

# **T3/Inside Information Advisor Software Survey**

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# Introduction and Methodology

This 2020 edition of the T3/Inside Information survey was designed (like previous versions) to answer the most essential and basic questions that interested parties might have about the software/service solutions in the investment advisory space:

*Which are the most popular tech solutions in each category, and how much market share do each of the programs enjoy among the population of potential users?*

*How satisfied, on a scale of 1-10, are the users of each of these tech solutions?*

*What programs and services are advisory firms looking at switching to in the coming 12 months (as a potential leading indicator of future market share)?*

*What other software solutions and services are advisory firms using which were not included in our survey (which often gives an indication of the diversity in the advisor tech landscape)?*

*Which solutions are gaining market share, and which are falling back?*

*Which tech programs and services are seeing an improvement in their user satisfaction scores, and which are declining?*

*For the four most important software categories, which solutions are most popular with which types of advisory firms?—broken out independently by business model, by years in the business and by firm size.*

The answers to these questions will help industry participants better understand the competitive landscape of tech solutions, where they stand, how satisfied is their user base, and where there may be significant opportunities.

The data is also relevant to the people who make software decisions at advisory firms—the consumers in this ever-evolving marketplace who are charged with maintaining and upgrading their technology stack. The charts can help them see which programs, in many different categories, are most popular among their peers, and which of them have the most satisfied users, and in general the direction that the tech marketplace is evolving.

Every survey is, at best, a snapshot of the recent past. Our 2020 survey instrument collected data from advisory firms, anonymously, through the months of October, November and parts of December 2019. In total, after eliminating a number of obviously bogus results and a number of responses without any data, we

ended the survey with 5,175 responses that we judged to be valid. This, as you will see in the next section, gave us a broad sampling of virtually every part of the advisory world, with the notable exception of wirehouse brokers.

The market share numbers that you find in every chart could have been calculated in a number of ways. We decided that the most relevant methodology would be to count the number of respondents who reported using any given tech solution, and divide it, not by the number of respondents who report using software in that category, but by the total number of participants. Thus, every market share number in the main chart of every category represents the percentage of respondents in the entire survey who are using this or that particular solution.

This also allows us to calculate—we think helpfully—the percentage of total respondents who are using one or more solutions in each category.

The “average rating” statistics were calculated in the most straightforward possible way. We simply took the average of all the numerical responses given for each software solution or service. For the category as a whole, we decided against giving a weighted average of the ratings—that is, giving proportionately more weight to ratings of the solutions that had greater market share—and instead simply averaged the individual ratings in each category. This offers a better contrast between the average rating and the ratings of any individual program—the higher-rated programs stand out. The downside is that a solution with low market share and a low (or high) average rating will pull down (or up) the ratings as a whole.

The reader will notice that we included data from solutions with market share below 1%—and in some cases, this was the majority of the participants in a particular category. In future surveys, we may decide to only include the solutions with significant market share, but our thinking in this report was that if we have the data, we might as well provide it. Some of the firms that are low in market share received some of the survey’s highest average ratings—which means that advisory firms reading this report might want to include them in their search as they upgrade or otherwise change their technology stack. That way, our survey might help quality software solutions that are new or overlooked move up the rankings as they earn greater



market share.

In order to glean trends in the data, we incorporated market share and average ratings information from last year's survey (which included responses from more than 5,500 advisory firms), and noted a number of places where we felt that these comparisons might be misleading. This year's survey added more than 100 new programs and four new categories of software solutions.

As mentioned earlier, we took a deeper dive into four software categories: CRM, Financial Planning, Portfolio Management and Enterprise Content Management. That is, we looked at the market share for the leading solutions broken down by their users' years of experience, size and business models.

To calculate the market share numbers for these deeper breakdown charts, we followed a somewhat different methodology; we determined the number of respondents using each program in each grouping (fee-only, for instance, or 20+ years of experience), and then divided that into the number of people who were using each type of solution (CRM, financial planning, etc.).

Thus, each market share number in those more detailed breakdowns represents that solution's market share percentage of actual users of that type of software or service. We felt that this would be a more useful way for readers to determine which programs are most popular with which types of advisory firms—and in some cases, as you'll see, there were clear preferences based on size, business model and years of experience. When you shop, you want to know which solutions are most popular with firms that look and act like yours does.

In all, more than 500 different programs, services and solutions are covered on the following pages. Their data is provided through nearly 100 detailed charts and graphs, each tightly organized to deliver what we believe to be helpful information in every relevant software category.

Every effort was made to ensure the accuracy of the data—which is, after all, the key to the credibility of this effort as a whole. We took some comfort in the fact that the market share numbers and ratings appear to be (for the most part) relatively stable from last year's survey to this one, this year reaffirming the validity of last year, and vice versa.

However, the reader will notice that, toward the bottom of each table, there is somewhat more variability between last year's market share and ratings numbers

from last year to this one. We attribute this to smaller sample sizes. The data assigned to a firm with a 1% market share would be coming from just 52 survey participants, and its ratings would be more highly affected by a small number of disgruntled or extremely satisfied users than the more statistically significant results at the top of the graphs.

Finally, the ratings themselves deserve a word of explanation. We believe that any rating of 7.0 or above represents a high degree of user satisfaction, and any figure above 8.0 represents a user base made up of raving fans.

Some readers might find this odd. Isn't 70% merely a passing grade, and 80% a low B on normal grading scales? Our experience with this survey is that there are a surprising number of advisors who are chronically dissatisfied with everything; indeed, some of the respondents gave a consistent set of 1, 2 and 3 ratings across their entire software stack (which, of course, makes one wonder why they are still using this set of solutions).

The point: for some (perhaps gloomily-inclined) advisors, "3" represents an extraordinary grade, and for some the highest grade a highly-satisfactory solution will ever receive from them is a "5" or a "7."

When we normalize all the results over all of the categories, we find that the most popular programs typically achieve scores of 7.00 or above, and a very few are blessed with scores above 8.0. Perhaps our interpretation is grading on a curve, but the curve seems to be consistent across the tech landscape.

We want to express our gratitude to the more than 5,100 members of the financial planning/investment advisory community for their willingness to spend 10-20 minutes of their time providing us with priceless data on our ever-evolving professional technology sector.

And we want to express our gratitude to the sponsors of this year's survey: Morningstar, Orion, and BillFin by Redi2 Technologies.

Finally, please accept our thanks for your attention to the result of months of diligent labor. We hope you enjoy the 2020 version of the T3/Inside Information Software Survey—and most importantly, we hope you find it useful in your business life.

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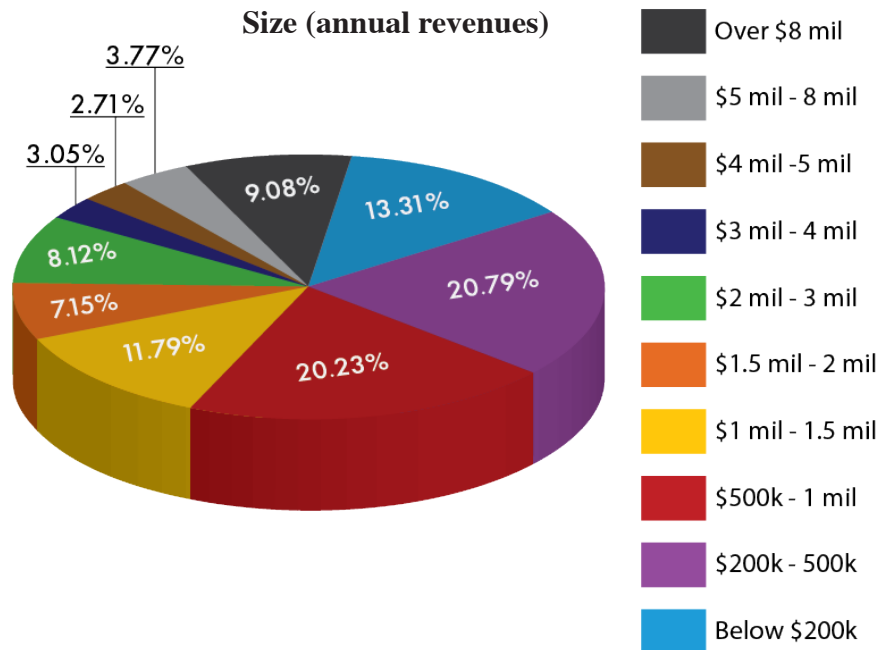
## Demography of the Survey Participants

For this year’s survey, we collected 5,175 useable responses, which once again represents the largest population of survey participants, by several orders of magnitude, of any tech survey in the advisory space. Invitations were sent out to the Inside Information, T3 and Advisor Perspectives communities, and we are grateful as well to the AICPA PFP Section

and the XY Planning Network for actively promoting the survey among their members.

As with every survey, an important question is: how representative is the survey sample to the marketplace at large? We attempt to answer that here. The charts illustrate the demographics of the survey participants.

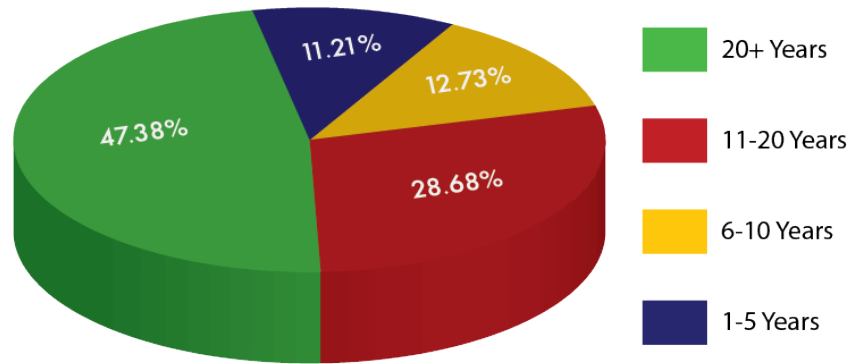
The first chart indicates that we collected our data across a broad cross-section of firm sizes, ranging from startups with less than \$200,000 in firm revenue up to almost ten percent of the respondents representing firms with more than \$8 million in annual gross revenues. More than 50% of the participants—and, indeed, more than 50% of the advisor marketplace—have gross revenues ranging below \$1.5 million, with an additional significant cohort in the \$1.5 million to \$3 million range. In all, our survey attracted participants in every size range.



In the second chart, the reader can see that our sample size is broadly diversified across advisors' age or experience levels, though it is clearly weighted toward more experienced advisors. Respondents with five or fewer years of experience make up just 11% of the total sample, and advisors with 6-10 years of experience represent a 12% share of the participants.

At the other end, more than 45% of the survey respondents have 20 or more years of experience, and another 29% have been in the business 11-20 years.

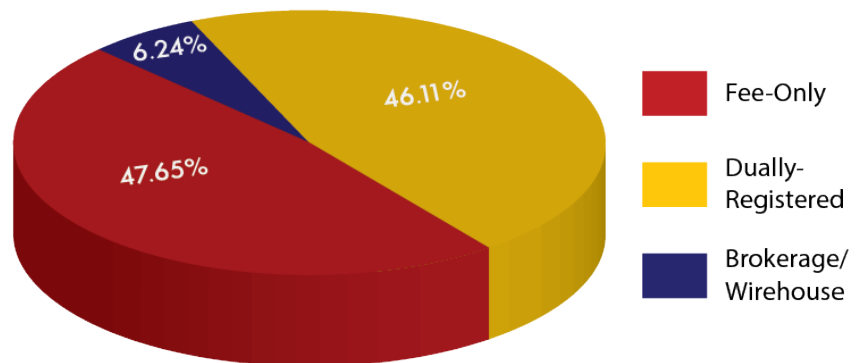
**Years of Experience**



Finally, looking at business model, we find that the respondent audience is almost evenly divided between dually-registered advisors who have a broker-dealer affiliation, and fee-only advisors who don't accept sales commissions.

A small (6.24%) of the sample self-identified as brokerage or wirehouse-affiliated advisors—a slight drop from our results in the past year. This is obviously a weak area of our survey; the reader is warned not to draw conclusions about the brokerage side of the tech marketplace based on the results of our survey.

**Business Model**



## All-In-One Software Solutions

All-In-One Software Programs	Market Share	2019 Mkt Share	Average Rating	2019 Avg. Rating
Morningstar Office	30.53%	24.84%	7.23	7.35
Envestnet	18.88%	*	7.13	*
Envestnet/Tamarac	14.20%	16.68%	7.32	7.07
Advisor 360	4.71%	*	7.48	*
Cetera Smartworks	3.40%	3.16%	6.28	6.84
Advyzon	2.03%	2.11%	7.85	7.48
Advisor Engine	1.04%	1.60%	5.78	5.75
RBC Black	0.89%	*	7.67	*
Interactive Advisory Services	0.56%	1.05%	5.17	6.71
Oranj	0.87%	1.69%	5.53	6.72
Sungard Wealthstation	0.87%	1.16%	5.40	4.86
CircleBlack	0.81%	*	6.07	*
GeoWealth	0.58%	*	6.27	*
Chalice Financial Network	0.56%	*	5.90	*

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	79.94%	52.25%
Category Average Rating:	6.50	6.60%

Let's start our survey analysis with a word of caution: It is highly probable that many of the people who report using one of these all-in-one software solutions are supplementing it with best-of-breed CRM, asset management or financial planning software. Thus, participants who report using all-in-one software may not be using it as their entire software suite, as one might conclude from looking at the total market share figure of nearly 80%.

Morningstar Office and Envestnet (either directly or through Tamarac) are the market share leaders in this category, and they earned excellent user ratings above 7.00. Morningstar Office appears to be increasing its market share lead in this category.

Some readers will note a decline in Envestnet/Tamarac's market share from last year to this one, but that is almost certainly due to the fact that, in last year's survey, we did not break out Envestnet into two categories (we listed Tamarac, but not Envestnet as its own solution). It is likely that some Envestnet users last year selected Tamarac as their only logical choice, which confuses the market share numbers from last year to this one.

Advisor360, which finished fourth in market share, is an interesting program to watch; in the past year, Commonwealth Financial Network basically started marketing its in-house-developed broker-dealer platform (unique in that it is not an integration of many best-of-breed standalone programs) as a comprehensive solution for advisors not affiliated with Commonwealth. Word is still getting out, but based on the high user rating, we expect to see a jump in market share in coming surveys.

