



ANNUAL BENCHMARKING STUDY 2019

EXECUTIVE SUMMARY
XY PLANNING NETWORK

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EXECUTIVE SUMMARY

The third annual *XYPN Benchmarking Study* indicates a growing and maturing network. Even with the annual total return for the S&P 500 going down 4.38 percent over 2018, XYPN members demonstrated fantastic growth, with average advisor revenue growing by 17.8 percent over the year. Tenured members achieved even higher growth. This study will address several factors contributing to strong growth in the XYPN network: niche growth strategies; service offerings and delivery; and fees and pricing. The frequent use of retainer pricing rather than AUM pricing may also explain the delta between market growth rates and XYPN member growth rates.

Throughout the report, we reference three categories to group XYPN firms based on length of tenure: Launch, Grow and Scale. The Launch group comprises firms with less than one year of network membership. Grow firms have between one and three years of network membership. Scale firms are those with over three years of membership in the network. When revenue growth figures are referenced, only firms that reported four years of revenue data are included in the calculations. A few sections also refer to top performers. In this year's study, we ranked participants based on their growth, profitability and productivity. We then defined the leading 25 percent as top performers.

Members Are Achieving Their Goals

In addition to quantitative data, this year's study includes some qualitative data centered on goal setting and achievement. This data is encouraging, as the majority of members either met or exceeded their goals in every goal category defined (**Table 1**). As the XYPN network continues to grow in sophistication, perhaps an increasing percentage of members will be able to meet their goals in the future. In 2019, revenue growth will be the focus for many network members (over 45 percent of members indicated that revenue growth would be their primary goal for this year).

Table 1: XYPN goal achievement by category

GOAL ACHIEVEMENT IN 2018	MET OR EXCEEDED GOAL	DID NOT MEET GOAL
Revenue Goals	58.1%	41.9%
Client Acquisition Goals	61.1%	38.9%
Professional Development Goals	84.9%	15.1%
Business Goals	66.2%	33.8%

Niche-Focused Growth Strategies Are Paying Off

This is the third iteration of the *XYPN Benchmarking Study*, and thus it allows for a deeper understanding of trends that may not have been apparent had the study been done in isolation. One of the most encouraging trends observed is the success that tenured members have had with growth over the past two years, especially those members who have employed niche strategies. Revenue growth in 2018 for tenured members with a niche focus has been remarkable. Data indicates that while it may take some time for an advisor to effectively develop a niche strategy, having such a strategy can lead to stronger long-term growth (**Figure 1**).

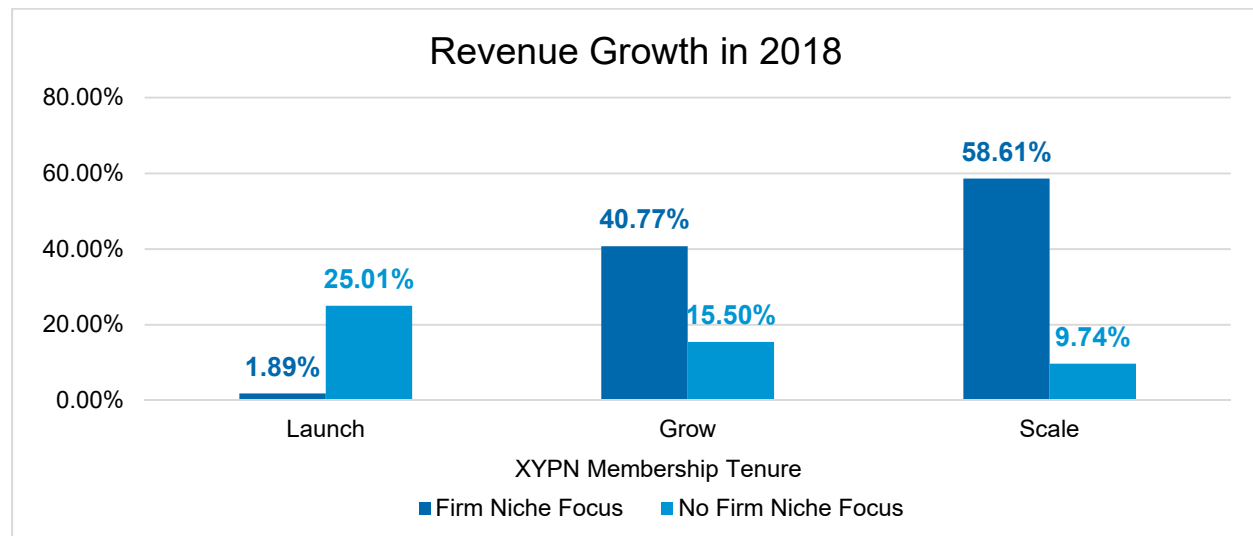


Figure 1: Revenue growth in 2018 by membership tenure, niche vs. non-niche

Service Trends Are Converging

This study analyzes service trends through two lenses: which services are delivered, and how those services are delivered. Advisors should strike a balance between offering a baseline level of services to attract clients and effectively executing all of the services they offer. In terms of services provided by XYPN members, this year's study showed that most advisors are offering between four and eight additional consultative services on top of delivering a financial plan. Some of the most frequently offered services include discretionary investment management, tax planning and retirement planning. Many XYPN members are converging on semi-annual or annual in-person meetings and monthly emails as part of their service delivery models.

Fees Are Evolving

While the two most popular fee types used throughout the XYPN network continue to be retainer and AUM fees, there has been a slight increase in fee combinations (e.g., standalone plus retainer) over the past two years. Such fee combinations made up 12.5 percent of all engagement fees in 2018, up from 8.9 percent in 2015. **Table 2** looks at XYPN members who have changed the amount they charge clients for standalone, retainer and/or AUM fees since joining the network. As the data shows, around three-quarters of XYPN members who have revised their fees were able to increase both standalone and retainer fees.

Table 2: Fee change by type for XYPN advisors who have changed fees

FEE CHANGES BY ENGAGEMENT TYPE	INCREASE	DECREASE	NO CHANGE
Standalone Engagement Fee	74.0%	8.0%	18.0%
Retainer Fee	78.6%	2.9%	18.4%
AUM Fee	29.7%	19.8%	50.5%

ANNUAL TRENDS

The *XYPN Annual Benchmarking Study* is in its third year, and this 2019 edition adds a greater depth of information to the series. Year-over-year trends can demonstrate industry shifts that may not otherwise be detectable within a single year. Also, as XYPN grows older, advisor standards as well as types of advisors may change. Assessing the maturation of the network and its advisors is similar to assessing a student's progress through college: the cumulative knowledge gained by senior year is a better assessment than freshman year grades. The results from this year's study are compared with past years to identify trends that may be impacting advisors.

Financial Trends

Financial metrics are the most direct measure of year-over-year changes. There is no hiding from financial results. If the firm is growing well and managed efficiently, then the financials will prove it. Financials are also a consistent measure from year to year.

From 2016 to 2018, operating profit margins have increased to 32.5 percent from 21.0 percent (**Figure 2**). The increase in profit margins is attributable to finding greater leverage as firms have grown. Advisors have been able to add revenue and operate efficiently without adding costs.

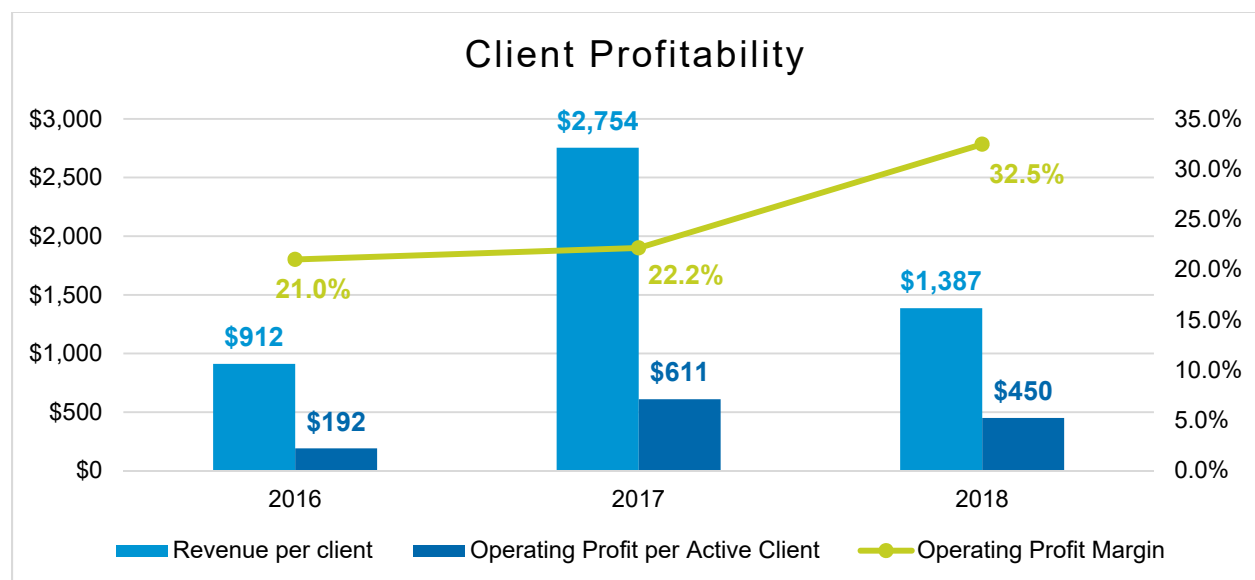


Figure 2: Client profitability over the last three years

One explanation for greater profit margins in the advisory industry is that client sizes have grown, and greater fees are collected without more time or resource expenses from the advisor. For example, if an advisor meets with every client twice per year, the cost for each meeting includes the cost of the advisor's time, the technology used to service the client and the staff. If the amount of

time, resources (technology) and staff is equal for all clients, then a client who pays more in fees should be more profitable.

Trend data shows that XYPN advisors have scaled their service models to be profitable for clients of varied sizes. Though the average advisor in last year's *XYPN Annual Benchmarking Study* worked with larger clients than advisors in this year's study, 2018 advisors were more profitable (Figure 2).

Growth Trends

Firms in the 2019 XYPN Annual Benchmarking Study grew revenue by an average of 17.8 percent in 2018. This is excellent average growth for the network. Looking at the past three years, high revenue growth rates on the average for firms in the XYPN network have resulted in a near doubling of revenue.

Figure 3 breaks down these growth rates by the length of a firm's membership tenure in the network. Scale firms led the way on growth in 2018, growing their practices by over 34 percent. While growth rates have declined over the last three years for these members, some of that fluctuation can be attributed to market variation. In addition, it would be nearly impossible to sustain the 80 percent growth rate these long-term members experienced in 2016, so declining growth rates could also be viewed as a foreseeable process of normalization.

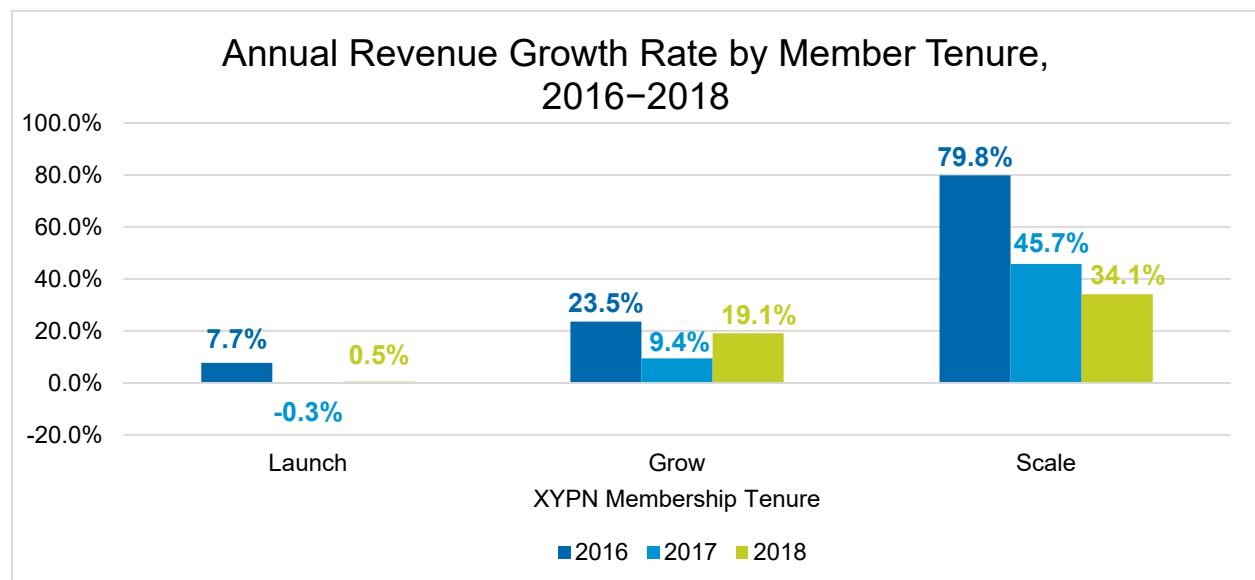


Figure 3: Annual revenue growth rate by member tenure over the last three years

Sources of growth have changed little between each year of the study. Most growth comes from networking and general business development, with referrals being the next most common (**Table 3**).

Table 3: Sources of new clients over the last three years

SOURCE OF NEW CLIENTS	2016	2017	2018
XYPN Find An Advisor profile	4.2%	4.1%	4.5%
NAPFA	11.3%	6.4%	7.4%
Online/Google searches	11.1%	8.6%	16.2%
Speeches, seminars, community events	1.9%	2.5%	2.5%
Social media	4.3%	1.5%	3.5%
Online advertisement	0.0%	0.0%	1.1%
Blog	1.6%	2.9%	0.6%
Third-party Q&A sites	1.6%	0.5%	1.8%
Networking and general business development	28.5%	36.6%	24.6%
Referrals from existing clients	21.6%	18.9%	22.2%
Referrals from centers of influence	13.8%	18.1%	18.3%

A better explanation for growth than the source of leads is the quality of clients gained from the leads. While a niche strategy is not necessary to gain referrals, it may help advisors develop a clearer illustration of their target client. A referral source must clearly grasp the advisor's target client in order to find prospects to refer. Advisors with a niche have a clear message that referral sources can use to qualify leads. For example, if an advisor has a niche working with veterinarians, then CPAs with vet clients to refer can easily match those prospective clients to the advisor's firm.

A niche strategy gives advisors a clear competitive differentiation that is easy for clients and referral sources to understand. With a better understanding of the target client, referral sources appear to be referring higher quality prospects.

Over the past three years, XYPN advisors with a niche focus have seen the percentage of their clients in that niche grow, as have their conversion rates of prospects into clients (**Figure 4**).

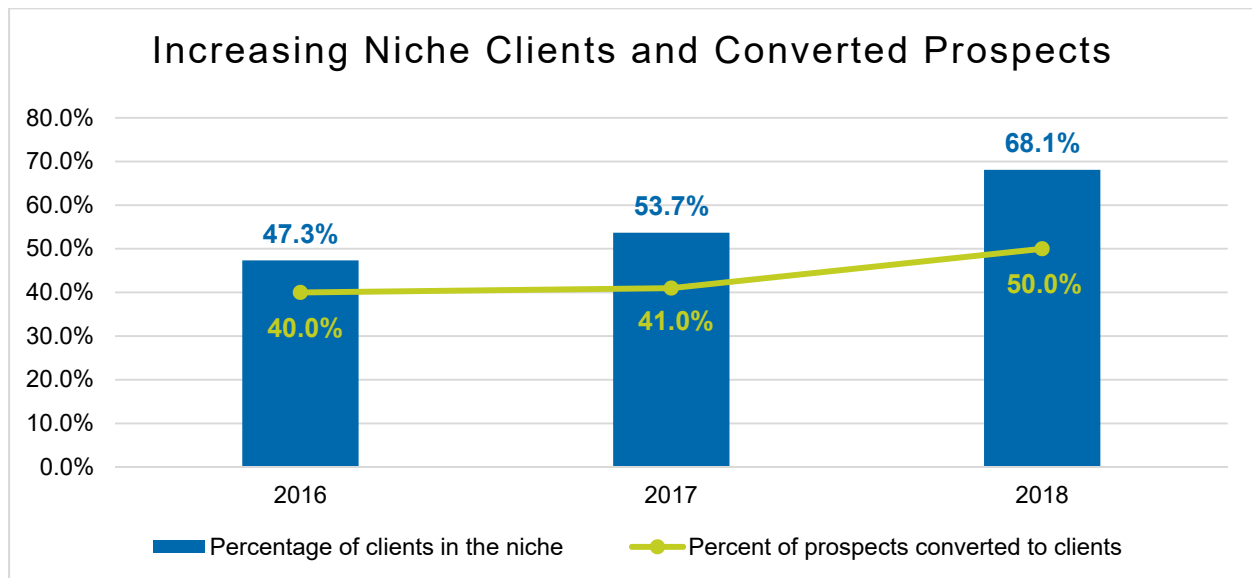


Figure 4: Increasing niche clients and converted prospects over the last three years

BUSINESS DEVELOPMENT AND GROWTH

Members of XYPN had fantastic growth in 2018. The average XYPN advisor grew revenue by 17.8 percent over the year (**Figure 5**). In comparison, the annual total return for the S&P 500 was down 4.38 percent. Despite the headwinds of the market conditions, advisors added revenue through new relationships and successful business development practices.

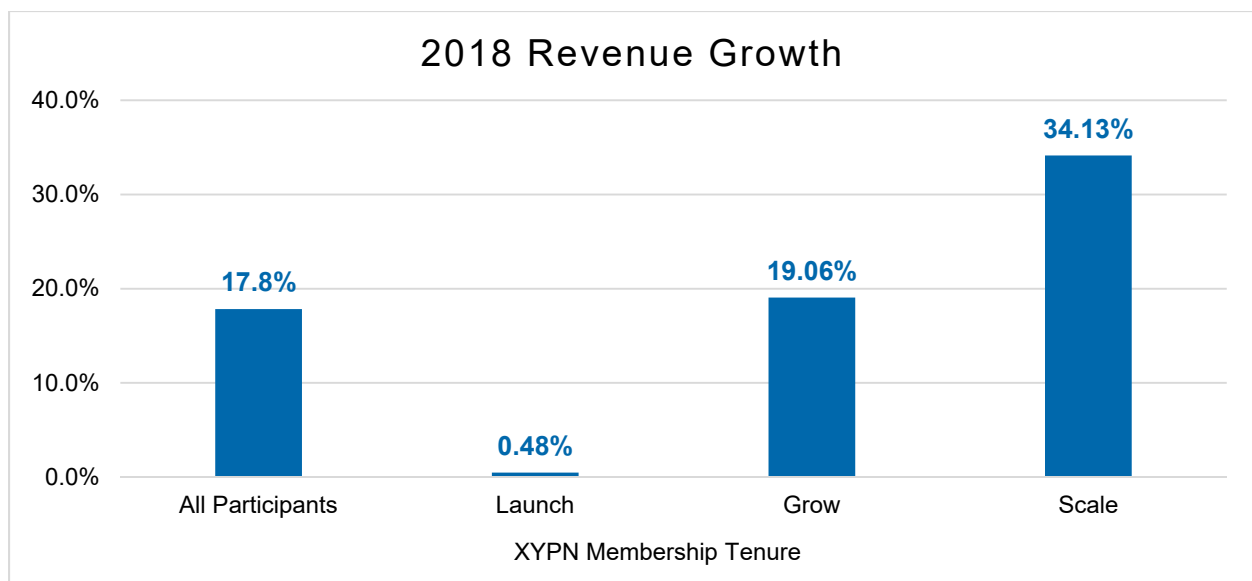


Figure 5: 2018 revenue growth by membership tenure

As **Figure 5** illustrates, revenue growth was not equal for all XYPN members. Advisors who have been within XYPN longer experienced greater growth than members with shorter tenures. Experience as an advisor explains some of this difference. Members with less than a year at XYPN had an average of 6.2 years of experience as a primary advisor, whereas members with over three years at XYPN averaged 8.5 years of experience as an advisor.

Niche-Focus Growth Strategy

A niche focus is an example of a specific growth strategy. The niche defines the target client and services that differentiate the advisor from competitors. At XYPN, niche-focused firms have grown faster over the past two years than non-niche-focused firms (**Figure 6**).

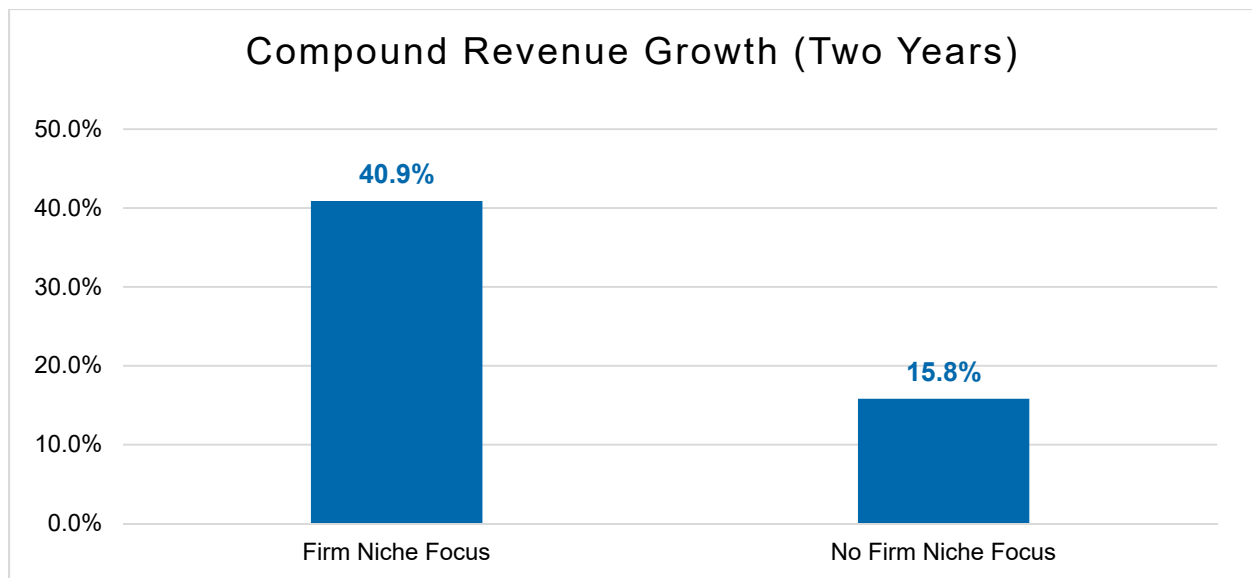


Figure 6: Compound revenue growth for firms with a niche vs. without a niche focus

From 2016 to 2018, the compound annual growth rate (CAGR) of firm revenue was over 2.5 times greater for niche-focused firms than for firms without a niche. While the data shows a clear growth advantage for niche-focused firms, the payoff is not instantaneous. A niche is a long-term strategic play, and the fruition of the plan may take a couple years to exceed the potential of a general market (i.e., no-niche) strategy.

Analyzing deeper into the data, the growth advantage for niche-focused firms becomes apparent for firms with Scale firms (**Figure 7**).

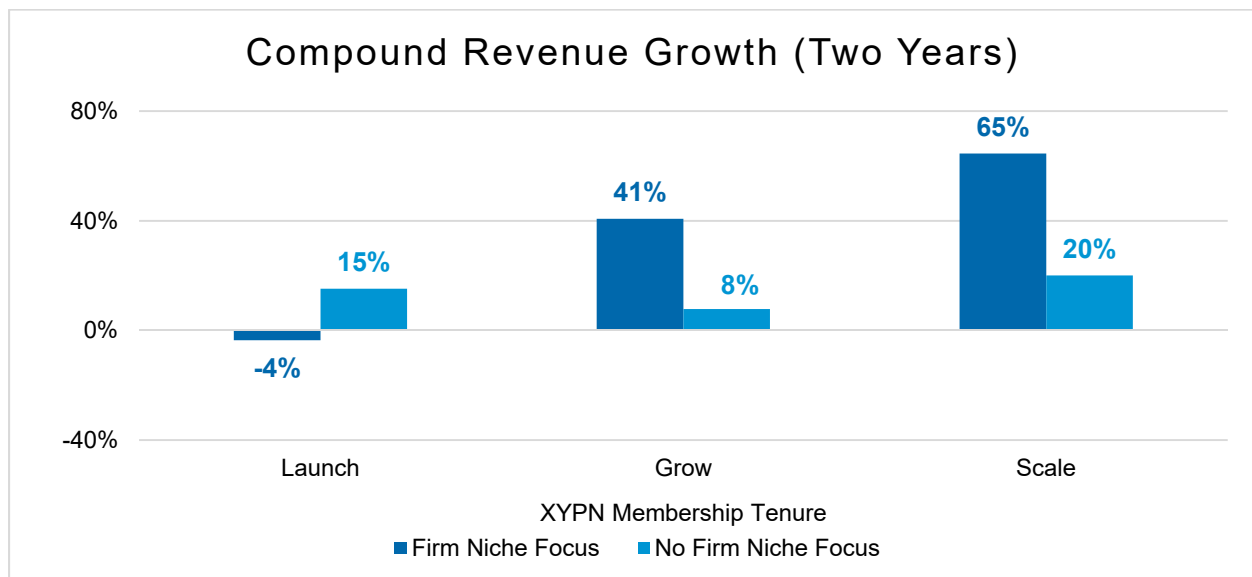


Figure 7: Compound revenue growth by membership tenure, niche vs. non-niche

Equipped with a niche focus, advisors have a story to share about their firm. Too commonly, advisors convey a message that boils down to doing financial planning for anyone. While that message is simple, it is neither unique nor memorable. If a prospective client cannot understand exactly what an advisor does, how can the prospect value that advisor's service and expertise?

In creating a growth strategy, a firm must identify what differentiates it from competitors. Aptly, this plan is often called the competitive advantage or competitive differentiation. This strategy provides answers to the following questions:

- Who is the target client?
- What are the target client's needs?
- What services does the firm provide to meet the client's needs?
- How can qualified leads and centers of influence for the target client be attracted?
- What short message concisely expresses the firm's competitive differentiation in a language that clients can understand?

Using an advisor's competitive differentiation, existing clients and centers of influence have a guide to identify prospective clients and share an accurate message about the advisor's firm. A niche also gives the advisor pricing power since she is no longer just one of many advisors offering a service.

CFP® vs. Non-CFP® Growth

When comparing revenue between CFP® professionals and non-CFP® professionals, we can see that professionals with the designation had more than double the revenue in 2018 than those without (**Figure 8**). These results may indicate that clients are now looking for advisors who hold the designation.

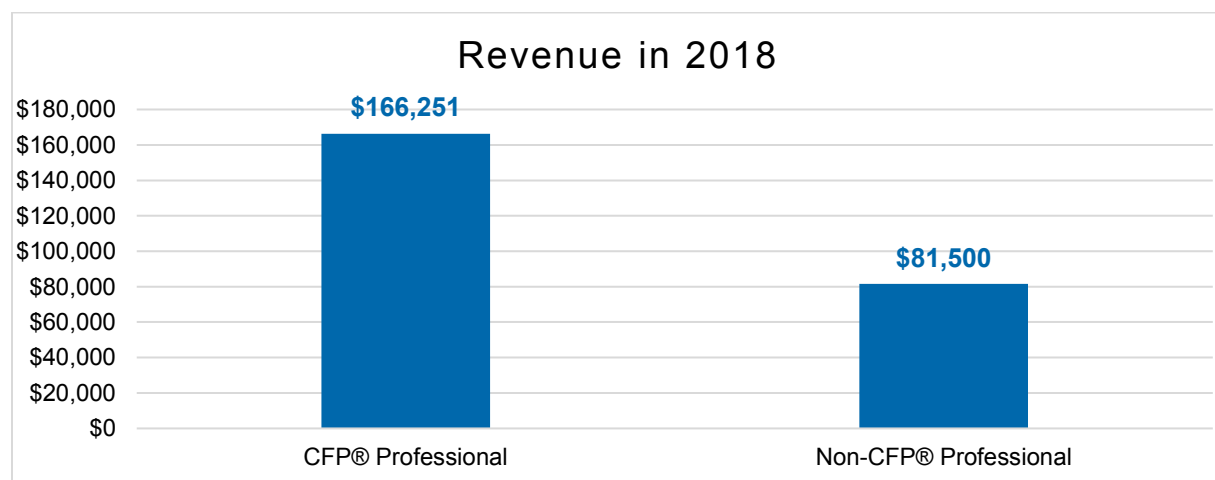


Figure 8: Revenue for CFP® vs. non-CFP® professionals in 2018

Sources of Growth

New business can come from many different sources. Importantly, we can assess which sources are more productive. An advisor has finite time to develop business, and the time and money spent doing so should result in quality client prospects.

