



Simplifynance: FlexGen Advisors Engage Next-gen Prospects with eMoney

CASE STUDY

eMoney

 **HORIZON**
FINANCIAL GROUP



COMPANY PROFILE



HORIZON
FINANCIAL GROUP

Horizon Financial Group offers its clients a range of services, including wealth management, investment management, and retirement plans. Under its planning-led philosophy, Horizon believes that wealth management is a personal service that should help clients achieve their life goals. To protect client wealth, Horizon's team of advisors rely on eMoney to develop long-term plans that help clients navigate changes in their financial situations.

In the summer of 2018, Horizon launched Simplifynance, a service designed to attract next-gen clients, by offering a collaborative, digital experience built around eMoney.

QUICK FACTS



Founded in 1999



Assets under management: \$325 million



eMoney user since 2001



5 Advisors



Based in Baton Rouge, La.



OBJECTIVE

Building the Future by Onboarding Younger Clients Today

Millennials have the potential to become the wealthiest generation in history.¹

The next generation of investors constitutes one of the largest in U.S. history. They may also soon be its richest. Over the next 30 years, they stand to inherit nearly six trillion dollars—the largest wealth transfer in history.²

To meet evolving client expectations, Horizon has adopted an intrapreneurial mindset that recognizes the importance of embracing change and adapting existing processes and technologies to new opportunities. This approach accepts the possibility of failure as a step on the path to success.

intrapreneur (ɪntrəprəˈnɜːr): noun

An employee who has the freedom, ambition, and resources to address new opportunities by creating products and services.

Like many wealth management firms, Horizon Financial Group is looking for ways to capture its share of clients between 30 and 45 years of age—investors who straddle older Millennials and younger Gen Xers.

To attract these prospects, CEO Pete Bush knew he needed to think differently about the way Horizon delivers advice. He set out to create a service offering that was designed with this demographic's specific needs in mind. Enter Simplifynance—a targeted offering from Horizon intended to service next-gen clients. When Rachel Stewart, a younger advisor at Horizon Financial, learned of Simplifynance, she wanted to get involved as she felt a kinship with the target demographic—her peers.





CHALLENGE

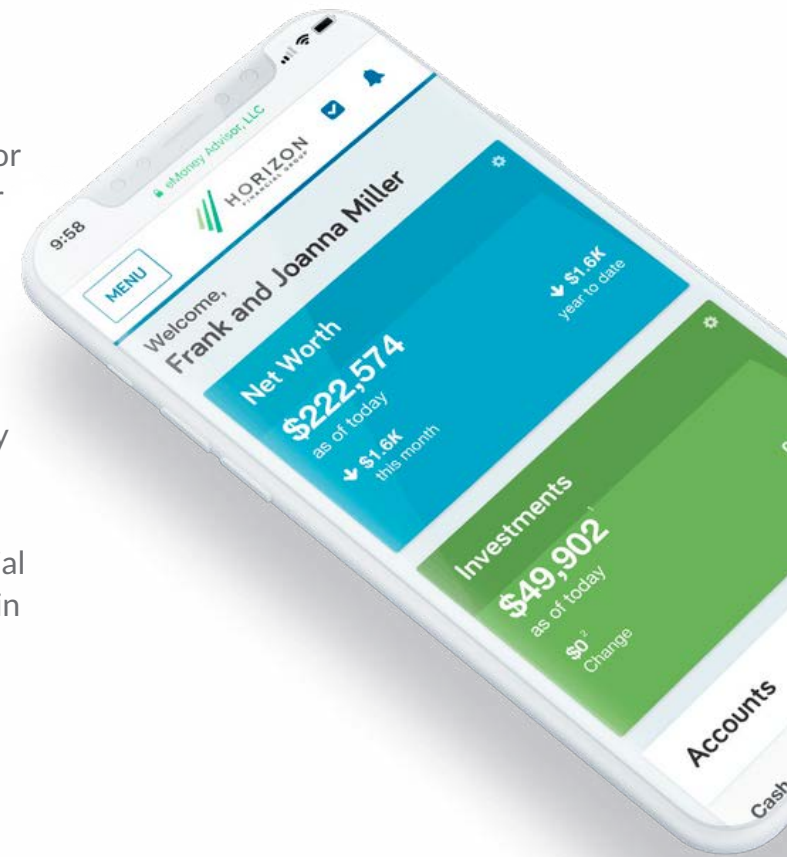
Creating an Experience That Attracts Younger Clients and Meets Their Needs

Horizon recognized that their prospective Simplifynance clients reward companies that provide instant, elegant, and intuitive digital experiences³, so the firm looked to deliver a re-imagined planning experience. “This generation is tech savvy. They’re looking for planning experiences that are interactive, collaborative, and give them control,” says Stewart.