Among the competitors with lesser market share, notice Advyzon, with a very high 7.85 user satisfaction rating, and RBC Black, whose users, in aggregate, gave it a 7.67 rating. RBC Black is built on CircleBlack (also listed toward the bottom of the market share rankings) but puzzlingly enjoys a higher rating. This illustrates something to watch for throughout the survey; as mentioned in the introduction, the programs and services with lesser market share have fewer respondents, and therefore tend to be more volatile in their user satisfaction scores. The point: the more respondents who are providing a score, the more stable (and probably accurate) the overall satisfaction score will be.



Each year, we also capture the names of programs that our survey respondents are considering (yellow box, right), which gives us an indication of which programs are positioned to gain market share in the future. Morningstar Office and Envestnet are (unsurprisingly) the clear leaders. But notice Advyzon in a strong third place; word of mouth among satisfied users appears to be making the rounds.

Nevertheless, the reader is given permission to use caution when applying this leading indicator in the real world. In last year’s survey, Oranj was among the most-often-considered programs, yet the all-in-one platform actually seems to have lost market share over the last 12 months. (Looking does not always lead to buying.)

In another possible indicator of the future, the number of respondents who say they are looking for a solution in this category is, in this survey, about a third of what it was last year. Does that mean that market share for all-in-one solutions has peaked?

Many readers will remember a time when that the idea of an all-in-one solution was given up for dead. Today, it appears that the concept of all-in-one (or, we suspect, mostly-in-one solutions) has made a resurgence in the advisory marketplace, probably due to integration issues that still persist in the best-of-breed software marketplace. The average satisfaction rating for the category was not impressive, but the market share leaders appear to have strong support among their users.

We also capture write-in ballots; that is, survey participants are able to tell us if they’re using a program that is not listed in our survey instrument. In this year’s survey, respondents listed Wealth Vision, Fidelity’s Wealthscape platform, Thompson One, Robust Wealth, the ever-growing Orion tool suite, and LPL Clientworks as their all-in-one platforms. Throughout the survey, watch for the “blue box” lists for programs we may have overlooked, and also for up-and coming programs which you may not have heard about.

<b>Programs Respondents Are Considering</b>	
Morningstar Office	218
Envestnet	113
Advyzon	76
Advisor 360	54
Advisor Engine	37
Oranj	37
CircleBlack	31
Cetera Smartworks	18
Black Diamond	18
RBC Black	16
Sungard Wealthstation	15
Chalice Financial Network	15
Interactive Advisory Services	8
GeoWealth	8
Blueleaf	3

<b>Others Mentioned</b>
Wealth Vision
Wealthscape
Thompson One
Robust Wealth
Orion Suite
LPL ClientWorks

# CRM Tools

CRM Software	Market Share	2019 Market Share	Average Rating	2019 Avg. Rating
Redtail	62.26%	56.90%	8.10	8.07
Wealthbox	6.96%	5.19%	8.01	7.76
Envestnet/Tamarac	6.51%	2.85%	6.93	6.32
Salesforce Financial Services Cloud	5.97%	*	6.60	6.59
Junxure	5.68%	6.25%	5.79	6.33
Concenter Services XLR8	2.32%	1.51%	9.03	8.51
Advyzon	1.66%	1.53%	7.38	7.51
Ebix	1.60%	1.85%	5.48	5.00
Advisors Assistant	1.14%	1.22%	5.69	5.22
Salentica	0.79%	*	6.32	*
RBC Black	0.64%	*	7.24	*
CircleBlack	0.46%	*	6.25	*
ProTracker	0.46%	0.53%	7.13	4.90
Skience	0.17%	*	3.89	*
Practifi	0.12%	*	7.50	*
AppCrown	0.12%	*	5.83	*

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	96.87%	85.82%
Category Average Rating:	6.70	6.62

In our survey results, Redtail continues to build on its market share dominance. Our 2020 numbers give the program a dominant 62% market share in the CRM space. With a sparkling user rating of 8.10 (up from 8.07 last year) it's clear that Redtail users are more than satisfied with what they're getting from the program.

Of the four programs competing for a distant second place, Wealthbox may be a bit of an artifact of our survey; it is offered as part of the XY Planning Network package, and XYPN advisors were enthusiastic participants in our survey. But Wealthbox's 8.01 user satisfaction rating suggests that it will continue to be a strong competitor, at least among smaller advisory firms.

Meanwhile, Tamarac's CRM solution enjoyed a dramatic increase in both market share and user rating; next to Redtail, it was the biggest positive jump in the survey.

The reader will notice an asterisk for the 2019 market share of Salesforce Financial Services Cloud.

Last year, we asked about Salesforce generically, and we felt that comparing the market share figure from last year to this year was akin to apples and bananas. There are now a variety of versions of Salesforce in the advisory market, and next year's survey will reflect that.

Among the surprises in this year's survey, Junxure continues a puzzling slide in market share, and also saw its average rating slip from an average 6.33 to a lesser average 5.79. The program is being retooled and integrated into AdvisorEngine, so it will be interesting to see if market share and user rating pick up in our 2021 survey.

Among the other firms in the survey, Concenter Services' XLR8 and Advyzon both gained market share, albeit incrementally, and XLR8 received the highest rating so far recorded in the history of our survey: 9.03.

The reader should also notice the market penetration among advisor participants: very nearly 100%, compared with just under 86% last year. CRM

appears to be the most important and often-used piece of software in the typical advisory tech stack, and this year’s survey confirms that. The average category rating — which is simply an average of the average ratings in the fourth column of the primary chart (not market-share-weighted, in other words) is dragged down considerably by a couple of firms with (perhaps predictably) very small market share.

When we look at the programs that the survey participants are considering (see right), it appears that as firms get larger, they become more interested in the industrial-strength Salesforce offering — though, given the disparity in user ratings, they might also take a look at XLR8, which is built on top of Salesforce, but exhibit higher user-satisfaction numbers. Redtail finished a close second among the CRM programs that respondents are considering switching to, which augers well for its continued market share dominance. Wealthbox and the CRM embedded in Tamarac are also strong contenders to pick up market share.

This is always an interesting category to look at the other software programs mentioned by survey participants, because the responses always include programs that are not customized to financial services practices (ACT!; LessAnnoyingCRM) or purely marketing programs (Bill Good Marketing). But we are now far from the days when Microsoft Outlook was the most-often-cited CRM program in advisor offices.

Programs Respondents Are Considering	
Salesforce Financial Services Cloud	312
Redtail	290
Wealthbox	207
Investnet/Tamarac	118
Junxure	79
Salentica	68
Advyzon	47
Concenter Services XLR8	35
Practify	26
Advisors Assistant	23
Ebix	13
RBC Black	11
CircleBlack	11
Skience	10
ProTracker	5
AppCrown	4

Others Mentioned
Client 360
LessAnnoyingCRM
ACT!
Outlook
Practifi
Advisor 360
SugarCRM
Bill Good Marketing
Microsoft Dynamics
Daylite
Grendel
SmartOffice
Hubspot
Zoho
Insightly

We took a deeper dive into the numbers to evaluate which CRM programs are most popular with which types of firms. Redtail proved to have reasonably consistent market share across all age categories (with higher market share among more experienced advisors), and its popularity tended to be higher with firms below \$4 million in revenues, though not dramatically.

Junxure and Salesforce were clearly more pop-

ular with larger firms than smaller ones, and the same was generally true with XLR8. Wealthbox, meanwhile, owned the market for micro-firms and very small ones, but shows a low market share penetration among firms above \$500,000 in revenues.

Tamarac, Junxure, Wealthbox, XLR8 and Advyzon were most popular among fee-only advisors, while Redtail's market share was highest among dually-registered and brokerage-affiliated advisors.

Market share % by years in the business	Envestnet							
	Redtail	Junxure	Tamarac	Wealthbox	Salesforce	XLR8	Advyzon	Ebix
1-5 years	57.22%	3.21%	5.17%	17.11%	6.06%	4.10%	3.21%	1.07%
6-10 years	60.84%	5.26%	6.19%	10.06%	8.05%	2.01%	2.17%	1.86%
11-20 years	62.53%	5.48%	7.15%	7.63%	7.08%	2.85%	2.22%	1.25%
20+ years	68.21%	6.88%	6.92%	3.69%	5.09%	1.78%	0.93%	1.95%

Market share % by firm size	Envestnet							
	Redtail	Junxure	Tamarac	Wealthbox	Salesforce	XLR8	Advyzon	Ebix
Below \$200,000	60.10%	1.57%	2.09%	25.78%	3.83%	1.05%	2.44%	1.57%
\$200,000 - \$500,000	72.54%	1.35%	2.89%	8.77%	4.05%	1.16%	3.95%	2.79%
\$500,000 - \$1 million	75.07%	3.25%	4.49%	5.06%	4.87%	1.72%	1.34%	1.24%
\$1-1.5 million	68.04%	5.77%	6.59%	4.94%	5.11%	3.29%	1.15%	0.99%
\$1.5-2 million	69.58%	7.32%	7.89%	1.97%	5.63%	3.38%	1.13%	0.56%
\$2-3 million	60.19%	12.80%	11.14%	1.66%	5.45%	2.61%	0.47%	1.42%
\$3-4 million	59.26%	14.81%	8.64%	1.23%	4.32%	4.32%	1.23%	1.23%
\$4-5 million	43.66%	18.31%	15.49%	3.52%	6.34%	4.93%	0.70%	0.70%
\$5-8 million	38.38%	18.18%	16.67%	0.00%	12.12%	7.07%	0.00%	2.02%
Over \$8 million	41.39%	7.63%	13.51%	3.27%	17.21%	2.61%	0.22%	2.18%

Market share % by firm business model	Envestnet							
	Redtail	Junxure	Tamarac	Wealthbox	Salesforce	XLR8	Advyzon	Ebix
Fee-only	48.91%	10.98%	10.00%	11.69%	5.96%	4.49%	3.29%	0.80%
Dually-registered	77.31%	1.78%	4.09%	3.35%	6.24%	0.74%	0.45%	2.19%
Brokerage/Wirehouse	74.93%	0.90%	3.28%	4.18%	6.87%	0.00%	0.30%	3.28%

## Financial Planning Software

Financial Planning Software	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Envestnet MoneyGuidePro	26.07%	25.69%	8.21	7.97
eMoney Pro (traditional eMoney)	18.74%	22.93%	8.04	8.05
Right Capital	5.49%	4.87%	7.65	7.91
eMoney Plus (Foundational Planning)	2.80%	*	8.01	*
MoneyTree	2.30%	3.10%	7.24	7.11
MyBlocks by MoneyGuide	1.89%	*	7.31	*
Advicent/Naviplan	1.76%	2.36%	6.63	6.41
Advizr	1.53%	1.05%	6.22	6.16
AssetMap	1.08%	*	8.16	*
Advicent/Profiles	0.77%	1.05%	6.40	6.84
WealthcareGDX	0.35%	*	7.00	*
Envestnet Logix	0.29%	0.49%	5.33	5.04
Advyzon	0.29%	0.94%	6.07	6.17
FISERV	0.23%	0.25%	6.58	5.07
ESPlanner	0.17%	0.18%	6.89	6.1
ExecPlan	0.17%	0.18%	6.78	5.3
Cheshire Wealth Manager	0.14%	0.31%	6.86	4.35
Advicent/Figlo	0.02%	0.15%	2.00	4.25

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Total Category Market Penetration	64.10%	63.57%
Category Average Rating:	6.74	6.67

The first thing the survey promoters look for in this category is the total category market penetration number at the bottom of the primary chart. Is it really possible that only about two-thirds of the advisors filling out this survey use financial planning software?

One possible explanation is that there are number of CPA advisor respondents (the AICPA Section generously promotes our survey each year), and many of them are still relying on spreadsheets to do meticulously integrated tax and financial planning.

Even so, it also seems likely that a high number of advisory firms are still not using professional planning software when giving advice to their clients—possibly because they focus on asset management as their primary (or sole) value proposition.

Turning to the top of the chart, we are not surprised that MoneyGuidePro (now owned by Envestnet) and eMoney are at the top of the rankings, and one should notice that there are two MoneyGuidePro

programs listed which, when added together, would give it a 28% market share. The same is true for eMoney, which (if you add the traditional program with the foundational planning offer) would exceed 21.5% in overall market share. Both programs received extremely high user ratings (anything over 7.50 should be considered excellent; over 8.0 is extraordinary), which once again suggests that the two programs will continue their success in the advisor space.

The data raises several important questions. Will MoneyGuidePro continue its market share lead now that it is a part of Envestnet? We cannot yet predict, but the recently announced deal with LPL bodes well. Also: the satisfaction scores with the new eMoney Foundational Planning and MoneyGuidePro MyBlocks suggest that the trend to “planning lite” is alive and well for a nontrivial portion of the advisor population.

FISERV has a small market share in our survey,



but the jump in user satisfaction is significant. Now that FISERV has sold a majority stake in the Investment Services business to Motive Partners, it will be interesting to see what direction things take in 2020. In the same vein, perennial second-tier favorite MoneyTree Software was purchased this year by Accutech Systems Corp, a trust accounting and wealth management platform provider, and could see a jump in market share by this time next year.

If you look at the list of programs that survey respondents say they are considering (yellow box), the market leaders appear to be in good shape, although here the order is reversed. eMoneyPro is the runaway leader in this leading indicator of future market share, and eMoney Plus finished fourth. MoneyGuidePro and MyBlocks both are attracting considerable attention from advisory firms looking to switch planning programs.

Right Capital is a distant third in the market share rankings, though it is more than double the market share of its next (non-MoneyGuidePro or eMoney) competitor, and its market share appears to be growing at what firm principals must consider to be an encouraging pace. The program also finished third in the list of programs that respondents are considering switching to, and its 7.65 rating would stand out in most other categories.

Naviplan, once a neck-and-neck market leader, has slipped in market share, though there was a slight pickup in user ratings. MoneyTree, one of the venerable programs in the survey, also lost market share (albeit incrementally), but its users gave it a very good 7.24 rating. It will be interesting to see if the new ownership can bring MoneyTree back to its former standing in the rankings.