Carrying forward the comparison between niche-focused firms and all others, **Table 4** compares the percentage of new clients gained by niche-focused and non-niche-focused firms from various sources.

Table 4: Sources of new clients in 2018 for niche and no-niche firms

SOURCE OF NEW CLIENTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
XYPN Find an Advisor profile	5%	4%
NAPFA	5%	11%
Online/Google searches	15%	17%
Speeches, seminars, community events	3%	2%
Social media	4%	2%
Online advertisement	2%	0%
Blog	0%	1%
Third-party Q&A sites	3%	0%
Networking and general business development	28%	20%
Referrals from existing clients	20%	26%
Referrals from centers of influence	17%	18%

On average, niche-focused firms grew revenue by 40.9 percent in 2018, while firms without a niche focus grew revenue by 15.8 percent (**Figure 6**). The sources of new clients listed in **Table 4** illustrate that the best avenues of growth are networking and referrals. All firms added the largest percentage of new clients from these categories. The primary advantage for niche-focused firms was growth gained from networking and general business development.

Compared to other sources of growth, networking is very proactive. The advisor has to initiate the contact when networking, whereas other sources of new clients are largely reactive and initiated by the prospective clients themselves. Referrals and website traffic require a prospective client to seek the advisor out. The number of prospects who may seek the advisor is limited to those who have relationships with the advisor's sources.

LinkedIn is a professional networking social media platform based on the relationship spheres of its members. A member's direct connections comprise the first sphere. Contacts who are not

connected directly to the member, but who are indirectly connected through a connection to a first-sphere contact, make up the second sphere. When members add a direct connection, their second sphere also grows by adding the contacts of that new connection.

For niche-focused firms, a greater percentage of new clients from networking is a good sign that they are expanding their first- and second-sphere contacts. In the future, this should create more referral sources and opportunities for growth.

Sales Process

In 2018, XYPN advisors connected with about 40 prospective clients on average. Prospects may have arrived via any source, which means that not all prospects were a good fit. Advisors calculated that 65 percent of leads were quality prospects while the remaining 35 percent were not worth pursuing further.

For those prospects who went further into the sales process, XYPN advisors averaged a 45 percent success rate of converting prospects into clients. Interestingly, XYPN members with more tenure only had a slightly improved probability of closing clients (**Figure 9**). The more tenured members did, however, engage new clients in retainer relationships more frequently.

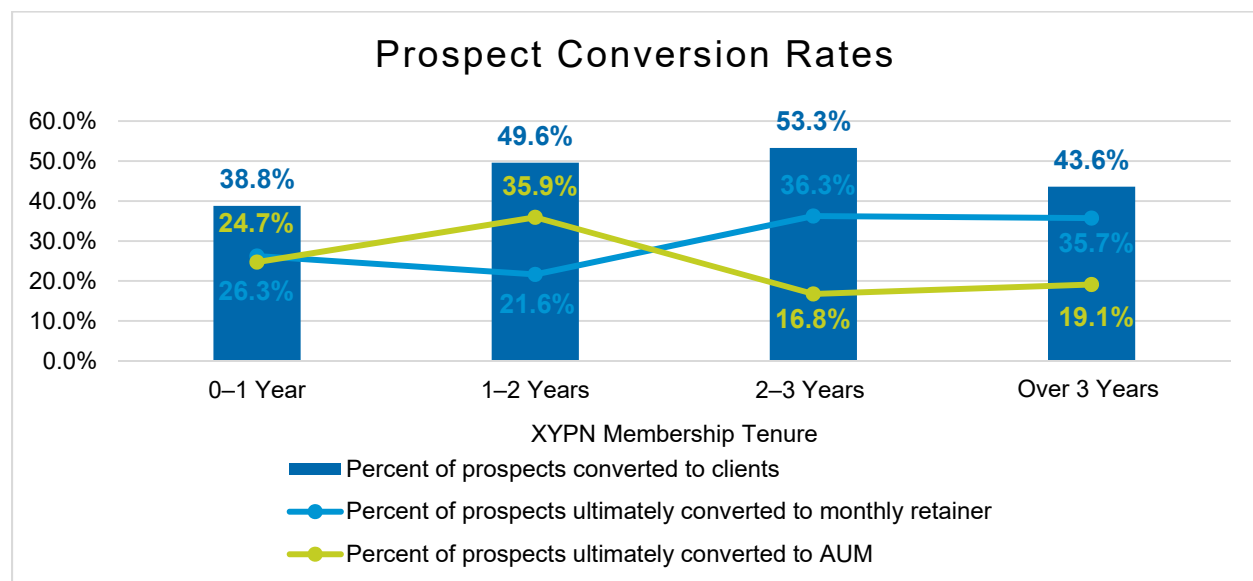


Figure 9: Prospect conversion rates by membership tenure

CLIENT SERVICE

Services Offered

Advisors provide value through the services they offer. On top of general financial planning, most advisors strive to develop further specialties and offer clients help according to their expertise. While clients are looking for well-rounded advisors who can help them with the many aspects of their financial lives, data indicates year after year that advisors should not overextend on the services they provide. If offering fewer services would allow advisors to dedicate extra time to develop expertise in the services they provide, they should consider doing so.

This year's survey indicates that the majority of XYPN advisors offer somewhere between four to eight services on top of general financial planning, with very few advisors offering more than 10 services (**Figure 10**).

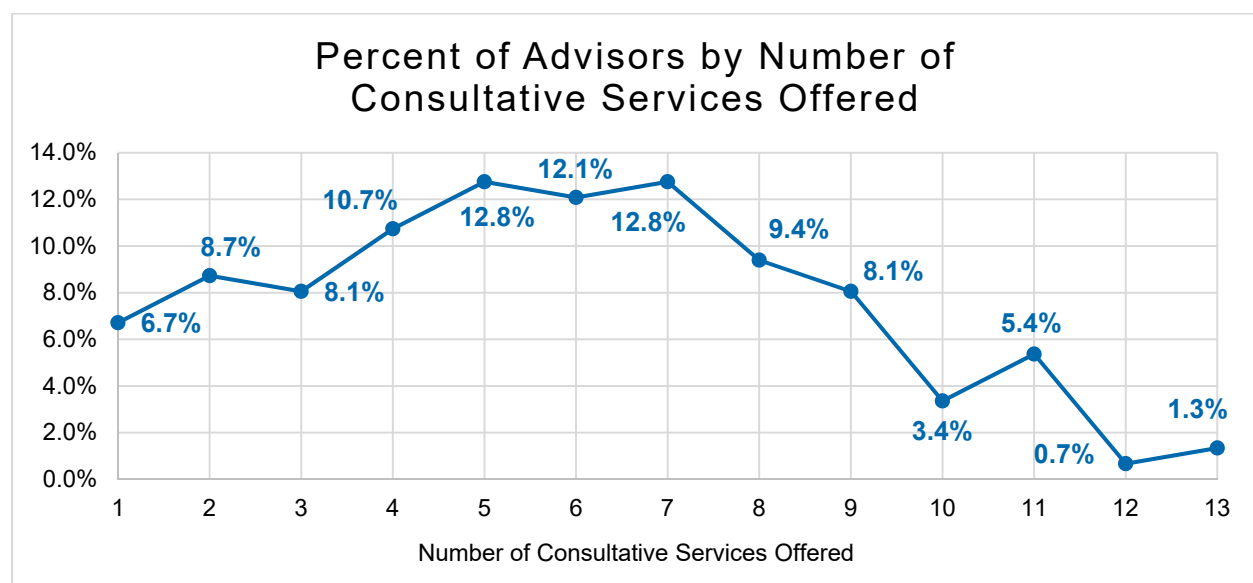


Figure 10: Percent of advisors by number of consultative services offered

The average number of consultative services offered by top performers is similar to the number of services offered by non-top performers (6.3 and 5.7, respectively). **Table 5** compares the consultative services offered by top-performing and non-top-performing advisors. It is interesting to note that none of the top performers offer trust or business consulting services, while some non-top performers do. Trust services are notoriously time consuming and may not be the most productive use of an advisor's time. Top performers are focusing on advisor-centric services.

Table 5: Consultative services offered by top vs. non-top performers

CONSULTATIVE SERVICES OFFERED TO ALL OR MOST CLIENTS	TOP PERFORMERS	NON-TOP PERFORMERS
ADVISOR-CENTRIC WORK		
Discretionary investment management	82.4%	70.4%
Investment advice (but not directly managed)	82.4%	70.5%
Retirement planning	90.0%	87.6%
Tax planning	89.5%	74.5%
Cash flow/budgeting advice	73.7%	56.8%
NON-ADVISOR-CENTRIC WORK		
Property and casualty insurance	50.0%	46.5%
Credit card and short-term debt management	21.4%	34.4%
Planning for college savings for kids	21.1%	23.7%
Student loan planning	5.9%	8.5%
Trust services	0.0%	7.1%
Career advice	9.1%	17.4%
Employee benefits advice	42.1%	37.9%
Estate planning	55.0%	53.3%
Health insurance	30.0%	44.1%
Life/disability/long-term care insurance	58.8%	51.1%
Tax preparation	25.0%	50.0%
Business consulting and support: insurance, benefits, sale of business	0.0%	11.8%

Advisors need to be able to provide a baseline level of services that meet the needs of their clients. Overall, when choosing which services to provide, advisors should seek to strike a balance between service areas that clients value and service areas in which they have knowledge or an interest in developing expertise. Offering more services does not correlate to earning more revenue or achieving higher client productivity.

Service Delivery

In addition to the services and expertise provided by an advisor, the medium in which they are delivered also contributes to the overall client experience. While designing and optimizing service delivery with the aim of enhancing the client experience, advisors should think about the mix of communication channels they would like to leverage and understand the inherent advantages and disadvantages that come with each.

For example, while in-person meetings are one of the best ways to build upon and maintain a close relationship, they usually require more preparation time and scheduling effort than an email or phone call. In this year's study, we found that while advisors are using other communication mediums such as phone conferences, video conferences and emails, in-person meetings still make up a plurality of client interactions (about 36 percent, **Figure 11**). That said, the importance of optimizing the client experience via email, phone and video cannot be ignored. Those mediums combined add up to over 64 percent of all client interactions.

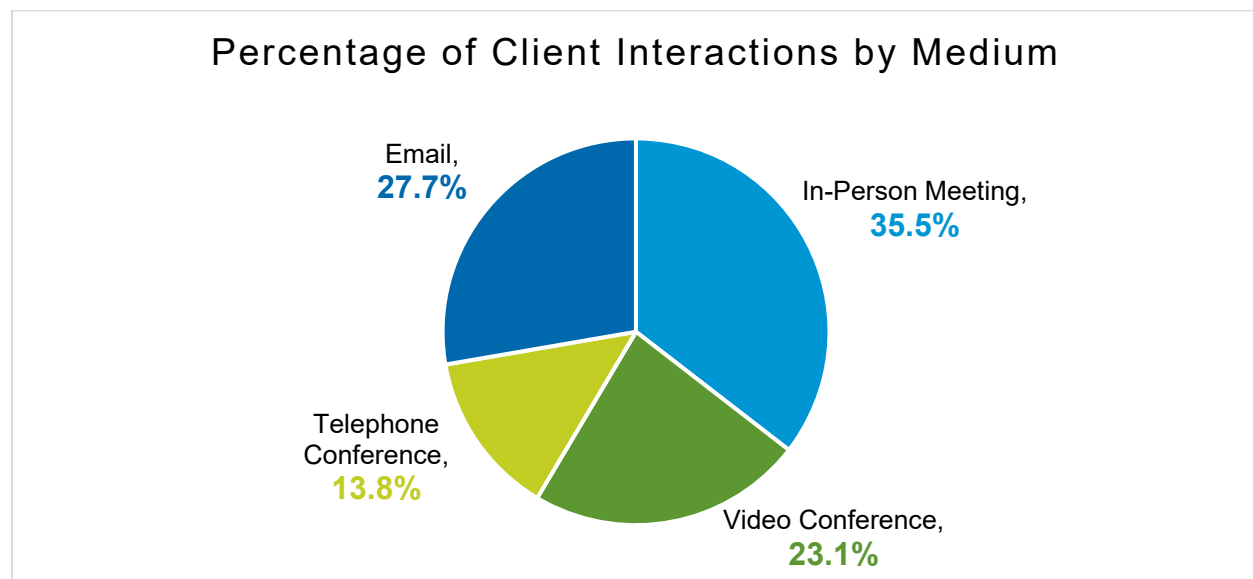


Figure 11: Percentage of client interactions by medium

Looking at client interactions by medium year over year, we see a main trend away from phone calls toward video conferencing. Perhaps advisors are finding video conferences to be a more engaging format for clients. Phone calls have decreased as a percentage of client interactions over the last two years, dropping from 17.4 percent in 2016 to 13.8 percent in 2018 (**Figure 12**). In contrast, the popularity of video conferences has increased. They now make up around 23 percent of all client interactions, a six percent increase since 2016. In-person meetings and emails have remained relatively consistent over the past two years.

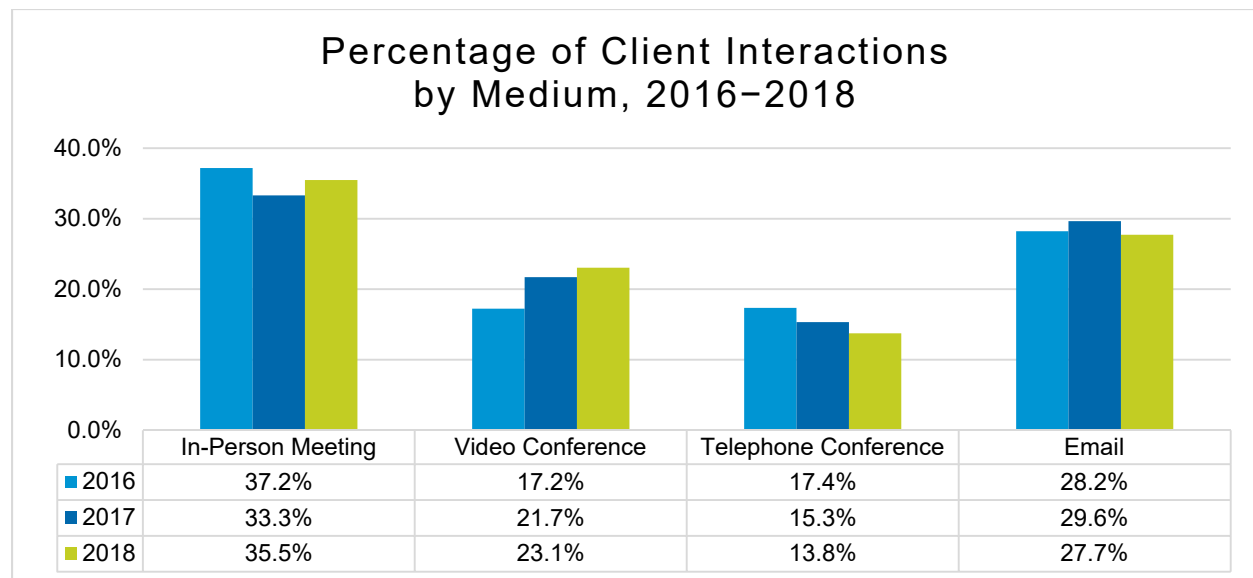


Figure 12: Percentage of client interactions by medium over the last three years

Unpacking the most popular form of client interaction — the in-person meeting — we see that a majority of advisors meet with clients either quarterly or semi-annually, with semi-annual meetings the most common (around 30 percent, **Figure 13**). About a quarter of surveyed advisors elect to meet with clients annually, though annual meetings have declined in popularity over the last year.

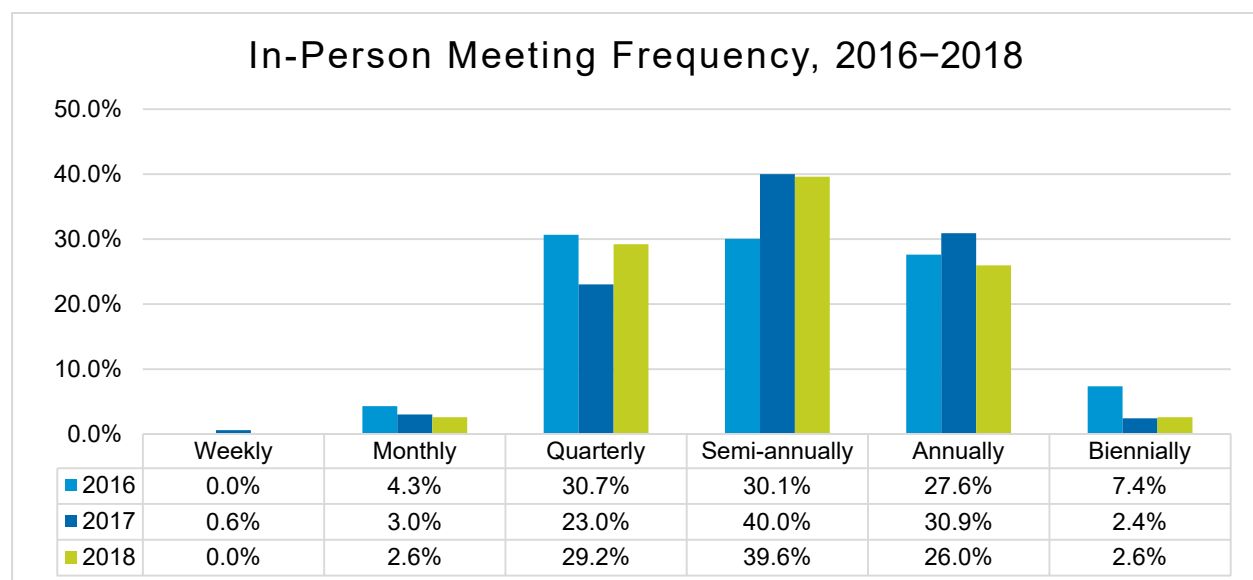


Figure 13: In-person meeting frequency over the last three years

Year-over-year trends for client interaction via email indicate that a growing majority of advisors find monthly emails to be the ideal frequency (around 60 percent, **Figure 14**). Twenty-seven percent of advisors send out quarterly emails. Weekly emails are becoming less popular, with only 10 percent of firms sending out weekly emails in 2018 as compared to 15 percent in 2016.

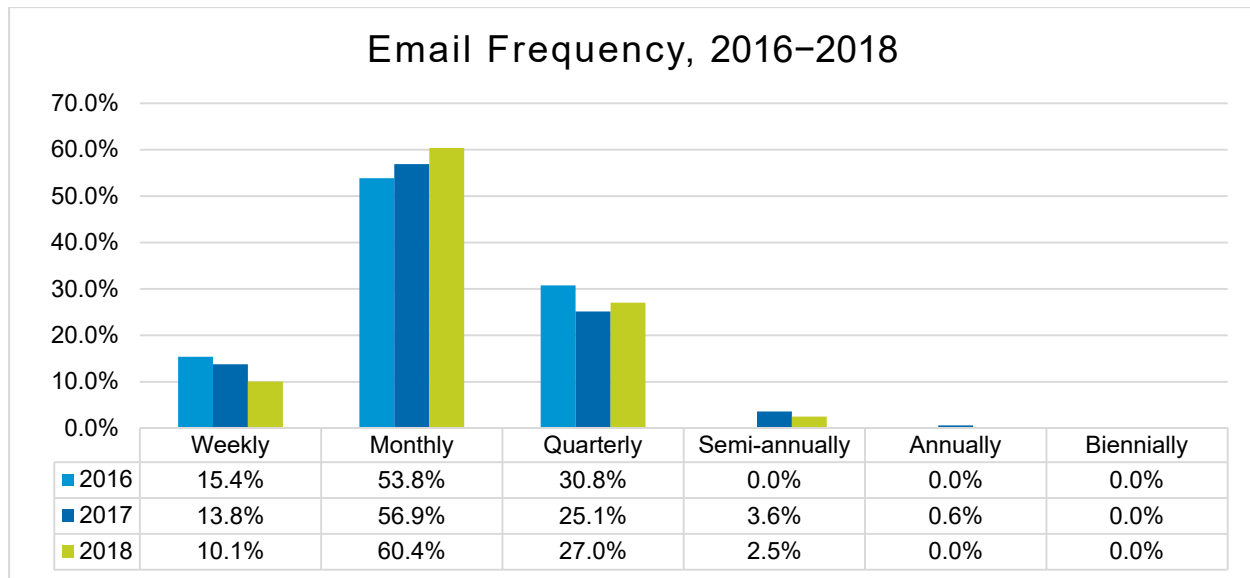


Figure 14: Email frequency over the last three years

When shaping a client service model, examining which services peer advisors are offering and how they are delivering those services can be helpful. That said, client input is still key. Advisors must have an understanding of what their clients want. Conducting a client survey or simply asking clients how often they would like to meet and how they would like to communicate is highly effective.

FEES AND PRICING

Media outlets and members of the advisory community frequently discuss an increasing possibility of fee compression in the industry, mainly due to the availability of low-cost options such as robo-advisors. However, the industry has yet to see any significant fee compression. In fact, studies conducted over the past few years have consistently shown advisory fees trending upwards. Indeed, this study is no different. XYPN advisors as a whole are increasing their fees rather than decreasing them.

Sixty-five percent of XYPN advisors have changed their fees since joining the network. Of those 65 percent, the majority has been increasing fees, especially standalone engagement fees and retainer fees (**Figure 15**). Retainer fees have been increased by the greatest number of advisors, with 79 percent of XYPN members who have changed their fees electing to increase their retainers. AUM fees have remained more consistent.

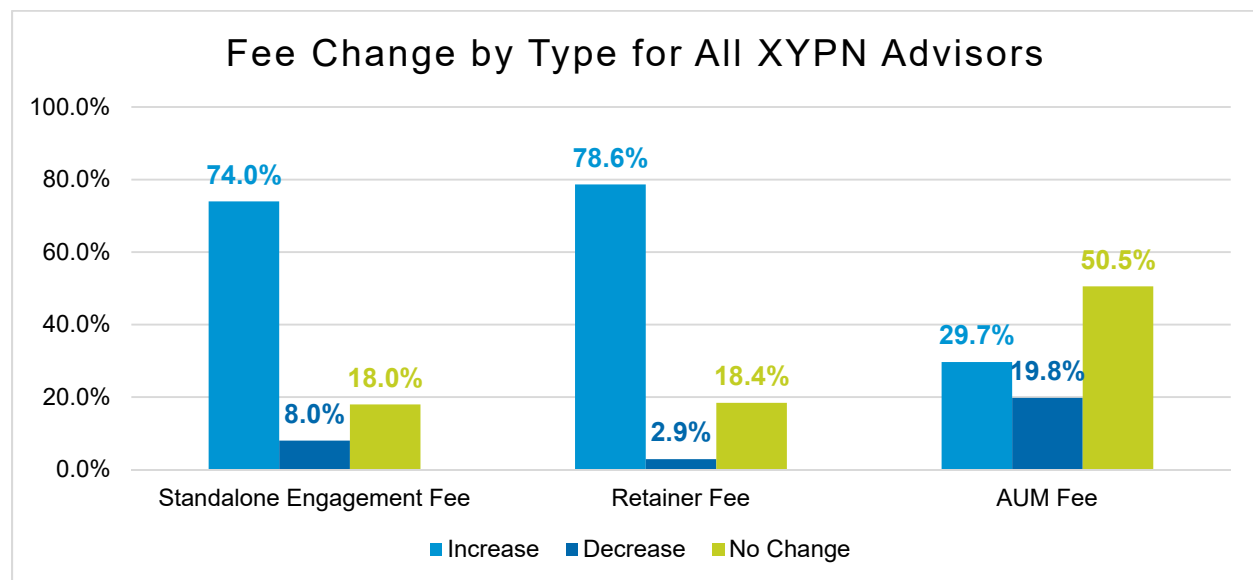


Figure 15: Fee change by type for all XYPN advisors who have changed fees

Figure 16 breaks down the fee trend by membership tenure. Members with longer tenure at the network are more likely to change fees, with 88 percent of members that have been with XYPN for more than three years having changed their fees since joining.

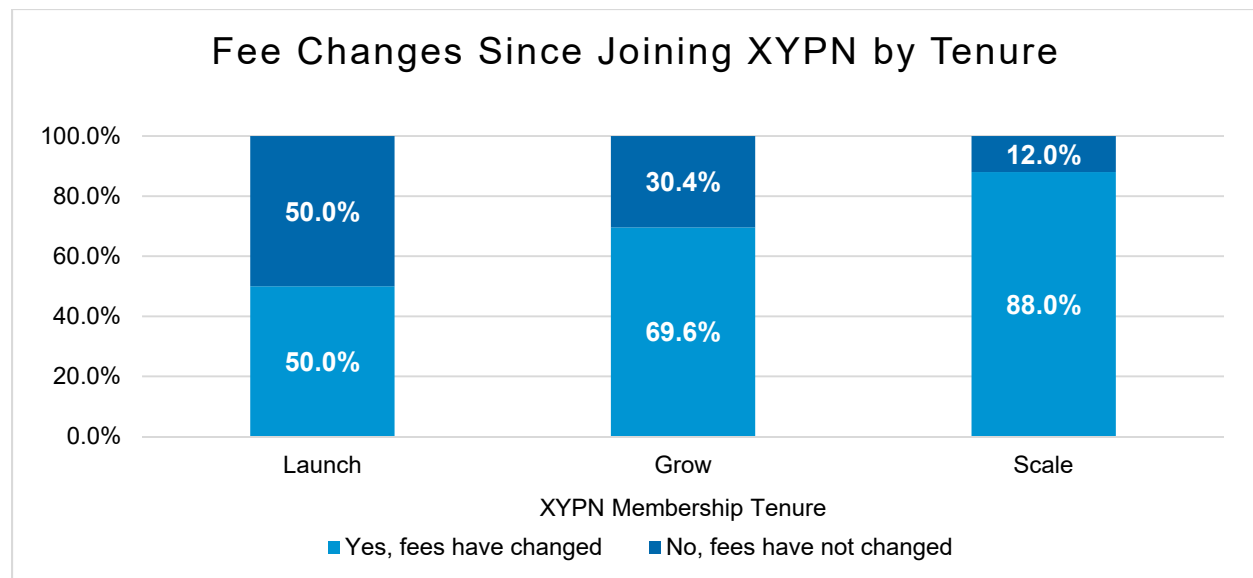


Figure 16: Advisors who have changed fees since joining XYPN by membership tenure

Fee Structures in Use

This year's survey indicates that most XYPN advisors are using a variety of fees and fee structures when engaging with clients. AUM-only and retainer-only fees continue to be the most popular types (**Figure 17**). Around 13 percent of XYPN clients pay their advisors using a combination of fees, with the pairing of retainer and AUM fees being the most common.

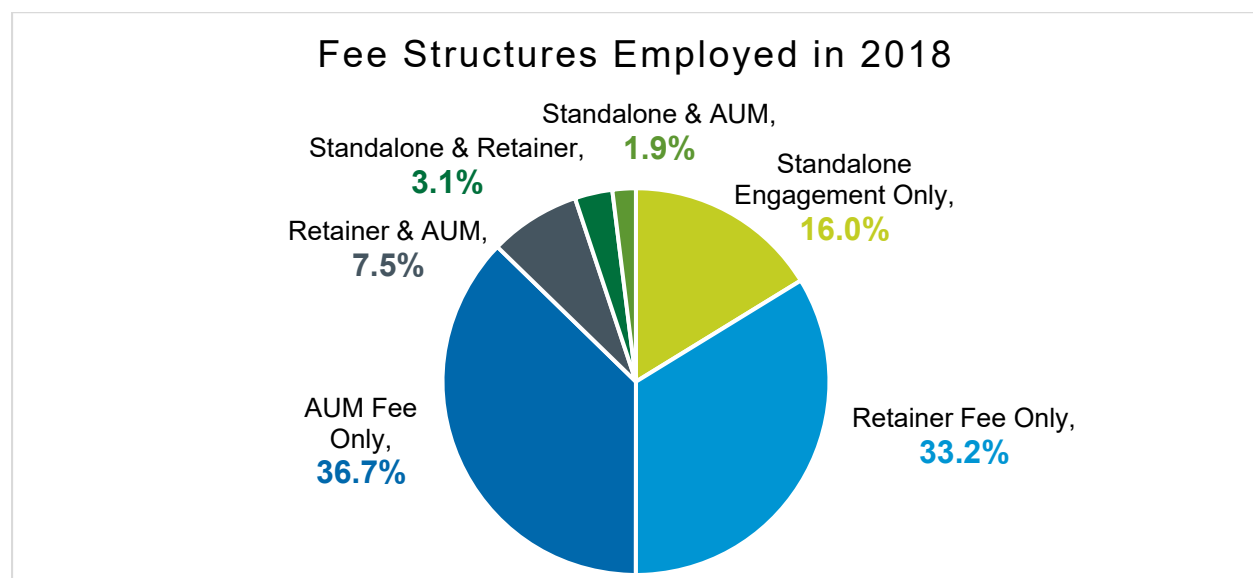


Figure 17: Fee structures employed by XYPN advisors in 2018

AUM and retainer fees have consistently ranked as the two most popular fee types employed by XYPN advisors since 2015 (**Figure 18**). Retainer fees saw a spike in popularity in 2016, with some advisors seeming to make the switch from AUM to retainer fees. Fee combinations have grown slightly in popularity since 2015, perhaps due to an increasing desire for customization from clients. It will be interesting to observe how fee structures continue to evolve in the XYPN network over the next few years.