The Horizon team determined that the financial planning technology they used for Simplifynance would also need to offer robust cash flow capabilities because their target clients are still amassing wealth. Stewart says, “At their stage of life, it’s about cash flow. These investors haven’t built up a lot of assets yet so focusing on traditional retirement goal planning alone doesn’t make a lot of sense. We’re looking for ways to help clients reach the goals that are important to them at this stage of life, in addition to what may be important to them down the road.”

To ensure the new service was cost-effective, clients would need to be more involved in guiding the planning process and entering their information into the platform. In Horizon’s traditional service, advisors input data for their clients. The team identified a high level of usability for clients as a primary requirement for their new platform.

While this level of responsibility might not appeal to an older client, it happens to fit well with this younger generation’s desire for control and transparency: They want digitally savvy advisors who can help with their financial education; but, they also want to make their own financial decisions and have greater involvement in the planning process.⁴





SOLUTION

Delivering a Client Experience That Delights Next-gen Clients

After evaluating several financial planning solutions, the Horizon team identified eMoney as the right platform to power Simplifynance. Stewart says, “We use eMoney in our traditional business, so we know the product. But no other platform we considered came close. **eMoney offers the features we need to attract younger clients.**”

Stewart recognized that the client experience provided by eMoney would appeal to her target demographic. Because the system is dynamic, and aggregates financial data automatically, advisors can provide the up-to-date, collaborative experience these younger investors want. “Clients in this generation are really interested in working together. **eMoney makes planning more engaging** because it’s built around collaboration,” she says.

With features like the eMoney Decision Center, advisors can show clients the impact of today’s financial decisions on tomorrow’s lifestyle options. Advisors can modify planning scenarios and adjust them based on client feedback in real time. Stewart says, “**We can work side-by-side or online with our clients in eMoney**, and show the impact their decisions will have on their finances in 10 years, 20 years, or at retirement.”

By offering the cash-flow based approach these younger clients need to save and invest, eMoney sets the advisors and clients up for success. “We looked at a few different options, but all of them were too heavily weighted in retirement-only, goal-based planning. To Simplifynance clients, it’s about more than just retirement. It’s about today. **Only eMoney included cash flow, which is really important for these clients,**” says Stewart. With eMoney, advisors can monitor client cash flows and make recommendations on ways to save. And clients can create budgets and track their spending automatically.

The eMoney Client Portal, which is accessible via laptop, tablet, or phone, empowers users to review their current financial situations at their convenience. “eMoney allows us to graphically show a client’s finances. Our clients really respond to a living plan versus a printout from a spreadsheet. **And eMoney is interactive, so we can create scenarios and change values in real time and get our clients’ reactions right there,**” says Stewart.

With eMoney’s intuitive user interface, clients can take control of their finances by entering their data, updating their profiles, and reviewing their current financial situations. Because clients assume this responsibility, Horizon can offer Simplifynance at a lower price than their more traditional advisory service.

“Our clients use the automated workflow to enter their financial information. It’s really easy for them. **The clients get the control they want while making Simplifynance cost-effective for Horizon,**” says Stewart.



RESULTS

Generating Interest by Promoting Collaboration & Transparency with eMoney

Recent research points to the return that firms can expect from their investments in digital. For example, advisors that offer a broad range of technologies have a median of 42 percent higher assets under management (AUM) than those that don't. Furthermore, they have a median of 35 percent more AUM per client, and generate 24 percent more compensation.⁵

Simplifynance, launched in the summer of 2018, is still too new a service to report results. Though since the launch, Horizon has onboarded a handful of clients and generated real interest from its target demographic. The firm hosts regular coffee chat meetings for its young professional clients and prospects. By offering this networking event, Horizon is attracting new business and deepening its relationships with its clients.

With their focus on planning and providing a custom client experience, advisors at Horizon share the conviction that if they do a great job on the planning side, then the business will prosper.

Stewart firmly believes that an approach that emphasizes collaboration, control, and transparency will attract the next generation of clients. She says, **"I wanted to go out and build something I believed in, to help my generation.** I'm not worried about failing because the need is too great, and my conviction is too strong."



SOURCES

- 1 **“Winds of Change: Wealth Management Reimagined,”** Ernst & Young, 2016.
- 2 **“Family Wealth Transfers Report,”** Wealth-X, January, 2015.
- 3 Thompson, Kendra and Blomquist, Edward. **“Millennials & Money: The Millennial Investor Becomes a Force,”** Accenture Consulting, 2017.
- 4 Marous, Jim. **“The Massive Millennial Shakeup in Traditional Wealth Management,”** The Financial Brand, March 20, 2018.
- 5 **“Fidelity Finds Number of Tech-Savvy eAdvisors Has Grown to 40 Percent; eAdvisors Outperforming Tech-Indifferent Peers,”** Fidelity Clearing & Custody SolutionsSM (FCCS), June 20, 2017.



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