Among the other programs of note, AssetMap, which was not included in last year's survey, posted an excellent 8.16 user rating—the second-highest among planning programs. Advizr also gained market share—again, incrementally—and was solidly among the programs that respondents are considering.

<b>Programs Respondents Are Considering</b>	
eMoney Pro (traditional eMoney)	248
Envestnet MoneyGuidePro	183
Right Capital	177
eMoney Plus (Foundational Planning)	133
Advizr	114
MyBlocks by MoneyGuide	102
AssetMap	39
MoneyTree	21
Advyzon	20
Advicent/Naviplan	19

The “other” programs mentioned (blue box) shows a number of solutions the reader may have heard of (Financeware and GoalGami Pro), along with others that have very low name recognition. Based on the number of write-in votes, none of these programs has a significant market share, but this will help us identify programs that we might include in the main section of future surveys.

<b>Others Mentioned</b>
BetaVest Clearpath
Financeware
Sungard
Retirement in a Nutshell
GoalGami Pro
Income Conductor
MoneyTrax
Income Solver
RetireUp Pro
WealthTrace

In the deeper analysis of market share based on demographic characteristics (see below), MoneyGuidePro's popularity is relatively consistent among firms of all sizes, all experience levels and all business models, while eMoneyPro tended to be more popular with larger firms and more experienced advisors. MoneyGuide's lead over eMoney happens to be strongest in the independent and wirehouse spaces, while its parent firm, Envestnet, happens to be strong in the dually-registered space. Look for MoneyGuide to become more competitive across all business models in the next iteration of the survey.

MoneyTree has almost no market share among advisors with less than 10 years of experience, which means the program could be at risk unless it can attract younger users. RightCapital, at the opposite end,

earned much of its market share from younger advisors and fee-only firms. Advizr, which has tended to be put in the box of a small-company solution actually held consistent market share across all size categories, which suggests that advisors have noticed that the program has evolved from a "lite" solution to a comprehensive one.

Notice also that the "lite" version of MoneyGuidePro was most popular with smaller firms, but its user penetration took a jump among very largest, where it enjoyed its greatest market share. Does that mean that the program is being adopted as a secondary solution for less-wealthy clients? The "lite" version of eMoney seems to have consistent market share across all size categories, and is actually most popular among brokerage-affiliated advisors.

Market share % by years in the business							Advicent/ Naviplan	
	MoneyGuidePro	MyBlocks	eMoney Pro	eMoney Plus	RightCapital	MoneyTree	Advizr	
1-5 years	37.67%	4.88%	21.95%	3.79%	18.16%	1.90%	1.08%	5.69%
6-10 years	38.36%	4.43%	30.38%	5.76%	9.53%	0.67%	2.00%	3.55%
11-20 years	41.72%	2.87%	28.94%	4.36%	9.22%	2.87%	2.38%	2.18%
20+ years	41.35%	2.09%	30.91%	4.11%	5.45%	5.39%	3.64%	1.35%

Market share % by firm size							Advicent/ Naviplan	
	MoneyGuidePro	MyBlocks	eMoney Pro	eMoney Plus	RightCapital	MoneyTree	Advizr	
Below \$200,000	45.14%	3.89%	17.71%	3.46%	2.81%	0.86%	3.02%	1.30%
\$200,000 - \$500,000	42.00%	2.29%	25.57%	4.43%	10.57%	4.29%	3.00%	1.71%
\$500,000 - \$1 million	39.57%	3.55%	31.68%	3.86%	8.04%	3.86%	1.85%	1.55%
\$1-1.5 million	39.70%	3.23%	34.00%	4.96%	4.96%	2.73%	1.99%	3.23%
\$1.5-2 million	39.53%	2.33%	34.42%	5.12%	4.19%	5.12%	2.79%	2.79%
\$2-3 million	36.18%	1.97%	34.54%	5.26%	4.61%	3.62%	3.62%	2.30%
\$3-4 million	33.73%	2.41%	36.14%	6.02%	4.82%	6.02%	3.61%	2.41%
\$4-5 million	37.08%	1.12%	37.08%	4.49%	4.49%	6.74%	2.25%	3.37%
\$5-8 million	40.74%	1.48%	29.63%	1.48%	6.67%	1.48%	3.70%	6.67%
Over \$8 million	42.55%	4.36%	30.55%	5.82%	4.73%	1.45%	5.09%	2.18%

Market share % by firm business model							Advicent/ Naviplan	
	MoneyGuidePro	MyBlocks	eMoney Pro	eMoney Plus	RightCapital	MoneyTree	Advizr	
Fee-only	40.92%	2.74%	26.75%	2.95%	10.12%	4.21%	3.23%	3.23%
Dually-registered	40.00%	3.11%	32.74%	5.85%	6.81%	2.67%	2.30%	1.48%
Brokerage/Wirehouse	43.38%	4.41%	27.94%	8.82%	5.15%	4.41%	0.74%	0.00%

## Portfolio Management Tools

Portfolio Management Tools	Market Share	2019 Mkt. Share	Average Rating	2019 Avg Rating
Albridge	17.55%	20.41%	7.23	7.20
Morningstar Office	14.11%	16.92%	7.29	7.42
Orion Advisor Services	12.37%	9.40%	7.84	7.62
Envestnet Tamarac	9.37%	13.85%	7.61	7.31
Tamarac PortfolioCenter	6.84%	9.39%	6.71	6.00
Advent/Black Diamond	6.42%	5.36%	7.76	6.62
Schwab Advisor PortfolioConnect	3.83%	*	6.86	*
Broadridge/Investigo	3.38%	1.63%	6.69	5.47
Advyzon	1.47%	1.63%	8.30	7.91
Capitact	0.99%	0.60%	6.71	6.52
AssetBook	0.97%	0.84%	7.24	7.09
Advent/Axys	0.95%	1.11%	5.04	5.56
Panoramix	0.62%	0.42%	8.84	8.22
CircleBlack	0.43%	0.85%	6.73	7.40
Portfolio Pathways	0.35%	0.34%	6.39	6.11
Vestmark	0.35%	0.38%	4.72	7.43
Addepar	0.33%	0.31%	7.94	6.00
FinFolio	0.29%	0.22%	5.53	6.65
55IP	0.25%	*	5.15	*
Captools	0.14%	0.09%	7.00	6.00
PowerAdvisor	0.14%	0.15%	6.00	4.57
First Rate	0.12%	0.11%	5.83	2.50
Croesus	0.02%	0.05%	7.00	3.67

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	81.43%	84.19%
Category Average Rating:	6.77	6.31

Fully 81% of the survey respondents use at least one of the portfolio management tools listed here; this is the second-most-used software category available to the advisor community. And it is by far the most competitive, with no firms achieving as much as 20% market share.

For the second year in a row, Albridge nosed out the competition with the highest market share. Although its number declined from last year, Albridge's user rating rose incrementally, suggesting that its users are not displeased with its functionality. Morningstar Office and Orion Advisor Services finished closely behind Albridge, and Envestnet's Tamarac program should be included in what seems to be a Big Four in this category. All four sport excellent user ratings, all

improved from last year, and of the four, Orion is the fastest climber in the market share rankings—perhaps aided by a very high 7.84 user satisfaction rating.

As expected, Advent/Black Diamond showed up as a strong competitor in the space, with a growing market share number and a big jump in user satisfaction, up to a sparkling 7.76.

Below that, forming a third tier, are Schwab's in-house portfolio management program (Schwab Advisor PortfolioConnect) and Broadridge's Investigo product. Behind that, notice Advyzon's 8.30 user satisfaction rating, up from a high 7.91 in the 2019 survey. The only higher score was earned by Panoramix, whose users appear to be raving fans; the 8.84 rating is among the highest in the entire survey, and is

Programs Respondents Are Considering	
Orion Advisor Services	291
Advent/Black Diamond	162
Envestnet Tamarac	138
Morningstar Office	111
Albridge	64
Advyzon	62
Schwab Advisor PortfolioConnect	57
Tamarac PortfolioCenter	52
Capitect	25
Broadridge/Investigo	24
Addepar	23
FinFolio	19
CircleBlack	19
Advent/Axys	13
AssetBook	12
55IP	12
Panoramix	9
Portfolio Pathways	9
Altruist	9

Others Mentioned
Altruist
Relevant Equity Works
Panoramix
FactSet
BridgeFT

Among the “others mentioned” in the blue box (above), Altruist is an interesting case; the program was not yet out of beta when this year’s survey was conducted, but it was already receiving write-in votes. Altruist is now a custodial platform with portfolio tracking and management features that also work on other platforms. We’ll be including it in our next survey in two categories.

actually an increase over an excellent 8.22 rating last year.

Notice that the overall category rating is decent but not extraordinary, weighted down (this is a theme of the survey) by the programs toward the bottom of the market share rankings. Also notice once again that the user ratings become much less stable toward the bottom of the rankings, where a smaller number of users have been sampled.

As mentioned earlier, Orion Advisor Services made the only market share jump among the Big Four programs in this category, and when we turn to the programs that advisors are considering switching to or adding, we see that Orion is the runaway leader—which implies more of the same. But the market leaders—Advent/Black Diamond, Envestnet’s Tamarac program and Morningstar Office—all appear to have healthy futures, based on our yellow box leading indicator metric (above). This category will continue to be competitive for the foreseeable future.

As we look at the demographic breakdown of users in this category (below), we see that Albridge has by far most of its market penetration among dually-registered and brokerage users, and low market share among fee-only advisors. To a lesser extent, the same is true of Investigo. PortfolioCenter, Black Diamond and Envestnet Tamarac show the opposite tendency, with their highest market share in the fee-only category. Orion Advisor Services is most popular among fee-only advisory firms, but also significant in the dually-registered sector of the marketplace.

Morningstar Office has a consistent market

share among all firm sizes, and generally so does Black Diamond and PortfolioConnect, while PortfolioCenter and Envestnet Tamarac become more popular as firms get above \$4 million in revenues. Albridge is most popular with smaller advisory firms, and its market share tends to diminish as firms get larger.

Looking at years of experience, Morningstar Office, Orion Advisor Services and Black Diamond hold roughly equal market share across all age categories, while PortfolioCenter, Envestnet Tamarac and Albridge become more popular with advisors as they gain experience.

Market share % by years in the business								
	Tamarac PortfolioCenter	Schwab Advisor PortfolioConnect	Envestnet Tamarac	Morningstar Office	Orion Advisor Services	Albridge	Advent/Black Diamond	Broadridge Investigo
1-5 years	5.32%	7.18%	9.26%	15.28%	17.59%	15.28%	8.33%	4.17%
6-10 years	6.97%	7.77%	12.55%	16.73%	16.14%	15.34%	10.56%	2.59%
11-20 years	7.28%	3.25%	12.67%	17.50%	16.55%	20.67%	7.92%	2.85%
20+ years	10.18%	4.24%	10.93%	17.71%	13.67%	25.10%	7.04%	3.14%

Market share % by firm size								
	Tamarac PortfolioCenter	Schwab Advisor PortfolioConnect	Envestnet Tamarac	Morningstar Office	Orion Advisor Services	Albridge	Advent/Black Diamond	Broadridge Investigo
Below \$200,000	2.62%	8.57%	6.19%	15.24%	12.14%	24.52%	5.95%	4.05%
\$200,000 - \$500,000	5.23%	3.61%	6.35%	17.68%	12.58%	31.63%	5.98%	4.61%
\$500,000 - \$1 million	6.19%	4.76%	9.29%	19.88%	14.76%	26.31%	6.43%	3.93%
\$1-1.5 million	7.82%	4.47%	10.24%	18.25%	18.81%	19.93%	9.50%	1.86%
\$1.5-2 million	8.47%	5.65%	11.86%	19.21%	18.08%	19.21%	8.47%	2.82%
\$2-3 million	14.14%	3.14%	14.92%	17.80%	18.32%	15.45%	8.64%	2.09%
\$3-4 million	19.69%	4.72%	14.17%	11.02%	18.11%	13.39%	7.09%	3.15%
\$4-5 million	16.43%	6.43%	22.14%	14.29%	16.43%	7.14%	9.29%	0.71%
\$5-8 million	12.50%	4.17%	23.44%	11.98%	18.75%	9.90%	7.81%	0.52%
Over \$8 million	12.56%	2.96%	19.46%	15.27%	11.58%	12.07%	12.81%	2.22%

Market share % by firm business model								
	Tamarac PortfolioCenter	Schwab Advisor PortfolioConnect	Envestnet Tamarac	Morningstar Office	Orion Advisor Services	Albridge	Advent/Black Diamond	Broadridge Investigo
Fee-only	14.65%	6.47%	14.60%	16.12%	18.88%	3.42%	10.56%	1.00%
Dually-registered	2.27%	3.01%	8.41%	18.30%	12.32%	39.29%	5.34%	4.81%
Brokerage/Wirehouse	1.45%	1.45%	7.73%	19.81%	4.83%	44.44%	3.38%	8.70%



## Risk Tolerance Instruments

Risk Tolerance Instruments	Market Share	2019 Market Share	Average Rating	2019 Avg. Rating
Riskalyze	32.33%	29.88%	7.42	7.32
FinaMetrica	6.22%	5.48%	7.49	7.29
Tolerisk	0.60%	0.40%	6.61	7.27
Totum Risk	0.58%	0,38%	7.03	7.10
Pocket Risk	0.50%	0.42%	7.00	6.43
RiXtrema	0.39%	0.69%	6.75	6.08
Stratifi	0.31%	0.13%	7.13	5.00
Investor BluePrint	0.12%	0.13%	8.17	4.14
Touchstone Pathway	0.12%	0.05%	8.50	6.70
Risk Track	0.08%	0.15%	5.75	5.38
Andes Wealth	0.00%	*	*	*

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	41.24%	37.71%
Category Average Rating:	7.18	6.27

More than 40% of all advisory firms are now using risk tolerance testing instruments with their clients—which suggests that the profession is moving away from the era of informal or self-created tools (“*How much would we have to lose in your portfolio before you would fire us?*”) This is another fast-growing category.

It also seems to have a lot of diversity, yet is still dominated by one program, with one significant competitor in the U.S. marketplace. Riskalyze is used by almost exactly one-third of the survey respondents,

up from under 30% last year, and its user rating is an excellent 7.42. The longstanding Australian competitor FinaMetrica finished second in the survey with a 6.22% market share, though with an incrementally higher (than last year) 7.49 average user rating.