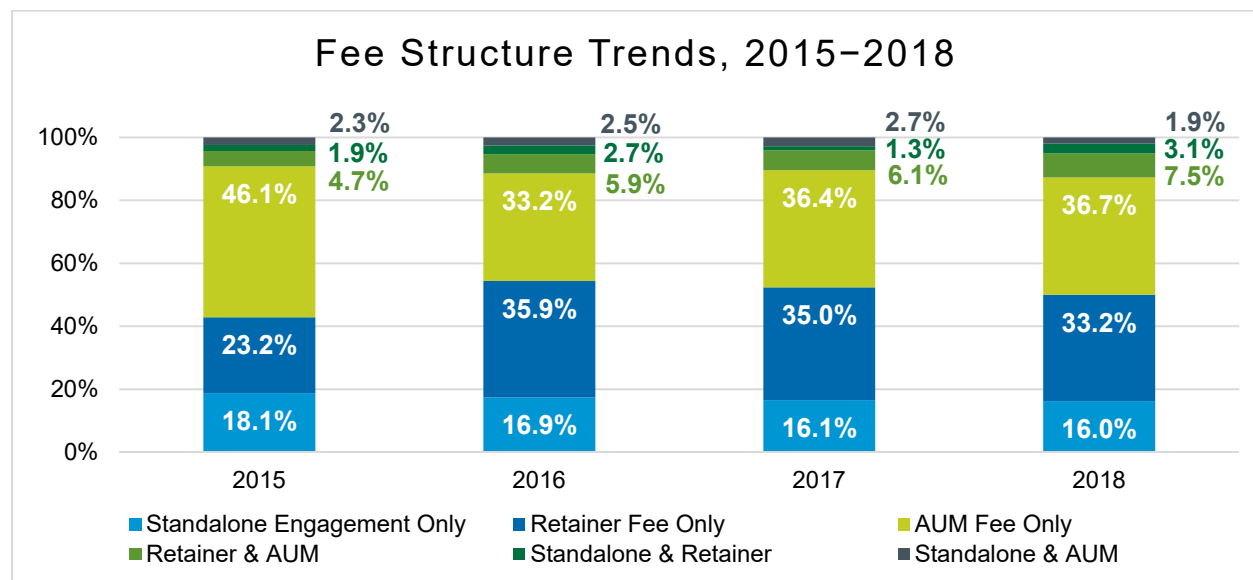


Figure 18: Fee structure trends by year

Niche vs. Non-Niche Pricing

Although advisors with a niche focus should in theory be able to charge their clients more for the specialized knowledge they provide, the data in this year's survey does not necessarily demonstrate that. **Table 6** compares the average revenue by fee type that all XYPN advisors, firms with a niche focus and firms without a niche focus collected in 2018. While firms with a niche focus collected higher retainer fees from their clients on average than non-niche firms, they received comparatively less revenue from standalone and AUM fees.

Table 6: Average client productivity by fee type

FEE TYPE	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$1,716	\$2,865
Annual retainer fee to clients	\$2,716	\$3,027	\$2,293
AUM fee to clients	\$3,043	\$2,683	\$3,712

Though the data does not indicate that niche firms collect significantly higher fees than non-niche firms, this does not invalidate the theory behind this line of thinking. It is possible that some of the niche firms surveyed are still in the process of developing the specialized knowledge needed to service their niche and will continue to increase their fees accordingly. A larger portion of firms with a niche focus have changed their fees since joining XYPN than firms without a niche focus (**Figure 19**), and most of these fee changes have been increases. Also, as illustrated before, niche firms are growing at a much faster pace than non-niche firms.

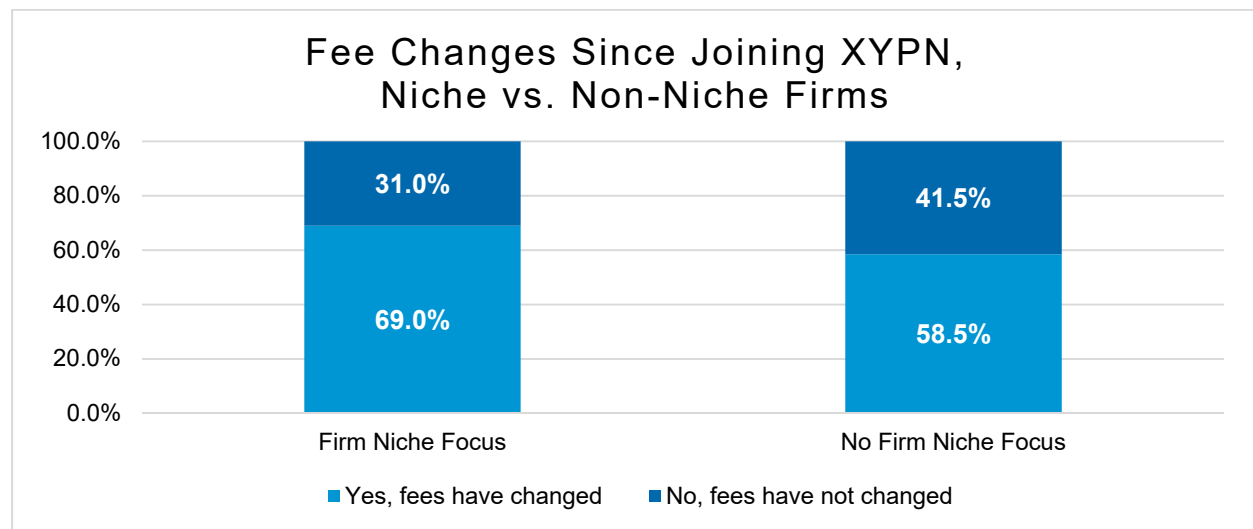


Figure 19: Firms with a niche vs. those without who have changed fees since joining

CFP® vs. Non-CFP® Pricing

This year's study once again suggests that the investment required to obtain a CFP® designation is worth the effort. CFP® professionals have consistently registered higher revenues and are able to charge higher fees. On average, the highest annual fee paid by clients to CFP® professionals in 2018 was over \$5,000 greater than the highest fee paid to non-CFP® professionals (**Figure 20**). As consumers continue to research the financial planning industry, the CFP® designation will continue to be a differentiator.

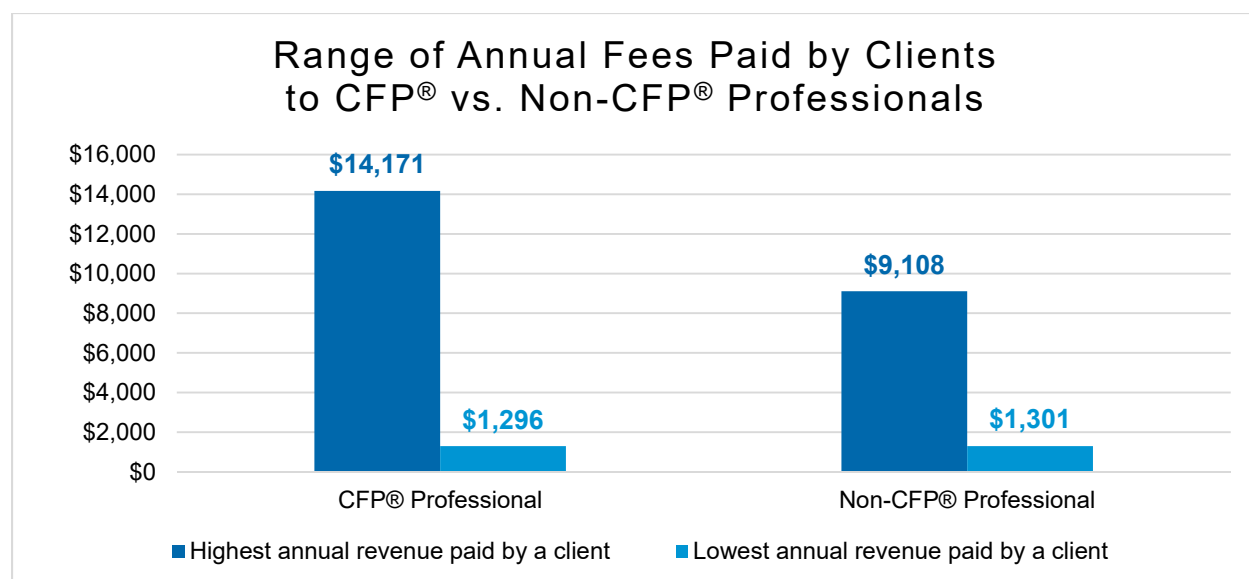


Figure 20: Range of annual fees paid by clients to CFP® vs. non-CFP® professionals

Client Productivity and Profitability by Engagement Type

Most XYPN advisors offer several fee types to their clients, with retainer fees being the most common, followed by AUM fees (**Table 7**). Hourly and upfront fees are also offered by a majority of advisors.

Table 7: Fee types offered by XYPN advisors in 2018

FEE TYPE	OFFERED	NOT OFFERED
Retainer	88%	12%
AUM	77%	23%
Upfront	66%	34%
Hourly	62%	38%

AUM fees are still the most popular fee type in the broader advisory world, though the retainer fee is becoming more commonplace. AUM fees can incentivize advisors to work exclusively with wealthy clients while non-AUM models can allow advisors to work with populations that do not have liquid assets to manage. From a consumer perspective, it perhaps makes sense to pay a set amount for advisory services, as this is already the practice with other professional service providers (e.g., lawyers, doctors and accountants).

Just as most people weigh a variety of factors when selecting a doctor — with price being only one factor among many — most potential clients consider more than price when choosing their financial advisor. An encouraging trend from this year's study, and one which holds true almost across the board for different fee types, is that more tenured XYPN advisors are able to collect higher fees (**Figure 21**). Advisors with a longer XYPN membership tenure are likely better able to communicate their value proposition to their clients. Of course, there will be an upper limit to pricing, but the data indicates that the market values experience, and clients are willing to pay extra for it.

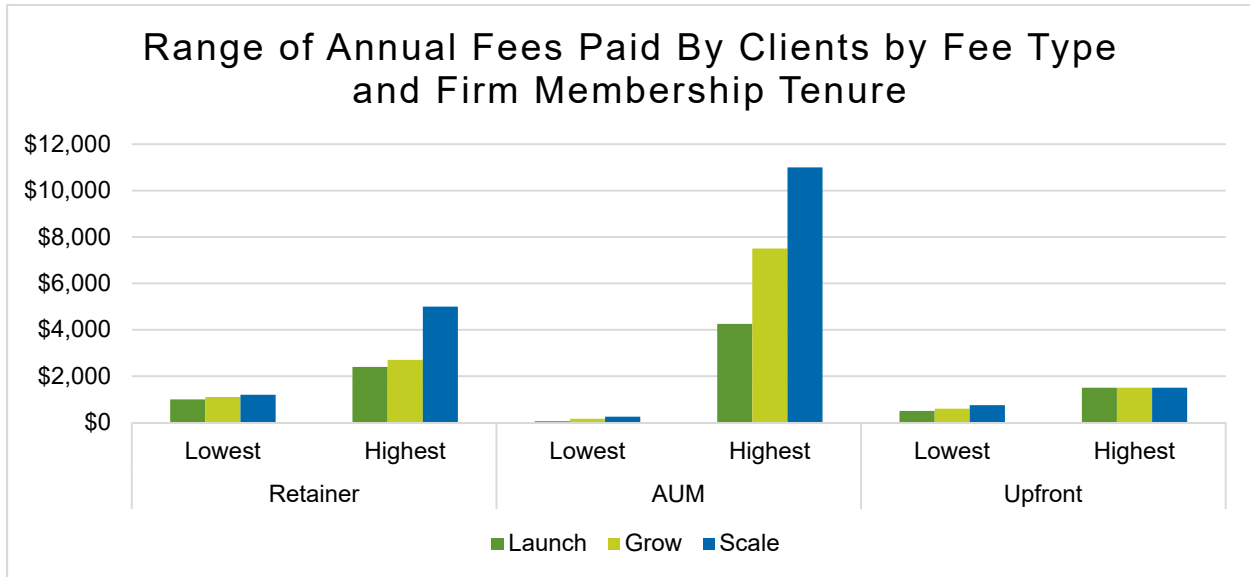


Figure 21: Range of annual fees paid by clients by fee type and firm membership tenure

PROFIT MANAGEMENT

Revenue and Expenses

Year-over-year trends can be evaluated more effectively when only including more tenured members of XYPN. Most of the data referenced in this section excludes Launch firms.

This year's survey shows that XYPN advisors had a solid year in terms of revenue, with Grow and Scale network firms averaging 25 percent top-line revenue in 2018 (**Figure 22**).

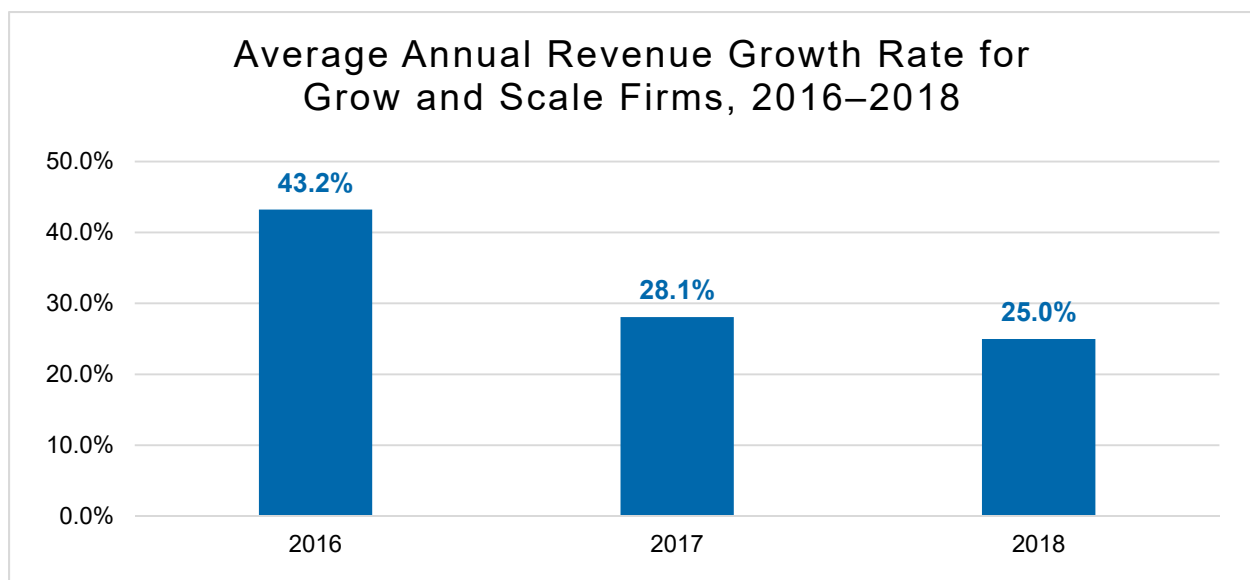


Figure 22: Average annual revenue growth rate over last three years for Grow and Scale firms

While growth is paramount to a successful practice, revenue is only part of the equation for profitability. The other elements of the profitability equation are direct expenses and overhead expenses.

$$\text{REVENUE} - \text{DIRECT EXPENSES} - \text{OVERHEAD EXPENSES} = \text{PROFIT}$$

Direct expenses in the advisory business are defined as the compensation (salary, bonus and commissions) paid to the professionals delivering advice to clients. This includes lead advisors, support advisors, investment managers, outside referral fees and the owner/advisor.

Overhead expenses include all other expenses required to operate the business: administrative staff compensation, benefits, rent, technology, licensing and insurance. XYPN advisors in the Grow and Scale tenure categories showed an operating profit of 27.6 percent in 2018 (**Table 8**).

Table 8: Average operating profit for Grow and Scale XYPN advisors in 2018

PROFIT AND LOSS	PERCENTAGE	DOLLAR AMOUNT
Revenue	100.0%	\$147,246
Total direct expenses	39.5%	\$58,415
Total overhead expenses	32.9%	\$48,649
Operating profit	27.6%	\$40,849

Digging further into the direct expense category shows that Grow and Scale XYPN advisors are paying themselves \$50,911 on average as compensation for their labor to deliver financial advice (Table 9).

Table 9: Direct expenses for Grow and Scale XYPN advisors in 2018

DIRECT EXPENSES	
Owners compensation	\$50,911
Compensation for other client-facing professionals	\$7,503
Referral/solicitation fees	\$0
Total direct expenses	\$58,415

Part of running a successful business is building in realistic expectations for operational costs. The primary purpose of modeling compensation for yourself is to have a real sense of your gross profit. Since you do not work for free, you should include the cost of your labor in direct expenses, even if it means there is no profit left. Modeling your compensation also has secondary benefits:

- Defines a compensation expectation upon which you can plan life and business decisions
- Creates an additional growth target to grow compensation up to the benchmark
- Helps keep expenses from overdrawing your income
- Produces a standard of professional salary if you ever employ another lead advisor
- Allows for personal expense management, whereby you can align personal living expenses to compensation and still have profit left to grow the business

Total owner income is another important metric. Owner income is the compensation for the labor you contribute to the business plus the return on your equity in the business.

$$\text{TOTAL OWNER INCOME} = \text{COMPENSATION} + \text{PROFIT DISTRIBUTION}$$

Using this formula and data from **Table 8** and **Table 9**, we can see that the average XYPN advisor at a Grow or Scale firm had a total owner income of \$91,760 in 2018 ($\$50,911 + \$40,849 = \$91,760$), as shown in **Table 10**.

Table 10: Total owner income for average XYPN Grow or Scale advisor

TOTAL OWNER INCOME	
Owners compensation	\$50,911
Operating profit	\$40,849
Total owner income	\$91,760

The other piece of the profit equation is overhead expenses. To better understand the costs of a growing business, it is essential to know where your overhead dollars are spent. As shown in **Figure 23**, as a percentage of top-line revenue, Grow and Scale firms spent significantly less on administrative staff than Launch firms. In terms of total revenue spent on overhead, Grow and Scale firms come in at 33 percent compared to 44 percent for Launch firms.

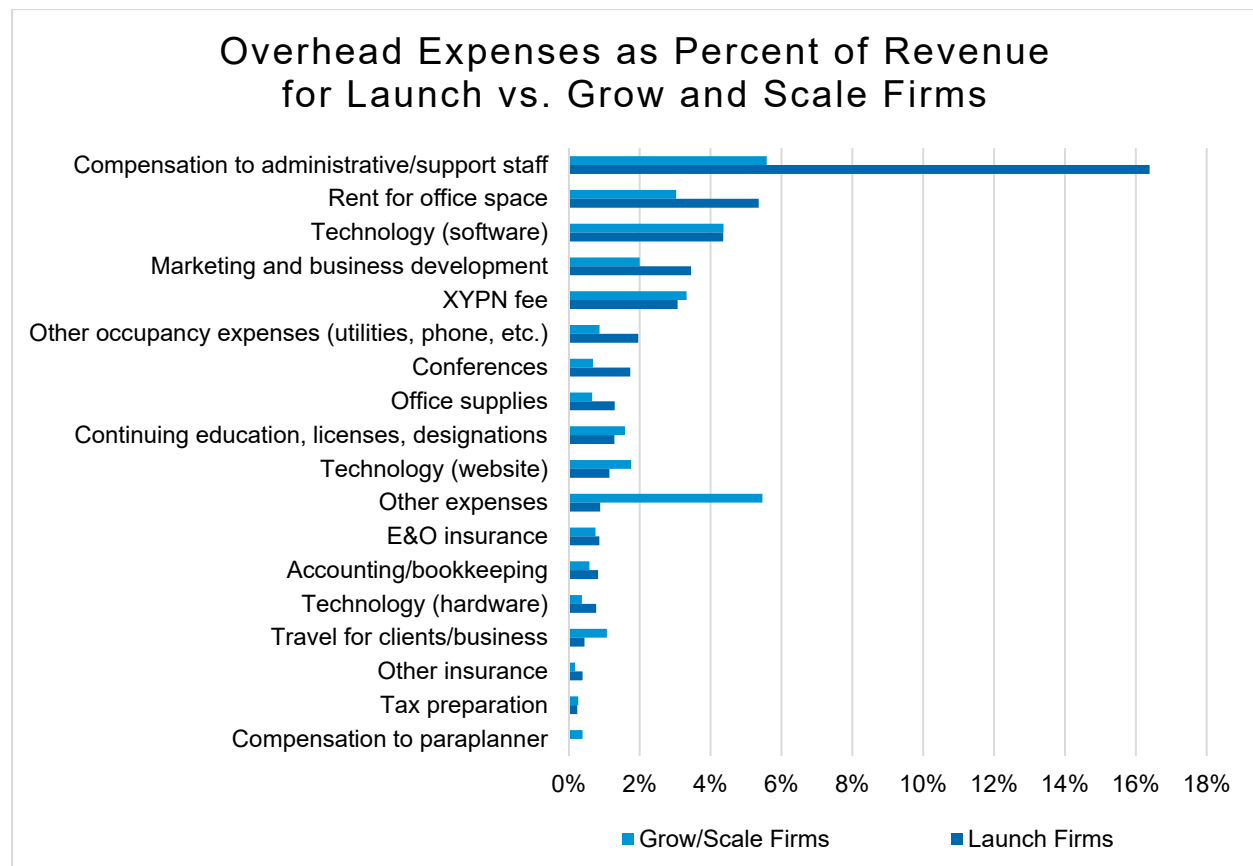


Figure 23: Overhead expenses as percent of revenue for Launch vs. Grow and Scale firms

Some of these overhead expenses are fixed costs (e.g., rent and staff), which are a function of smaller top-line revenue and will naturally fall into line when growth has taken hold. However, it is good practice to keep tight controls on all overhead expenses to ensure that you can push profitability higher.

Higher profitability means increased returns on your investment in your business. Increasing profitability can also be used to reinvest in the business — such as staff, technology and acquisitions — allowing you to control the growth of the firm.

APPENDIX TABLES

Appendix A

All Participants	33
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Appendix B

Launch Firms (Less Than One Year XYPN Tenure)	40
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Appendix C

Grow Firms (One to Three Years XYPN Tenure)	47
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Appendix D

Scale Firms (More Than Three Years XYPN Tenure)	54
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Appendix E: Member Profiles

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ALL PARTICIPANTS

GENERAL PROFILE		
1. Reason advisor started an independent advisory firm		
To build a small business (i.e., to be a firm owner and advisor of a practice, perhaps with some support staff)		25.4%
To build an enterprise business (i.e., to be a firm owner and scale to multiple advisors beyond yourself)		20.6%
To be self-employed (i.e., to be your own boss, control what you deliver to clients)		54.0%
	AVERAGE	MEDIAN
2. Firm start date	7/15/2016	8/1/2017
3. Years of experience as primary advisor	7.1	5.7
4. Years of experience in the industry	11.1	10.3
5. Percent of participants with professional designation		
CFP		84.8%
CFA		8.6%
CPA		11.9%
CLU		1.3%
ChFC		4.0%
PFS		1.3%
Master's in Financial Planning/Financial Services		0.0%
MBA		27.8%
Other designations		33.1%
	AVERAGE	MEDIAN
6. Date joined XYPN	5/15/2017	9/1/2017
7. Role prior to joining XYPN		
Employee at a financial services company		8.6%
Advisor at an independent broker-dealer		9.7%
Advisor at an insurance broker-dealer		4.8%
Advisor at a wirehouse		4.3%
Advisor at bank		0.5%
Owned their own RIA		15.6%
Advisor at an RIA		23.7%
Employee at an RIA		8.6%
Employee at an investment management firm		5.4%
Not in financial services industry previously		10.8%
Other		8.1%
	AVERAGE	MEDIAN
8. Percentage of your clients that came with you when you joined XYPN	40.3%	23.0%

ALL PARTICIPANTS

FIRM OWNERSHIP AND FINANCIALS

9. Firm owner		AVERAGE OWNERSHIP	
Yes	100.0%	96.3%	
No	0.0%		
		AVERAGE	MEDIAN
10. Total number of firm owners		1.2	1.0
11. Target revenue for 12/31/2019		\$131,833	\$100,000
12. Annual firm revenue, by year			
Fiscal year 2015	\$86,633	\$60,000	
Fiscal year 2016	\$115,958	\$87,152	
Fiscal year 2017	\$138,432	\$106,337	
Fiscal year 2018	\$163,112	\$133,000	

CLIENTS AND SERVICES

13. Number of clients (i.e., households), by year						AVERAGE	MEDIAN	
12/31/2015						25.5	6.5	
12/31/2016						31.8	15.0	
12/31/2017						45.7	32.5	
12/31/2018						58.6	43.5	
14. Client engagement type, by year		STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM	OTHER
12/31/2015		18.1%	23.2%	4.61%	4.7%	1.9%	2.3%	3.9%
12/31/2016		16.9%	35.9%	33.2%	5.9%	2.7%	2.5%	2.9%
12/31/2017		16.1%	35.0%	36.4%	6.1%	1.3%	2.7%	2.4%
12/31/2018		16.0%	33.2%	36.7%	7.5%	3.1%	1.9%	1.6%
15. Sources of new clients over the 12 months ending 12/31/18		STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM	OTHER
Total net new clients		27.5%	31.9%	24.3%	9.2%	3.7%	2.6%	0.9%
XYPN Find an Advisor profile		1.9%	2.1%	0.2%	0.1%	0.1%	0.1%	0.0%
NAPFA		2.3%	3.2%	1.0%	0.6%	0.0%	0.1%	0.2%
Online/Google searches		6.3%	6.0%	1.8%	1.5%	0.4%	0.3%	0.0%
Speeches, seminars, community events		0.6%	0.8%	0.6%	0.2%	0.0%	0.0%	0.3%
Social media		0.6%	2.1%	0.5%	0.1%	0.0%	0.1%	0.0%
Online advertisement		0.0%	0.8%	0.3%	0.0%	0.0%	0.0%	0.0%
Blog		0.2%	0.1%	0.0%	0.1%	0.2%	0.0%	0.0%
Third-party Q&A sites		0.8%	0.3%	0.6%	0.0%	0.1%	0.0%	0.0%
Networking and general business development		3.7%	7.0%	9.3%	2.3%	1.6%	0.6%	0.2%
Referrals from existing clients		5.1%	5.4%	6.8%	2.8%	1.0%	1.1%	0.0%
Referrals from centers of influence		6.2%	5.5%	4.3%	1.5%	0.3%	0.3%	0.2%
Lost clients you previously worked with but do not any longer		0.1%	1.4%	1.1%	0.0%	0.0%	0.0%	0.0%

