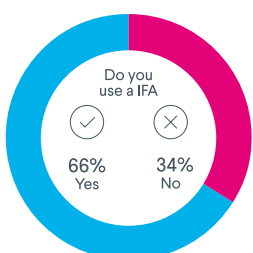
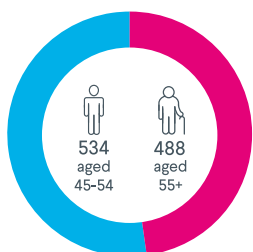
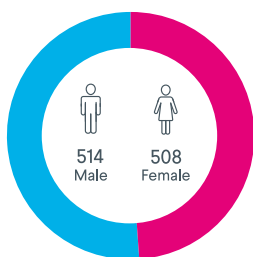
Our parent, Hymans Robertson LLP, was founded over 100 years ago and is one of the UK's leading independent firms of investment, pensions and risk experts. It has over £350bn of assets under influence, serving many of the UK's largest institutional clients, from household name corporates through to the UK's largest local authority pension schemes. Hymans Robertson LLP employs over 100 quant modellers, 90 investment professionals including a fund manager research team of 20 and a dedicated Responsible Investment (RI) research team.

## About this research

As part of our commitment to continuous improvement of our services, HRIS commissioned research looking at the behaviours and attitudes of UK individuals towards investments and their advisers.

 Over 1000 UK individuals

 With investable assets >£300k



Hymans Robertson Investment Services dedicates itself to providing model portfolio services (MPS) to UK advisers. We differentiate ourselves in two ways – firstly by employing 'best practice' institutional standards – making use of our parent's (HR LLP) significant scale and resources. Secondly, we focus on working alongside a smaller number of high-quality adviser firm clients. This allows us to provide a higher level of service and ongoing engagement, including more support, analysis and ongoing commentary around investment portfolios.

Our survey explored three topical themes:

### Investor attitudes during uncertain times

It is hard to think of a more challenging backdrop in recent times. Having enjoyed a period post 2008 of relative stability, investors have been through a Global pandemic, ongoing conflict in Europe, inflationary concerns and, at the time of writing, worries over the potential stability of the Global Banking sector. We were interested in seeing how this impacted individuals' attitudes towards investments.

### The value of advice

Advisers play a crucial role in supporting individual clients. Arguably this value is accentuated during difficult times, when plans might need to change, or temptations to act erroneously due to short-term considerations are strongest. We're interested in seeing why individuals valued advice and how that related to recent market events. Importantly we also wanted to understand how investment managers (in our case, an MPS provider) could best support advisers in enhancing the value that their advice can offer.

### Breaking it down – what specific service aspects do individuals value?

The industry is, quite rightly, focused on delivering value for money for its clients. Our research allowed us to explore which elements of service individuals most valued – from both advisers and investment managers such as HRIS. For example, which formats do your clients prefer to receive their communications, what do they want to hear about and how? How frequently do people look for updates on their investments?

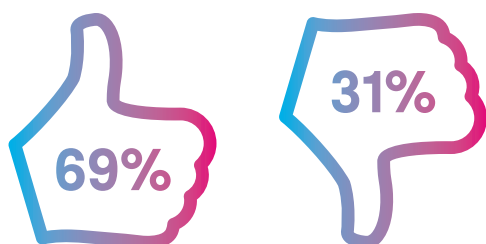
## Investor attitudes during uncertain times

It is well known that individual's appetite for risk will tend to diminish during periods of market uncertainty and vice versa. For some, this can lead to some destructive behaviours – namely 'selling at the bottom' or 'buying at the top'.