Behind these two competitors are nine firms that are struggling to catch up, and you can see some wild swings in the user ratings, which is almost certainly an artifact of small numbers of respondents from last year to this round.

In the yellow box, we can see a strong hint that this category will continue to grow in the coming years, as the number of advisors considering using or switching to Riskalyze is the highest in the survey, and the FinaMetrica and Tolerisk numbers are competitive with the top of other categories.

Looking at the write-in votes (blue box), we can see that the risk tolerance marketplace may be even more crowded than it would appear from the list of firms we directly asked about.

Programs Respondents Are Considering	
Riskalyze	646
FinaMetrica	133
Tolerisk	96
Totum Risk	57
Pocket Risk	28
RiXtrema	25
Stratifi	25
Investor BluePrint	12
hidden levers	12
Risk Track	6
Touchstone Pathway	5
Andes Wealth	4
DataPoints	4

Others Mentioned
Hidden Levers
DataPoints
AdvisoryWorld
FinancialDNA
Finmason
Stackup Risk
RiskPro

## Investment Data/Analytics Tools

Investment Data/Analytics Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Morningstar Advisor Workstation	26.36%	38.82%	7.60	7.73
FI360	7.21%	8.24%	7.60	7.69
YCharts	5.49%	5.54%	7.96	7.61
Kwanti	4.14%	3.14%	8.51	8.55
Bloomberg Terminal	3.88%	3.03%	8.67	8.59
AdvisoryWorld	3.11%	1.85%	6.24	5.97
FactSet	2.03%	1.87%	8.06	7.77
Zacks Advisor Tools	1.35%	1.82%	7.17	6.69
Zephyr	1.02%	1.05%	6.98	7.31
Koyfin	0.87%	*	8.27	*
REVINITIV	0.68%	*	7.29	*
Chaikin	0.64%	*	7.97	*
Clearnomics	0.44%	0.36%	8.13	7.40
Steele Mutual Funds	0.21%	0.31%	8.45	6.53
PlanTools	0.17%	*	8.00	*
factorE	0.17%	*	7.78	*
FinMason	0.17%	*	6.89	*

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Total Category Market Penetration	57.95%	66.03%
Category Average Rating:	7.74	7.44

Consistent with our previous surveys, the run-away leader among programs that advisors turn to when they want to analyze their investment options is Morningstar Advisor Workstation. Its market share dominance becomes clearer when you realize that the next two market share leaders—the fiduciary analytics offered by fi360 and the charting/graphical tools offered by YCharts—are both built on Morningstar data.

Both Morningstar and fi360 have superior user ratings (both 7.60) but one of the things that makes this category interesting is that the extraordinary rating earned by YCharts (7.96) is actually below seven other programs: the Bloomberg Terminal (8.67), Kwanti (8.51), and niche-market-share users Steele Mutual Funds (8.45), Koyfin (8.27), Clearnomics (8.13), FactSet (8.06) and PlanTools (8.00). Indeed, it looks like the users of pretty much every solution on the list

are more than satisfied with the services provided.

That makes us curious as to why this category's overall market penetration is falling faster than any other category in our survey—and this despite the fact that we added six new data providers to the category from last year's survey. We don't know for sure why this is happening, but the rise of indexing and index ETFs (and advisors using model portfolios based on index funds rather than researching the market to find superior-performing actively-managed funds) is a likely suspect. Also: a number of advisors are moving away from the AUM revenue model and charging for planning—and not managing client assets.

We believe that five to ten years ago, this category would have received very nearly a 100% market share—so this erosion of overall market share becomes one of the most interesting trends to watch in future surveys.

<b>Programs Respondents Are Considering</b>	
Morningstar Advisor Workstation	155
YCharts	139
FI360	64
Kwanti	53
FactSet	50
Bloomberg Terminal	45
AdvisoryWorld	43
Zacks Advisor Tools	32
Zephyr	32
factorE	21
Chaikin	12
FinMason	11
Koyfin	11
REVINITIV	8
Steele Mutual Funds	2

Turning to the programs that respondents are considering (yellow box, right), we find what we usually find: the market share leaders are also the programs that are attracting the most attention from advisors who are likely to switch service providers.

The other interesting aspect of this category is the diverse “other” responses we receive each year. Next year we may need to add Value Line, Dorsey Wright, Dimensional Returns and Thompson Reuters to our growing list of programs, and drop some of the programs we included in the 2020 survey, which received lower market share numbers.

<b>Others Mentioned</b>
Dorsey Wright
Portfolio Visualizer
Dimensional Returns Web
Vanguard Advisor
ACP Pyramid
FinViz
Ned Davis Research
Thompson Reuters
Value Line
StockCharts
AlphaDroid
eVestment
CFRA Marketscope
Gurufocus
RPAG

## Economic Analysis and Stress Testing Tools

Economic Analysis & Stress Testing	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Riskalyze Stats/Scenarios	14.01%	11.26%	7.72	7.46
DFA Returns	7.05%	6.79%	7.83	7.73
Morningstar Direct	5.57%	5.99%	7.20	7.68
FI360	5.16%	6.12%	7.61	7.82
YCharts	3.67%	4.03%	8.18	7.74
Kwanti	3.48%	2.89%	8.26	8.64
BlackRock Scenario Tester	3.29%	2.69%	7.63	7.36
Bloomberg Terminal	2.76%	2.31%	8.47	8.61
Hidden Levers	2.07%	2.00%	7.20	7.95
Portfolio Visualizer	1.76%	1.49%	7.91	7.95
FactSet	1.22%	1.16%	7.89	7.83
Zacks Research System	1.20%	1.42%	7.29	7.37
RiXtrema	0.39%	0.42%	7.10	5.65
Totum	0.39%	0.29%	7.10	7.00
Covisum SmartRisk	0.37%	0.34%	5.53	6.74
FinMason	0.14%	0.13%	6.71	8.57
ATA RiskStation	0.14%	0.05%	4.29	4.67

	2020	2019
Total Category Market Penetration	52.64%	49.36%
Category Average Rating:	7.29	7.46%

Let's start by noticing that, for the first time in our survey, roughly as many advisors are using broader tools to analyze their asset allocation (the programs in this category) as are using tools to evaluate the individual investments that will go into client portfolios. Total category penetration for the economic analysis and stress testing solutions breached 50% in this year's survey, and again we have a very competitive category.

Riskalyze's Stats/Scenarios program, which was rolled out as we were conducting last year's survey, has seen its market share go up, and it is now being used by roughly twice as many advisors as the next-most-popular tool: DFA's Returns service. Morningstar Direct and FI360 form a kind of second tier, with YCharts, Kwanti, BlackRock's Scenario Tester and the Bloomberg terminal all forming a tier behind them.

This is another category where the users appear to be extraordinarily satisfied with the services they're receiving: the top 14 firms all received ratings of 7.10 or better, and the top two were both over 7.70—which is extraordinary. Even more extraordinary are the Bloomberg Terminal (ratings down from a high 8.61 in 2019 to a nearly-as-high 8.47 this year), Kwanti (8.26, consistent with its 8.64 rating last year) and YCharts (8.18, up from 7.74 in 2019). Anything over 8.0, in our estimation, represents a group of raving fans. However, the Stats/Scenarios score of 7.72 (a jump from 7.46 last year) suggests that the market leader will not suffer many defections.

Notice also the user satisfaction jump for RiXtrema, from a mediocre 5.65 to 7.10. RiXtrema's fiduciary evaluation tools and intuitive portfolio comparison capabilities are still flying under the radar with the advisor community—perhaps not for long.

It is not surprising that the market leader—Riskalyze’s Stats/Scenarios program—also leads among the programs that advisors are considering (see the yellow box, right). But in a small break from the norm, Hidden Levers (number nine on the market share list) is a strong second in this leading indicator of future market share movements. After that, the list more or less follows the market share list, suggesting some stability in next year’s rankings. This will be an interesting test of the yellow box’s ability to predict the future; we’ll see if Hidden Levers makes a jump in market share in the 2021 survey.

<b>Programs Respondents Are Considering</b>	
Riskalyze Stats/Scenarios	168
Hidden Levers	103
YCharts	75
Morningstar Direct	59
FI360	51
BlackRock Scenario Tester	48
DFA Returns	43
Kwanti	42
Portfolio Visualizer	32
FactSet	32
Bloomberg Terminal	29
Zacks Research System	22
Totum	18
Covisum SmartRisk	12
RiXtrema	10
FinMason	6
ATA RiskStation	6

Looking at the blue box of write-in votes in this category (see right), the reader can find alternatives to the market share leaders that other advisory firms are using, broken out roughly in order of the (small) number of write-in responses we received.

<b>Others Mentioned</b>
Blackrock Aladdin
RPAG
Timeline
Assetmark Portfolio Engine
Dorsey Wright
Wealth Conductor
Refinitiv Eikon
AdvisoryWorld
Stratifi
eVerysk
Atlas Portfolio Strategies



## Trading/Rebalancing Tools

Trading/Rebalancing Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
iRebal (TDA's Free Version)	10.07%	8.44%	8.04	7.71
Envestnet   Tamarac	8.97%	9.86%	7.73	7.39
Orion Advisor Services	6.26%	5.48%	7.66	7.57
Black Diamond	2.86%	3.25%	7.55	7.47
Morningstar TRX	2.20%	1.85%	6.56	7.1
Smartworks Advisor	1.14%	1.20%	6.08	7.21
iRebal (Standalone Version)	0.95%	0.78%	6.63	6.86
AdvisorPeak	0.83%	*	6.91	*
Red/Black	0.79%	0.73%	6.90	7.45
LifeYield	0.54%	0.40%	6.68	6.68
CircleBlack	0.44%	*	7.13	*
Blaze Portfolios	0.43%	0.25%	6.64	5.71
Oranj	0.41%	1.23%	5.57	7.00
FIX Flyer	0.27%	0.16%	6.43	7.33
Capitect	0.23%	0.38%	5.92	6.48
55ip	0.10%	0.11%	4.80	7.67

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Total Category Market Penetration	36.48%	34.13%
Category Average Rating:	6.70	7.12

This is a workhorse category of software, in that the alternative is to use spreadsheets and eyeballs to harvest tax losses and rebalance portfolios. Without these software solutions, it would be much too labor-intensive for most firms to rebalance or harvest tax losses opportunistically throughout the year.

The category, overall, seems to be gaining market penetration, but slowly, which is a bit of a head-scratcher considering the power of the typical feature set. For now, there is a lot of opportunity to gain market share in this space.

The market leader (and gaining market share) is TD Ameritrade Institutional's free version of iRebal, and as one of us (Joel) likes to say, "free is a compelling value proposition." But the free software was apparently more than worth the money; its 8.04 user rating was the highest in the category—higher, surprisingly, than the far more expensive standalone version

of iRebal. If iRebal's rebalancing capabilities are ported over to the Schwab platform, it would potentially see a significant jump in market share.

Envestnet's Tamarac program was a close competitor, followed by Orion Advisor Services in a solid third place and the biggest market share gainer in the category. These, along with Black Diamond and Morningstar's Total Rebalance Expert (another market share climber) all sported excellent user ratings, as did CircleBlack, though it fell a ways down the market share list. Black Diamond has recently completed a coding for a more sophisticated rebalancing solution, so we can look for gains in user satisfaction and market share by this time next year.

The newcomer on the list is AdvisorPeak, which starts life in our survey with nearly a 1% market share and nearly a 7.0 rating—close to the market share of standalone iRebal, but with a higher user rating.

Programs Respondents Are Considering	
Orion Advisor Services	206
Black Diamond	113
Envestnet  Tamarac	111
iRebal (TDA's Free Version)	98
Morningstar TRX	45
iRebal (Standalone Version)	40
Oranj	31
AdvisorPeak	29
LifeYield	24
Red/Black	21
Capitect	20
CircleBlack	16
55ip	12
FIX Flyer	12
Blaze Portfolios	11
Smartworks Advisor	6
Riskalyze Trade Rebalancer	6

The list of programs that respondents are considering switching to (see yellow box, right) is interestingly inverted among the top three: Orion Advisor Services looks to gain market share in the coming 12 months, as does, to a lesser extent, Black Diamond and Envestnet/Tamarac. Morningstar's Total Rebalance Expert's ranking in this leading indicator part of the survey came in sandwiched behind market leader iRebal free and iRebal standalone.

Among the write-in ballots (blue box, right), we found a number of custodial in-house programs; advisors are taking advantage of LPL's, Schwab's, Fidelity's and E\*TRADE's trading/rebalancing platform-provided capabilities. Combine those with TDAI's iRebal tools, and you see how rebalancing and tax-loss harvesting is becoming a routine part of the typical custodial platform, and more advisors on those platforms are beginning to use the in-house tool. The standalone programs are increasingly being forced to compete solely in the dually-registered space.

Others Mentioned
LPL Enhanced Trading
Schwab Rebalancer
Betterment
AssetBook
Fidelity Wealthscape
E*TRADE Advisor Services
Advisor360
TuringTrader
Atlas Portfolio Strategies
FinFolio
Moxy

## Account Aggregation Tools

Account Aggregation Tools	Market Share	Average Rating
eMoney	27.50%	7.86
Morningstar ByAllAccounts	11.17%	6.14
Envestnet/Yodlee	8.27%	6.95
Plaid/Quovo	3.67%	5.81
Intuit	2.65%	8.09
Broadridge/Investigo	2.45%	6.94
Blueleaf	2.09%	7.02
Wealth Access	1.28%	6.53
MX	0.91%	7.06
Aqumulate	0.25%	3.38

Total Category Market Penetration	60.23%
Category Average Rating:	6.58

Account aggregation is a new category in our survey, and a bit of a tricky one to measure accurately, since many advisors are getting account aggregation built into their planning or portfolio management software, or as an optional add-on. Quovo in particular is probably getting a lower market share mark that it deserves, since it doesn't market directly to advisors, instead embedding itself into other software.

In all, just over 60% of advisors appear to be using some form of account aggregation software—a

number which has surely grown dramatically in the past five years, as more advisors begin to report on held-away assets. The built-in-house eMoney account aggregation—called Connections—and Morningstar's ByAllAccounts finished with double-digit market share, almost certainly due to the popularity of the two programs/platforms and convenience of having a solution already integrated with the software. Envestnet/Yodlee is pushing for second place, driven by the same basic dynamic, though both ByAllAccounts and Yodlee are also anecdotally considered among the most popular standalone solutions used by advisors.