ALL PARTICIPANTS

DISCRETIONARY AND NON-DISCRETIONARY ASSETS		
16. Firm provides discretionary investment management services		
Yes		79.4%
No		20.6%
a. Total discretionary assets under management (AUM)		
	AVERAGE	MEDIAN
12/31/2015	\$9,727,967	\$4,678,480
12/31/2016	\$13,806,951	\$8,379,729
12/31/2017	\$17,050,260	\$11,652,144
12/31/2018	\$19,241,111	\$14,938,868
17. Firm bills on outside investments on which it provides advice, but does not directly manage		
Yes		21.4%
No		78.6%
a. If firm bills for non-discretionary assets, method used		
Separate AUM fee		30.6%
Included as a service as part of the retainer fee		69.4%
b. Total billed non-discretionary AUM		
	AVERAGE	MEDIAN
12/31/2015	\$11,457,100	\$5,000,000
12/31/2016	\$10,973,041	\$4,801,870
12/31/2017	\$14,664,377	\$5,000,000
12/31/2018	\$13,118,305	\$779,000
18. Sources of AUM for the 12 months ending 12/31/2018		
	AVERAGE	GROWTH PERCENTAGE
Beginning AUM	\$3,345,076	
XYPN Find an Advisor profile	\$50,870	1.7%
NAPFA	\$123,419	4.1%
Online/Google searches	\$85,485	2.8%
Speeches, seminars, community events	\$8,696	0.3%
Social media	\$119,565	4.0%
Newspaper advertisement	\$0	0.0%
Online advertisement	\$0	0.0%
Blog	\$0	0.0%
Networking and general business development	\$1,159,716	38.6%
Referrals from existing clients	\$889,808	29.6%
Referrals from centers of influence	\$136,308	4.5%
Existing client contributions	\$637,026	21.2%
Lost clients	(\$110,109)	-3.7%
Existing client distributions	\$4,625	0.2%
Change in AUM due to market performance	(\$99,740)	-3.3%
Ending AUM	\$4,951,712	

ALL PARTICIPANTS

NICHE CLIENT FOCUS							
19. Firm has a niche client focus					PERCENT OF CLIENTS IN NICHE		
Yes					61.9%		68.1%
No					38.1%		
a. Category that best describes niche(s)							
Age-based (e.g., Millennials)							26.1%
Professional (e.g., doctors)							39.6%
Culture-specific (e.g., Latinos, LGBT)							7.2%
Interest-specific (e.g., adventurers, diligent savers)							4.5%
Life events (e.g., divorce)							9.9%
Career stages (e.g., Gen X, retirement planning, recent graduates)							23.4%
Other							31.5%
					AVERAGE		MEDIAN
20. Number of prospects connected with in calendar year 2018					39.2		30.0
Percent of prospects where qualified prospects					65.3%		70.0%
Percent of prospects converted to clients					45.3%		50.0%
Percent of prospects ultimately converted to monthly retainer					28.4%		20.0%
Percent of prospects ultimately converted to AUM					25.4%		16.0%
*If offered, how many clients utilize this service?							
21. Consultative services offered along with financial planning	INCLUDED IN FEE	BILLED SEPARATELY	NOT OFFERED TO CLIENTS	*TO ALL CLIENTS	*TO MOST CLIENTS	*TO SOME CLIENTS	*OFFERED, BUT NOT USED
Discretionary investment management	59.7%	29.6%	10.7%	24.8%	47.2%	22.4%	5.6%
Investment advice (but not directly managed)	86.1%	8.9%	5.1%	40.3%	31.8%	23.3%	4.7%
Retirement planning	95.2%	4.8%	0.0%	46.8%	41.1%	12.1%	0.0%
Estate planning	91.1%	3.2%	5.7%	21.6%	32.0%	43.2%	3.2%
Tax planning	91.3%	2.5%	6.2%	38.0%	38.8%	21.7%	1.6%
Tax preparation	6.5%	13.8%	79.7%	15.4%	30.8%	42.3%	11.5%
Health insurance	68.3%	0.0%	31.7%	19.2%	23.1%	50.0%	7.7%
Life/disability/long-term care insurance	82.5%	0.6%	16.9%	19.0%	33.3%	43.8%	3.8%
Property and casualty insurance	72.0%	0.0%	28.0%	20.0%	27.1%	49.4%	3.5%
Credit card and short-term debt management	83.9%	4.0%	12.1%	15.0%	17.8%	57.9%	9.3%
Cash flow/budgeting advice	90.1%	5.6%	4.3%	27.7%	31.5%	39.2%	1.5%
Planning for college savings for kids	95.0%	4.4%	0.6%	3.8%	19.5%	68.4%	8.3%
Student loan planning	81.9%	6.0%	12.1%	0.9%	7.2%	72.1%	19.8%
Trust services	13.3%	1.5%	85.2%	0.0%	5.6%	66.7%	27.8%
Business consulting and support: insurance, benefits, sale of business	41.8%	9.9%	48.2%	1.6%	7.9%	76.2%	14.3%
Career advice	68.3%	1.4%	30.3%	2.5%	13.8%	76.3%	7.5%
Employee benefits advice	89.6%	3.9%	6.5%	11.5%	27.0%	57.4%	4.1%
			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL	
22. Percentage of client interactions conducted by medium:			35.5%	23.1%	13.8%	27.7%	
23. Typical frequency of client interactions:			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL	
Weekly			0.0%	0.0%	0.7%	10.1%	
Monthly			2.6%	10.9%	19.3%	60.4%	
Quarterly			29.2%	35.2%	44.4%	27.0%	
Semi-annually			39.6%	27.3%	23.7%	2.5%	
Annually			26.0%	20.3%	9.6%	0.0%	
Biennially			2.6%	6.3%	2.2%	0.0%	
24. Percentage of advisor actively working with another person for the following functions:			ADVISOR IN MY OFFICE	INTERNAL STAFF MEMBER	OUTSOURCED SUPPORT	NO ONE/DON'T USE	
Business development			2.8%	0.7%	17.9%	78.6%	
Meeting with clients			6.4%	5.0%	0.7%	87.9%	
Preparing the financial plan			8.6%	4.3%	7.2%	79.9%	
Client meeting preparation			7.1%	8.6%	5.0%	79.3%	
Business bookkeeping/accounting			3.4%	3.4%	38.6%	54.5%	
Office administrative tasks			4.9%	12.5%	8.3%	74.3%	
Investment operations			7.0%	2.1%	16.2%	74.6%	

ALL PARTICIPANTS

PRICING				
25. Average client productivity		AVERAGE		MEDIAN
Standalone engagement (hourly, upfront, project) fee to clients		\$2,105		\$1,225
Annual retainer fee to clients		\$2,716		\$2,283
AUM fee to clients		\$3,043		\$2,000
26. Range of annual fees		AVERAGE		MEDIAN
Highest annual revenue paid by a client		\$12,466		\$8,350
Lowest annual revenue paid by a client		\$1,209		\$800
27. For highest revenue client, percent of revenue by engagement type		AVERAGE		MEDIAN
AUM fee		54.7%		80.0%
Retainer fee		36.8%		0.0%
Upfront planning fee		7.3%		0.0%
Hourly fee		1.2%		0.0%
28. Changed fees since joining XYPN				
Yes				64.7%
No				35.3%
For advisors changing fees:				
a. Change by engagement type		INCREASE	DECREASE	NO CHANGE
Standalone engagement fee		74.0%	8.0%	18.0%
Retainer fee		78.6%	2.9%	18.4%
AUM fee		29.7%	19.8%	50.5%
RETAINER PRICING				
29. Offer a retainer fee pricing option				
Yes				87.9%
No				12.1%
For advisors offering retainer pricing:				
a. Duration of the retainer agreement				
Month-to-month				66.9%
Initial term then month-to-month				16.2%
Required term, quarterly				2.0%
Required term, annually				14.2%
Required term, other				0.7%
b. Standard <i>monthly</i> retainer fee		AVERAGE		MEDIAN
		\$491		\$200
c. Niche client standard <i>monthly</i> retainer fee				
Niche client		\$1,116		\$250
Non-niche client		\$893		\$200
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018				
Highest annual revenue in retainer fees		\$6,638		\$3,000
Lowest annual revenue in retainer fees		\$1,473		\$1,200

ALL PARTICIPANTS

UPFRONT PLANNING FEE PRICING		
30. Offer an upfront planning fee pricing option		
Yes		66.3%
No		33.7%
For advisors offering upfront planning fee pricing:		
	AVERAGE	MEDIAN
a. Standard upfront planning fee	\$1,492	\$1,200
b. Highest and lowest upfront planning fee charged to clients in 2018:		
Highest fee amount	\$1,991	\$1,500
Lowest fee amount	\$867	\$500
HOURLY FEE PRICING		
31. Offer an hourly fee pricing option		
Yes		61.8%
No		38.2%
For advisors offering hourly fee pricing:		
	AVERAGE	MEDIAN
a. Standard hourly fee	\$205	\$200
b. For hourly clients only, average hours spent on a client	5.5	4.0
c. Highest and lowest hourly fee charged to clients in 2018:		
Highest fee amount	\$627	\$250
Lowest fee amount	\$286	\$200
AUM AND OTHER FEE PRICING		
32. Offer an AUM fee pricing option		
Yes		77.0%
No		23.0%
For advisors offering AUM fee pricing:		
	AVERAGE	MEDIAN
a. Standard AUM fee, in basis points on assets		
\$50,000 AUM	132.0	100.0
\$100,000 AUM	112.0	100.0
\$250,000 AUM	92.6	100.0
\$500,000 AUM	88.7	100.0
\$1,000,000 AUM	79.6	85.0
\$3,000,000 AUM	65.2	68.0
\$5,000,000 AUM	55.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018		
Highest annual revenue in AUM fees	\$11,084	\$7,500
Lowest annual revenue in AUM fees	\$492	\$120
c. Use a TAMP		
Yes		23.1%
No		76.9%
33. Offer another fee pricing option		
Yes		17.4%
No		82.6%

ALL PARTICIPANTS

TECHNOLOGY AND GOAL SETTING				
34. Technology solution	<i>*Most frequently used applications</i>			
	ADVISORS USING TECHNOLOGY	*FIRST	*SECOND	*THIRD
Financial planning	98.8%	Right Capital	eMoney	Money Guide Pro
Client portal	91.2%	Right Capital	eMoney	Orion
Secure client file transfer	83.3%	Google drive	Dropbox	Sharefile
Client relationship management (CRM)	98.2%	Wealthbox	Redtail	SalesForce
Performance reporting	67.3%	Capitect	Orion	Blueleaf
Trading and rebalancing	67.9%	iRebal	Orion	IRx
Proposal generation	40.5%	Kwanti	Riskalyze	Morningstar
Investment management	84.5%	TD Ameritrade	XYIS	Betterment
Investment research	70.5%	TD Ameritrade	Morningstar	Kwanti
Risk tolerance	55.3%	Riskalyze	Finametrica	DataPoints
Advice fee payment processing	89.4%	AdvicePay	Quickbooks	Paysimple
Compliance archiving	96.9%	MessageWatcher	Smart RIA	Smash
35. Satisfaction with progress of business since launch	VERY SATISFIED	SATISFIED	SOMEWHAT SATISFIED	NOT SATISFIED
	31.5%	41.8%	21.2%	5.5%
36. Goal achievement in 2018				
		MET GOAL	EXCEEDED GOAL	DID NOT MEET GOAL
Revenue Goals		38.5%	19.6%	41.9%
Client Acquisition Goals		41.6%	19.5%	38.9%
Professional Development Goals		73.3%	11.6%	15.1%
Business Goals		51.0%	15.2%	33.8%
37. Primary goal for 2019				
Revenue Growth				45.4%
Client Growth				25.2%
Increase revenue per client				6.7%
Add new advisors				1.8%
Improve processes				10.4%
Reduce expenses				0.0%
Time Management				0.6%
Professional Development				0.6%
Outsource certain activities				3.1%
Other				6.1%

LAUNCH FIRMS (LESS THAN ONE YEAR XYPN TENURE)

GENERAL PROFILE		
1. Reason advisor started an independent advisory firm		
To build a small business (i.e., to be a firm owner and advisor of a practice, perhaps with some support staff)		23.7%
To build an enterprise business (i.e., to be a firm owner and scale to multiple advisors beyond yourself)		22.4%
To be self-employed (i.e., to be your own boss, control what you deliver to clients)		53.9%
	AVERAGE	MEDIAN
2. Firm start date	2/15/2017	6/1/2018
3. Years of experience as primary advisor	6.2	4.0
4. Years of experience in the industry	10.7	9.0
5. Percent of participants with professional designation		
CFP		78.3%
CFA		10.0%
CPA		15.0%
CLU		1.7%
ChFC		6.7%
PFS		0.0%
Master's in Financial Planning/Financial Services		0.0%
MBA		26.7%
Other designations		28.3%
	AVERAGE	MEDIAN
6. Date joined XYPN	5/15/2018	5/1/2018
7. Role prior to joining XYPN		
Employee at a financial services company		8.0%
Advisor at an independent broker-dealer		6.7%
Advisor at an insurance broker-dealer		8.0%
Advisor at a wirehouse		5.3%
Advisor at bank		1.3%
Owned their own RIA		18.7%
Advisor at an RIA		20.0%
Employee at an RIA		8.0%
Employee at an investment management firm		4.0%
Not in financial services industry previously		9.3%
Other		10.7%
	AVERAGE	MEDIAN
8. Percentage of your clients that came with you when you joined XYPN	38.2%	20.0%

LAUNCH FIRMS (LESS THAN ONE YEAR XYPN TENURE)

FIRM OWNERSHIP AND FINANCIALS

9. Firm owner	AVERAGE OWNERSHIP	
Yes	100.0%	94.8%
No	0.0%	
	AVERAGE	MEDIAN
10. Total number of firm owners	1.2	1.0
11. Target revenue for 12/31/2019	\$103,431	\$60,000
12. Annual firm revenue, by year		
Fiscal year 2015	\$158,989	\$125,827
Fiscal year 2016	\$171,258	\$158,000
Fiscal year 2017	\$170,722	\$168,000
Fiscal year 2018	\$171,547	\$142,500

CLIENTS AND SERVICES

13. Number of clients (i.e., households), by year	AVERAGE					
12/31/2015	30.1					
12/31/2016	37.0					
12/31/2017	44.6					
12/31/2018	50.8					
14. Client engagement type, by year	STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM
12/31/2015	18.9%	18.6%	49.5%	0.0%	0.0%	1.6%
12/31/2016	5.2%	44.8%	40.3%	0.0%	0.0%	0.0%
12/31/2017	6.2%	36.0%	48.5%	0.0%	0.0%	1.1%
12/31/2018	13.1%	34.6%	40.5%	6.6%	2.1%	1.0%
15. Sources of new clients over the 12 months ending 12/31/18	STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM
Total net new clients	19.8%	36.3%	31.4%	7.5%	2.5%	1.7%
XYPN Find an Advisor profile	0.0%	0.2%	0.3%	0.0%	0.0%	0.0%
NAPFA	1.2%	2.2%	0.9%	0.1%	0.0%	0.0%
Online/Google searches	4.2%	6.2%	1.6%	0.6%	0.2%	0.0%
Speeches, seminars, community events	0.0%	0.9%	0.0%	0.0%	0.0%	0.0%
Social media	0.3%	3.5%	1.2%	0.0%	0.0%	0.0%
Online advertisement	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%
Blog	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Third-party Q&A sites	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Networking and general business development	4.5%	10.8%	14.4%	0.8%	2.1%	1.4%
Referrals from existing clients	1.4%	3.6%	6.0%	3.2%	0.0%	0.3%
Referrals from centers of influence	6.3%	9.0%	6.6%	2.7%	0.2%	0.0%
Lost clients you previously worked with but do not any longer	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%

LAUNCH FIRMS (LESS THAN ONE YEAR XYPN TENURE)

DISCRETIONARY AND NON-DISCRETIONARY ASSETS		
16. Firm provides discretionary investment management services		
Yes		78.9%
No		21.1%
a. Total discretionary assets under management (AUM)		
	AVERAGE	MEDIAN
12/31/2015	\$8,000,000	\$8,000,000
12/31/2016	\$12,000,000	\$12,000,000
12/31/2017	\$9,954,553	\$9,954,553
12/31/2018	\$12,410,690	\$12,410,690
17. Firm bills on outside investments on which it provides advice, but does not directly manage		
Yes		23.7%
No		76.3%
a. If firm bills for non-discretionary assets, method used		
Separate AUM fee		29.4%
Included as a service as part of the retainer fee		70.6%
b. Total billed non-discretionary AUM		
	AVERAGE	MEDIAN
12/31/2015	\$27,471,301	\$27,471,301
12/31/2016	\$31,255,497	\$31,255,497
12/31/2017	\$19,512,977	\$19,512,977
12/31/2018	\$3,207,895	\$105,000
18. Sources of AUM for the 12 months ending 12/31/2018		
	AVERAGE	GROWTH PERCENTAGE
Beginning AUM	\$2,180,000	
XYPN Find an Advisor profile	\$5,000	0.2%
NAPFA	\$7,550	0.3%
Online/Google searches	\$12,500	0.4%
Speeches, seminars, community events	\$0	0.0%
Social media	\$175,000	6.2%
Newspaper advertisement	\$0	0.0%
Online advertisement	\$0	0.0%
Blog	\$0	0.0%
Networking and general business development	\$1,292,250	46.1%
Referrals from existing clients	\$310,813	11.1%
Referrals from centers of influence	\$294,759	10.5%
Existing client contributions	\$745,001	26.6%
Lost clients	(\$3,250)	-0.1%
Existing client distributions	(\$3,350)	-0.1%
Change in AUM due to market performance	(\$32,270)	-1.2%
Ending AUM	\$2,962,508	

LAUNCH FIRMS (LESS THAN ONE YEAR XYPN TENURE)

NICHE CLIENT FOCUS						
19. Firm has a niche client focus						
Yes						63.8%
No						36.2%
a. Category that best describes niche(s)						
Age-based (e.g., Millennials)						
Professional (e.g., doctors)						
Culture-specific (e.g., Latinos, LGBT)						
Interest-specific (e.g., adventurers, diligent savers)						
Life events (e.g., divorce)						
Career stages (e.g., Gen X, retirement planning, recent graduates)						
Other						
						AVERAGE
20. Number of prospects connected with in calendar year 2018						
Percent of prospects where qualified prospects						27.5
Percent of prospects converted to clients						63.6%
Percent of prospects ultimately converted to monthly retainer						38.8%
Percent of prospects ultimately converted to AUM						26.3%
						24.7%
*If offered, how many clients utilize this service?						
21. Consultative services offered along with financial planning	INCLUDED IN FEE	BILLED SEPARATELY	NOT OFFERED TO CLIENTS	*TO ALL CLIENTS	*TO MOST CLIENTS	*TO SOME CLIENTS
Discretionary investment management	66.1%	25.8%	8.1%	36.7%	32.7%	20.4%
Investment advice (but not directly managed)	88.1%	8.5%	3.4%	29.8%	31.9%	27.7%
Retirement planning	95.2%	4.8%	0.0%	51.9%	36.5%	11.5%
Estate planning	91.5%	3.4%	5.1%	26.7%	26.7%	42.2%
Tax planning	95.1%	0.0%	4.9%	50.0%	33.3%	14.6%
Tax preparation	8.0%	12.0%	80.0%	30.0%	40.0%	10.0%
Health insurance	69.2%	0.0%	30.8%	24.1%	20.7%	41.4%
Life/disability/long-term care insurance	76.3%	1.7%	22.0%	17.1%	31.4%	42.9%
Property and casualty insurance	70.4%	0.0%	29.6%	20.0%	30.0%	46.7%
Credit card and short-term debt management	76.4%	7.3%	16.4%	19.4%	13.9%	38.9%
Cash flow/budgeting advice	83.9%	6.5%	9.7%	27.7%	25.5%	42.6%
Planning for college savings for kids	96.6%	1.7%	1.7%	4.2%	25.0%	52.1%
Student loan planning	83.9%	5.4%	10.7%	0.0%	2.4%	58.5%
Trust services	16.0%	2.0%	82.0%	0.0%	0.0%	62.5%
Business consulting and support: insurance, benefits, sale of business	36.5%	9.6%	53.8%	5.3%	10.5%	68.4%
Career advice	60.8%	0.0%	39.2%	0.0%	16.7%	66.7%
Employee benefits advice	83.1%	5.1%	11.9%	11.6%	18.6%	60.5%
			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL
22. Percentage of client interactions conducted by medium:			34.1%	18.4%	16.2%	31.3%
23. Typical frequency of client interactions:			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL
Weekly			0.0%	0.0%	1.8%	7.8%
Monthly			4.8%	15.2%	21.4%	73.4%
Quarterly			30.2%	26.1%	53.6%	17.2%
Semi-annually			38.1%	26.1%	21.4%	1.6%
Annually			25.4%	28.3%	0.0%	0.0%
Biennially			1.6%	4.3%	1.8%	0.0%
24. Percentage of advisor actively working with another person for the following functions:			ADVISOR IN MY OFFICE	INTERNAL STAFF MEMBER	OUTSOURCED SUPPORT	NO ONE/DON'T USE
Business development			3.4%	1.7%	12.1%	82.8%
Meeting with clients			3.4%	3.4%	1.7%	91.4%
Preparing the financial plan			5.3%	3.5%	3.5%	87.7%
Client meeting preparation			5.2%	5.2%	5.2%	84.5%
Business bookkeeping/accounting			1.7%	5.0%	28.3%	65.0%
Office administrative tasks			3.4%	10.2%	5.1%	81.4%
Investment operations			5.2%	3.4%	17.2%	74.1%

LAUNCH FIRMS (LESS THAN ONE YEAR XYPN TENURE)

PRICING				
25. Average client productivity		AVERAGE		MEDIAN
Standalone engagement (hourly, upfront, project) fee to clients		\$3,362		\$950
Annual retainer fee to clients		\$2,671		\$2,400
AUM fee to clients		\$3,241		\$1,600
26. Range of annual fees		AVERAGE		MEDIAN
Highest annual revenue paid by a client		\$12,240		\$8,000
Lowest annual revenue paid by a client		\$1,557		\$1,000
27. For highest revenue client, percent of revenue by engagement type		AVERAGE		MEDIAN
AUM fee		51.5%		76.0%
Retainer fee		41.2%		15.0%
Upfront planning fee		6.9%		0.0%
Hourly fee		0.3%		0.0%
28. Changed fees since joining XYPN				
Yes				50.0%
No				50.0%
For advisors changing fees:				
a. Change by engagement type		INCREASE	DECREASE	NO CHANGE
Standalone engagement fee		59.3%	14.8%	25.9%
Retainer fee		72.4%	0.0%	27.6%
AUM fee		29.6%	37.0%	33.3%
RETAINER PRICING				
29. Offer a retainer fee pricing option				
Yes				86.8%
No				13.2%
For advisors offering retainer pricing:				
a. Duration of the retainer agreement				
Month-to-month				67.9%
Initial term then month-to-month				12.5%
Required term, quarterly				1.8%
Required term, annually				17.9%
Required term, other				0.0%
b. Standard monthly retainer fee		AVERAGE		MEDIAN
		\$482		\$200
c. Niche client standard monthly retainer fee				
Niche client		\$1,166		\$209
Non-niche client		\$749		\$200
d. Highest and lowest annual retainer revenue collected from a single client in 2018				
Highest annual revenue in retainer fees		\$6,256		\$2,400
Lowest annual revenue in retainer fees		\$1,019		\$1,000

LAUNCH FIRMS (LESS THAN ONE YEAR XYPN TENURE)

UPFRONT PLANNING FREE PRICING		
30. Offer an upfront planning fee pricing option		
Yes		69.1%
No		30.9%
For advisors offering upfront planning fee pricing:		
	AVERAGE	MEDIAN
a. Standard upfront planning fee	\$1,388	\$1,200
b. Highest and lowest upfront planning fee charged to clients in 2018:		
Highest fee amount	\$1,809	\$1,500
Lowest fee amount	\$695	\$500
HOURLY FEE PRICING		
31. Offer an hourly fee pricing option		
Yes		52.9%
No		47.1%
For advisors offering hourly fee pricing:		
	AVERAGE	MEDIAN
a. Standard hourly fee	\$209	\$200
b. For hourly clients only, average hours spent on a client	4.0	2.5
c. Highest and lowest hourly fee charged to clients in 2018:		
Highest fee amount	\$496	\$200
Lowest fee amount	\$218	\$200
AUM AND OTHER FEE PRICING		
32. Offer an AUM fee pricing option		
Yes		79.4%
No		20.6%
For advisors offering AUM fee pricing:		
	AVERAGE	MEDIAN
a. Standard AUM fee, in basis points on assets		
\$50,000 AUM	88.5	100.0
\$100,000 AUM	88.5	100.0
\$250,000 AUM	86.0	100.0
\$500,000 AUM	84.8	100.0
\$1,000,000 AUM	79.5	85.0
\$3,000,000 AUM	64.0	69.0
\$5,000,000 AUM	50.8	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018		
Highest annual revenue in AUM fees	\$9,709	\$4,250
Lowest annual revenue in AUM fees	\$505	\$63
c. Use a TAMP		
Yes		17.0%
No		83.0%
33. Offer another fee pricing option		
Yes		22.1%
No		77.9%

LAUNCH FIRMS (LESS THAN ONE YEAR XYPN TENURE)

TECHNOLOGY AND GOAL SETTING				
34. Technology solution	<i>*Most frequently used applications</i>			
	ADVISORS USING TECHNOLOGY	*FIRST	*SECOND	*THIRD
Financial planning	98.5%	Right Capital	eMoney	Money Guide Pro
Client portal	90.2%	Right Capital	eMoney	Orion
Secure client file transfer	77.0%	Google drive	Dropbox	Sharefile
Client relationship management (CRM)	95.3%	Wealthbox	Redtail	SalesForce
Performance reporting	64.1%	Capitect	Blueleaf	Orion
Trading and rebalancing	67.2%	iRebal	#N/A	#N/A
Proposal generation	41.7%	Riskalyze	Kwanti	Morningstar
Investment management	82.3%	TD Ameritrade	XYIS	First Ascent
Investment research	74.6%	TD Ameritrade	Morningstar	Kwanti
Risk tolerance	59.0%	Riskalyze	DataPoints	Finametrica
Advice fee payment processing	84.1%	AdvicePay	Quickbooks	#N/A
Compliance archiving	93.8%	MessageWatcher	Smart RIA	Smash
35. Satisfaction with progress of business since launch	VERY SATISFIED	SATISFIED	SOMEWHAT SATISFIED	NOT SATISFIED
	23.1%	50.8%	21.5%	4.6%
36. Goal achievement in 2018		MET GOAL	EXCEEDED GOAL	DID NOT MEET GOAL
Revenue Goals		38.9%	16.7%	44.4%
Client Acquisition Goals		40.7%	13.0%	46.3%
Professional Development Goals		75.5%	7.5%	17.0%
Business Goals		54.9%	13.7%	31.4%
37. Primary goal for 2019				
Revenue Growth				40.6%
Client Growth				42.2%
Increase revenue per client				3.1%
Add new advisors				1.6%
Improve processes				4.7%
Reduce expenses				0.0%
Time Management				1.6%
Professional Development				0.0%
Outsource certain activities				3.1%
Other				3.1%

GROW FIRMS (ONE TO THREE YEARS XYPN TENURE)

GENERAL PROFILE		
1. Reason advisor started an independent advisory firm		
To build a small business (i.e., to be a firm owner and advisor of a practice, perhaps with some support staff)		26.4%
To build an enterprise business (i.e., to be a firm owner and scale to multiple advisors beyond yourself)		20.7%
To be self-employed (i.e., to be your own boss, control what you deliver to clients)		52.9%
	AVERAGE	MEDIAN
2. Firm start date	7/27/2016	4/1/2017
3. Years of experience as primary advisor	7.5	6.3
4. Years of experience in the industry	11.2	10.7
5. Percent of participants with professional designation		
CFP		87.9%
CFA		6.1%
CPA		12.1%
CLU		1.5%
ChFC		3.0%
PFS		3.0%
Master's in Financial Planning/Financial Services		0.0%
MBA		24.2%
Other designations		34.8%
	AVERAGE	MEDIAN
6. Date joined XYPN	2/6/2017	4/1/2017
7. Role prior to joining XYPN		
Employee at a financial services company		9.4%
Advisor at an independent broker-dealer		11.8%
Advisor at an insurance broker-dealer		2.4%
Advisor at a wirehouse		4.7%
Advisor at bank		0.0%
Owned their own RIA		12.9%
Advisor at an RIA		24.7%
Employee at an RIA		8.2%
Employee at an investment management firm		7.1%
Not in financial services industry previously		11.8%
Other		7.1%
	AVERAGE	MEDIAN
8. Percentage of your clients that came with you when you joined XYPN	43.2%	26.0%

GROW FIRMS (ONE TO THREE YEARS XYPN TENURE)