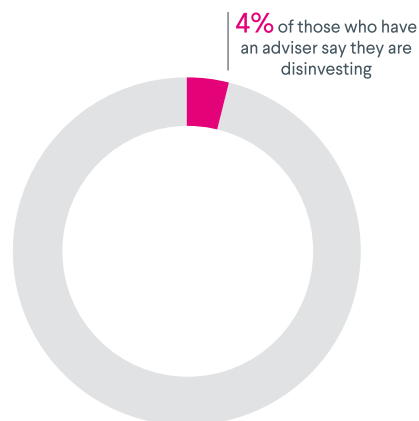
Advisers know that they play a key role in helping clients avoid some of these behavioural pitfalls. Amongst the advised sample of individuals, it is encouraging to see that most have retained a long-term outlook, with a number seeing some of the longer-term potential opportunities that market-sell offs can provide.

Whilst retaining a long-term investment horizon is important, there can also be occasions where individuals need to review and, if appropriate change their plans – be that a retirement date, level of savings being made, or adjustments to their spending patterns. Advisers also provide significant value through providing expertise to clients considering adjusting their plans and budgeting, when needed. It is interesting to see how those individuals currently receiving advice have been far more likely to increase their pensions contributions, most likely in response to either pension funds currently declining in value, or a desire to counter the impact of inflation on living costs.

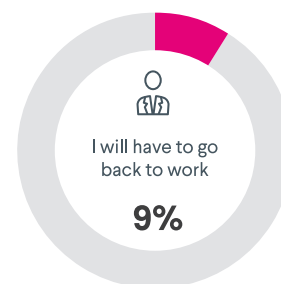
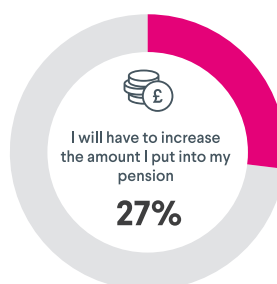
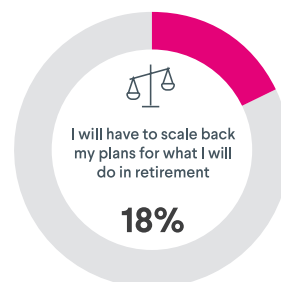
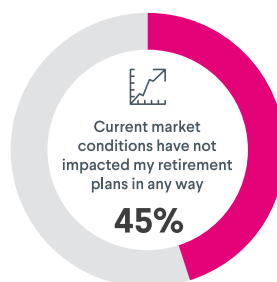
**Would the current market conditions make you more likely to seek professional financial advice?**



**In what way, if any, does the increase in the cost of living, volatile stock markets and the potential for a recession affect your financial decisions?**



**How, if at all, have current market conditions impacted your retirement plans? (Respondents selected all that apply)**



## The value of advice

An industry-wide focus on reducing costs and regulations such as The Consumer Duty have made 'value for money' a hot topic. There are a number of ways in which this can be assessed – some of which are more easily quantifiable than others.

Investment returns net of all costs are obviously key (where firms such as HRIS play their part) – and most clients are clear that this is the case. However, the data responses also indicate that value on a wider number of 'soft factors' is equally, if not more important.

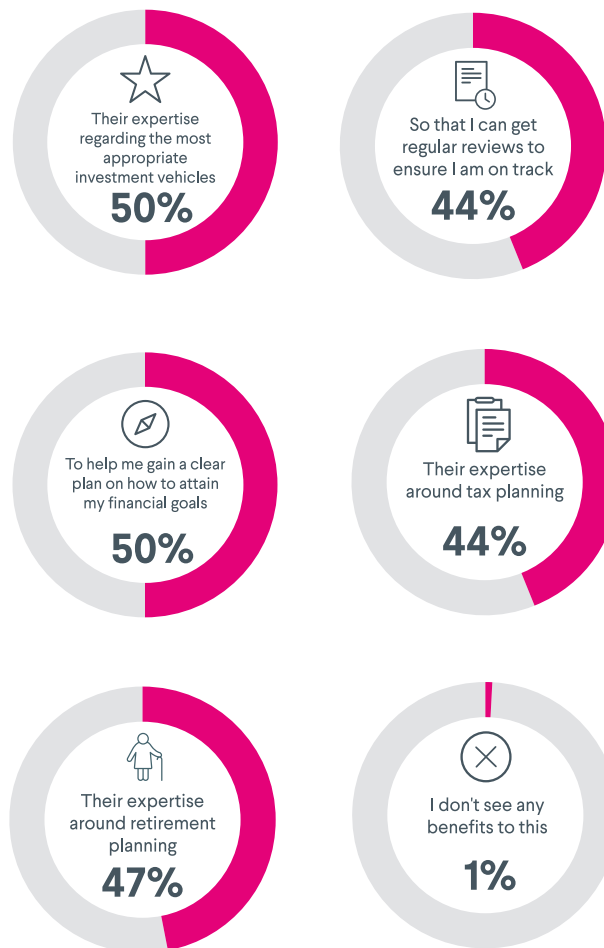
These include aspects such as the critical role advisers play in providing peace of mind, the ability to plan, understand and feel in control.