Intuit's 8.09 user rating leads the group, followed by market share leader eMoney at 7.86.

When we turn to the yellow box (left), we find the four market share leaders are also the most popular solutions that advisors are considering.

Programs Respondents Are Considering	
eMoney	334
Envestnet/Yodlee	214
Morningstar ByAllAccounts	125
Plaid/Quovo	108
Blueleaf	44
Wealth Access	33
Broadridge/Investigo	30
MX	19
Right Capital/Yodlee	17
Intuit	14
MoneyGuidePro	13
Aqumulate	7
Advizr	7

Others Mentioned
Albridge
Advyzon
Advisor360
Cetera AdviceWorks
Advizr

## TAMP Service Providers

TAMP Service Providers	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Envestnet	8.64%	10.26%	7.26	6.77
SEI	6.57%	7.32%	6.59	6.67
AssetMark	5.72%	5.92%	7.02	6.87
Orion Portfolio Solutions (formerly FTJ FundChoice)	3.01%	3.21%	7.10	6.8
Loring Ward	1.89%	2.72%	6.29	7.21
Brinker Capital	1.70%	2.12%	6.31	6.16
Lockwood	0.99%	0.89%	4.75	4.96
Frontier Asset Management	0.79%	0.82%	7.80	7.47
First Ascent Asset Management	0.48%	*	7.92	*
Vestmark/Adhesion	0.33%	0.40%	5.71	6.86

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	30.13%	33.66%
Category Average Rating:	6.67	6.64%

Others Mentioned
BAM Advisor Services
XY Investment Solutions
CLS Investments
Asset Dedication
EQIS
USA Financial Exchange
Symmetry Partners
Axiom
Betterment
My Advice Architect
RobustWealth
SmartX

It surprised us last year that a third of all advisor respondents to our survey were using one or more of the TAMP providers; while that number has come down a bit in this year's survey, it still shows that a significant number of advisors prefer to outsource some or all of the investment management services they offer their clients. This is one of the few categories where market share dropped while user satisfaction rose—across the board and among the market leaders.

We can only speculate on the reasons for the market share decline, but since the TAMP marketplace has been driven primarily in the dually-registered space, as more advisors go fee-only, they may become more interested in handling the investment chores in-

house. Another possibility is that the online portfolio management platforms (robos) and proliferation of new model marketplaces are taking market share from the TAMP world.

None of the providers claims as much as a 10% market share, but four firms account for all but a handful of respondent business: Envestnet (with a high 7.26 rating), SEI, AssetMark, and Orion Portfolio Solutions, which some readers still refer to as FTJ FundChoice.

In general, the ratings rose from last year to this survey, and the small number of respondents who are working with First Ascent Asset Management and Frontier Asset Management are extremely satisfied with their performance; the firms achieved very high 7.92 and 7.80 ratings, respectively.

In the yellow box showing the providers that respondents are considering, the top four were also the most-often-mentioned. Meanwhile, the diversity indicated by the write-in responses (blue box) suggests some providers we should add to our survey next year.

Programs Respondents Are Considering	
Envestnet	82
Orion P'folio Solutions (formerly FTJ FundChoice)	70
AssetMark	58
SEI	57
Loring Ward	29
First Ascent Asset Management	19
Brinker Capital	18
Frontier Asset Management	15
Vestmark/Adhesion	7
Lockwood	5

## Online Portfolio Management Tools

Online Portfolio Management Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Envestnet	7.88%	8.88%	7.32	7.01
Schwab Intelligent Portfolios	3.83%	3.65%	7.28	6.85
SEI Business Builder	3.36%	4.18%	6.87	6.85
LPL GWP (BlackRock/FutureAdvisor)	1.57%	1.51%	6.49	7.11
Betterment Institutional	1.22%	1.38%	7.46	6.89
Folio Institutional	0.79%	0.96%	6.98	6.34
TradePMR	0.77%	1.42%	7.95	8.09
AutoPilot	0.64%	1.13%	4.88	3.82
Blackrock FutureAdvisor	0.44%	0.40%	6.65	7.23
AdvisorEngine	0.39%	0.40%	6.75	5.77
Robust Wealth	0.37%	0.29%	6.11	5.88
CircleBlack	0.37%	0.67%	7.74	7.41
Motif Investing	0.27%	0.20%	7.00	6.00
Emotomy	0.15%	0.20%	5.00	6.45
First Ascent	0.15%	*	9.13	*
BridgeFT	0.15%	*	6.50	*
SigFig	0.15%	0.05%	3.75	6.33
Jemstep	0.08%	0,07%	4.50	7.00
Investment POD	0.00%	0.05%	0.00	5.33
Marstone	0.00%	*	0.00	*

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	22.59%	25.78%
Category Average Rating:	6.57	6.56%

This was originally intended to be a “robo” category, where advisors were turning over smaller accounts to an outside automated online platform for relatively inexpensive management. It has also been called a “TAMP-killer” category, in that these programs (theoretically, at least) occupy the same space as TAMPs when it comes to outsourcing investment services.

But in the real world, it is hard to know how the 22.59% of respondents are actually using these programs and services, and it’s worth noting that the

market share appears to be drifting down as advisors increasingly automate their portfolio management functions in-house. Nevertheless, the market share leader is Envestnet, followed by Schwab Intelligent Portfolios and SEI’s Business Builder service offering. All three have high user satisfaction ratings.

Once again, First Ascent achieved a very high (9.13) user satisfaction rating, as did TradePMR’s offering (7.95), CircleBlack (7.74) and Betterment Institutional (7.46). AdvisorEngine, meanwhile, saw a noticeable jump in its user ratings.



<b>Programs Respondents Are Considering</b>	
Schwab Intelligent Portfolios	102
Betterment Institutional	70
Envestnet	60
LPL GWP (BlackRock/FutureAdvisor)	30
AutoPilot	29
Blackrock FutureAdvisor	22
AdvisorEngine	20
Robust Wealth	17
SEI Business Builder	17
Folio Institutional	16
CircleBlack	15

The list of programs that advisors are considering (yellow box, right) is led by Schwab Intelligent Portfolios, which has made significant improvements in the past year. It is followed in a somewhat distant second and third by Betterment Institutional and Envestnet—again forecasting some stability in the market share order going into next year.

When we turn to the write-in ballots (blue box, right), we find some service platforms that probably should be included in future surveys, including Morningstar Managed Portfolios and AssetMark. The blue boxes are not only an indication of the diversity of the advisor tech landscape, but an indicator of how we can keep improving our survey instrument.

<b>Others Mentioned</b>
AssetMark
Fidelity Wealthscape
LPL ClientWorks
Fi-Tek
Morningstar Managed Portfolios
Trizic
PortfolioVisualizer
Vector Vest

## Tax Planning Software

Tax Planning Software	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
BNA Income Tax Planner	3.32%	3.16%	7.72	7.6
Covisum Tax Clarity	1.53%	1.71%	7.33	7.26
Planner CS	1.02%	1.07%	7.89	7.71
LifeYield Portfolio Advantage	0.66%	*	7.97	*
Tax Planner Pro	0.41%	0.53%	7.05	7.07

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	6.94%	7.72%
Category Average Rating:	7.59	7.41

Let's start the analysis of this category by noting that the total market penetration figure we present here is almost certainly lower than the real-world number—for a couple of reasons. First, our write-in ballots (blue box, below right) indicate that we should have included CFS TaxTools, Lacerte Tax Planner, CCH ProSystem, H&R Block, Intuit's offering and Drake Tax Planner in the main text of our survey. Second, we became aware of a new program called Holistiplan (winner of the XY Planning Network's annual software contest), only after the survey was sent out to participants; it, too, will be included next year.

And finally, some of the CPA planners who responded to our survey might be using spreadsheets to provide high-end modeling of future tax obligations.

(Should we ask that question next year?)

In our survey, BNA Tax Planner gained in market share and is used by roughly twice as many advisory firms as second-place-finisher Covisum Tax Clarity. If you look across the category, you find that all of the tax planning programs are well-received by their users: all the ratings are above 7.0, including LifeYield Portfolio Advantage (7.97) and Planner CS (7.89).

Turning to the programs that respondents are considering (yellow box, below left), BNA Income Tax Planner leads the group, but Covisum Tax Clarity, LifeYield Portfolio Advantage, Tax Planner Pro and Holistiplan are garnering significant interest. It appears that this software category will take an interesting leap in total market penetration in our 2021 survey.

Programs Respondents Are Considering	
BNA Income Tax Planner	83
Covisum Tax Clarity	53
LifeYield Portfolio Advantage	52
Tax Planner Pro	52
Holistiplan	46
Planner CS	22

Others Mentioned
CFS Tax Tools
Holistiplan
Lacerte Tax Planner
CCH ProSystem
Intuit ProConnect/ProSeries
H&R Block
Drake Tax Planner

## Social Security Analysis Tools

Social Security Analysis Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
SSAnalyzer	7.83%	8.15%	7.87	7.83
Horseshmouth Savvy Social Security	4.04%	0.78%	7.84	*
MaximizeMySocialSecurity	2.88%	2.80%	7.74	7.26
Covisum Social Security Timing	1.86%	2.00%	7.66	7.75
LifeYield Social Security Advantage	0.79%	0.53%	7.49	6.83

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	17.39%	14.25%
Category Average Rating:	7.72	7.42

It would seem from the total market penetration numbers, last year to this one, that a growing number of advisory firms are starting to adopt Social Security analysis software. But in fact, the jump in total category penetration is entirely due to the addition of Horseshmouth Savvy Social Security to this year's survey (it was a write-in inclusion last year). If you take out that change, it appears that the number of advisors using specialized Social Security analysis software has decreased from last year to this one.

Why? We can speculate that the mainstream financial planning programs have raised the sophistication of their built-in Social Security analysis, to the point where advisors feel they can forego a specialized app and live with a (perhaps) less comprehensive but more convenient solution.

However, the users of specialized applications have not been disappointed. Notice the remarkable user satisfaction ratings posted by the five programs

that make up the category. All of them were at or above 7.49, and the top three were at or above 7.74—which we would categorize as “very satisfied.”

Once again, there is opportunity for growth; SSAnalyzer, the market share leader, is used by fewer than 8% of the advisors in our survey, and Horseshmouth Savvy Social Security is used by 4% of the survey participants. The list of programs that advisory firms are looking at adding to their toolkit (yellow box, below left) suggests that there is at least moderate interest from top to bottom.

Meanwhile, the blue box list of write-in programs (below) reinforces our suspicion that in-program tools (MoneyGuidePro's and RightCapital's Social Security modules) and tools provided by investment companies (Nationwide's SS Analyzer and BlackRock SS Analyzer) are potentially stiff competition for the standalone programs. Another trend to watch in the future.

Programs Respondents Are Considering	
SSAnalyzer	139
MaximizeMySocialSecurity	72
Horseshmouth Savvy Social Security	71
LifeYield Social Security Advantage	53
Covisum Social Security Timing	51

Others Mentioned
MoneyGuidePro Module
Nationwide SS Analyzer
HealthView
Blackrock SS Analyzer
OpenSocialSecurity
RightCapital Module
Social Security Timing
PlanFacts Pro

## College Planning Tools

Programs	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
MoneyGuidePro module	13.91%	12.53%	7.85	7.74
eMoney module	9.20%	11.46%	7.81	7.86
RightCapital Module	2.82%	*	7.28	*
Capstone College Aid Pro	0.79%	0.27%	7.93	7.93
Collegiate Funding Solutions	0.56%	0.73%	6.45	6.48
College Cost Analyzer	0.41%	0.33%	7.00	7.28
Student Loan Planner	0.19%	0.20%	7.80	7.09
Certified Student Loan Advisor (CSLA)	0.19%	*	7.50	*
VIN Foundation Student Loan Calculator	0.15%	*	8.38	*
Student Loan Repayer	0.10%	0.11%	6.60	6.67
PayForED	0.06%	*	7.33	*
EFC Plus	0.04%	*	6.50	*

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	28.43%	26.14%
Category Average Rating:	7.37	7.27

Others Mentioned
Center for College Planning Loan Buddy NaviPlan Module SavingForCollege.com PayItOff

More than a quarter of advisors now use some kind of college planning analysis tool on behalf of their clients, and we can see this as a growing service offering in the advisor marketplace. But the market share leaders, numbers one, two and three, are built-in modules to popular planning programs: MoneyGuidePro (market share leader with 13.91% of the total sample); eMoney (9.20%) and RightCapital (2.82%). You have to look past the planning programs to find standalone college planning software: Capstone College Aid Pro (0.79% of

the respondents using it); Collegiate Funding Solutions (0.56%) and College Cost Analyzer (0.41%).

The VIN Foundation Student Loan Calculator earned the highest user satisfaction grade in the category (8.38) followed by Capstone College Aid Pro (7.93).

The question mark hanging over this category can be easily summarized: do the standalone programs add sufficient value over and above the built-in alternatives to raise their market share numbers? All of the specialized programs have high satisfaction scores among their (small) audiences, and it is clear that there are some advisors who want or need the deeper dive into databases of average student aid packages and specific costs that they get with the standalone options. It's possible that more advisory firms will provide college planning services due to its availability in their mainstream planning program, and then want more. Will future versions of the mainstream planning programs offer that deeper dive?

Among standalone programs, Capstone College Aid Pro is gaining the most consideration among potential users (yellow box, left) followed by Collegiate Funding Solutions and College Cost Analyzer.