FIRM OWNERSHIP AND FINANCIALS

9. Firm owner	AVERAGE OWNERSHIP	
Yes	100.0%	96.8%
No	0.0%	
	AVERAGE	MEDIAN
10. Total number of firm owners	1.2	1.0
11. Target revenue for 12/31/2019	\$145,889	\$100,000
12. Annual firm revenue, by year		
Fiscal year 2015	\$128,276	\$120,001
Fiscal year 2016	\$158,477	\$148,715
Fiscal year 2017	\$173,412	\$137,842
Fiscal year 2018	\$206,466	\$167,712

CLIENTS AND SERVICES

13. Number of clients (i.e., households), by year						AVERAGE	
12/31/2015						39.1	
12/31/2016						38.5	
12/31/2017						53.0	
12/31/2018						68.9	
14. Client engagement type, by year		STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM
12/31/2015		2.2%	3.3%	73.7%	8.3%	6.3%	6.3%
12/31/2016		16.1%	30.3%	37.5%	10.5%	2.8%	2.8%
12/31/2017		15.7%	32.4%	38.2%	8.0%	1.0%	4.0%
12/31/2018		17.5%	29.5%	37.0%	8.5%	4.0%	3.0%
15. Sources of new clients over the 12 months ending 12/31/18		STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM
Total net new clients		32.6%	27.2%	20.1%	11.8%	4.0%	3.5%
XYPN Find an Advisor profile		2.6%	2.9%	0.2%	0.2%	0.0%	0.3%
NAPFA		2.6%	3.5%	1.1%	0.6%	0.0%	0.2%
Online/Google searches		7.3%	5.3%	1.1%	2.2%	0.0%	0.4%
Speeches, seminars, community events		1.1%	0.6%	1.0%	0.3%	0.0%	0.0%
Social media		1.0%	1.0%	0.2%	0.3%	0.0%	0.2%
Online advertisement		0.0%	0.4%	0.2%	0.0%	0.0%	0.0%
Blog		0.4%	0.1%	0.0%	0.3%	0.3%	0.0%
Third-party Q&A sites		0.1%	0.5%	1.1%	0.0%	0.0%	0.0%
Networking and general business development		3.5%	4.8%	7.0%	4.0%	1.6%	0.2%
Referrals from existing clients		7.5%	5.3%	6.2%	3.2%	1.7%	1.8%
Referrals from centers of influence		6.8%	3.8%	3.3%	0.8%	0.3%	0.4%
Lost clients you previously worked with but do not any longer		0.3%	1.0%	1.4%	0.1%	0.0%	0.0%

GROW FIRMS (ONE TO THREE YEARS XYPN TENURE)

DISCRETIONARY AND NON-DISCRETIONARY ASSETS		
16. Firm provides discretionary investment management services		
Yes		77.0%
No		23.0%
a. Total discretionary assets under management (AUM)	AVERAGE	MEDIAN
12/31/2015	\$14,539,651	\$9,065,774
12/31/2016	\$19,762,715	\$10,954,375
12/31/2017	\$23,205,792	\$16,319,759
12/31/2018	\$21,930,702	\$15,913,137
17. Firm bills on outside investments on which it provides advice, but does not directly manage		
Yes		18.8%
No		81.2%
a. If firm bills for non-discretionary assets, method used		
Separate AUM fee		46.2%
Included as a service as part of the retainer fee		53.8%
b. Total billed non-discretionary AUM	AVERAGE	MEDIAN
12/31/2015	\$1,900,000	\$1,900,000
12/31/2016	\$2,233,333	\$1,700,000
12/31/2017	\$4,249,300	\$1,970,388
12/31/2018	\$2,462,078	\$984,231
18. Sources of AUM for the 12 months ending 12/31/2018	AVERAGE	GROWTH PERCENTAGE
Beginning AUM	\$2,670,702	
XYPN Find an Advisor profile	\$68,421	2.1%
NAPFA	\$136,700	4.2%
Online/Google searches	\$114,859	3.5%
Speeches, seminars, community events	\$21,053	0.6%
Social media	\$105,263	3.2%
Newspaper advertisement	\$0	0.0%
Online advertisement	\$0	0.0%
Blog	\$0	0.0%
Networking and general business development	\$821,768	25.4%
Referrals from existing clients	\$1,510,526	46.6%
Referrals from centers of influence	\$19,737	0.6%
Existing client contributions	\$526,460	16.2%
Lost clients	\$0	0.0%
Existing client distributions	(\$34,967)	-1.1%
Change in AUM due to market performance	(\$48,152)	-1.5%
Ending AUM	\$4,768,895	

GROW FIRMS (ONE TO THREE YEARS XYPN TENURE)

NICHE CLIENT FOCUS						
19. Firm has a niche client focus						
Yes						57.3%
No						42.7%
a. Category that best describes niche(s)						
Age-based (e.g., Millennials)						
Professional (e.g., doctors)						
Culture-specific (e.g., Latinos, LGBT)						
Interest-specific (e.g., adventurers, diligent savers)						
Life events (e.g., divorce)						
Career stages (e.g., Gen X, retirement planning, recent graduates)						
Other						
						AVERAGE
20. Number of prospects connected with in calendar year 2018						45.0
Percent of prospects where qualified prospects						65.4%
Percent of prospects converted to clients						51.1%
Percent of prospects ultimately converted to monthly retainer						27.7%
Percent of prospects ultimately converted to AUM						28.0%
*If offered, how many clients utilize this service?						
21. Consultative services offered along with financial planning	INCLUDED IN FEE	BILLED SEPARATELY	NOT OFFERED TO CLIENTS	*TO ALL CLIENTS	*TO MOST CLIENTS	*TO SOME CLIENTS
Discretionary investment management	48.0%	37.3%	14.7%	18.6%	50.8%	27.1%
Investment advice (but not directly managed)	84.4%	10.4%	5.2%	45.5%	31.8%	21.2%
Retirement planning	96.3%	3.8%	0.0%	44.3%	44.3%	11.4%
Estate planning	90.7%	4.0%	5.3%	16.4%	41.0%	39.3%
Tax planning	89.5%	5.3%	5.3%	27.0%	41.3%	30.2%
Tax preparation	4.6%	16.9%	78.5%	0.0%	25.0%	66.7%
Health insurance	66.7%	0.0%	33.3%	18.4%	28.9%	50.0%
Life/disability/long-term care insurance	83.3%	0.0%	16.7%	19.2%	36.5%	42.3%
Property and casualty insurance	68.7%	0.0%	31.3%	20.0%	25.0%	50.0%
Credit card and short-term debt management	87.8%	2.7%	9.5%	15.5%	20.7%	63.8%
Cash flow/budgeting advice	92.2%	6.5%	1.3%	30.8%	32.3%	36.9%
Planning for college savings for kids	94.9%	5.1%	0.0%	4.5%	16.4%	76.1%
Student loan planning	81.7%	7.0%	11.3%	1.8%	10.7%	76.8%
Trust services	10.8%	1.5%	87.7%	0.0%	14.3%	57.1%
Business consulting and support: insurance, benefits, sale of business	44.1%	11.8%	44.1%	0.0%	9.1%	72.7%
Career advice	73.9%	2.9%	23.2%	4.5%	13.6%	79.5%
Employee benefits advice	93.2%	4.1%	2.7%	11.3%	27.4%	59.7%
			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL
22. Percentage of client interactions conducted by medium:			38.8%	25.1%	12.1%	24.0%
23. Typical frequency of client interactions:			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL
Weekly			0.0%	0.0%	0.0%	11.0%
Monthly			1.4%	9.7%	20.0%	53.4%
Quarterly			27.8%	43.5%	35.0%	31.5%
Semi-annually			38.9%	22.6%	30.0%	4.1%
Annually			27.8%	16.1%	11.7%	0.0%
Biennially			4.2%	8.1%	3.3%	0.0%
24. Percentage of advisor actively working with another person for the following functions:			ADVISOR IN MY OFFICE	INTERNAL STAFF MEMBER	OUTSOURCED SUPPORT	NO ONE/DON'T USE
Business development			3.0%	0.0%	21.2%	75.8%
Meeting with clients			9.8%	4.9%	0.0%	85.2%
Preparing the financial plan			11.5%	3.3%	8.2%	77.0%
Client meeting preparation			8.2%	9.8%	3.3%	78.7%
Business bookkeeping/accounting			6.3%	3.1%	43.8%	46.9%
Office administrative tasks			4.7%	14.1%	9.4%	71.9%
Investment operations			8.1%	1.6%	16.1%	74.2%

GROW FIRMS (ONE TO THREE YEARS XYPN TENURE)

PRICING				
25. Average client productivity		AVERAGE		MEDIAN
Standalone engagement (hourly, upfront, project) fee to clients		\$1,624		\$1,200
Annual retainer fee to clients		\$2,479		\$2,000
AUM fee to clients		\$2,957		\$2,028
26. Range of annual fees		AVERAGE		MEDIAN
Highest annual revenue paid by a client		\$12,712		\$7,750
Lowest annual revenue paid by a client		\$952		\$725
27. For highest revenue client, percent of revenue by engagement type		AVERAGE		MEDIAN
AUM fee		57.8%		94.5%
Retainer fee		30.7%		0.0%
Upfront planning fee		9.6%		0.0%
Hourly fee		1.9%		0.0%
28. Changed fees since joining XYPN				
Yes				69.6%
No				30.4%
For advisors changing fees:				
a. Change by engagement type		INCREASE	DECREASE	NO CHANGE
Standalone engagement fee		78.8%	5.8%	15.4%
Retainer fee		78.8%	3.8%	17.3%
AUM fee		27.7%	12.8%	59.6%
RETAINER PRICING				
29. Offer a retainer fee pricing option				
Yes				87.5%
No				12.5%
For advisors offering retainer pricing:				
a. Duration of the retainer agreement				
Month-to-month				62.3%
Initial term then month-to-month				23.2%
Required term, quarterly				1.4%
Required term, annually				11.6%
Required term, other				1.4%
b. Standard monthly retainer fee		AVERAGE		MEDIAN
		\$417		\$200
c. Niche client standard monthly retainer fee				
Niche client		\$1,264		\$250
Non-niche client		\$1,156		\$200
d. Highest and lowest annual retainer revenue collected from a single client in 2018				
Highest annual revenue in retainer fees		\$4,553		\$2,700
Lowest annual revenue in retainer fees		\$1,434		\$1,100

GROW FIRMS (ONE TO THREE YEARS XYPN TENURE)

UPFRONT PLANNING FEE PRICING		
30. Offer an upfront planning fee pricing option		
Yes		63.3%
No		36.7%
<i>For advisors offering upfront planning fee pricing:</i>		
	AVERAGE	MEDIAN
a. Standard upfront planning fee	\$1,571	\$1,200
b. Highest and lowest upfront planning fee charged to clients in 2018:		
Highest fee amount	\$2,139	\$1,500
Lowest fee amount	\$990	\$600
HOURLY FEE PRICING		
31. Offer an hourly fee pricing option		
Yes		71.3%
No		28.8%
<i>For advisors offering hourly fee pricing:</i>		
	AVERAGE	MEDIAN
a. Standard hourly fee	\$201	\$200
b. For hourly clients only, average hours spent on a client	5.2	4.0
c. Highest and lowest hourly fee charged to clients in 2018:		
Highest fee amount	\$560	\$250
Lowest fee amount	\$272	\$200
AUM AND OTHER FEE PRICING		
32. Offer an AUM fee pricing option		
Yes		77.8%
No		22.2%
<i>For advisors offering AUM fee pricing:</i>		
	AVERAGE	MEDIAN
a. Standard AUM fee, in basis points on assets		
\$50,000 AUM	163.4	100.0
\$100,000 AUM	129.9	100.0
\$250,000 AUM	96.0	100.0
\$500,000 AUM	91.0	100.0
\$1,000,000 AUM	79.2	85.0
\$3,000,000 AUM	65.7	64.0
\$5,000,000 AUM	58.3	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018		
Highest annual revenue in AUM fees	\$12,224	\$7,500
Lowest annual revenue in AUM fees	\$488	\$160
c. Use a TAMP		
Yes		23.3%
No		76.7%
33. Offer another fee pricing option		
Yes		16.5%
No		83.5%

GROW FIRMS (ONE TO THREE YEARS XYPN TENURE)

TECHNOLOGY AND GOAL SETTING				
34. Technology solution	<i>*Most frequently used applications</i>			
	ADVISORS USING TECHNOLOGY	*FIRST	*SECOND	*THIRD
Financial planning	100.0%	Right Capital	eMoney	Money Guide Pro
Client portal	91.8%	Right Capital	eMoney	Orion
Secure client file transfer	91.5%	Google drive	Dropbox	Sharefile
Client relationship management (CRM)	100.0%	Wealthbox	Redtail	#N/A
Performance reporting	66.2%	Capitect	Orion	Kwanti
Trading and rebalancing	66.7%	iRebal	Orion	tRx
Proposal generation	39.4%	Kwanti	Riskalyze	Morningstar
Investment management	87.1%	TD Ameritrade	Betterment	XYIS
Investment research	68.6%	Morningstar	TD Ameritrade	Kwanti
Risk tolerance	52.2%	Riskalyze	Finametrica	DataPoints
Advice fee payment processing	93.2%	AdvicePay	Paysimple	Quickbooks
Compliance archiving	98.6%	MessageWatcher	Smart RIA	#N/A
35. Satisfaction with progress of business since launch	VERY SATISFIED	SATISFIED	SOMEWHAT SATISFIED	NOT SATISFIED
	38.7%	32.0%	22.7%	6.7%
36. Goal achievement in 2018		MET GOAL	EXCEEDED GOAL	DID NOT MEET GOAL
Revenue Goals		34.3%	22.9%	42.9%
Client Acquisition Goals		40.8%	23.9%	35.2%
Professional Development Goals		65.7%	17.1%	17.1%
Business Goals		46.5%	19.7%	33.8%
37. Primary goal for 2019				
Revenue Growth				48.6%
Client Growth				13.5%
Increase revenue per client				6.8%
Add new advisors				2.7%
Improve processes				12.2%
Reduce expenses				0.0%
Time Management				0.0%
Professional Development				1.4%
Outsource certain activities				4.1%
Other				10.8%

SCALE FIRMS (MORE THAN THREE YEARS XYPN TENURE)

GENERAL PROFILE		
1. Reason advisor started an independent advisory firm		
To build a small business (i.e., to be a firm owner and advisor of a practice, perhaps with some support staff)		26.9%
To build an enterprise business (i.e., to be a firm owner and scale to multiple advisors beyond yourself)		15.4%
To be self-employed (i.e., to be your own boss, control what you deliver to clients)		57.7%
	AVERAGE	MEDIAN
2. Firm start date	9/15/2014	8/1/2015
3. Years of experience as primary advisor	8.5	7.5
4. Years of experience in the industry	12.4	12.6
5. Percent of participants with professional designation		
CFP		92.0%
CFA		12.0%
CPA		4.0%
CLU		0.0%
ChFC		0.0%
PFS		0.0%
Master's in Financial Planning/Financial Services		0.0%
MBA		40.0%
Other designations		40.0%
	AVERAGE	MEDIAN
6. Date joined XYPN	5/9/2015	7/16/2015
7. Role prior to joining XYPN		
Employee at a financial services company		7.7%
Advisor at an independent broker-dealer		11.5%
Advisor at an insurance broker-dealer		3.8%
Advisor at a wirehouse		0.0%
Advisor at bank		0.0%
Owned their own RIA		15.4%
Advisor at an RIA		30.8%
Employee at an RIA		11.5%
Employee at an investment management firm		3.8%
Not in financial services industry previously		11.5%
Other		3.8%
	AVERAGE	MEDIAN
8. Percentage of your clients that came with you when you joined XYPN	37.4%	7.5%

SCALE FIRMS (MORE THAN THREE YEARS XYPN TENURE)

FIRM OWNERSHIP AND FINANCIALS

9. Firm owner		
Yes	100.0%	98.6%
No	0.0%	
	AVERAGE	MEDIAN
10. Total number of firm owners	1.0	1.0
11. Target revenue for 12/31/2019	\$165,760	\$150,000
12. Annual firm revenue, by year		
Fiscal year 2015	\$37,608	\$15,646
Fiscal year 2016	\$67,630	\$36,000
Fiscal year 2017	\$98,558	\$93,055
Fiscal year 2018	\$132,198	\$128,127

CLIENTS AND SERVICES

13. Number of clients (i.e., households), by year						AVERAGE
12/31/2015						15.8
12/31/2016						24.5
12/31/2017						39.8
12/31/2018						52.3
14. Client engagement type, by year	STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM
12/31/2015	29.0%	40.9%	23.5%	5.5%	0.0%	0.0%
12/31/2016	23.7%	36.6%	25.4%	4.8%	4.0%	3.5%
12/31/2017	23.4%	41.1%	23.9%	5.1%	3.0%	0.5%
12/31/2018	19.0%	41.2%	25.4%	6.9%	3.0%	1.2%
15. Sources of new clients over the 12 months ending 12/31/18	STANDALONE ENGAGEMENT ONLY	RETAINER FEE ONLY	AUM FEE ONLY	RETAINER & AUM	STANDALONE & RETAINER	STANDALONE & AUM
Total net new clients	28.1%	37.1%	22.3%	4.4%	5.4%	1.6%
XYPN Find an Advisor profile	3.9%	3.7%	0.0%	0.0%	0.5%	0.0%
NAPFA	3.4%	4.4%	1.0%	1.8%	0.3%	0.0%
Online/Google searches	7.6%	7.6%	4.2%	0.9%	2.1%	0.6%
Speeches, seminars, community events	0.7%	1.5%	0.3%	0.0%	0.0%	0.0%
Social media	0.0%	2.5%	0.0%	0.0%	0.0%	0.0%
Online advertisement	0.0%	3.9%	0.0%	0.0%	0.0%	0.0%
Blog	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%
Third-party Q&A sites	0.6%	0.2%	0.0%	0.0%	0.8%	0.0%
Networking and general business development	2.5%	5.7%	6.0%	0.1%	0.3%	0.1%
Referrals from existing clients	5.3%	9.3%	10.7%	0.5%	0.9%	0.4%
Referrals from centers of influence	4.0%	3.5%	2.7%	1.1%	0.4%	0.4%
Lost clients you previously worked with but do not any longer	0.0%	5.5%	2.7%	0.0%	0.0%	0.0%

SCALE FIRMS (MORE THAN THREE YEARS XYPN TENURE)

DISCRETIONARY AND NON-DISCRETIONARY ASSETS		
16. Firm provides discretionary investment management services		
Yes		88.5%
No		11.5%
a. Total discretionary assets under management (AUM)	AVERAGE	MEDIAN
12/31/2015	\$6,936,660	\$3,953,014
12/31/2016	\$10,310,468	\$7,286,586
12/31/2017	\$14,976,979	\$10,897,014
12/31/2018	\$18,931,524	\$14,938,868
17. Firm bills on outside investments on which it provides advice, but does not directly manage		
Yes		23.1%
No		76.9%
a. If firm bills for non-discretionary assets, method used		
Separate AUM fee		0.0%
Included as a service as part of the retainer fee		100.0%
b. Total billed non-discretionary AUM	AVERAGE	MEDIAN
12/31/2015	\$5,000,000	\$5,000,000
12/31/2016	\$12,160,374	\$4,801,870
12/31/2017	\$25,223,030	\$8,115,148
12/31/2018	\$66,442,398	\$13,000,000
18. Sources of AUM for the 12 months ending 12/31/2018	AVERAGE	GROWTH PERCENTAGE
Beginning AUM	\$8,504,311	
XYPN Find an Advisor profile	\$134,286	4.6%
NAPFA	\$418,424	14.2%
Online/Google searches	\$214,286	7.3%
Speeches, seminars, community events	\$0	0.0%
Social media	\$0	0.0%
Newspaper advertisement	\$0	0.0%
Online advertisement	\$0	0.0%
Blog	\$0	0.0%
Networking and general business development	\$1,698,334	57.7%
Referrals from existing clients	\$859,274	29.2%
Referrals from centers of influence	\$0	0.0%
Existing client contributions	\$628,637	21.4%
Lost clients	(\$714,286)	-24.3%
Existing client distributions	\$134,873	4.6%
Change in AUM due to market performance	(\$432,536)	-14.7%
Ending AUM	\$11,131,371	

SCALE FIRMS (MORE THAN THREE YEARS XYPN TENURE)

NICHE CLIENT FOCUS						
19. Firm has a niche client focus						
Yes						72.0%
No						28.0%
a. Category that best describes niche(s)						
Age-based (e.g., Millennials)						
Professional (e.g., doctors)						
Culture-specific (e.g., Latinos, LGBT)						
Interest-specific (e.g., adventurers, diligent savers)						
Life events (e.g., divorce)						
Career stages (e.g., Gen X, retirement planning, recent graduates)						
Other						
						AVERAGE
20. Number of prospects connected with in calendar year 2018						
Percent of prospects where qualified prospects						50.3
Percent of prospects converted to clients						69.1%
Percent of prospects ultimately converted to monthly retainer						43.6%
Percent of prospects ultimately converted to AUM						35.7%
						19.1%
*If offered, how many clients utilize this service?						
21. Consultative services offered along with financial planning	INCLUDED IN FEE	BILLED SEPARATELY	NOT OFFERED TO CLIENTS	*TO ALL CLIENTS	*TO MOST CLIENTS	*TO SOME CLIENTS
Discretionary investment management	81.8%	13.6%	4.5%	11.8%	76.5%	11.8%
Investment advice (but not directly managed)	86.4%	4.5%	9.1%	50.0%	31.3%	18.8%
Retirement planning	91.7%	8.3%	0.0%	42.1%	42.1%	15.8%
Estate planning	91.7%	0.0%	8.3%	26.3%	15.8%	57.9%
Tax planning	87.5%	0.0%	12.5%	44.4%	44.4%	11.1%
Tax preparation	8.7%	8.7%	82.6%	25.0%	25.0%	50.0%
Health insurance	71.4%	0.0%	28.6%	9.1%	9.1%	72.7%
Life/disability/long-term care insurance	95.7%	0.0%	4.3%	22.2%	27.8%	50.0%
Property and casualty insurance	86.4%	0.0%	13.6%	20.0%	26.7%	53.3%
Credit card and short-term debt management	90.0%	0.0%	10.0%	0.0%	15.4%	84.6%
Cash flow/budgeting advice	100.0%	0.0%	0.0%	16.7%	44.4%	38.9%
Planning for college savings for kids	91.3%	8.7%	0.0%	0.0%	16.7%	83.3%
Student loan planning	77.3%	4.5%	18.2%	0.0%	7.1%	92.9%
Trust services	15.0%	0.0%	85.0%	0.0%	0.0%	100.0%
Business consulting and support: insurance, benefits, sale of business	47.6%	4.8%	47.6%	0.0%	0.0%	100.0%
Career advice	68.2%	0.0%	31.8%	0.0%	8.3%	83.3%
Employee benefits advice	95.5%	0.0%	4.5%	11.8%	47.1%	41.2%
			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL
22. Percentage of client interactions conducted by medium:			28.0%	28.9%	12.5%	30.6%
23. Typical frequency of client interactions:			IN-PERSON MEETING	VIDEO CONFERENCE	TELEPHONE CONFERENCE	EMAIL
Weekly			0.0%	0.0%	0.0%	13.6%
Monthly			0.0%	5.0%	10.5%	45.5%
Quarterly			31.6%	30.0%	47.4%	40.9%
Semi-annually			47.4%	45.0%	10.5%	0.0%
Annually			21.1%	15.0%	31.6%	0.0%
Biennially			0.0%	5.0%	0.0%	0.0%
24. Percentage of advisor actively working with another person for the following functions:			ADVISOR IN MY OFFICE	INTERNAL STAFF MEMBER	OUTSOURCED SUPPORT	NO ONE/DON'T USE
Business development			0.0%	0.0%	23.8%	76.2%
Meeting with clients			4.8%	9.5%	0.0%	85.7%
Preparing the financial plan			9.5%	9.5%	14.3%	66.7%
Client meeting preparation			9.5%	14.3%	9.5%	66.7%
Business bookkeeping/accounting			0.0%	0.0%	52.4%	47.6%
Office administrative tasks			9.5%	14.3%	14.3%	61.9%
Investment operations			9.1%	0.0%	13.6%	77.3%

SCALE FIRMS (MORE THAN THREE YEARS XYPN TENURE)

PRICING				
25. Average client productivity		AVERAGE		MEDIAN
Standalone engagement (hourly, upfront, project) fee to clients		\$1,315		\$1,500
Annual retainer fee to clients		\$3,560		\$2,661
AUM fee to clients		\$2,765		\$2,000
26. Range of annual fees		AVERAGE		MEDIAN
Highest annual revenue paid by a client		\$12,276		\$10,000
Lowest annual revenue paid by a client		\$1,136		\$825
27. For highest revenue client, percent of revenue by engagement type		AVERAGE		MEDIAN
AUM fee		52.3%		77.5%
Retainer fee		45.5%		20.0%
Upfront planning fee		1.0%		0.0%
Hourly fee		1.3%		0.0%
28. Changed fees since joining XYPN				
Yes				88.0%
No				12.0%
For advisors changing fees:				
a. Change by engagement type		INCREASE	DECREASE	NO CHANGE
Standalone engagement fee		81.0%	4.8%	14.3%
Retainer fee		86.4%	4.5%	9.1%
AUM fee		35.3%	11.8%	52.9%
RETAINER PRICING				
29. Offer a retainer fee pricing option				
Yes				92.0%
No				8.0%
For advisors offering retainer pricing:				
a. Duration of the retainer agreement				
Month-to-month				78.3%
Initial term then month-to-month				4.3%
Required term, quarterly				4.3%
Required term, annually				13.0%
Required term, other				0.0%
b. Standard monthly retainer fee		AVERAGE		MEDIAN
		\$774		\$250
c. Niche client standard monthly retainer fee				
Niche client		\$520		\$225
Non-niche client		\$416		\$200
d. Highest and lowest annual retainer revenue collected from a single client in 2018				
Highest annual revenue in retainer fees		\$13,507		\$5,000
Lowest annual revenue in retainer fees		\$2,434		\$1,200

SCALE FIRMS (MORE THAN THREE YEARS XYPN TENURE)

UPFRONT PLANNING FEE PRICING		
30. Offer an upfront planning fee pricing option		
Yes		68.0%
No		32.0%
For advisors offering upfront planning fee pricing:		
	AVERAGE	MEDIAN
a. Standard upfront planning fee	\$1,532	\$1,250
b. Highest and lowest upfront planning fee charged to clients in 2018:		
Highest fee amount	\$1,922	\$1,500
Lowest fee amount	\$857	\$750
HOURLY FEE PRICING		
31. Offer an hourly fee pricing option		
Yes		56.0%
No		44.0%
For advisors offering hourly fee pricing:		
	AVERAGE	MEDIAN
a. Standard hourly fee	\$208	\$200
b. For hourly clients only, average hours spent on a client	8.8	5.5
c. Highest and lowest hourly fee charged to clients in 2018:		
Highest fee amount	\$1,075	\$225
Lowest fee amount	\$436	\$200
AUM AND OTHER FEE PRICING		
32. Offer an AUM fee pricing option		
Yes		68.0%
No		32.0%
For advisors offering AUM fee pricing:		
	AVERAGE	MEDIAN
a. Standard AUM fee, in basis points on assets		
\$50,000 AUM	158.0	100.0
\$100,000 AUM	123.0	100.0
\$250,000 AUM	101.3	100.0
\$500,000 AUM	93.0	100.0
\$1,000,000 AUM	81.4	95.0
\$3,000,000 AUM	67.0	75.0
\$5,000,000 AUM	56.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018		
Highest annual revenue in AUM fees	\$10,705	\$11,000
Lowest annual revenue in AUM fees	\$472	\$250
c. Use a TAMP		
Yes		41.2%
No		58.8%
33. Offer another fee pricing option		
Yes		8.0%
No		92.0%

SCALE FIRMS (MORE THAN THREE YEARS XYPN TENURE)