It also includes aspects which are directly measurable, outside of investment returns – such as efficient tax management and cash flow planning.

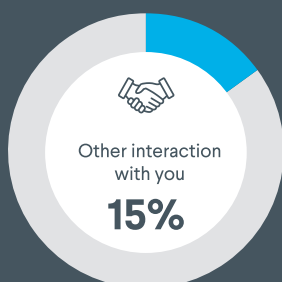
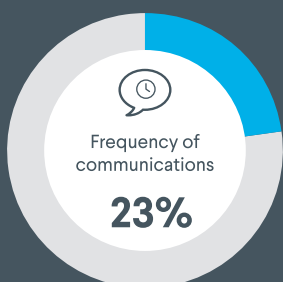
### Why do you use a financial adviser? (Respondents selected all that apply)



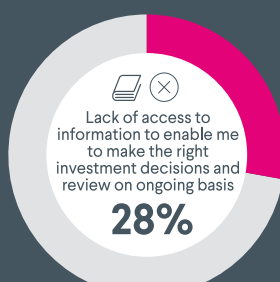
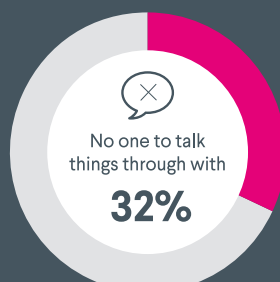
### If you use an independent financial adviser, what, if anything, do you see as the benefits? (Respondents selected all that apply)



Which factors, if any, would you be most likely to use to assess if your Adviser and Investment manager have done a good job? (Respondents selected all that apply)



What do you feel are the disadvantages of using an online self-serve platform for financial investments, if any? (Respondents selected all that apply)



## Breaking it down – what specific service aspects do individuals value?

Advice and investment services comprise a mix of inter-related deliverables – from face-to-face meetings, through to written communications.

It is no surprise that clients like to receive clear, succinct and jargon free commentary. Investment providers have a clear role to play in ensuring that readers can understand the content and identify its primary conclusions. Content also needs to be delivered across an increasingly wide range of media – ranging from face-to-face meetings, videos, e-mails and even, for some, hard copies.