Programs Respondents Are Considering	
MoneyGuidePro module	98
eMoney module	83
RightCapital Module	57
Capstone College Aid Pro	30
Collegiate Funding Solutions	23
College Cost Analyzer	20
Student Loan Planner	17
Student Loan Repayer	13
Certified Student Loan Advisor (CSLA)	13
VIN Foundation Student Loan Calculator	8
PayForED	5
EFC Plus	4

## Digital Marketing Tools/Services

Digital Marketing Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
FMG Suite	9.95%	11.00%	7.66	7.50
Broadridge/Forefield	6.69%	*	7.27	*
Broadridge/Emerald	3.40%	*	6.75	*
Snappy Kraken	1.97%	0.65%	7.68	7.44
AdvisorStream	0.99%	1.11%	7.37	7.21
Vestorly	0.97%	1.49%	4.82	4.18
Financial Media Exchange	0.64%	0.67%	5.85	6.03
Clearnomics	0.31%	0.36%	8.31	7.25
Zoe Financial	0.31%	*	6.50	*

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Total Category Market Penetration	25.22%	15.29%
Category Average Rating:	6.91	6.60

As the reader can see from the asterisks in the main chart, we expanded this category by three firms (including two of the three market leaders), and as a result our total category market penetration figure rose by a misleading factor of just under ten percent. Still, it came as a surprise that a quarter of all advisory firms are making use of digital marketing tools to grow their businesses. The FMG Suite, which offers content, website design and social media tools, once again is listed as the market leader, and its 7.66 user rating suggests that its users are happy with the service.

This year, we included Broadridge's Forefield (content, lead optimization and digital advertising) and

Emerald (website design) services, and they finished second and third in the category, with a combined market share that was actually greater than FMG. Snappy Kraken is the relative newcomer to the group, with the fourth highest market share, and a very high 7.68 average user rating. In all, the category rating rose, despite including one of the few satisfaction scores in the survey to come in below 5.00.

Looking at the programs that our survey respondents are considering (yellow box, below left) it is clear that Snappy Kraken, which provides a highly automated marketing solution, has gotten the attention of the advisor marketplace, with FMG Suite in second place.

Programs Respondents Are Considering	
Snappy Kraken	114
FMG Suite	87
Broadridge/Forefield	31
AdvisorStream	30
Vestorly	29
Zoe Financial	22
Broadridge/Emerald	20
Financial Media Exchange	14
Clearnomics	14

Others Mentioned
MarketingPro
Outbound Engine
TwentyOverTen
Advisor Websites
Active Campaign

# Enterprise Content Management/Document Management

Enterprise Content Management Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Citrix Sharefile	8.39%	1.00%	8.17	*
Redtail Classic Imaging	8.29%	9.15%	7.92	7.98
DocuPace	5.87%	6.35%	7.38	6.93
Laserfiche	3.65%	3.76%	7.38	7.42
Box.com	3.46%	0.65%	8.25	*
NetDocuments	1.66%	2.00%	7.71	7.13
Worldox	1.35%	1.34%	7.04	7.69
Agreement Express	0.29%	*	6.07	*

\* denotes not included in last year's survey.

	2020	2019
Total Category Market Penetration	32.97%	24.26%
Category Average Rating:	7.49	7.43

It is not hard to remember when the “paperless office” was on the lips of every financial commentator in the advisor/wealth management space; it became the putative goal of all financial advisory firms. Yet our survey finds that, despite a plethora of excellent tools, the adoption rate is still below one-third of the profession.

The year-to-year growth rate would appear to be robust, but this is actually an artifact of our identifying and adding three new solutions to the category, including this year’s category leader. (Box and Citrix were both write-in candidates last year, which explains the lack of a 2019 rating, and their 2019 market share figures are almost certainly misleading on the low side.)

We are at a loss to explain the low market penetration figures. Are advisory firms not aware of the benefits of paperless document organization? To get a clearer picture, we looked at utilization of ECM broken down by the various categories the we

Programs Respondents Are Considering	
Redtail Classic Imaging	139
Laserfiche	68
Box.com	66
Citrix Sharefile	63
DocuPace	40
Worldox	22
NetDocuments	18
Agreement Express	15
Sharepoint/OneDrive	10
Egnyte	7
Dropbox Pro	6
Advyzon Document Vault	2

Total Utilization by Experience	
	% using
1-5 years	27.07%
6-10 years	28.83%
11-20 years	36.59%
20+ years	33.24%

Total Utilization by firm size	
	% using
Below \$200,000	21.48%
\$200,000 - \$500,000	33.64%
\$500,000 - \$1 million	32.86%
\$1-1.5 million	37.21%
\$1.5-2 million	39.19%
\$2-3 million	37.62%
\$3-4 million	36.71%
\$4-5 million	37.14%
\$5-8 million	41.03%
Over \$8 million	27.87%

Total Utilization by business model	
	% using
Fee-only	34.83%
Dually-registered	32.06%
Brokerage/Wirehouse	25.08%



captured. It seems that more experienced advisors and larger advisory firms are most likely to make use of document management solutions, and brokerage/wirehouse advisors are less likely than their fee-only and dually-registered peers.

From the market share figures, it's clear that there is significant competition in this space; the two market share leaders—Citrix Sharefile and Redtail Classic Imaging—each have a little over 8% share of the total respondents to our survey. Both have very high user ratings of 8.17 and 7.92 respectively.

DocuPace, Laserfiche and Box.com make up a second tier, and Box enjoys the highest rating in the category, at 8.25. NetDocuments and Worldox (marketed primarily by Trumpet, Inc.) also appear to be popular with their user bases, and the average rating for the programs in this category is among the strongest in the survey. Clearly, those who have adopted the paperless office concept are not unhappy with their choices. Advisors who have not, yet, might do well to take note.

Taking a deeper dive into the data (below), assessing which types of firms are most likely to use the different competitors, we find that smaller firms are most likely to use Redtail's solution, and

that it, along with DocuPace, has higher market share among dually-registered and wirehouse-affiliated advisors. NetDocuments, Worldox and Citrix Sharefile have virtually all of their market share among fee-only advisors, while Laserfiche enjoys roughly equal market share among all business models, and has more market penetration with larger firms than smaller ones.

Redtail Classic Imaging is the runaway leader among programs that advisors are considering as they look at their paperless options (yellow box), followed by Laserfiche, Box and Citrix Sharefile.

Looking at the write-in programs that advisors are using (blue box), it's clear that there is no shortage of other options for advisory firms who want to file client documents on the cloud instead of in cabinets in the office.

Others Mentioned
Egnyte
Advyzon
Microsoft Sharepoint
eFileCabinet
File Center
Cabinet NG
Google Drive
Gdrive
ComConnect
Hyland OnBase
PaperPort
OneDrive

Market share % by years in the business				Redtail Classic		Citrix		Agreement
	Laserfiche	Worldox	NetDocuments	Imaging	DocuPace	Sharefile	Box.com	Express
1-5 years	9.55%	2.55%	4.46%	19.11%	15.92%	34.39%	11.46%	2.55%
6-10 years	8.95%	0.53%	5.26%	27.89%	15.26%	27.37%	13.16%	1.58%
11-20 years	8.24%	2.33%	4.67%	21.93%	14.77%	21.46%	10.11%	0.93%
20+ years	12.76%	6.13%	4.79%	25.15%	19.02%	23.19%	8.71%	0.25%

Market share % by firm size				Redtail Classic		Citrix		Agreement
	Laserfiche	Worldox	NetDocuments	Imaging	DocuPace	Sharefile	Box.com	Express
Below \$200,000	5.41%	0.00%	2.70%	28.38%	22.30%	31.08%	10.14%	0.00%
\$200,000 - \$500,000	8.56%	1.10%	5.52%	32.32%	21.82%	19.89%	9.94%	0.83%
\$500,000 - \$1 million	7.27%	2.03%	3.78%	32.27%	21.51%	24.13%	9.01%	0.00%
\$1-1.5 million	11.89%	4.41%	5.29%	29.07%	12.33%	26.87%	8.81%	1.32%
\$1.5-2 million	12.41%	2.76%	6.90%	26.21%	17.24%	22.07%	11.72%	0.69%
\$2-3 million	17.09%	8.23%	8.23%	15.19%	12.66%	25.32%	11.39%	1.90%
\$3-4 million	10.34%	13.79%	1.72%	10.34%	20.69%	32.76%	10.34%	0.00%
\$4-5 million	13.46%	11.54%	3.85%	11.54%	9.62%	36.54%	11.54%	1.92%
\$5-8 million	16.25%	12.50%	3.75%	10.00%	20.00%	27.50%	7.50%	2.50%
Over \$8 million	20.61%	6.11%	6.11%	8.40%	9.16%	29.77%	18.32%	1.53%

Market share % by firm business model				Redtail Classic		Citrix		Agreement
	Laserfiche	Worldox	NetDocuments	Imaging	DocuPace	Sharefile	Box.com	Express
Fee-only	10.01%	7.10%	8.15%	15.83%	5.24%	38.88%	13.97%	0.81%
Dually-registered	12.29%	1.18%	1.96%	34.51%	30.07%	12.03%	6.93%	1.05%
Brokerage/Wirehouse	11.11%	0.00%	1.23%	35.80%	35.80%	8.64%	7.41%	0.00%

## Document Processing Tools

Document Processing Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
DocuSign	34.67%	32.30%	8.48	8.39
LaserApp	15.32%	17.68%	7.63	7.69
Dropbox	9.43%	14.49%	7.94	7.85
Citrix ShareFile	6.49%	8.95%	8.06	8.11
Box.com	2.03%	3.72%	8.28	8.32
BPA Sharepoint	0.27%	0.34%	7.64	8.05
Symphony (Profiler/OCR)	0.25%	*	8.08	*
Conga	0.23%	*	7.00	*
Autofiler	0.04%	*	7.50	*
Signature Bridge	0.02%	*	9.00	*

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Total Category Market Penetration	68.75%	77.49%
Category Average Rating:	7.96	8.07

This category includes eSignature and form filling solutions, which advisors are clearly adopting in significant numbers to speed up, automate or make document processing more efficient. The market penetration figure, however, could be misleading, since many firms are incorporating more than one of these solutions in their business lives.

Not surprisingly, eSignature solution DocuSign is used by more than a third of the advisors who filled out our survey. LaserApp leads among the form-processing software programs, and Dropbox and Citrix ShareFile are the market leaders in moving documents among their various interested/necessary parties. The average ratings are very stable from last year to this and quite high; users gave DocuSign a remarkable

8.48 rating, and all of the services in this category but one earned a 7.50 or higher user satisfaction score.

Looking at the programs that respondents are looking at adopting (yellow box, below left), those who are not using DocuSign are considering it, and LaserApp, Dropbox and Citrix ShareFile are also getting strong consideration. We expect this category to creep up toward 100% in future surveys.

Meanwhile, the other products mentioned (blue box, below) includes five other eSignature solutions. Is it time to break this category into separate eSignature and form filling/form delivery categories? And, looking ahead, what will be the impact as some platforms are abandoning DocuSign in favor of their own solutions?

Programs Respondents Are Considering	
DocuSign	257
LaserApp	88
Dropbox	55
Citrix ShareFile	52
Box.com	31
Conga	18
BPA Sharepoint	7
Symphony (Profiler/OCR)	3
Signature Bridge	3

Others Mentioned
AdvicePay
HelloSign
DocuPace
AdobeSign
Signix
SignNow
RightSignature

## Social Media Archiving Tools

Social Media Archiving Tools	Market Share	Average Rating
Smarsh	13.60%	7.90
Erado	6.82%	7.24
Global Relay	5.31%	8.19
RegEd	5.00%	7.95
MyRepChat	2.88%	7.67
Message Watcher	1.87%	7.69
Page Freezer	0.71%	8.11

Total Category Market Penetration	36.21%
Category Average Rating:	7.82

This is another new category in our survey, and one that didn't exist just a few years ago, before social media marketing became a mainstay in the advisor world. Today, more than a third of all advisory firms are archiving their social media messages and website iterations, in order to stay compliant and satisfy regulatory audits.

Here, the market share figure may be misleading; it's possible that dually-registered advisors rely on their broker-dealers for social media compliance tools, which would suggest (and this is hypothetical at this point) that the actual market share capture for this category might be in the 70% range.

Smarsh is the market leader, and nearly breached the 8.00 mark for user satisfaction. The next tier includes Erado, Global Relay (with the highest

user satisfaction marks in this category, at 8.19) and RegEd. The average category rating of 7.82 is extraordinary; it's clear that each of these solutions are doing a great job for their users.

Surprisingly, MyRepChat (2.88% market share) is a close second on the list of programs respondents are considering (yellow box, below left); it touts its functionality in a Bring Your Own Device (BYOD) environment at brokerage firms and broker-dealers. The prevalence of write-in votes for LPL Social Patrol as a program respondents are considering suggests that we may need to add broker-dealer solutions to next year's survey.

Meanwhile, Hearsay Social, an app available on the Google Play Store, was the most often-cited write-in product (blue box, below) in this category.

Programs Respondents Are Considering	
Smarsh	89
MyRepChat	88
Global Relay	37
Erado	33
LPL Social Patrol	19
RegEd	16
Message Watcher	16
Page Freezer	12

Others Mentioned
Hearsay Social
Patrina
Social Patrol

## Cloud Hosting Resources

Cloud Hosting Resources	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Rightsize Solutions	1.02%	1.03%	7.89	7.72
Workplace by OS33 (formerly ExternalIT)	0.89%	0.87%	7.67	7.21
True North Networks	0.85%	0.67%	8.34	8.46
Itegria	0.48%	0.45%	8.48	8.12
Elevated Technologies	0.10%	0.04%	5.40	4.5
HighRidge Technology	0.00%	0.00%	0.00	*

	2020	2019
Total Category Market Penetration	3.34%	5.68%*
Category Average Rating:	7.56	7.35

A very small number of advisory firms are consolidating their desktops among cloud hosting solutions, and with virtually every program now in the cloud, some may be asking: why should they? But we don't think the number is declining as rapidly as our survey would indicate. The asterisk behind the total category penetration figure indicates that we broke last year's cloud hosting/cybersecurity category into two parts, so market share for either new category would inevitably decrease accordingly.

The resource providers with near 1% market penetration are Rightsize Solutions, Workplace (formerly ExternalIT) and True North Networks. All three earned high ratings, with True North's extraordinary

8.34 exceeded only by Itegria's 8.48. Advisors whose desktops are consolidated by these providers are clearly happy with the arrangement—and, with cybersecurity concerns on the rise, this category may see growth in future survey rankings.

Any category with overall low market share is bound to have a low number of respondents considering it, so the numbers in the yellow box (below left) are not extraordinary. True North Networks appears poised to gain the most new customers in the coming year.

And, as seen in the blue box (below), a small number of advisory firms have found other cloud hosting solutions for their firms.