TECHNOLOGY AND GOAL SETTING				
34. Technology solution	<i>*Most frequently used applications</i>			
	ADVISORS USING TECHNOLOGY	*FIRST	*SECOND	*THIRD
Financial planning	96.0%	eMoney	Right Capital	Advizr
Client portal	92.0%	eMoney	Right Capital	#N/A
Secure client file transfer	75.0%	Sharefile	Google drive	Dropbox
Client relationship management (CRM)	100.0%	Wealthbox	Redtail	SalesForce
Performance reporting	79.2%	Capitect	Blueleaf	Orion
Trading and rebalancing	73.9%	iRebal	#N/A	#N/A
Proposal generation	40.9%	Kwanti	Riskalyze	Morningstar
Investment management	82.6%	TD Ameritrade	Betterment	First Ascent
Investment research	65.2%	TD Ameritrade	Kwanti	Morningstar
Risk tolerance	54.5%	Finametrica	Riskalyze	#N/A
Advice fee payment processing	91.7%	AdvicePay	Quickbooks	Paysimple
Compliance archiving	100.0%	MessageWatcher	Smart RIA	#N/A
35. Satisfaction with progress of business since launch	VERY SATISFIED	SATISFIED	SOMEWHAT SATISFIED	NOT SATISFIED
	32.0%	48.0%	16.0%	4.0%
36. Goal achievement in 2018		MET GOAL	EXCEEDED GOAL	DID NOT MEET GOAL
Revenue Goals		50.0%	16.7%	33.3%
Client Acquisition Goals		45.8%	20.8%	33.3%
Professional Development Goals		91.3%	4.3%	4.3%
Business Goals		56.5%	4.3%	39.1%
37. Primary goal for 2019				
Revenue Growth				48.0%
Client Growth				16.0%
Increase revenue per client				16.0%
Add new advisors				0.0%
Improve processes				20.0%
Reduce expenses				0.0%
Time Management				0.0%
Professional Development				0.0%
Outsource certain activities				0.0%
Other				0.0%

XYPN MEMBER PROFILES

MEMBER TENURE: GENERAL PROFILE				
	ALL PARTICIPANTS	LAUNCH 0 - 1 YEAR XYPN MEMBER	GROW 1 - 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
1. Reason advisor started an independent advisory firm				
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.4%	23.7%	26.4%	26.9%
To build an enterprise business (i.e., be a firm owner and scale to multiple advisors beyond yourself)	20.6%	22.4%	20.7%	15.4%
To be self-employed (i.e., be your own boss, control what you deliver to clients)	54.0%	53.9%	52.9%	57.7%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	7/15/2016	2/15/2017	7/27/2016	9/15/2014
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	7.1	6.2	7.5	8.5
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	11.1	10.7	11.2	12.4
5. Percent of participants with professional designation				
CFP	84.8%	78.3%	87.9%	92.0%
CFA	8.6%	10.0%	6.1%	12.0%
CPA	11.9%	15.0%	12.1%	4.0%
CLU	1.3%	1.7%	1.5%	0.0%
ChFC	4.0%	6.7%	3.0%	0.0%
PFS	1.3%	0.0%	3.0%	0.0%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%	0.0%
MBA	27.8%	26.7%	24.2%	40.0%
Other designations	33.1%	28.3%	34.8%	40.0%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/15/2017	5/15/2018	2/6/2017	5/9/2015
7. Role prior to joining XYPN				
Employee at a financial services company	8.6%	8.0%	9.4%	7.7%
Advisor at an independent broker-dealer	9.7%	6.7%	11.8%	11.5%
Advisor at an insurance broker-dealer	4.8%	8.0%	2.4%	3.8%
Advisor at a wirehouse	4.3%	5.3%	4.7%	0.0%
Advisor at bank	0.5%	1.3%	0.0%	0.0%
Owned their own RIA	15.6%	18.7%	12.9%	15.4%
Advisor at an RIA	23.7%	20.0%	24.7%	30.8%
Employee at an RIA	8.6%	8.0%	8.2%	11.5%
Employee at an investment management firm	5.4%	4.0%	7.1%	3.8%
Not in financial services industry previously	10.8%	9.3%	11.8%	11.5%
Other	8.1%	10.7%	7.1%	3.8%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	40.3%	38.2%	43.2%	37.4%

XYPN MEMBER PROFILES

MEMBER TENURE: FIRM OWNERSHIP AND FINANCIALS				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
9. Firm owner				
Yes	100.0%	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	94.8%	96.8%	98.6%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.2	1.2	1.0
11. Target revenue for 12/31/2019	\$131,833	\$103,431	\$145,889	\$165,760
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$86,633	\$158,989	\$128,276	\$37,608
Fiscal year 2016	\$115,958	\$171,258	\$158,477	\$67,630
Fiscal year 2017	\$138,432	\$170,722	\$173,412	\$98,558
Fiscal year 2018	\$163,112	\$171,547	\$206,466	\$132,198

MEMBER TENURE: CLIENTS AND SERVICES				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	38.1	40.2	79.4	19.2
12/31/2016	31.8	37.0	38.5	24.5
12/31/2017	45.7	44.6	53.0	39.8
12/31/2018	58.6	50.8	68.9	52.3
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	16%	13%	18%	19%
Retainer fee only	33%	35%	30%	41%
AUM fee only	37%	40%	37%	25%
Retainer & AUM	8%	7%	9%	7%
Standalone & retainer	3%	2%	4%	3%
Standalone & AUM	2%	1%	3%	1%
Other	2%	2%	0%	3%
15. Source of new clients over the 12 months ending 12/31/18				
Total net new clients				
XYPN Find an Advisor profile	5%	0%	6%	8%
NAPFA	7%	5%	8%	11%
Online/Google searches	16%	13%	16%	23%
Speeches, seminars, community events	3%	1%	4%	3%
Social media	3%	5%	3%	2%
Online advertisement	1%	0%	1%	4%
Blog	1%	0%	1%	0%
Third-party Q&A sites	2%	2%	2%	2%
Networking and general business development	25%	34%	21%	16%
Referrals from existing clients	22%	14%	26%	27%
Referrals from centers of influence	18%	25%	16%	12%
Lost clients you previously worked with but do not any longer	3%	0%	3%	8%

XYPN MEMBER PROFILES

MEMBER TENURE: DISCRETIONARY AND NON-DISCRETIONARY ASSETS				
	ALL PARTICIPANTS	LAUNCH 0 - 1 YEAR XYPN MEMBER	GROW 1 - 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
16. Firm provides discretionary investment management services				
Yes	79.4%	78.9%	77.0%	88.5%
No	20.6%	21.1%	23.0%	11.5%
a. Total discretionary assets under management (AUM)				
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$9,727,967	\$8,000,000	\$14,539,651	\$6,936,660
12/31/2016	\$13,806,951	\$12,000,000	\$19,762,715	\$10,310,468
12/31/2017	\$17,050,260	\$9,954,553	\$23,205,792	\$14,976,979
12/31/2018	\$19,241,111	\$12,410,690	\$21,930,702	\$18,931,524
17. Firm bills on outside investments on which it provides advice, but does not directly manage				
Yes	21.4%	23.7%	18.8%	23.1%
No	78.6%	76.3%	81.2%	76.9%
a. If firm bills for non-discretionary assets, method used				
Separate AUM fee	30.6%	29.4%	46.2%	0.0%
Included as a service as part of the retainer fee	69.4%	70.6%	53.8%	100.0%
b. Total billed non-discretionary AUM				
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$11,457,100	\$27,471,301	\$1,900,000	\$5,000,000
12/31/2016	\$10,973,041	\$31,255,497	\$2,233,333	\$12,160,374
12/31/2017	\$14,664,377	\$19,512,977	\$4,249,300	\$25,223,030
12/31/2018	\$13,118,305	\$3,207,895	\$2,462,078	\$66,442,398
18. Sources of AUM for the 12 months ending 12/31/2018				
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,345,076	\$2,180,000	\$2,670,702	\$8,504,311
XYPN Find an Advisor Profile	\$50,870	\$5,000	\$68,421	\$134,286
NAPFA	\$123,419	\$7,550	\$136,700	\$418,424
Online/Google searches	\$85,485	\$12,500	\$114,859	\$214,286
Speeches, seminars, community events	\$8,696	\$0	\$21,053	\$0
Social media	\$119,565	\$175,000	\$105,263	\$0
Newspaper advertisement	\$0	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0	\$0
Blog	\$0	\$0	\$0	\$0
Networking and general business development	\$1,159,716	\$1,292,250	\$821,768	\$1,698,334
Referrals from existing clients	\$889,808	\$310,813	\$1,510,526	\$859,274
Referrals from centers of influence	\$136,308	\$294,759	\$19,737	\$0
Existing client contributions	\$637,026	\$745,001	\$526,460	\$628,637
Lost clients	\$110,109	\$3,250	\$0	\$714,286
Existing client distributions	-\$4,625	\$3,350	\$34,967	-\$134,873
Change in AUM due to market performance	-\$99,740	-\$32,270	-\$48,152	-\$432,536
Ending AUM	\$4,951,712	\$2,962,508	\$4,768,895	\$11,131,371

XYPN MEMBER PROFILES

MEMBER TENURE: NICHE CLIENT FOCUS				
	ALL PARTICIPANTS	LAUNCH 0 - 1 YEAR XYPN MEMBER	GROW 1 - 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
19. Firm has a niche client focus				
Yes	61.9%	63.8%	57.3%	72.0%
No	38.1%	36.2%	42.7%	28.0%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.1%	64.0%	74.4%	61.5%
a. Category that best describes niche(s)				
Age-based (e.g., Millennials)	26.1%	25.0%	28.9%	22.2%
Professional (e.g., doctors)	39.6%	39.6%	42.2%	33.3%
Culture-specific (e.g., Latinos, LGBT)	7.2%	4.2%	11.1%	5.6%
Interest-specific (e.g., adventurers, diligent savers)	4.5%	4.2%	4.4%	5.6%
Life events (e.g., divorce)	9.9%	10.4%	13.3%	0.0%
Career stages (e.g., Gen X, retirement planning, recent graduates)	23.4%	31.3%	13.3%	27.8%
Other	31.5%	33.3%	26.7%	38.9%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018				
Percent of prospects where qualified prospects	39.2	27.5	45.0	50.3
Percent of prospects converted to clients	65.3%	63.6%	65.4%	69.1%
Percent of prospects converted to monthly retainer	45.3%	38.8%	51.1%	43.6%
Percent of prospects ultimately converted to AUM	28.4%	26.3%	27.7%	35.7%
	25.4%	24.7%	28.0%	19.1%
21. Consultative services offered along with financial planning				
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	72.0%	69.4%	69.5%	88.2%
Investment advice (but not directly managed)	72.1%	61.7%	77.3%	81.3%
Retirement planning	87.9%	88.5%	88.6%	84.2%
Estate planning	53.6%	53.3%	57.4%	42.1%
Tax planning	76.7%	83.3%	68.3%	88.9%
Tax preparation	46.2%	70.0%	25.0%	50.0%
Health insurance	42.3%	44.8%	47.4%	18.2%
Life/disability/long-term care insurance	52.4%	48.6%	55.8%	50.0%
Property and casualty insurance	47.1%	50.0%	45.0%	46.7%
Credit card and short-term debt management	32.7%	33.3%	36.2%	15.4%
Cash flow/budgeting advice	59.2%	53.2%	63.1%	61.1%
Planning for college savings for kids	23.3%	29.2%	20.9%	16.7%
Student loan planning	8.1%	2.4%	12.5%	7.1%
Trust services	5.6%	0.0%	14.3%	0.0%
Business consulting and support: insurance, benefits, sale of business	9.5%	15.8%	9.1%	0.0%
Career advice	16.3%	16.7%	18.2%	8.3%
Employee benefits advice	38.5%	30.2%	38.7%	58.8%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
22. Percentage of client interactions conducted by medium				
In-person meeting	35.5%	34.1%	38.8%	28.0%
Video conference	23.1%	18.4%	25.1%	28.9%
Telephone conference	13.8%	16.2%	12.1%	12.5%
Email	27.7%	31.3%	24.0%	30.6%

XYPN MEMBER PROFILES

MEMBER TENURE: PRICING				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$3,362	\$1,624	\$1,315
Annual retainer fee to clients	\$2,716	\$2,671	\$2,479	\$3,560
AUM fee to clients	\$3,043	\$3,241	\$2,957	\$2,765
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$12,466	\$12,240	\$12,712	\$12,276
Lowest annual revenue paid by a client	\$1,209	\$1,557	\$952	\$1,136
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE	AVERAGE
AUM fee	54.7%	51.5%	57.8%	52.3%
Retainer fee	36.8%	41.2%	30.7%	45.5%
Upfront planning fee	7.3%	6.9%	9.6%	1.0%
Hourly fee	1.2%	0.3%	1.9%	1.3%
26. Changed fees since joining XYPN				
Yes	64.7%	50.0%	69.6%	88.0%
No	35.3%	50.0%	30.4%	12.0%
MEMBER TENURE: RETAINER PRICING				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
27. Offer a retainer fee pricing option				
Yes	87.9%	86.8%	87.5%	92.0%
No	12.1%	13.2%	12.5%	8.0%
For advisors offering retainer pricing:				
a. Duration of the retainer agreement				
Month-to-month	66.9%	67.9%	62.3%	78.3%
Initial term then month-to-month	16.2%	12.5%	23.2%	4.3%
Required term, quarterly	2.0%	1.8%	1.4%	4.3%
Required term, annually	14.2%	17.9%	11.6%	13.0%
Required term, other	0.7%	0.0%	1.4%	0.0%
	MEDIAN	MEDIAN	MEDIAN	MEDIAN
b. Standard <i>monthly</i> retainer fee	\$200	\$200	\$200	\$250
c. Niche client standard <i>monthly</i> retainer fee				
Niche client	\$250	\$209	\$250	\$225
Non-niche client	\$200	\$200	\$200	\$200
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018				
Highest annual revenue in retainer fees	\$3,000	\$2,400	\$2,700	\$5,000
Lowest annual revenue in retainer fees	\$1,200	\$1,000	\$1,100	\$1,200

XYPN MEMBER PROFILES

MEMBER TENURE: UPFRONT PLANNING FEE PRICING				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
28. Offer an upfront planning fee pricing option				
Yes	66.3%	69.1%	63.3%	68.0%
No	33.7%	30.9%	36.7%	32.0%
<i>For advisors offering upfront planning fee pricing</i>				
	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,200	\$1,200	\$1,250
b. Highest and lowest upfront planning fee charged to clients in 2018				
Highest fee amount	\$1,500	\$1,500	\$1,500	\$1,500
Lowest fee amount	\$500	\$500	\$600	\$750

MEMBER TENURE: HOURLY FEE PRICING				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
29. Offer an hourly fee pricing option				
Yes	61.8%	52.9%	71.3%	56.0%
No	38.2%	47.1%	28.8%	44.0%
<i>For advisors offering hourly fee pricing:</i>				
	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200	\$200
b. For hourly clients only, average hours spent on a client	4.5	2.5	3.0	8.0
c. Highest and lowest hourly fee charged to clients in 2018				
Highest fee amount	\$250	\$200	\$250	\$225
Lowest fee amount	\$200	\$200	\$200	\$200

XYPN MEMBER PROFILES

MEMBER TENURE: AUM AND OTHER FEE PRICING				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
30. Offer an AUM fee pricing option				
Yes	77.0%	79.4%	77.8%	68.0%
No	23.0%	20.6%	22.2%	32.0%
For advisors offering AUM fee pricing:				
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	100.0	100.0	100.0
\$100,000 AUM	100.0	100.0	100.0	100.0
\$250,000 AUM	100.0	100.0	100.0	100.0
\$500,000 AUM	100.0	100.0	100.0	100.0
\$1,000,000 AUM	85.0	85.0	85.0	95.0
\$3,000,000 AUM	68.0	69.0	64.0	75.0
\$5,000,000 AUM	50.0	50.0	50.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018				
Highest annual revenue in AUM fees	\$7,500	\$4,250	\$7,500	\$11,000
Lowest annual revenue in AUM fees	\$120	\$63	\$160	\$250
c. Use a TAMP				
Yes	23.1%	17.0%	23.3%	41.2%
No	76.9%	83.0%	76.7%	58.8%
31. Offer another fee pricing option				
Yes	17.4%	22.1%	16.5%	8.0%
No	82.6%	77.9%	83.5%	92.0%

MEMBER TENURE: TECHNOLOGY				
	ALL PARTICIPANTS	LAUNCH 0 – 1 YEAR XYPN MEMBER	GROW 1 – 3 YEARS XYPN MEMBER	SCALE MORE THAN 3 YEARS XYPN MEMBER
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	98.8%	98.5%	100.0%	96.0%
Client portal	91.2%	90.2%	91.8%	92.0%
Secure client file transfer	83.3%	77.0%	91.5%	75.0%
Client relationship management (CRM)	98.2%	95.3%	100.0%	100.0%
Performance reporting	67.3%	64.1%	66.2%	79.2%
Trading and rebalancing	67.9%	67.2%	66.7%	73.9%
Proposal generation	40.5%	41.7%	39.4%	40.9%
Investment management	84.5%	82.3%	87.1%	82.6%
Investment research	70.5%	74.6%	68.6%	65.2%
Risk tolerance	55.3%	59.0%	52.2%	54.5%
Advice fee payment processing	89.4%	84.1%	93.2%	91.7%
Compliance archiving	96.9%	93.8%	98.6%	100.0%
Firm count	189	76	87	26

XYPN MEMBER PROFILES

ADVISOR EXPERIENCE: GENERAL PROFILE					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
1. Reason advisor started an independent advisory firm					
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.4%	23.6%	19.4%	26.7%	29.3%
To build an enterprise business (i.e., be a firm owner and scale to multiple advisors beyond yourself)	20.6%	25.5%	29.0%	15.6%	15.5%
To be self-employed (i.e., be your own boss, control what you deliver to clients)	54.0%	50.9%	51.6%	57.8%	55.2%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	7/15/2016	10/5/2017	4/23/2017	10/15/2016	10/7/2014
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	7.1	1.4	3.8	6.9	14.5
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	11.1	7.3	7.4	10.6	17.3
5. Percent of participants with professional designation					
CFP	84.8%	60.0%	84.0%	95.1%	94.0%
CFA	8.6%	8.6%	12.0%	9.8%	6.0%
CPA	11.9%	14.3%	12.0%	9.8%	12.0%
CLU	1.3%	2.9%	0.0%	2.4%	0.0%
ChFC	4.0%	2.9%	0.0%	7.3%	4.0%
PFS	1.3%	0.0%	0.0%	2.4%	2.0%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%	0.0%	0.0%
MBA	27.8%	37.1%	32.0%	19.5%	26.0%
Other designations	33.1%	28.6%	32.0%	34.1%	36.0%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/15/2017	9/22/2017	4/21/2017	2/23/2017	3/29/2017
7. Role prior to joining XYPN					
Employee at a financial services company	8.6%	13.0%	3.3%	6.8%	8.6%
Advisor at an independent broker-dealer	9.7%	0.0%	10.0%	9.1%	19.0%
Advisor at an insurance broker-dealer	4.8%	1.9%	10.0%	9.1%	1.7%
Advisor at a wirehouse	4.3%	1.9%	13.3%	2.3%	3.4%
Advisor at bank	0.5%	0.0%	0.0%	2.3%	0.0%
Owned their own RIA	15.6%	11.1%	6.7%	13.6%	25.9%
Advisor at an RIA	23.7%	7.4%	30.0%	40.9%	22.4%
Employee at an RIA	8.6%	14.8%	3.3%	11.4%	3.4%
Employee at an investment management firm	5.4%	9.3%	3.3%	0.0%	6.9%
Not in financial services industry previously	10.8%	31.5%	10.0%	0.0%	0.0%
Other	8.1%	9.3%	10.0%	4.5%	8.6%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	40.3%	14.5%	34.5%	45.0%	51.2%

XYPN MEMBER PROFILES

ADVISOR EXPERIENCE: FIRM OWNERSHIP AND FINANCIALS					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
9. Firm owner					
Yes	100.0%	100.0%	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	94.4%	97.8%	94.3%	99.1%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.2	1.1	1.2	1.2
11. Target revenue for 12/31/2019	\$131,833	\$69,283	\$122,942	\$122,850	\$202,604
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$86,633	N/A	\$15,350	\$57,321	\$115,612
Fiscal year 2016	\$115,958	N/A	\$27,350	\$96,760	\$139,928
Fiscal year 2017	\$138,432	N/A	\$48,600	\$108,291	\$173,119
Fiscal year 2018	\$163,112	N/A	\$114,000	\$137,032	\$187,047

ADVISOR EXPERIENCE: CLIENTS AND SERVICES					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	38.1	N/A	4.7	37.4	44.8
12/31/2016	31.8	4.8	13.0	40.7	40.5
12/31/2017	45.7	16.7	26.8	52.5	56.1
12/31/2018	58.6	32.0	45.2	64.8	66.6
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	16%	20%	15%	17%	12%
Retainer fee only	33%	36%	31%	28%	36%
AUM fee only	37%	30%	36%	39%	42%
Retainer & AUM	8%	7%	10%	11%	4%
Standalone & retainer	3%	5%	2%	2%	3%
Standalone & AUM	2%	1%	4%	2%	2%
Other	2%	2%	1%	0%	2%
15. Source of new clients over the 12 months ending 12/31/18					
Total net new clients					
XYPN Find an Advisor profile	5%	2%	6%	8%	4%
NAPFA	7%	5%	10%	7%	8%
Online/Google searches	16%	10%	18%	15%	22%
Speeches, seminars, community events	3%	3%	1%	5%	2%
Social media	3%	3%	1%	4%	4%
Online advertisement	1%	1%	2%	1%	0%
Blog	1%	0%	0%	1%	1%
Third-party Q&A sites	2%	2%	2%	1%	2%
Networking and general business development	25%	38%	14%	26%	16%
Referrals from existing clients	22%	13%	36%	18%	26%
Referrals from centers of influence	18%	24%	13%	17%	17%
Lost clients you previously worked with but do not any longer	3%	3%	3%	1%	4%

XYPN MEMBER PROFILES

ADVISOR EXPERIENCE: DISCRETIONARY AND NON-DISCRETIONARY ASSETS					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
16. Firm provides discretionary investment management services					
Yes	79.4%	81.8%	90.3%	80.0%	70.7%
No	20.6%	18.2%	9.7%	20.0%	29.3%
a. Total discretionary assets under management (AUM)					
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$9,727,967	N/A	\$5,000,000	\$7,849,132	\$11,493,234
12/31/2016	\$13,806,951	N/A	\$6,500,000	\$10,049,110	\$17,068,971
12/31/2017	\$17,050,260	N/A	\$8,500,000	\$11,514,533	\$22,270,838
12/31/2018	\$19,241,111	\$1,025,000	\$11,300,000	\$15,657,865	\$25,198,198
17. Firm bills on outside investments on which it provides advice, but does not directly manage					
Yes	21.4%	21.8%	23.3%	20.0%	21.1%
No	78.6%	78.2%	76.7%	80.0%	78.9%
a. If firm bills for non-discretionary assets, method used					
Separate AUM fee	30.6%	36.4%	42.9%	0.0%	33.3%
Included as a service as part of the retainer fee	69.4%	63.6%	57.1%	100.0%	66.7%
b. Total billed non-discretionary AUM					
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$11,457,100	N/A	N/A	\$5,000,000	\$14,685,651
12/31/2016	\$10,973,041	\$0	\$4,801,870	\$2,500,000	\$17,791,099
12/31/2017	\$14,664,377	\$233,683	\$12,101,403	\$3,570,388	\$22,689,422
12/31/2018	\$13,118,305	\$844,334	\$6,605,340	\$2,038,457	\$32,273,194
18. Sources of AUM for the 12 months ending 12/31/2018					
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,345,076	\$685,451	\$4,713,751	\$3,215,642	\$5,027,319
XYPN Find an Advisor Profile	\$50,870	\$0	\$11,111	\$144,000	\$57,143
NAPFA	\$123,419	\$33,562	\$195,667	\$142,897	\$146,500
Online/Google searches	\$85,485	\$167,871	\$166,667	\$0	\$17,857
Speeches, seminars, community events	\$8,696	\$30,769	\$0	\$0	\$0
Social media	\$119,565	\$0	\$0	\$350,000	\$142,857
Newspaper advertisement	\$0	\$0	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0	\$0	\$0
Blog	\$0	\$0	\$0	\$0	\$0
Networking and general business development	\$1,159,716	\$829,322	\$144,889	\$1,254,334	\$2,051,315
Referrals from existing clients	\$889,808	\$769,231	\$894,213	\$70,200	\$1,584,376
Referrals from centers of influence	\$136,308	\$390,385	\$19,556	\$101,919	\$0
Existing client contributions	\$637,026	\$316,544	\$333,333	\$250,047	\$1,406,262
Lost clients	\$110,109	\$0	\$555,556	\$6,500	\$0
Existing client distributions	-\$4,625	\$28,846	-\$55,556	-\$38,611	\$21,313
Change in AUM due to market performance	-\$99,740	-\$3,288	-\$166,667	-\$217,315	-\$62,295
Ending AUM	\$4,951,712	\$3,137,154	\$5,809,075	\$5,263,871	\$5,862,527

XYPN MEMBER PROFILES

ADVISOR EXPERIENCE: NICHE CLIENT FOCUS					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
19. Firm has a niche client focus					
Yes	61.9%	66.7%	58.6%	51.2%	67.9%
No	38.1%	33.3%	41.4%	48.8%	32.1%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.1%	72.2%	46.3%	77.3%	68.3%
a. Category that best describes niche(s)					
Age-based (e.g., Millennials)	26.1%	35.1%	17.6%	23.8%	22.2%
Professional (e.g., doctors)	39.6%	45.9%	58.8%	42.9%	22.2%
Culture-specific (e.g., Latinos, LGBT)	7.2%	2.7%	17.6%	4.8%	8.3%
Interest-specific (e.g., adventurers, diligent savers)	4.5%	5.4%	11.8%	4.8%	0.0%
Life events (e.g., divorce)	9.9%	5.4%	5.9%	4.8%	19.4%
Career stages (e.g., Gen X, retirement planning, recent graduates)	23.4%	18.9%	23.5%	19.0%	30.6%
Other	31.5%	21.6%	17.6%	38.1%	44.4%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018					
Percent of prospects where qualified prospects	39.2	29.2	38.3	38.8	47.7
Percent of prospects converted to clients	65.3%	66.8%	70.5%	76.9%	54.2%
Percent of prospects ultimately converted to monthly retainer	45.3%	44.3%	38.1%	59.5%	40.0%
Percent of prospects ultimately converted to AUM	28.4%	19.1%	28.1%	43.9%	25.8%
	25.4%	26.6%	26.4%	26.6%	23.2%
21. Consultative services offered along with financial planning					
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	72.0%	62.2%	56.5%	76.7%	88.6%
Investment advice (but not directly managed)	72.1%	76.3%	66.7%	75.0%	69.2%
Retirement planning	87.9%	92.3%	87.0%	88.2%	84.4%
Estate planning	53.6%	51.5%	57.9%	51.5%	55.0%
Tax planning	76.7%	88.9%	66.7%	76.7%	71.4%
Tax preparation	46.2%	40.0%	50.0%	33.3%	62.5%
Health insurance	42.3%	43.5%	68.8%	35.0%	26.3%
Life/disability/long-term care insurance	52.4%	44.4%	68.4%	55.6%	46.9%
Property and casualty insurance	47.1%	37.5%	57.1%	45.5%	52.0%
Credit card and short-term debt management	32.7%	34.5%	50.0%	23.1%	29.4%
Cash flow/budgeting advice	59.2%	67.6%	66.7%	48.3%	55.8%
Planning for college savings for kids	23.3%	30.6%	8.7%	32.3%	18.6%
Student loan planning	8.1%	6.5%	11.8%	6.9%	8.8%
Trust services	5.6%	33.3%	0.0%	0.0%	0.0%
Business consulting and support: insurance, benefits, sale of business	9.5%	23.1%	10.0%	6.7%	4.0%
Career advice	16.3%	26.3%	20.0%	5.9%	13.8%
Employee benefits advice	38.5%	37.5%	45.0%	43.8%	31.6%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
22. Percentage of client interactions conducted by medium					
In-person meeting	35.5%	33.4%	26.1%	38.1%	40.3%
Video conference	23.1%	23.4%	30.7%	19.5%	21.5%
Telephone conference	13.8%	13.1%	14.0%	11.6%	15.9%
Email	27.7%	30.1%	29.2%	30.8%	22.3%