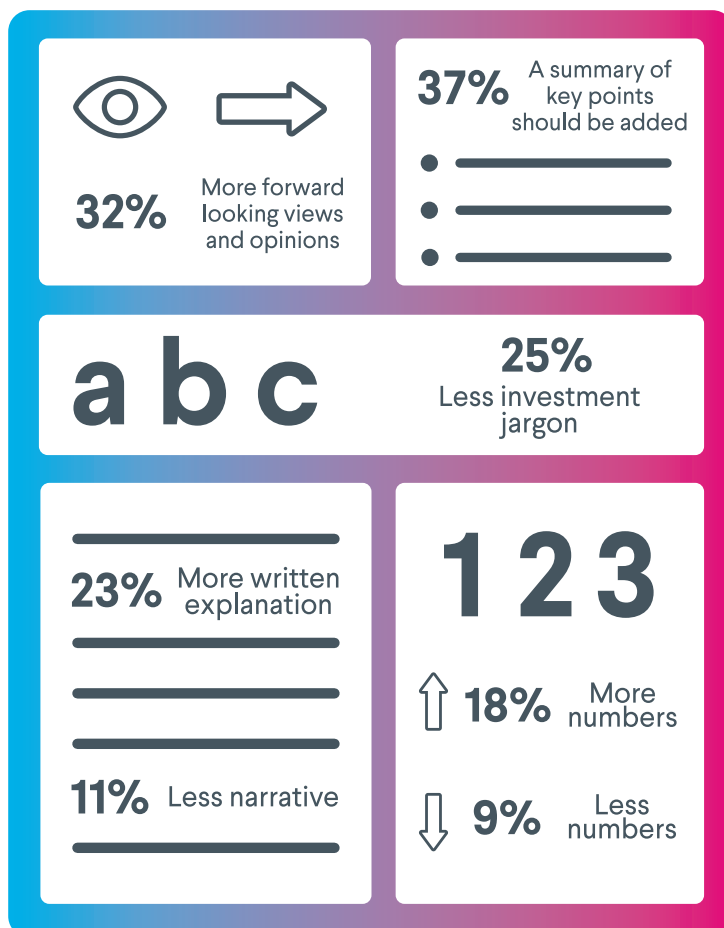
It is interesting to note how preferences are changing across age groups – with no surprise that digital communication such as podcasts and use of social media is becoming more commonplace amongst the younger demographic.

It is also interesting to see the value that clients place on being kept up to date on a frequent basis – with many wanting regular (weekly or monthly) updates on what has been happening in the investment markets.

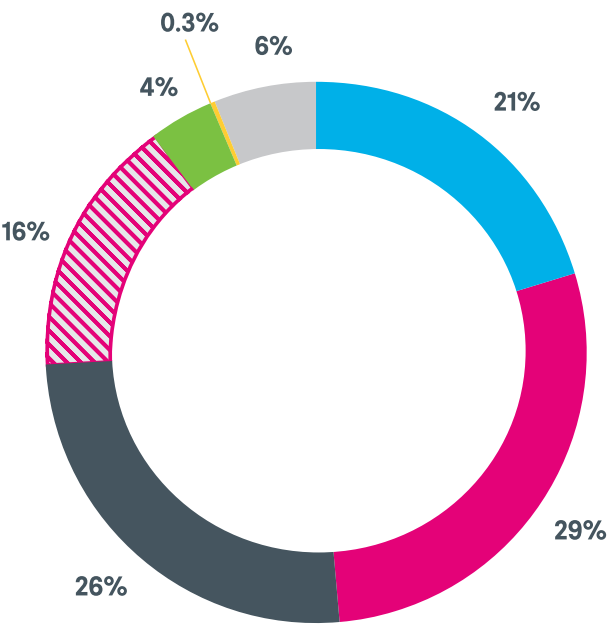
Investment providers such as HRIS have an important role to play in delivering succinct, timely and accessible portfolio updates

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If you could change things about the nature of the financial communications you receive, what would it be, if anything? (Respondents selected all that apply)