Programs Respondents Are Considering	
True North Networks	29
Rightsize Solutions	15
Itegria	15
Workplace by OS33 (formerly ExternalIT)	9
HighRidge Technology	4
Elevated Technologies	4

Others Mentioned
IVDesk
Egnyte
Carbonite
OneDrive
SharePoint

## Cybersecurity Resources

Cybersecurity Resources	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
Entreda	4.71%	2.31%	8.00	8.02
True North Networks	0.79%	0.67%	8.54	8.46
CleverDome	0.68%	*	8.17	*
FCI (formerly Financial Computer)	0.50%	0.31%	7.88	7.41
Fortalice	0.06%	*	7.67	*
INARMA	0.06%	*	8.00	*
SecureMySocial	0.04%	*	8.50	*

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Total Category Market Penetration	6.84%	5.68%*
Category Average Rating:	8.11	7.35

It is annually a bit of an embarrassment to the authors of this survey that such a small percentage of advisory firms are availing themselves (and their clients) of the protections provided by cybersecurity firms. This year's survey captured an uptick in total usage, and the increase is actually greater than appears; the asterisk indicates that 2019's market share number was a combination of cybersecurity and cloud hosting firms, whereas today's figure is exclusively cybersecurity.

A reasonable estimate is that adoption roughly doubled in the past year—a good sign, though probably nothing to get excited about considering the predatory cybersecurity environment surrounding advisory firms and their data.

The market leader in this category, by a wide margin, is Entreda, which saw its market share nearly double over the 2019 survey. Its average rating of 8.00 is beyond excellent, though actually exceeded by the number two firm in the category; True North Networks sports a category-leading 8.54 rating for its cybersecurity solution, one of the best user satisfaction

grades in the overall survey.

We added four new entrants to the category this year (see asterisks), but only one of them—relatively new entrant CleverDome—gained significant market share. CleverDome is different from the other competitors; instead of monitoring and firewalling an advisor's computer system, it simply puts all communication between participating firms into a protected space that repels outsiders. The firm's 8.17 user satisfaction rating suggests that those who are using it are well pleased.

Once again, a small number of advisors responded to the “programs they are considering” question (yellow box), but it appears that True North Networks' user satisfaction rating has not gone unnoticed. The three market share leaders are the three most often-sited services that advisors are considering.

A small number of other users wrote in their own cybersecurity solutions (blue box), which once again shows how diverse the marketplace has become.

Programs Respondents Are Considering	
True North Networks	38
Entreda	37
CleverDome	28
FCI (formerly Financial Computer)	10
SecureMySocial	10
INARMA	7
Fortalice	5

Others Mentioned
AdvisorArmor
Carbonite
Mainstay Technologies
WebRoot
TrendMicro
MalWareBytes
KnowBe4
eSentire
BitDefender

## Scheduling Apps

Scheduling Apps	Market Share	Average Rating
Calendly	9.14%	8.16
ScheduleOnce	2.96%	7.83
Acuity	1.51%	8.36
Timetrade	1.16%	6.95
You can book me	0.21%	7.55

Total Category Market Penetration	14.98%
Category Average Rating:	7.77

This is another new category in our survey, and the data suggests that just under 15% of advisors are using scheduling software in their business lives. Calendly is the runaway leader, and ScheduleOnce forms the second tier all by itself. Acuity (8.36) and Calendly (8.16) have the best user ratings in the category, and are among a small number of applications in the entire survey to earn a user rating above 8.0.

Calendly is also by far the most-considered solution in this category (yellow box, below left), followed by ScheduleOnce and Acuity. No surprises here, but based on the number of responses, it's easy to predict that this category will increase market share in the future.

Microsoft Bookings—a relatively new part of Office 365—was the most-often cited write-in program in this category (blue box, below right).

Programs Respondents Are Considering	
Calendly	314
ScheduleOnce	96
Acuity	69
Timetrade	44
You can book me	31

Others Mentioned
Microsoft Bookings
HubSpot
OnceHub



## Password Management Tools

Password Management Tools	Market Share	Average Rating
LastPass	19.73%	8.73
Dashlane	4.70%	8.10
RoboForm	3.96%	8.45
Encrypted Evernote/Word/Excel file	3.32%	7.36
1Password	3.19%	8.58
Keeper	2.32%	8.14
Norton Password Manager	2.05%	7.75
PassKey	0.71%	7.51
Kaspersky Password Manager	0.44%	7.57
TrueKey	0.39%	6.95
PasswordSafe	0.33%	6.71
Zoho	0.12%	8.33
Sticky Password	0.08%	8.50
Password boss	0.04%	8.00
RememBear	0.02%	6.00
ManageEnginePro	0.02%	10.00
EveryKey	0.00%	0.00

Total Category Market Penetration	41.41%
Category Average Rating:	7.92

Others Mentioned
Avast Password
Keeper
mSecure

Yet another category we added this year, and we have to wonder: is the category penetration figure a good or a bad sign? On the one hand, more than 41% of advisors are now using password

management tools in their business life—basically incorporating a tech category that didn't exist a few years ago. On the other, is it a problem that more than half are still using their birthday for passwords?

LastPass is by far the most popular password management tool in the advisor space, with almost a 20% market share and an extraordinary 8.73 user rating. After that, a second tier includes a group of programs that received high marks: Dashlane (8.10), RoboForm (8.45), 1Password (8.58), Keeper (8.14) and Norton Password Management (7.75). Using Encrypted Evernote, Word or Excel files is at best an incomplete solution, yet 3.32% of respondents reporting using this method.

The list of programs that respondents are considering (yellow box) suggests that many advisors are looking at adding a password management tool for added security, with LastPass positioned to remain the market leader, and Dashlane and 1Password likely to raise their market share profiles.

Programs Respondents Are Considering	
LastPass	227
Dashlane	81
1Password	74
PassKey	39
Norton Password Manager	39
PasswordSafe	23
Keeper	20
Encrypted Evernote/Word/Excel file	17
RoboForm	14
Kaspersky Password Manager	12
TrueKey	9
Sticky Password	6
Zoho	6
Password Boss	6
RememBear	4
EveryKey	3
ManageEnginePro	3

## Miscellaneous Tools

Miscellaneous Tools	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
CopyTalk	3.61%	*	7.63	*
AdvicePay	2.84%	*	8.15	*
Mobile Assistant	2.78%	*	8.71	*
PreciseFP	2.55%	2.67%	7.41	7.29
Everplans	1.24%	1.82%	7.16	6.29
RetireUp	1.06%	*	6.98	*
i65 Medicare Planning	0.97%	0.85%	7.50	7.98
IPS AdvisorPro	0.97%	1.13%	6.20	6.66
MaxMyInterest	0.91%	1.11%	7.15	6.23
DPL Financial Partners	0.81%	0.82%	7.93	8.13
Whealth Care	0.68%	0.49%	8.09	7.81
Attach Plus	0.68%	*	7.57	*
Trumpet/Assemblage	0.52%	*	8.19	*
Flourish	0.46%	*	8.58	*
InStream	0.43%	0.58%	5.00	6.56
Income Conductor	0.27%	*	5.07	*
Yourefolio	0.23%	0.34%	5.83	7.00
Portfolio Pathway	0.21%	*	7.82	*
Ladder (Life Insurance Platform)	0.17%	*	7.44	*
Timeline	0.15%	0.13%	8.63	8.00
Assemblage/Trumpet Publisher	0.12%	*	8.17	*
NEXA	0.10%	*	8.20	*
InterGen Data	0.08%	*	8.25	*
CompositeBuilder	0.06%	0.15%	9.00	6.50
Life Site	0.04%	*	9.00	*
Trinlogix	0.02%	*	7.00	*
Covestec	0.00%	*	0.00	*
NVISO	0.00%	*	0.00	*

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Category Average Rating:	7.56	7.21

The advisor space includes a large number of tools and services that are not easily put into categories, so the programs we identified that fit that (very broad) description are listed here. We were perhaps a bit generous in our outreach, including 17 programs in our survey for the first time—including seven which ultimately earned less than 0.15% market share among our survey participants.

It was interesting to see how many of these new entrants earned high user satisfaction scores,

though here we have to caution the reader that, with so few respondents providing satisfaction grades, the numbers may not be as statistically significant as the scores near the top of some of the other charts.

Two of the top three market share winners in this category (CopyTalk and the recently-upgraded Mobile Assistant) offer dictation services (should this be a new category in next year's survey?), with the new AdvicePay from XY Planning Network sandwiched in between. We are hearing that there will be

Programs Respondents Are Considering	
AdvicePay	79
CopyTalk	74
Mobile Assistant	69
Everplans	68
PreciseFP	63
MaxMyInterest	44
WhealthCare	43
i65 Medicare Planning	34
DPL Financial Partners	27
RetireUp	27
IPS AdvisorPro	19
Ladder (Life Insurance Platform)	17
Yourefolio	11
Income Conductor	10

Others Mentioned
Income Solver
CellTrust
Circle of Wealth
CognitoForms
Zapier
Proformex
Retirement Analyzer
NumberCruncher

competitors to AdvicePay, which makes it easy to bill clients for hourly, subscription, project work or other non-AUM compensation; this, too, could become another category in our next survey.

Going down the list, PreciseFP allows clients to input their own data, which can then flow into your CRM and/or planning software via integrations, reducing manual data entry. Everplans may be the market’s most sophisticated client portal, allowing advisor clients to input personal data (even favorite recipes!) into the cloud, meanwhile collecting end-of-life related data that facilitates estate planning.

RetireUp should probably be included in next year’s planning software category, while i65 Medicare Planning, which has been greatly expanded in the past year, allows advisors to serve as a Medicare planning expert right out of the box. IPS AdvisorPro has been discontinued as a standalone program, but is still available as part of the fi360 platform. MaxMyInterest allows advisors to automatically sweep excess cash from their checking accounts into high interest-paying FDIC-protected online banking accounts. DPL Financial Partners is a unique gateway to fiduciary-appropriate insurance products, allowing integrations with portfolio management software and billing advisory fees directly out of cash accounts.

WhealthCare facilitates eldercare planning, with checklists, sample documents and cognitive

testing tools for aging clients, but it will be interesting to see how the program fares now that its primary spokesperson and visionary—Carolyn McClanahan—has dropped out of her relationship with it.

AttachPlus facilitates secure email and attachments between advisors and clients, while Trumpet’s Assemblage program will pull charts and other data from an advisor’s portfolio management system, financial planning program and word processing system, organize them into a quarterly report package for each client, and print or send the packages to PDF for client delivery.

Despite the generally low market share of these under-the-radar (and hard-to-categorize) tools, the user ratings are, in some cases, exceptionally high. Mobile Assistant’s 8.71 rating is exceptional, as is AdvicePay’s (8.15), WhealthCare’s (8.09) and Assemblage’s (8.19).

Turning to the yellow box, AdvicePay is under consideration by the greatest number of advisors responding to this category, followed by the two dictation services, Everplans and PreciseFP. You will see growth in market share in this category over the next several surveys, as more advisors become aware of specialized solutions to their planning and office needs.

Even though we were extremely broad in our reach for under-the-radar programs, the survey respondents still found a few more (blue box) that they’re using. None of them achieved a high number of mentions, but it’s a group we’ll watch for growth in the future.

## Custodial Platforms

Custodial Platforms	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
TD Ameritrade - VEO	18.24%	16.90%	8.29	7.92
Schwab - Advisor Center	16.52%	15.40%	8.05	7.93
Fidelity - Wealthscape	12.70%	14.09%	7.70	7.55
BNY Mellon/Pershing - NetX360	10.94%	12.11%	6.90	6.83
SEI, Inc.	4.33%	5.39%	7.03	6.86
Shareholders Service Group - NetX360	1.78%	1.96%	8.57	8.10
Folio Institutional	1.08%	1.25%	6.59	6.54
E*TRADE Advisor Services - CompleteView	1.06%	*	8.00	*
Raymond James - Advisor Access	0.75%	0.74%	7.00	6.73
RBC Wealth - RBC Black	0.73%	0.89%	7.95	7.90
TradePMR - Earnwise	0.58%	1.65%	7.40	8.31
APEX Clearing	0.31%	0.18%	6.19	6.70

\* denotes not included in last year's survey.

	<u>2020</u>	<u>2019</u>
Category Average Rating:	7.47	7.40

This was originally added as a fun category to the survey, to allow independent advisors to rate their own user experience, and then compare their brokerage platform's user ranking with others. But now these results may have turned a bit more serious; Schwab's announced takeover of TD Ameritrade took place right after our survey was opened.

Notice that we did not calculate a total market share number, in part because a number of the responding firms are multi-custodial, and the figure would have been meaningless. And the individual custodial market share numbers should not be taken as gospel; in part because they are an artifact of our respondent audience (we seem to attract a high percentage of TDAI-affiliated advisors); in part because some custodians (TradePMR and BNY Mellon/Pershing) have deliberately focused on a smaller subset of the advisor marketplace.

The user ratings, however, would seem to be of interest to advisors who are looking at their options. Note that the two largest independent custodians—TD Ameritrade Institutional and Schwab Advisor Services—both have ratings above 8.0, up from last year's excellent ratings. In fact, with just a few excep-

tions, the ratings were high across the board, which suggests that none of the major competitors are likely to lose advisory relationships due to dissatisfaction with the platform's utility.

For the second year in a row, Shareholders Service Group—which operates on BNY Mellon/Pershing's NetX360 platform, with value-added services on top—achieved the highest ratings in this category, and managed to improve from 8.10 to 8.57—achieving one of the top ratings in the entire survey.

SEI, which occupies a kind of second tier in terms of market share, had unfortunate timing for our 2020 survey; the company revamped its custodial platform just in time for it not to be properly evaluated by the firm's advisory user base. We'll be interested to see if the platform achieves a jump in ratings above the very good 7.03 number the company achieved this year.

We added E\*TRADE Advisor Services to the survey this year, and the firm earned a high 8.00 rating for a platform that is being completely rewritten in time for a new platform launch sometime this summer. This, too, will be a user rating to watch in the next survey.

