



Data mining key to client retention: My Prosperity

As financial advice becomes increasingly commoditised, advisers must start using insights from data to retain clients and add value, says Peter McCarthy, managing director of wealth platform My Prosperity.

WRITTEN BY Alice Uribe

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Speaking to *ifa*, Mr McCarthy said that while gathering data is important, using it to build a picture of client needs is where the opportunity for advisers lies. Making use of data analytics strategies gives advisers the power to pre-empt client needs, he said.

"Behind the scenes we can mine the data to uncover what are the things they need – we can build algorithms to mine the data to highlight the areas where they can help," Mr McCarthy said.

"Whether it be to review someone's will, to review someone's insurances, to review their superannuation – we see that it's not just bringing data together and doing transactions but it's also about helping the end-user and using technology to make that really scalable."

Mr McCarthy said advisers' use of data represents a way to drive the industry forward and retain the relevance of the adviser-client relationship against a backdrop of technological change and the surge in robo-advice.

"Technology is changing and how so many businesses are doing business is changing. Financial planners and accountants, so many of their services are being commoditised and will be lost unless software can be created to keep the client," he said.

"We still think clients are looking for an adviser, but it should be efficient and it should be a digital process," he said.

My Prosperity is an online wealth portal that allows an adviser and client a thorough overview of their financial situation by using a variety of data feeds.

Mr McCarthy said the firm was conceived four years ago after his own experience as an adviser showed him how much time was spent obtaining client information.

"I was an IFA and IFAs are promoting themselves as the trusted adviser and we really wanted a digital validation of that," he said.

"The next wave is all going to be about the consumer and control and our view is that they just want everything in one place. Technology has actually done the opposite: it's given people more places they have to go to log in. Our job is to bring all that data for an individual client into one place."

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