XYPN MEMBER PROFILES

ADVISOR EXPERIENCE: PRICING					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$1,068	\$1,406	\$1,533	\$3,616
Annual retainer fee to clients	\$2,716	\$2,142	\$2,471	\$2,257	\$3,676
AUM fee to clients	\$3,043	\$1,700	\$5,143	\$3,025	\$3,117
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$12,466	\$6,295	\$13,457	\$11,546	\$17,973
Lowest annual revenue paid by a client	\$1,209	\$1,012	\$1,951	\$1,051	\$1,103
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
AUM fee	54.7%	41.2%	55.9%	68.7%	54.7%
Retainer fee	36.8%	48.9%	32.2%	25.4%	37.8%
Upfront planning fee	7.3%	9.5%	11.9%	5.9%	3.8%
Hourly fee	1.2%	0.4%	0.0%	0.0%	3.7%
26. Changed fees since joining XYPN					
Yes	64.7%	58.8%	76.9%	75.6%	55.8%
No	35.3%	41.2%	23.1%	24.4%	44.2%
ADVISOR EXPERIENCE: RETAINER PRICING					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
27. Offer a retainer fee pricing option					
Yes	87.9%	94.1%	85.2%	85.7%	84.9%
No	12.1%	5.9%	14.8%	14.3%	15.1%
<i>For advisors offering retainer pricing:</i>					
a. Duration of the retainer agreement					
Month-to-month	66.9%	73.9%	73.9%	66.7%	55.8%
Initial term then month-to-month	16.2%	19.6%	4.3%	13.9%	20.9%
Required term, quarterly	2.0%	0.0%	4.3%	2.8%	2.3%
Required term, annually	14.2%	6.5%	17.4%	13.9%	20.9%
Required term, other	0.7%	0.0%	0.0%	2.8%	0.0%
	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
b. Standard <i>monthly</i> retainer fee	\$200	\$150	\$250	\$200	\$200
c. Niche client standard <i>monthly</i> retainer fee					
Niche client	\$250	\$200	\$350	\$225	\$250
Non-niche client	\$200	\$170	\$275	\$200	\$200
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018					
Highest annual revenue in retainer fees	\$3,000	\$2,000	\$3,900	\$3,000	\$4,200
Lowest annual revenue in retainer fees	\$1,200	\$960	\$1,200	\$1,200	\$1,200

XYPN MEMBER PROFILES

ADVISOR EXPERIENCE: UPFRONT PLANNING FEE PRICING					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
28. Offer an upfront planning fee pricing option					
Yes	66.3%	72.5%	59.3%	52.4%	75.0%
No	33.7%	27.5%	40.7%	47.6%	25.0%
<i>For advisors offering upfront planning fee pricing</i>					
	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,000	\$1,500	\$1,100	\$1,200
b. Highest and lowest upfront planning fee charged to clients in 2018					
Highest fee amount	\$1,500	\$1,000	\$3,000	\$1,650	\$1,500
Lowest fee amount	\$500	\$500	\$1,000	\$625	\$750

ADVISOR EXPERIENCE: HOURLY FEE PRICING					
	ALL PARTICIPANTS	0 – 3 YEARS ADVISOR EXPERIENCE	3 – 5 YEARS ADVISOR EXPERIENCE	5 – 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
29. Offer an hourly fee pricing option					
Yes	61.8%	58.8%	63.0%	59.5%	66.0%
No	38.2%	41.2%	37.0%	40.5%	34.0%
<i>For advisors offering hourly fee pricing:</i>					
	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200	\$200	\$200
b. For hourly clients only, average hours spent on a client	4.5	2.0	12.5	2.5	6.0
c. Highest and lowest hourly fee charged to clients in 2018					
Highest fee amount	\$250	\$213	\$200	\$300	\$250
Lowest fee amount	\$200	\$200	\$200	\$175	\$200

XYPN MEMBER PROFILES

ADVISOR EXPERIENCE: AUM AND OTHER FEE PRICING					
	ALL PARTICIPANTS	0 - 3 YEARS ADVISOR EXPERIENCE	3 - 5 YEARS ADVISOR EXPERIENCE	5 - 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
30. Offer an AUM fee pricing option					
Yes	77.0%	70.6%	75.0%	90.5%	73.6%
No	23.0%	29.4%	25.0%	9.5%	26.4%
For advisors offering AUM fee pricing:					
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	95.0	100.0	100.0	100.0
\$100,000 AUM	100.0	95.0	100.0	100.0	100.0
\$250,000 AUM	100.0	90.0	100.0	100.0	100.0
\$500,000 AUM	100.0	87.5	100.0	100.0	100.0
\$1,000,000 AUM	85.0	77.5	85.0	90.0	85.0
\$3,000,000 AUM	68.0	62.5	75.0	65.0	75.0
\$5,000,000 AUM	50.0	50.0	50.0	50.0	60.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018					
Highest annual revenue in AUM fees	\$7,500	\$2,670	\$6,000	\$8,800	\$10,000
Lowest annual revenue in AUM fees	\$120	\$40	\$200	\$200	\$139
c. Use a TAMP					
Yes	23.1%	15.2%	40.0%	23.7%	20.5%
No	76.9%	84.8%	60.0%	76.3%	79.5%
31. Offer another fee pricing option					
Yes	17.4%	10.0%	14.8%	19.0%	24.5%
No	82.6%	90.0%	85.2%	81.0%	75.5%

ADVISOR EXPERIENCE: TECHNOLOGY					
	ALL PARTICIPANTS	0 - 3 YEARS ADVISOR EXPERIENCE	3 - 5 YEARS ADVISOR EXPERIENCE	5 - 10 YEARS ADVISOR EXPERIENCE	10+ YEARS ADVISOR EXPERIENCE
32. Technology solution					
Financial planning	98.8%	100.0%	100.0%	97.5%	98.0%
Client portal	91.2%	91.3%	92.0%	87.5%	93.8%
Secure client file transfer	83.3%	79.1%	92.3%	81.6%	83.7%
Client relationship management (CRM)	98.2%	95.8%	100.0%	97.5%	100.0%
Performance reporting	67.3%	54.3%	61.5%	74.4%	77.1%
Trading and rebalancing	67.9%	57.4%	76.9%	69.2%	72.3%
Proposal generation	40.5%	36.4%	36.0%	44.4%	43.8%
Investment management	84.5%	88.9%	84.6%	86.5%	78.7%
Investment research	70.5%	68.9%	60.0%	68.4%	79.2%
Risk tolerance	55.3%	44.4%	40.0%	73.0%	60.0%
Advice fee payment processing	89.4%	89.4%	92.3%	86.8%	89.8%
Compliance archiving	96.9%	97.9%	92.3%	97.5%	97.9%
Firm count	189	55	31	45	58

XYPN MEMBER PROFILES

CLIENTS TRANSITIONED: GENERAL PROFILE			
	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
1. Reason advisor started an independent advisory firm			
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.4%	25.9%	21.7%
To build an enterprise business (i.e, be a firm owner and scale to multiple advisors beyond yourself)	20.6%	16.4%	29.0%
To be self-employed (i.e, be your own boss, control what you deliver to clients)	54.0%	57.8%	49.3%
	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	7/15/2016	5/25/2017	5/3/2015
	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	7.1	5.1	10.2
	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	11.1	9.9	13.1
5. Percent of participants with professional designation			
CFP	84.8%	81.3%	91.1%
CFA	8.6%	8.8%	7.1%
CPA	11.9%	15.4%	7.1%
CLU	1.3%	1.1%	1.8%
ChFC	4.0%	3.3%	5.4%
PFS	1.3%	1.1%	1.8%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%
MBA	27.8%	28.6%	25.0%
Other designations	33.1%	37.4%	28.6%
	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/15/2017	5/18/2017	5/13/2017
7. Role prior to joining XYPN			
Employee at a financial services company	8.6%	12.3%	2.9%
Advisor at an independent broker-dealer	9.7%	1.8%	23.5%
Advisor at an insurance broker-dealer	4.8%	2.6%	8.8%
Advisor at a wirehouse	4.3%	4.4%	4.4%
Advisor at bank	0.5%	0.9%	0.0%
Owned their own RIA	15.6%	5.3%	29.4%
Advisor at an RIA	23.7%	21.9%	26.5%
Employee at an RIA	8.6%	11.4%	4.4%
Employee at an investment management firm	5.4%	8.8%	0.0%
Not in financial services industry previously	10.8%	17.5%	0.0%
Other	8.1%	13.2%	0.0%
	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	40.3%	6.0%	70.1%

XYPN MEMBER PROFILES

CLIENTS TRANSITIONED: FIRM OWNERSHIP AND FINANCIALS

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
9. Firm owner			
Yes	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	96.3%	97.0%
	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.2	1.1
11. Target revenue for 12/31/2019	\$131,833	\$103,343	\$174,875
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$86,633	\$27,924	\$118,789
Fiscal year 2016	\$115,958	\$56,205	\$147,382
Fiscal year 2017	\$138,432	\$92,465	\$160,152
Fiscal year 2018	\$163,112	\$133,442	\$177,672

CLIENTS TRANSITIONED: CLIENTS AND SERVICES

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE
12/31/2015	38.1	13.1	53.4
12/31/2016	31.8	12.4	56.2
12/31/2017	45.7	24.6	72.9
12/31/2018	58.6	42.4	81.8
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	16%	20%	9%
Retainer fee only	33%	38%	26%
AUM fee only	37%	28%	51%
Retainer & AUM	8%	7%	9%
Standalone & retainer	3%	2%	2%
Standalone & AUM	2%	1%	3%
Other	2%	2%	0%
15. Source of new clients over the 12 months ending 12/31/18			
Total net new clients			
XYPN Find an Advisor profile	5%	5%	4%
NAPFA	7%	8%	6%
Online/Google searches	16%	17%	15%
Speeches, seminars, community events	3%	3%	2%
Social media	3%	3%	4%
Online advertisement	1%	1%	2%
Blog	1%	0%	1%
Third-party Q&A sites	2%	2%	2%
Networking and general business development	25%	30%	17%
Referrals from existing clients	22%	15%	33%
Referrals from centers of influence	18%	18%	18%
Lost clients you previously worked with but do not any longer	3%	2%	3%

XYPN MEMBER PROFILES

CLIENTS TRANSITIONED: DISCRETIONARY AND NON-DISCRETIONARY ASSETS			
	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
16. Firm provides discretionary investment management services			
Yes	79.4%	78.4%	81.2%
No	20.6%	21.6%	18.8%
a. Total discretionary assets under management (AUM)	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$9,727,967	\$3,007,937	\$14,087,282
12/31/2016	\$13,806,951	\$6,624,767	\$18,726,697
12/31/2017	\$17,050,260	\$12,134,789	\$20,548,674
12/31/2018	\$19,241,111	\$17,635,586	\$20,840,559
17. Firm bills on outside investments on which it provides advice, but does not directly manage			
Yes	21.4%	20.0%	23.2%
No	78.6%	80.0%	76.8%
a. If firm bills for non-discretionary assets, method used			
Separate AUM fee	30.6%	19.0%	42.9%
Included as a service as part of the retainer fee	69.4%	81.0%	57.1%
b. Total billed non-discretionary AUM	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$11,457,100	N/A	\$16,235,651
12/31/2016	\$10,973,041	\$2,450,468	\$21,813,874
12/31/2017	\$14,664,377	\$3,144,658	\$24,730,516
12/31/2018	\$13,118,305	\$1,783,283	\$31,298,149
18. Sources of AUM for the 12 months ending 12/31/2018	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,345,076	\$3,321,453	\$3,393,898
XYPN Find an Advisor Profile	\$50,870	\$72,258	\$6,667
NAPFA	\$123,419	\$146,009	\$76,733
Online/Google searches	\$85,485	\$118,784	\$16,667
Speeches, seminars, community events	\$8,696	\$12,903	\$0
Social media	\$119,565	\$64,516	\$233,333
Newspaper advertisement	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0
Blog	\$0	\$0	\$0
Networking and general business development	\$1,159,716	\$1,097,034	\$1,289,258
Referrals from existing clients	\$889,808	\$1,072,578	\$512,085
Referrals from centers of influence	\$136,308	\$180,458	\$45,067
Existing client contributions	\$637,026	\$273,010	\$1,389,328
Lost clients	\$110,109	\$161,290	\$4,333
Existing client distributions	-\$4,625	-\$22,103	\$31,498
Change in AUM due to market performance	-\$99,740	-\$100,081	-\$99,035
Ending AUM	\$4,951,712	\$4,487,883	\$5,910,292

XYPN MEMBER PROFILES

CLIENTS TRANSITIONED: NICHE CLIENT FOCUS			
	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
19. Firm has a niche client focus			
Yes	61.9%	65.1%	59.1%
No	38.1%	34.9%	40.9%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.1%	68.9%	67.3%
a. Category that best describes niche(s)			
Age-based (e.g., Millennials)	26.1%	27.8%	21.1%
Professional (e.g., doctors)	39.6%	44.4%	28.9%
Culture-specific (e.g., Latinos, LGBT)	7.2%	5.6%	10.5%
Interest-specific (e.g., adventurers, diligent savers)	4.5%	5.6%	2.6%
Life events (e.g., divorce)	9.9%	8.3%	13.2%
Career stages (e.g., Gen X, retirement planning, recent graduates)	23.4%	22.2%	23.7%
Other	31.5%	26.4%	42.1%
	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018			
Percent of prospects where qualified prospects	39.2	35.8	45.3
Percent of prospects converted to clients	65.3%	65.8%	64.8%
Percent of prospects converted to clients	45.3%	43.3%	47.7%
Percent of prospects ultimately converted to monthly retainer	28.4%	28.2%	27.3%
Percent of prospects ultimately converted to AUM	25.4%	22.8%	29.0%
21. Consultative services offered along with financial planning			
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	72.0%	60.0%	89.1%
Investment advice (but not directly managed)	72.1%	76.9%	64.6%
Retirement planning	87.9%	91.8%	80.8%
Estate planning	53.6%	63.6%	40.0%
Tax planning	76.7%	81.5%	68.9%
Tax preparation	46.2%	45.0%	50.0%
Health insurance	42.3%	50.0%	27.3%
Life/disability/long-term care insurance	52.4%	58.2%	44.4%
Property and casualty insurance	47.1%	48.2%	48.1%
Credit card and short-term debt management	32.7%	35.4%	30.0%
Cash flow/budgeting advice	59.2%	65.8%	47.9%
Planning for college savings for kids	23.3%	28.4%	14.3%
Student loan planning	8.1%	9.9%	5.3%
Trust services	5.6%	7.1%	0.0%
Business consulting and support: insurance, benefits, sale of business	9.5%	5.7%	15.4%
Career advice	16.3%	17.3%	14.8%
Employee benefits advice	38.5%	48.6%	23.9%
	AVERAGE	AVERAGE	AVERAGE
22. Percentage of client interactions conducted by medium			
In-person meeting	35.5%	32.7%	40.4%
Video conference	23.1%	26.4%	18.2%
Telephone conference	13.8%	12.7%	15.2%
Email	27.7%	28.2%	26.3%

XYPN MEMBER PROFILES

CLIENTS TRANSITIONED: PRICING

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$1,691	\$2,867
Annual retainer fee to clients	\$2,716	\$2,588	\$2,991
AUM fee to clients	\$3,043	\$2,816	\$3,387
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$12,466	\$9,920	\$16,602
Lowest annual revenue paid by a client	\$1,209	\$1,416	\$891
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE
AUM fee	54.7%	46.6%	66.1%
Retainer fee	36.8%	40.8%	33.0%
Upfront planning fee	7.3%	11.9%	0.1%
Hourly fee	1.2%	0.7%	0.8%
26. Changed fees since joining XYPN			
Yes	64.7%	64.8%	65.6%
No	35.3%	35.2%	34.4%

CLIENTS TRANSITIONED: RETAINER PRICING

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
27. Offer a retainer fee pricing option			
Yes	87.9%	90.7%	83.9%
No	12.1%	9.3%	16.1%
<i>For advisors offering retainer pricing:</i>			
a. Duration of the retainer agreement			
Month-to-month	66.9%	71.6%	58.8%
Initial term then month-to-month	16.2%	17.9%	11.8%
Required term, quarterly	2.0%	2.1%	2.0%
Required term, annually	14.2%	8.4%	25.5%
Required term, other	0.7%	0.0%	2.0%
	MEDIAN	MEDIAN	MEDIAN
b. Standard <i>monthly</i> retainer fee	\$200	\$200	\$175
c. Niche client standard <i>monthly</i> retainer fee			
Niche client	\$250	\$250	\$209
Non-niche client	\$200	\$200	\$200
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018			
Highest annual revenue in retainer fees	\$3,000	\$3,000	\$3,150
Lowest annual revenue in retainer fees	\$1,200	\$1,200	\$1,200

XYPN MEMBER PROFILES

CLIENTS TRANSITIONED: UPFRONT PLANNING FEE PRICING

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
28. Offer an upfront planning fee pricing option			
Yes	66.3%	70.1%	58.1%
No	33.7%	29.9%	41.9%
<i>For advisors offering upfront planning fee pricing</i>			
	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,200	\$1,100
b. Highest and lowest upfront planning fee charged to clients in 2018			
Highest fee amount	\$1,500	\$1,500	\$1,500
Lowest fee amount	\$500	\$500	\$500

CLIENTS TRANSITIONED: HOURLY FEE PRICING

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
29. Offer an hourly fee pricing option			
Yes	61.8%	59.8%	66.1%
No	38.2%	40.2%	33.9%
<i>For advisors offering hourly fee pricing:</i>			
	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200
b. For hourly clients only, average hours spent on a client	4.5	3.5	6.0
c. Highest and lowest hourly fee charged to clients in 2018			
Highest fee amount	\$250	\$250	\$250
Lowest fee amount	\$200	\$200	\$175

XYPN MEMBER PROFILES

CLIENTS TRANSITIONED: AUM AND OTHER FEE PRICING

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
30. Offer an AUM fee pricing option			
Yes	77.0%	71.3%	87.1%
No	23.0%	28.7%	12.9%
<i>For advisors offering AUM fee pricing:</i>			
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	95.0	100.0
\$100,000 AUM	100.0	95.0	100.0
\$250,000 AUM	100.0	95.0	100.0
\$500,000 AUM	100.0	90.0	100.0
\$1,000,000 AUM	85.0	85.0	90.0
\$3,000,000 AUM	68.0	67.0	70.0
\$5,00,000 AUM	50.0	50.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018			
Highest annual revenue in AUM fees	\$7,500	\$5,460	\$8,700
Lowest annual revenue in AUM fees	\$120	\$60	\$180
c. Use a TAMP			
Yes	23.1%	21.9%	25.9%
No	76.9%	78.1%	74.1%
31. Offer another fee pricing option			
Yes	17.4%	16.0%	21.0%
No	82.6%	84.0%	79.0%

CLIENTS TRANSITIONED: TECHNOLOGY

	ALL PARTICIPANTS	TRANSITIONED TO XYPN WITH FEW CLIENTS	TRANSITIONED TO XYPN WITH MANY CLIENTS
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	98.8%	100.0%	96.7%
Client portal	91.2%	91.6%	91.7%
Secure client file transfer	83.3%	76.3%	93.2%
Client relationship management (CRM)	98.2%	96.9%	100.0%
Performance reporting	67.3%	60.4%	76.3%
Trading and rebalancing	67.9%	68.0%	70.7%
Proposal generation	40.5%	31.5%	56.1%
Investment management	84.5%	84.9%	86.2%
Investment research	70.5%	63.8%	81.0%
Risk tolerance	55.3%	55.9%	56.4%
Advice fee payment processing	89.4%	92.7%	86.7%
Compliance archiving	96.9%	95.9%	98.3%
Firm count	189	116	69

XYPN MEMBER PROFILES

MEMBER TENURE AND CLIENTS TRANSITIONED: GENERAL PROFILE				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
1. Reason advisor started an independent advisory firm				
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.9%	24.5%	25.0%	33.3%
To build an enterprise business (i.e, be a firm owner and scale to multiple advisors beyond yourself)	16.4%	14.3%	19.2%	13.3%
To be self-employed (i.e, be your own boss, control what you deliver to clients)	57.8%	61.2%	55.8%	53.3%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	5/25/2017	2/7/2018	3/31/2017	8/9/2015
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	5.1	5.1	4.8	6.3
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	9.9	10.0	9.6	10.5
5. Percent of participants with professional designation				
CFP	81.3%	75.0%	85.0%	86.7%
CFA	8.8%	11.1%	5.0%	13.3%
CPA	15.4%	22.2%	15.0%	0.0%
CLU	1.1%	0.0%	2.5%	0.0%
ChFC	3.3%	5.6%	2.5%	0.0%
PFS	1.1%	0.0%	2.5%	0.0%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%	0.0%
MBA	28.6%	22.2%	27.5%	46.7%
Other designations	37.4%	33.3%	35.0%	53.3%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/18/2017	5/6/2018	1/21/2017	4/30/2015
7. Role prior to joining XYPN				
Employee at a financial services company	12.3%	10.2%	14.0%	13.3%
Advisor at an independent broker-dealer	1.8%	2.0%	2.0%	0.0%
Advisor at an insurance broker-dealer	2.6%	6.1%	0.0%	0.0%
Advisor at a wirehouse	4.4%	2.0%	8.0%	0.0%
Advisor at bank	0.9%	2.0%	0.0%	0.0%
Owned their own RIA	5.3%	8.2%	2.0%	6.7%
Advisor at an RIA	21.9%	20.4%	20.0%	33.3%
Employee at an RIA	11.4%	12.2%	10.0%	13.3%
Employee at an investment management firm	8.8%	6.1%	12.0%	6.7%
Not in financial services industry previously	17.5%	14.3%	20.0%	20.0%
Other	13.2%	16.3%	12.0%	6.7%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	6.0%	8.3%	5.7%	1.0%

XYPN MEMBER PROFILES

MEMBER TENURE AND CLIENTS TRANSITIONED: FIRM OWNERSHIP AND FINANCIALS				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
9. Firm owner				
Yes	100.0%	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	93.4%	97.9%	100.0%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.3	1.2	1.0
11. Target revenue for 12/31/2019	\$103,343	\$86,179	\$99,860	\$165,286
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$27,924	\$105,000	N/A	\$15,078
Fiscal year 2016	\$56,205	\$158,000	N/A	\$39,239
Fiscal year 2017	\$92,465	\$206,000	N/A	\$73,542
Fiscal year 2018	\$133,442	\$176,125	N/A	\$119,214

MEMBER TENURE AND CLIENTS TRANSITIONED: CLIENTS AND SERVICES				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	13.1	37.0	N/A	10.4
12/31/2016	12.4	22.0	5.0	17.1
12/31/2017	24.6	30.5	16.3	30.5
12/31/2018	42.4	41.0	38.4	45.9
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	20%	17%	23%	21%
Retainer fee only	38%	37%	38%	43%
AUM fee only	28%	33%	27%	21%
Retainer & AUM	7%	7%	8%	5%
Standalone & retainer	2%	3%	1%	5%
Standalone & AUM	1%	1%	2%	1%
Other	2%	3%	1%	6%
15. Source of new clients over the 12 months ending 12/31/18				
Total net new clients				
XYPN Find an Advisor profile	5%	0%	7%	10%
NAPFA	8%	5%	9%	13%
Online/Google searches	17%	12%	18%	30%
Speeches, seminars, community events	3%	1%	4%	1%
Social media	3%	4%	3%	4%
Online advertisement	1%	1%	0%	3%
Blog	0%	0%	0%	1%
Third-party Q&A sites	2%	3%	1%	3%
Networking and general business development	30%	42%	23%	16%
Referrals from existing clients	15%	8%	20%	21%
Referrals from centers of influence	18%	24%	17%	8%
Lost clients you previously worked with but do not any longer	2%	0%	2%	9%

XYPN MEMBER PROFILES

MEMBER TENURE AND CLIENTS TRANSITIONED: DISCRETIONARY AND NON-DISCRETIONARY ASSETS				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
16. Firm provides discretionary investment management services				
Yes	78.4%	79.6%	75.0%	86.7%
No	21.6%	20.4%	25.0%	13.3%
a. Total discretionary assets under management (AUM)				
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$3,007,937	N/A	N/A	\$3,007,937
12/31/2016	\$6,624,767	N/A	N/A	\$6,624,767
12/31/2017	\$12,134,789	N/A	N/A	\$12,134,789
12/31/2018	\$17,635,586	N/A	N/A	\$17,635,586
17. Firm bills on outside investments on which it provides advice, but does not directly manage				
Yes	20.0%	22.4%	17.6%	20.0%
No	80.0%	77.6%	82.4%	80.0%
a. If firm bills for non-discretionary assets, method used				
Separate AUM fee	19.0%	9.1%	42.9%	0.0%
Included as a service as part of the retainer fee	81.0%	90.9%	57.1%	100.0%
b. Total billed non-discretionary AUM				
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	N/A	N/A	N/A	N/A
12/31/2016	\$2,450,468	N/A	\$2,500,000	\$2,400,935
12/31/2017	\$3,144,658	N/A	\$2,536,047	\$4,057,574
12/31/2018	\$1,783,283	\$638,750	\$1,570,546	\$7,105,996
18. Sources of AUM for the 12 months ending 12/31/2018				
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,321,453	\$2,663,636	\$1,097,204	\$9,717,363
XYPN Find an Advisor Profile	\$72,258	\$0	\$92,857	\$156,667
NAPFA	\$146,009	\$0	\$114,093	\$488,162
Online/Google searches	\$118,784	\$0	\$155,880	\$250,000
Speeches, seminars, community events	\$12,903	\$0	\$28,571	\$0
Social media	\$64,516	\$0	\$142,857	\$0
Newspaper advertisement	\$0	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0	\$0
Blog	\$0	\$0	\$0	\$0
Networking and general business development	\$1,097,034	\$1,089,636	\$727,942	\$1,971,812
Referrals from existing clients	\$1,072,578	\$185,000	\$1,800,000	\$1,002,487
Referrals from centers of influence	\$180,458	\$474,472	\$26,786	\$0
Existing client contributions	\$273,010	\$0	\$293,934	\$724,704
Lost clients	\$161,290	\$0	\$0	\$833,333
Existing client distributions	-\$22,103	\$727	\$26,786	-\$178,034
Change in AUM due to market performance	-\$100,081	\$418	-\$3,054	-\$510,727
Ending AUM	\$4,487,883	\$2,112,435	\$2,795,928	\$12,790,766

XYPN MEMBER PROFILES

MEMBER TENURE AND CLIENTS TRANSITIONED: NICHE CLIENT FOCUS				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
19. Firm has a niche client focus				
Yes	65.1%	67.4%	61.2%	71.4%
No	34.9%	32.6%	38.8%	28.6%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.9%	66.7%	74.7%	57.9%
a. Category that best describes niche(s)				
Age-based (e.g., Millennials)	27.8%	27.3%	34.5%	10.0%
Professional (e.g., doctors)	44.4%	42.4%	48.3%	40.0%
Culture-specific (e.g., Latinos, LGBT)	5.6%	6.1%	6.9%	0.0%
Interest-specific (e.g., adventurers, diligent savers)	5.6%	6.1%	3.4%	10.0%
Life events (e.g., divorce)	8.3%	9.1%	10.3%	0.0%
Career stages (e.g., Gen X, retirement planning, recent graduates)	22.2%	27.3%	10.3%	40.0%
Other	26.4%	30.3%	20.7%	30.0%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018				
Percent of prospects where qualified prospects	35.8	25.9	35.4	61.3
Percent of prospects converted to clients	65.8%	64.3%	66.4%	67.9%
Percent of prospects converted to monthly retainer	43.3%	36.5%	49.2%	44.5%
Percent of prospects ultimately converted to monthly retainer	28.2%	25.2%	29.7%	32.1%
Percent of prospects ultimately converted to AUM	22.8%	20.6%	26.7%	17.8%
21. Consultative services offered along with financial planning				
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	60.0%	61.8%	51.5%	87.5%
Investment advice (but not directly managed)	76.9%	70.0%	82.1%	77.8%
Retirement planning	91.8%	97.1%	90.0%	80.0%
Estate planning	63.6%	62.5%	65.7%	60.0%
Tax planning	81.5%	88.6%	72.2%	90.0%
Tax preparation	45.0%	66.7%	20.0%	100.0%
Health insurance	50.0%	45.5%	57.7%	33.3%
Life/disability/long-term care insurance	58.2%	52.0%	56.3%	80.0%
Property and casualty insurance	48.2%	50.0%	38.5%	75.0%
Credit card and short-term debt management	35.4%	36.0%	39.4%	14.3%
Cash flow/budgeting advice	65.8%	60.6%	69.4%	70.0%
Planning for college savings for kids	28.4%	36.4%	26.3%	10.0%
Student loan planning	9.9%	3.6%	16.7%	0.0%
Trust services	7.1%	0.0%	20.0%	N/A
Business consulting and support: insurance, benefits, sale of business	5.7%	8.3%	5.9%	0.0%
Career advice	17.3%	11.8%	20.7%	16.7%
Employee benefits advice	48.6%	37.9%	50.0%	77.8%
22. Percentage of client interactions conducted by medium				
	AVERAGE	AVERAGE	AVERAGE	AVERAGE
In-person meeting	32.7%	36.0%	31.9%	25.1%
Video conference	26.4%	21.5%	29.8%	29.9%
Telephone conference	12.7%	13.7%	11.7%	13.2%
Email	28.2%	28.8%	26.6%	31.8%