## Broker-Dealer Platforms

Broker-Dealer Platforms	Market Share	2019 Mkt Share	Average Rating	2019 Avg Rating
LPL Financial - ClientWorks	6.07%	5.45%	7.68	7.84
Cetera Advisor Networks - SmartWorks	1.84%	1.82%	6.77	6.47
Cambridge - Advisor Workstation	1.57%	2.27%	8.11	7.35
Securities America - Advantage Workstation	1.26%	1.07%	7.08	6.98
Royal Alliance Associates - Vision 2020	1.06%	1.11%	6.80	7.18
Lincoln Financial Network - AdviceNextSM	0.89%	1.11%	7.43	7.31
RBC Wealth - RBC Black	0.62%	0.65%	8.53	8.75
Raymond James - Advisor Access	0.56%	0.54%	7.07	6.93
Commonwealth Financial - Practice/Advisor360	0.54%	0.60%	8.89	8.09
Wells Fargo - Smartstation	0.39%	0.38%	6.25	5.67
Voya - SmartWorks	0.29%	0.62%	5.27	6.56
Ameriprise Financial Services - PracticeTech	0.27%	0.36%	5.00	4.20
MML Investor Services - Wealthscape Investor	0.21%	0.36%	5.18	5.65
AXA Advisors - Branchnet	0.19%	0.42%	6.00	5.74
Northwestern Mutual - NM Connect	0.04%	0.09%	4.00	5.00

	<u>2020</u>	<u>2019</u>
Category Average Rating:	6.67	6.23

This is another popular category, and particularly relevant since nearly half of our survey respondents are dually-registered and therefore affiliated with an independent broker-dealer. The market share numbers don't mean a lot (you already know who the largest independent BDs are), but once again the user ratings and their trends are interesting. The highest-rated platforms were, in order, Commonwealth Financial's Advisor 360 platform (a remarkable 8.89, among the highest ratings in the survey); RBC's RBC Black platform (an excellent 8.53 rating); Cambridge's

Advisor Workstation (8.11, with a nice jump from last year's rating) and LPL Financial's ClientWorks platform (7.68).

Except for Advisor Workstation's jump from 7.35 to 8.11 and Advisor 360's leap from 8.09 to 8.89, the ratings are relatively stable from last year—including poor ratings given to some of the firms near the bottom of the chart. However, the reader should notice that the overall category rating climbed from last year, suggesting a growing satisfaction level with these BD platforms.

## Resources and Utilization

Information Resources	Market Share	Average Rating
Financial Advisor magazine	27.83%	6.50
Financial Planning magazine	25.55%	6.71
Investment News	23.29%	6.87
Journal of Financial Planning	18.63%	7.27
Investment Advisor magazine	18.13%	6.27
Advisor Perspectives	17.31%	6.65
Wealth Management	15.79%	6.52
Horseshmouth	10.57%	6.58
Inside Information	8.00%	7.15
RIA Biz	7.30%	5.76
T3 Technology Hub	6.76%	6.51

Category Average Rating:	6.62
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Creating a survey is ultimately about satisfying your curiosity about important marketplace issues, and we were frankly curious where advisors are getting their information—about software, services and other matters. So we asked: which publications are you reading, and how would you rate them? (Note: readers were allowed to select more than one publication in this category.)

We were surprised that no publication achieved anything close to a 50% readership among the survey respondents. *Financial Advisor*, *Financial Planning* and *Investment News* were roughly equal at the top of the “market share” ranking, being read by roughly

a quarter of the people filling out our survey. In the second tier, the *Journal of Financial Planning*, *Investment Advisor* magazine, the *Advisor Perspectives* online service (recently named the top newsletter for financial advisors) and *Wealth Management* are all read by between 10 and 17 percent of professional advisors.

However, the overall category average rating suggests that readers are, by and large, satisfied (but not thrilled) by the quality of their trade publications. It will be interesting to see how these market share and user rating numbers move up or down in coming surveys.



Are You Currently Using...?	Yes	No
2-Factor Authentication	83.61%	16.39%
Client-Facing Portal	77.97%	22.03%
Mobile App	58.35%	41.65%
Video Conferencing	77.58%	22.42%
Website Traffic Analytics	58.47%	41.53%
Social Media Management Tool	51.47%	48.53%
Mobile Messaging/Texting Tracking App.	34.29%	65.71%
Podcast	13.18%	86.82%

In the second chart (above), we post the results of some utilization-related questions that were posed in the survey, which offer a glimpse into what activities are normal and what are not in advisor offices. The reader may be surprised that most advisory firms are utilizing 2-factor authentication, which raises the question: are they using it for everything, or just some

apps that insist on it?

Meanwhile, a sizable majority are also using client-facing portals and video conferencing. A slight majority avail themselves of mobile apps, website traffic analytics and social media management tools, while a minority are using mobile messaging/texting tracking apps and podcasts.

Our survey results indicate that roughly half of all advisory firms are using automated workflows, but this raises more questions than it answers. Are they

using some, many or workflows for all of their internal processes? This might be an area where we can provide more in-depth information in coming surveys.

	Yes	No
Do You Currently use Automated Workflows?	49.83%	50.17%

## Most Valuable Technology



Each year, we ask our survey respondents to name their most valuable technology category—that is, the one type of tech solution they would have the most trouble doing without. For a second consecutive year, CRM was the runaway winner 52%, followed by financial planning software (23%) and portfolio management software (15%). Trading/Rebalancing finished a distant third.

CRM is not only the hub of many advisory firms' tech stacks, but it is also their primary marketing tool and the repository of the personal information need to maintain and enhance client relationships.

The fact that financial planning software falls into second place confirms a theory about the evolution of the advisory marketplace. Our belief is that ten years ago, portfolio management would have been listed as the number one most important software category, with CRM and financial planning a somewhat distant second. As the advisory marketplace shifts from a primarily investment-related model toward financial planning, and from financial planning to ongoing client service, CRM and planning are taking over as the key solutions in an advisory firm's tech stack.

Breakdown of types of firms re: Most Valuable Technology							
	CRM	Planning	Port. Mgt.	Trading/Rebal.	Inv. Analytics	Doc. Mgt.	Risk Tolerance
1-5 years	45.23%	29.23%	12.92%	4.31%	4.00%	3.69%	0.62%
6-10 years	47.66%	24.79%	15.15%	3.86%	3.58%	1.38%	3.58%
11-20 years	47.64%	27.34%	14.65%	5.42%	2.88%	1.04%	1.04%
20+ years	57.40%	18.34%	16.10%	3.68%	1.52%	1.08%	1.88%
	CRM	Planning	Port. Mgt.	Trading/Rebal.	Inv. Analytics	Doc. Mgt.	Risk Tolerance
Below \$200,000	42.96%	37.79%	9.86%	2.11%	3.99%	2.35%	0.94%
\$200,000 - \$500,000	53.46%	21.97%	13.82%	2.92%	3.53%	1.23%	3.07%
\$500,000 - \$1 million	57.17%	20.57%	14.00%	3.37%	1.35%	1.35%	2.19%
\$1-1.5 million	56.45%	21.49%	11.17%	5.44%	2.58%	2.01%	0.86%
\$1.5-2 million	54.59%	20.77%	15.94%	5.31%	1.93%	0.48%	0.97%
\$2-3 million	52.00%	20.40%	18.40%	6.00%	2.00%	0.00%	1.20%
\$3-4 million	43.42%	17.11%	27.63%	9.21%	0.00%	1.32%	1.32%
\$4-5 million	39.44%	15.49%	32.39%	8.45%	2.82%	0.00%	1.41%
\$5-8 million	45.95%	17.12%	27.93%	6.31%	0.90%	0.90%	0.90%
Over \$8 million	51.46%	18.45%	18.93%	6.31%	1.46%	2.43%	0.97%
	CRM	Planning	Port. Mgt.	Trading/Rebal.	Inv. Analytics	Doc. Mgt.	Risk Tolerance
Fee-only	41.18%	24.49%	22.53%	6.15%	2.86%	1.46%	1.33%
Dually-registered	63.85%	21.69%	6.90%	2.22%	1.81%	1.23%	2.30%
Brokerage/Wirehouse	69.39%	17.69%	5.44%	1.36%	3.40%	2.04%	0.68%

Above, the reader will find a more detailed breakdown, which might help us spot any trends in the most valuable software question. And there *are* some interesting differences in perspective based on experience levels and business model

This “breakdown” chart shows that CRM software is most likely to be valued by advisors with 20+ years of experience, and a bit less so by less experienced advisors. As advisors acquire more clients, they tend to rely more on the program that helps them stay abreast of the details of their relationships. More experienced advisors are incrementally more likely to list portfolio management tools as their most valuable solution, but less likely to favor investment analytics or document management.

The opposite seems to be true of planning software; 29% of the youngest and least experienced advisors listed their financial planning program as their most valuable tool, compared with just 18% of advisors with more than 20 years of experience. Younger advisors may be bringing on more new clients in their early stages of business life, and have fewer client

relationships to manage—and, perhaps, simpler firms to manage as well, so they wouldn’t find a CRM solution’s automated workflow features as valuable. But younger advisors might also be more planning-centric in their value proposition with clients, suggesting a shift in the profession going forward.

If you look at the breakdown by size of firms, you see additional evidence; planning tools are considered most important by a much higher number of the smallest firms than any other cohort.

Turning to the business model breakdown, dually-registered and brokerage-affiliated advisors are far more likely to list CRM as their most valuable software than fee-only respondents to our survey. The opposite seems to be true of portfolio management software, where fee-only firms are far more likely to favor these tools than are dually-registered and wirehouse advisors. Are fee-only firms doing more customized portfolio management for their clients? Notice that they are also more likely to list trading/rebalancing software as their number one software tool, albeit in smaller numbers.

## Final Thoughts

The T3/Inside Information survey was created to provide the best, most comprehensive picture of the tech landscape in the financial services profession. Our hope is that this is valuable business data for the fin-tech industry, and also proves useful to advisory firms who are tasked with keeping up with the ever-expanding opportunities afforded by the ever-expanding fin-tech toolset.

Perhaps the most important initial takeaway, this year and last as well, is that the tech landscape is more diverse than most advisors and industry participants realize. The market leaders face significant and growing competition, and they were not always the leaders in satisfaction score. A surprising number of less well-known software solutions received high user satisfaction ratings--some higher than the market leaders.

At the same time, when you scan the lists of programs that were written into the "other" field, you realize that the permutations of possible software stacks is virtually infinite.

In some categories, we found significant discrepancies in market share based on certain demographic characteristics: in the CRM category, Salesforce won greater market share with larger firms than smaller ones, while it was the opposite with Wealthbox. Among portfolio management tools, Albridge owns significant market share among dually-registered advisors but appears to be almost unknown with fee-only firms.

One of the most stunning statistics from the survey is that, for the first time in the profession's history, roughly as many advisory firms are using asset allocation and portfolio stress testing tools as are availing themselves of investment data database tools. This follows a well-understood trend, where advisory firms put more emphasis on asset allocation than on the investment selections themselves, but it also suggests that the market share gains by (mostly passive) ETFs at the expense of actively managed funds are changing the fin-tech demographics in the advisor marketplace.

Among other observations: trading/rebalancing tools are increasingly becoming part of the custodial suites (a trend started by TD Ameritrade Institutional with its iRebal program). The standalone products,

including Black Diamond, AdvisorPeak and Morningstar's Total Rebalance Expert, seem to have been pushed into competing mostly or exclusively for the attention of dually-registered advisors.

There also seems to be a generational shift happening in the fintech space, which would appear to reflect a shift in service models. Younger advisors are more likely to use financial planning software than older ones, and fee-only advisors are more likely than advisors working in the brokerage world. They are less likely to use asset management software, reflecting a slow but potentially tectonic shift from the AUM revenue model (and a portfolio management value proposition) to flat, retainer or subscription fees (and a financial planning value proposition). This transition is first becoming visible in the financial technology choices made by advisors.

Another conclusion one might draw from the survey is that a growing number of advisors are augmenting their financial planning calculation engines with specialized (tax planning, social security analysis, Medicare analysis) tools, which offer a deeper dive into a topic than the planning tools do currently. But there is evidence in our survey data that the planning firms are starting to add their own versions of these specialized programs; look at the market share of college planning programs, and the leading solutions are traditional planning software.

We were surprised at the low market share numbers for document management and cybersecurity--for different reasons. The benefits of a paperless office seem to us to be too great for there to exist a counterargument for using filing cabinets or a customized Acrobat filing system. Yet our survey shows that only about a third of advisory firms are using one of the systems we asked about, and the write-in numbers were not robust. Why? We can't give you a good explanation, but there appears to be a lot of opportunity in the enterprise content management space.

Last year we documented our surprise that so few advisors were using cybersecurity solutions, and the market share numbers have increased this year--but only to around 7% of all respondents. Is it possible that only 7% of advisory firms recognize the ever-increasing threats to their clients' data, or the assurance that this will be a focus of their next SEC

exam? One of us (Joel Bruckenstein) has scheduled an annual conference devoted to cybersecurity, but more clearly needs to be done to raise awareness of this important issue. Let's call cybersecurity another category of opportunity--both for providers and also for advisory firms that have been slow to adopt.

We added a number of new categories to this year's survey, which expands our picture of the fintech marketplace. More advisory firms are using social media archiving tools and digital marketing systems. Password management and scheduling apps are obviously used more broadly than in the fintech space, but they have become essential time-savers for many planning firms. Advisors who are not using these tools now have a convenient way to compare notes with their peers.

Our Miscellaneous category should open the eyes of any advisor who believes that there are only a handful of categories of software that need to be considered when running a business or serving clients. Our largest chart lists dictation services (CopyTalk and Mobile Assistant), a flexible way to collect non-AUM revenues from clients (AdvicePay), a client portal that

doubles as an essential estate planning tool (Everplans), Medicare expertise in a box (i65 Medicare Planning), a platform for fiduciary insurance products (DPL Financial Partners) and an automated sweep option for client cash that earns a much higher interest rate (MaxMyInterest).

Meanwhile, readers can see how their peers rated their custodial and broker-dealer platforms, and what publications they happen to be reading. Both of these spaces are going to become increasingly competitive--and their fin-tech features are becoming increasingly crucial to attracting advisory business.

We hope you enjoyed the survey, and for those of you who participated, we hope you will consider allowing us, next year, to once again see the world through your eyes. Pooling our insights makes us all better in the long run.

Joel Bruckenstein

Bob Veres

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