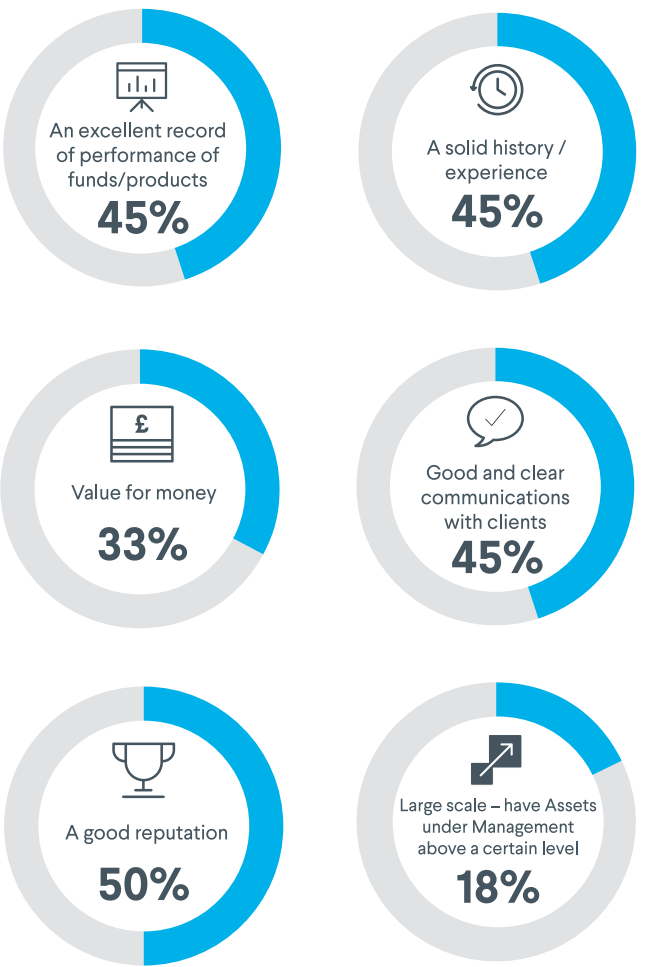


How frequently would you want to be updated on market conditions?

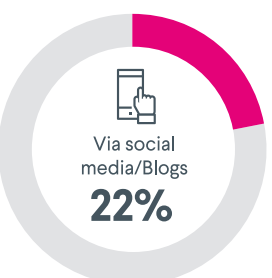
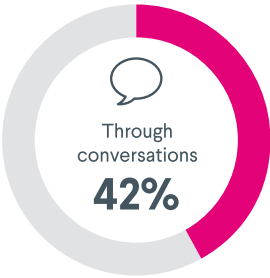
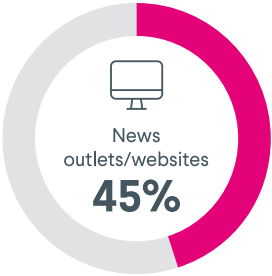


- Daily or more often
- Less often than daily, up to weekly
- Less often than weekly, up to monthly
- Less often than monthly, up to quarterly
- Less than quarterly
- Never
- Depends on market conditions – more when markets are volatile, less when they are not

What attributes, if any, do you think are most important for a trusted Investment Manager to have? (Respondents selected up to three)



In what format(s) would you most like to receive market information? (Respondents selected up to three)



## Want to know more?

With a team of highly experienced Relationship Directors across the UK and four regional offices, we are readily available to discuss our industry insight and bespoke investment approach with you. We can work alongside your other Centralised Investment Propositions or be your sole Discretionary Fund Manager.

Get in touch with one of the team below or contact us via our website [www.hymansinvestmentservice.co.uk](http://www.hymansinvestmentservice.co.uk):



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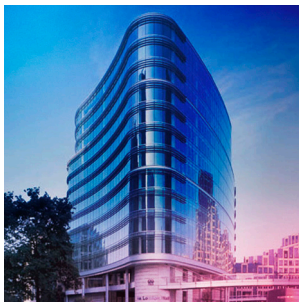


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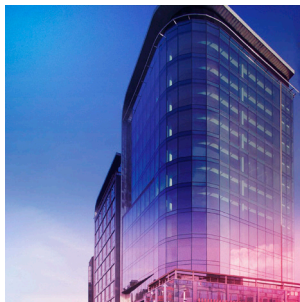


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### **Risk warning**

*The value of your investments and the income from them may go down as well as up and neither is guaranteed. Investors could get back less than they invested. Past performance is not a reliable indicator of future results. Changes in exchange rates may have an adverse effect on the value of an investment. Changes in interest rates may also impact the value of fixed income investments. The value of your investment may be impacted if the issuers of underlying fixed income holdings default, or market perceptions of their credit risk change. There are additional risks associated with investments in emerging or developing markets. The information in this document does not constitute advice, nor a recommendation, and investment decisions should not be made on the basis of it. The material provided should not be released or otherwise disclosed to any third party without prior consent from HRIS.*