XYPN MEMBER PROFILES

MEMBER TENURE AND CLIENTS TRANSITIONED: PRICING				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$1,691	\$1,773	\$1,795	\$1,200
Annual retainer fee to clients	\$2,588	\$2,682	\$2,328	\$3,144
AUM fee to clients	\$2,816	\$3,304	\$2,152	\$3,526
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$9,920	\$9,491	\$9,297	\$12,920
Lowest annual revenue paid by a client	\$1,416	\$2,044	\$1,005	\$991
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE	AVERAGE
AUM fee	46.6%	46.6%	46.3%	47.1%
Retainer fee	40.8%	42.3%	36.1%	51.5%
Upfront planning fee	11.9%	11.1%	15.9%	1.4%
Hourly fee	0.7%	0.0%	1.6%	0.0%
26. Changed fees since joining XYPN				
Yes	64.8%	47.7%	74.5%	85.7%
No	35.2%	52.3%	25.5%	14.3%
MEMBER TENURE AND CLIENTS TRANSITIONED: RETAINER PRICING				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
27. Offer a retainer fee pricing option				
Yes	90.7%	88.9%	89.6%	100.0%
No	9.3%	11.1%	10.4%	0.0%
For advisors offering retainer pricing:				
a. Duration of the retainer agreement				
Month-to-month	71.6%	65.8%	72.1%	85.7%
Initial term then month-to-month	17.9%	15.8%	23.3%	7.1%
Required term, quarterly	2.1%	2.6%	0.0%	7.1%
Required term, annually	8.4%	15.8%	4.7%	0.0%
Required term, other	0.0%	0.0%	0.0%	0.0%
	MEDIAN	MEDIAN	MEDIAN	MEDIAN
b. Standard monthly retainer fee	\$200	\$200	\$200	\$250
c. Niche client standard monthly retainer fee				
Niche client	\$250	\$250	\$200	\$282
Non-niche client	\$200	\$250	\$200	\$282
d. Highest and lowest annual retainer revenue collected from a single client in 2018				
Highest annual revenue in retainer fees	\$3,000	\$2,700	\$2,400	\$5,500
Lowest annual revenue in retainer fees	\$1,200	\$1,075	\$960	\$1,200

XYPN MEMBER PROFILES

MEMBER TENURE AND CLIENTS TRANSITIONED: UPFRONT PLANNING FEE PRICING				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
28. Offer an upfront planning fee pricing option				
Yes	70.1%	73.3%	68.8%	64.3%
No	29.9%	26.7%	31.3%	35.7%
For advisors offering upfront planning fee pricing				
	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,200	\$1,100	\$1,500
b. Highest and lowest upfront planning fee charged to clients in 2018				
Highest fee amount	\$1,500	\$1,750	\$1,500	\$2,000
Lowest fee amount	\$500	\$500	\$550	\$750

MEMBER TENURE AND CLIENTS TRANSITIONED: HOURLY FEE PRICING				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
29. Offer an hourly fee pricing option				
Yes	59.8%	51.1%	70.8%	50.0%
No	40.2%	48.9%	29.2%	50.0%
For advisors offering hourly fee pricing:				
	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200	\$200
b. For hourly clients only, average hours spent on a client	3.5	2.5	3.0	10.0
c. Highest and lowest hourly fee charged to clients in 2018				
Highest fee amount	\$250	\$250	\$240	\$925
Lowest fee amount	\$200	\$250	\$200	\$180

XYPN MEMBER PROFILES

MEMBER TENURE AND CLIENTS TRANSITIONED: AUM AND OTHER FEE PRICING				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
30. Offer an AUM fee pricing option				
Yes	71.3%	75.6%	69.4%	64.3%
No	28.7%	24.4%	30.6%	35.7%
For advisors offering AUM fee pricing:				
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	95.0	100.0	95.0	95.0
\$100,000 AUM	95.0	100.0	95.0	95.0
\$250,000 AUM	95.0	100.0	92.5	95.0
\$500,000 AUM	90.0	95.0	90.0	95.0
\$1,000,000 AUM	85.0	82.5	80.0	95.0
\$3,000,000 AUM	67.0	70.0	64.0	79.0
\$5,000,000 AUM	50.0	57.5	50.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018				
Highest annual revenue in AUM fees	\$5,460	\$2,520	\$5,460	\$11,000
Lowest annual revenue in AUM fees	\$60	\$63	\$44	\$400
c. Use a TAMP				
Yes	21.9%	15.2%	22.6%	44.4%
No	78.1%	84.8%	77.4%	55.6%
31. Offer another fee pricing option				
Yes	16.0%	22.2%	14.9%	0.0%
No	84.0%	77.8%	85.1%	100.0%

MEMBER TENURE AND CLIENTS TRANSITIONED: TECHNOLOGY				
	ALL XYPN MEMBERS TRANSITIONED W/ FEW CLIENTS	LAUNCH PHASE TRANSITIONED W/ FEW CLIENTS	GROW PHASE TRANSITIONED W/ FEW CLIENTS	SCALE PHASE TRANSITIONED W/ FEW CLIENTS
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	100.0%	100.0%	100.0%	100.0%
Client portal	91.6%	87.2%	95.2%	92.9%
Secure client file transfer	76.3%	64.1%	92.5%	64.3%
Client relationship management (CRM)	96.9%	92.7%	100.0%	100.0%
Performance reporting	60.4%	63.4%	53.7%	71.4%
Trading and rebalancing	68.0%	75.6%	57.1%	78.6%
Proposal generation	31.5%	36.8%	27.5%	28.6%
Investment management	84.9%	87.5%	82.5%	84.6%
Investment research	63.8%	75.0%	60.0%	42.9%
Risk tolerance	55.9%	53.8%	63.4%	38.5%
Advice fee payment processing	92.7%	87.8%	97.6%	92.3%
Compliance archiving	95.9%	90.5%	100.0%	100.0%
Firm count	116	49	52	15

XYPN MEMBER PROFILES

NICHE FOCUS: GENERAL PROFILE			
	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
1. Reason advisor started an independent advisory firm			
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.4%	27.5%	26.9%
To build an enterprise business (i.e, be a firm owner and scale to multiple advisors beyond yourself)	20.6%	22.9%	17.9%
To be self-employed (i.e, be your own boss, control what you deliver to clients)	54.0%	49.5%	55.2%
	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	7/15/2016	11/4/2016	10/16/2015
	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	7.1	7.0	6.9
	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	11.1	10.7	11.7
5. Percent of participants with professional designation			
CFP	84.8%	83.1%	87.7%
CFA	8.6%	4.8%	15.8%
CPA	11.9%	15.7%	7.0%
CLU	1.3%	0.0%	3.5%
ChFC	4.0%	1.2%	8.8%
PFS	1.3%	2.4%	0.0%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%
MBA	27.8%	26.5%	29.8%
Other designations	33.1%	34.9%	28.1%
	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/15/2017	5/25/2017	4/7/2017
7. Role prior to joining XYPN			
Employee at a financial services company	8.6%	8.3%	9.1%
Advisor at an independent broker-dealer	9.7%	13.9%	4.5%
Advisor at an insurance broker-dealer	4.8%	3.7%	6.1%
Advisor at a wirehouse	4.3%	2.8%	7.6%
Advisor at bank	0.5%	0.0%	1.5%
Owned their own RIA	15.6%	15.7%	16.7%
Advisor at an RIA	23.7%	17.6%	30.3%
Employee at an RIA	8.6%	8.3%	7.6%
Employee at an investment management firm	5.4%	7.4%	3.0%
Not in financial services industry previously	10.8%	13.9%	6.1%
Other	8.1%	8.3%	7.6%
	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	40.3%	38.4%	48.3%

XYPN MEMBER PROFILES

NICHE FOCUS: FIRM OWNERSHIP AND FINANCIALS

	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
9. Firm owner			
Yes	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	95.6%	97.1%
	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.2	1.2
11. Target revenue for 12/31/2019	\$131,833	\$133,808	\$135,041
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$86,633	\$64,904	\$115,606
Fiscal year 2016	\$115,958	\$81,919	\$156,805
Fiscal year 2017	\$138,432	\$104,025	\$179,094
Fiscal year 2018	\$163,112	\$134,993	\$193,394

NICHE FOCUS: CLIENTS AND SERVICES

	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE
12/31/2015	38.1	19.4	57.9
12/31/2016	31.8	20.6	45.2
12/31/2017	45.7	35.3	57.8
12/31/2018	58.6	47.1	72.2
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	16%	18%	13%
Retainer fee only	33%	39%	25%
AUM fee only	37%	31%	45%
Retainer & AUM	8%	7%	10%
Standalone & retainer	3%	3%	4%
Standalone & AUM	2%	2%	2%
Other	2%	1%	1%
15. Source of new clients over the 12 months ending 12/31/18			
Total net new clients			
XYPN Find an Advisor profile	5%	5%	4%
NAPFA	7%	5%	11%
Online/Google searches	16%	15%	17%
Speeches, seminars, community events	3%	3%	2%
Social media	3%	4%	2%
Online advertisement	1%	2%	0%
Blog	1%	0%	1%
Third-party Q&A sites	2%	3%	0%
Networking and general business development	25%	28%	20%
Referrals from existing clients	22%	20%	26%
Referrals from centers of influence	18%	17%	18%
Lost clients you previously worked with but do not any longer	3%	3%	3%

XYPN MEMBER PROFILES

NICHE FOCUS: DISCRETIONARY AND NON-DISCRETIONARY ASSETS			
	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
16. Firm provides discretionary investment management services			
Yes	79.4%	78.0%	82.1%
No	20.6%	22.0%	17.9%
a. Total discretionary assets under management (AUM)	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$9,727,967	\$4,955,343	\$13,438,599
12/31/2016	\$13,806,951	\$7,891,930	\$18,081,423
12/31/2017	\$17,050,260	\$9,240,603	\$22,222,696
12/31/2018	\$19,241,111	\$11,767,431	\$23,433,435
17. Firm bills on outside investments on which it provides advice, but does not directly manage			
Yes	21.4%	20.4%	18.2%
No	78.6%	79.6%	81.8%
a. If firm bills for non-discretionary assets, method used			
Separate AUM fee	30.6%	19.0%	60.0%
Included as a service as part of the retainer fee	69.4%	81.0%	40.0%
b. Total billed non-discretionary AUM	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$11,457,100	\$27,471,301	\$3,450,000
12/31/2016	\$10,973,041	\$13,151,052	\$3,350,000
12/31/2017	\$14,664,377	\$18,638,805	\$5,721,914
12/31/2018	\$13,118,305	\$22,265,911	\$2,780,397
18. Sources of AUM for the 12 months ending 12/31/2018	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,345,076	\$3,086,492	\$4,291,017
XYPN Find an Advisor Profile	\$50,870	\$44,828	\$69,333
NAPFA	\$123,419	\$51,286	\$279,331
Online/Google searches	\$85,485	\$14,908	\$233,333
Speeches, seminars, community events	\$8,696	\$13,793	\$0
Social media	\$119,565	\$189,655	\$0
Newspaper advertisement	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0
Blog	\$0	\$0	\$0
Networking and general business development	\$1,159,716	\$492,546	\$2,604,206
Referrals from existing clients	\$889,808	\$860,342	\$1,065,418
Referrals from centers of influence	\$136,308	\$167,276	\$66,667
Existing client contributions	\$637,026	\$753,620	\$496,549
Lost clients	\$110,109	\$0	\$337,667
Existing client distributions	-\$4,625	-\$9,018	\$2,720
Change in AUM due to market performance	-\$99,740	-\$117,010	-\$79,956
Ending AUM	\$4,951,712	\$3,271,048	\$8,833,505

XYPN MEMBER PROFILES

NICHE FOCUS: NICHE CLIENT FOCUS			
	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
19. Firm has a niche client focus			
Yes	61.9%	100.0%	0.0%
No	38.1%	0.0%	100.0%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.1%	68.1%	N/A
a. Category that best describes niche(s)			
Age-based (e.g., Millennials)	26.1%	24.0%	N/A
Professional (e.g., doctors)	39.6%	39.4%	N/A
Culture-specific (e.g., Latinos, LGBT)	7.2%	7.7%	N/A
Interest-specific (e.g., adventurers, diligent savers)	4.5%	4.8%	N/A
Life events (e.g., divorce)	9.9%	9.6%	N/A
Career stages (e.g., Gen X, retirement planning, recent graduates)	23.4%	23.1%	N/A
Other	31.5%	31.7%	N/A
	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018			
Percent of prospects where qualified prospects	39.2	44.3	34.9
Percent of prospects converted to clients	65.3%	65.3%	71.7%
Percent of prospects converted to clients	45.3%	43.9%	52.6%
Percent of prospects ultimately converted to monthly retainer	28.4%	31.5%	26.8%
Percent of prospects ultimately converted to AUM	25.4%	25.3%	28.0%
21. Consultative services offered along with financial planning			
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	72.0%	70.4%	76.5%
Investment advice (but not directly managed)	72.1%	75.3%	66.7%
Retirement planning	87.9%	87.8%	89.1%
Estate planning	53.6%	52.7%	54.2%
Tax planning	76.7%	78.2%	72.9%
Tax preparation	46.2%	41.2%	57.1%
Health insurance	42.3%	42.9%	38.5%
Life/disability/long-term care insurance	52.4%	57.6%	41.7%
Property and casualty insurance	47.1%	49.1%	40.7%
Credit card and short-term debt management	32.7%	38.8%	21.6%
Cash flow/budgeting advice	59.2%	68.4%	43.8%
Planning for college savings for kids	23.3%	27.5%	18.0%
Student loan planning	8.1%	11.8%	0.0%
Trust services	5.6%	0.0%	20.0%
Business consulting and support: insurance, benefits, sale of business	9.5%	12.5%	4.5%
Career advice	16.3%	18.9%	12.5%
Employee benefits advice	38.5%	44.4%	29.8%
22. Percentage of client interactions conducted by medium			
	AVERAGE	AVERAGE	AVERAGE
In-person meeting	35.5%	36.1%	35.9%
Video conference	23.1%	25.2%	19.7%
Telephone conference	13.8%	13.2%	14.3%
Email	27.7%	25.4%	30.1%

XYPN MEMBER PROFILES

NICHE FOCUS: PRICING

	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$1,716	\$2,865
Annual retainer fee to clients	\$2,716	\$3,027	\$2,293
AUM fee to clients	\$3,043	\$2,683	\$3,712
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$12,466	\$11,185	\$14,950
Lowest annual revenue paid by a client	\$1,209	\$1,230	\$1,198
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE
AUM fee	54.7%	53.0%	58.2%
Retainer fee	36.8%	37.0%	36.7%
Upfront planning fee	7.3%	9.0%	3.5%
Hourly fee	1.2%	1.0%	1.7%
26. Changed fees since joining XYPN			
Yes	64.7%	69.0%	58.5%
No	35.3%	31.0%	41.5%

NICHE FOCUS: RETAINER PRICING

	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
27. Offer a retainer fee pricing option			
Yes	87.9%	91.3%	84.6%
No	12.1%	8.7%	15.4%
<i>For advisors offering retainer pricing:</i>			
a. Duration of the retainer agreement			
Month-to-month	66.9%	68.1%	66.7%
Initial term then month-to-month	16.2%	16.5%	14.8%
Required term, quarterly	2.0%	2.2%	1.9%
Required term, annually	14.2%	13.2%	14.8%
Required term, other	0.7%	0.0%	1.9%
	MEDIAN	MEDIAN	MEDIAN
b. Standard <i>monthly</i> retainer fee	\$200	\$200	\$188
c. Niche client standard <i>monthly</i> retainer fee			
Niche client	\$250	\$250	\$150
Non-niche client	\$200	\$200	\$225
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018			
Highest annual revenue in retainer fees	\$3,000	\$3,600	\$2,700
Lowest annual revenue in retainer fees	\$1,200	\$1,200	\$1,200

XYPN MEMBER PROFILES

NICHE FOCUS: UPFRONT PLANNING FEE PRICING			
	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
28. Offer an upfront planning fee pricing option			
Yes	66.3%	70.9%	57.8%
No	33.7%	29.1%	42.2%
For advisors offering upfront planning fee pricing			
	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,250	\$1,200
b. Highest and lowest upfront planning fee charged to clients in 2018			
Highest fee amount	\$1,500	\$2,000	\$1,450
Lowest fee amount	\$500	\$673	\$500

NICHE FOCUS: HOURLY FEE PRICING			
	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
29. Offer an hourly fee pricing option			
Yes	61.8%	61.2%	63.1%
No	38.2%	38.8%	36.9%
For advisors offering hourly fee pricing:			
	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200
b. For hourly clients only, average hours spent on a client	4.5	3.0	5.5
c. Highest and lowest hourly fee charged to clients in 2018			
Highest fee amount	\$250	\$233	\$250
Lowest fee amount	\$200	\$200	\$200

XYPN MEMBER PROFILES

NICHE FOCUS: AUM AND OTHER FEE PRICING			
	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
30. Offer an AUM fee pricing option			
Yes	77.0%	75.0%	80.0%
No	23.0%	25.0%	20.0%
For advisors offering AUM fee pricing:			
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	100.0	95.0
\$100,000 AUM	100.0	100.0	95.0
\$250,000 AUM	100.0	100.0	95.0
\$500,000 AUM	100.0	100.0	92.0
\$1,000,000 AUM	85.0	85.0	85.0
\$3,000,000 AUM	68.0	70.0	65.0
\$5,00,000 AUM	50.0	55.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018			
Highest annual revenue in AUM fees	\$7,500	\$8,000	\$8,000
Lowest annual revenue in AUM fees	\$120	\$173	\$100
c. Use a TAMP			
Yes	23.1%	25.3%	19.6%
No	76.9%	74.7%	80.4%
31. Offer another fee pricing option			
Yes	17.4%	17.5%	12.5%
No	82.6%	82.5%	87.5%

NICHE FOCUS: TECHNOLOGY			
	ALL PARTICIPANTS	FIRM NICHE FOCUS	NO FIRM NICHE FOCUS
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	98.8%	99.0%	98.4%
Client portal	91.2%	90.4%	91.8%
Secure client file transfer	83.3%	85.9%	80.0%
Client relationship management (CRM)	98.2%	96.9%	100.0%
Performance reporting	67.3%	62.1%	75.0%
Trading and rebalancing	67.9%	67.4%	70.0%
Proposal generation	40.5%	41.8%	41.4%
Investment management	84.5%	82.8%	86.2%
Investment research	70.5%	70.3%	70.5%
Risk tolerance	55.3%	56.0%	52.6%
Advice fee payment processing	89.4%	90.6%	86.7%
Compliance archiving	96.9%	99.0%	93.2%
Firm count	189	109	67

XYPN MEMBER PROFILES

MEMBER TENURE AND NICHE FOCUS: GENERAL PROFILE						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW/ PHASE FIRM NICHE FOCUS	GROW/ PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
1. Reason advisor started an independent advisory firm						
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.5%	25.9%	29.8%	25.0%	22.2%	42.9%
To build an enterprise business (i.e., be a firm owner and scale to multiple advisors beyond yourself)	25.5%	22.2%	23.4%	16.7%	16.7%	14.3%
To be self-employed (i.e., be your own boss, control what you deliver to clients)	48.9%	51.9%	46.8%	58.3%	61.1%	42.9%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	4/3/2017	7/15/2016	2/14/2017	10/9/2015	5/20/2015	12/4/2012
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	5.5	5.7	7.9	7.2	7.7	9.9
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	10.0	11.4	11.3	11.2	11.3	13.4
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
5. Percent of participants with professional designation						
CFP	68.8%	88.5%	89.2%	82.1%	88.2%	100.0%
CFA	6.3%	19.2%	8.1%	3.6%	0.0%	42.9%
CPA	15.6%	11.5%	21.6%	7.1%	5.9%	0.0%
CLU	0.0%	3.8%	0.0%	3.6%	0.0%	0.0%
ChFC	3.1%	11.5%	0.0%	7.1%	0.0%	0.0%
PFS	0.0%	0.0%	5.4%	3.6%	0.0%	0.0%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
MBA	37.5%	26.9%	18.9%	28.6%	35.3%	57.1%
Other designations	28.1%	23.1%	37.8%	28.6%	35.3%	42.9%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/30/2018	5/14/2018	3/29/2017	11/24/2016	5/22/2015	5/1/2015
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
7. Role prior to joining XYPN						
Employee at a financial services company	4.3%	17.9%	12.5%	5.7%	11.1%	0.0%
Advisor at an independent broker-dealer	6.4%	7.1%	18.8%	2.9%	16.7%	0.0%
Advisor at an insurance broker-dealer	6.4%	7.1%	0.0%	5.7%	5.6%	0.0%
Advisor at a wirehouse	2.1%	10.7%	4.2%	5.7%	0.0%	0.0%
Advisor at bank	0.0%	3.6%	0.0%	0.0%	0.0%	0.0%
Owned their own RIA	19.1%	17.9%	10.4%	17.1%	16.7%	14.3%
Advisor at an RIA	21.3%	14.3%	16.7%	31.4%	5.6%	85.7%
Employee at an RIA	4.3%	10.7%	8.3%	5.7%	16.7%	0.0%
Employee at an investment management firm	6.4%	0.0%	8.3%	5.7%	5.6%	0.0%
Not in financial services industry previously	14.9%	3.6%	12.5%	11.4%	16.7%	0.0%
Other	14.9%	7.1%	8.3%	8.6%	5.6%	0.0%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	36.0%	53.7%	39.1%	47.5%	37.2%	43.5%

XYPN MEMBER PROFILES

MEMBER TENURE AND NICHE FOCUS: FIRM OWNERSHIP AND FINANCIALS

	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW PHASE FIRM NICHE FOCUS	GROW PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
9. Firm owner						
Yes	100.0%	96.4%	97.9%	100.0%	100.0%	100.0%
No	0.0%	3.6%	2.1%	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	94.1%	94.4%	96.4%	97.2%	98.1%	100.0%
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.2	1.1	1.2	1.1	1.0
11. Target revenue for 12/31/2019	\$104,607	\$151,460	\$148,029	\$148,625	\$159,389	\$182,143
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$176,986	\$335,000	\$38,850	\$172,989	\$24,312	\$60,875
Fiscal year 2016	\$196,763	\$263,333	\$60,850	\$207,290	\$38,720	\$118,223
Fiscal year 2017	\$179,584	\$279,667	\$85,600	\$208,537	\$66,113	\$155,337
Fiscal year 2018	\$182,975	\$349,625	\$120,500	\$240,853	\$104,861	\$170,471

MEMBER TENURE AND NICHE FOCUS: CLIENTS AND SERVICES

	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW PHASE FIRM NICHE FOCUS	GROW PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	46.3	34.0	21.5	102.6	10.0	32.7
12/31/2016	39.8	34.3	13.3	53.0	19.6	35.7
12/31/2017	46.0	43.3	28.1	67.2	36.2	47.3
12/31/2018	47.5	54.0	41.9	84.3	49.4	58.4
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	15%	8%	23%	10%	10%	36%
Retainer fee only	41%	24%	37%	21%	43%	41%
AUM fee only	33%	57%	28%	47%	29%	11%
Retainer & AUM	6%	8%	8%	10%	5%	11%
Standalone & retainer	3%	0%	2%	8%	5%	0%
Standalone & AUM	1%	2%	3%	4%	2%	0%
Other	0%	1%	1%	0%	5%	0%
15. Source of new clients over the 12 months ending 12/31/18						
Total net new clients						
XYPN Find an Advisor profile	0%	1%	7%	4%	6%	13%
NAPFA	4%	7%	6%	9%	5%	26%
Online/Google searches	12%	13%	17%	17%	16%	36%
Speeches, seminars, community events	1%	2%	5%	2%	3%	1%
Social media	5%	5%	4%	1%	4%	0%
Online advertisement	1%	0%	1%	0%	6%	0%
Blog	0%	0%	1%	2%	0%	0%
Third-party Q&A sites	3%	0%	3%	0%	2%	1%
Networking and general business development	37%	31%	27%	16%	20%	8%
Referrals from existing clients	18%	11%	17%	38%	33%	16%
Referrals from centers of influence	20%	30%	15%	14%	15%	6%
Lost clients you previously worked with but do not any longer	0%	0%	2%	3%	10%	6%

XYPN MEMBER PROFILES

MEMBER TENURE AND NICHE FOCUS: DISCRETIONARY AND NON-DISCRETIONARY ASSETS						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW PHASE FIRM NICHE FOCUS	GROW PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
16. Firm provides discretionary investment management services						
Yes	82.6%	78.6%	70.8%	86.1%	88.9%	85.7%
No	17.4%	21.4%	29.2%	13.9%	11.1%	14.3%
a. Total discretionary assets under management (AUM)						
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$8,000,000	\$44,948,000	\$5,000,000	\$16,924,564	\$3,925,572	\$9,952,634
12/31/2016	\$12,000,000	\$45,561,887	\$6,500,000	\$23,078,393	\$6,986,550	\$13,084,452
12/31/2017	\$9,954,553	\$100,253,072	\$8,500,000	\$26,882,240	\$9,011,504	\$17,563,152
12/31/2018	\$12,410,690	\$189,452,611	\$11,300,000	\$24,056,842	\$11,494,403	\$22,654,176
17. Firm bills on outside investments on which it provides advice, but does not directly manage						
Yes	21.7%	17.9%	19.1%	17.1%	22.2%	28.6%
No	78.3%	82.1%	80.9%	82.9%	77.8%	71.4%
a. If firm bills for non-discretionary assets, method used						
Separate AUM fee	30.0%	50.0%	12.5%	80.0%	0.0%	0.0%
Included as a service as part of the retainer fee	70.0%	50.0%	87.5%	20.0%	100.0%	100.0%
b. Total billed non-discretionary AUM						
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$27,471,301	N/A	N/A	\$1,900,000	N/A	\$5,000,000
12/31/2016	\$31,255,497	N/A	\$2,500,000	\$1,700,000	\$13,950,468	\$5,000,000
12/31/2017	\$19,512,977	N/A	\$2,536,047	\$5,962,552	\$30,278,787	\$5,000,000
12/31/2018	\$6,006,810	\$688,213	\$1,543,470	\$4,010,224	\$81,802,998	\$5,000,000
18. Sources of AUM for the 12 months ending 12/31/2018						
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$2,092,857	\$2,042,857	\$1,944,001	\$3,916,474	\$7,376,048	\$11,324,968
XYPN Find an Advisor Profile	\$0	\$14,286	\$108,333	\$0	\$0	\$470,000
NAPFA	\$3,643	\$14,286	\$119,692	\$165,857	\$0	\$1,464,485
Online/Google searches	\$17,857	\$0	\$15,193	\$285,714	\$0	\$750,000
Speeches, seminars, community events	\$0	\$0	\$33,333	\$0	\$0	\$0
Social media	\$250,000	\$0	\$166,667	\$0	\$0	\$0
Newspaper advertisement	\$0	\$0	\$0	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0	\$0	\$0	\$0
Blog	\$0	\$0	\$0	\$0	\$0	\$0
Networking and general business development	\$199,286	\$3,293,571	\$751,966	\$941,429	\$494,050	\$4,709,043
Referrals from existing clients	\$338,214	\$211,610	\$1,266,667	\$1,928,571	\$1,002,984	\$500,000
Referrals from centers of influence	\$326,857	\$128,571	\$22,917	\$14,286	\$0	\$0
Existing client contributions	\$950,000	\$228,573	\$541,895	\$500,000	\$410,447	\$1,174,112
Lost clients	\$0	\$9,286	\$0	\$0	\$0	\$2,500,000
Existing client distributions	\$0	\$8,429	\$9,532	\$78,571	-\$75,181	-\$284,102
Change in AUM due to market performance	\$0	-\$92,857	-\$130,992	\$93,860	-\$364,278	-\$603,180
Ending AUM	\$1,030,071	\$33,409,426	\$3,045,038	\$7,724,079	\$8,779,789	\$17,010,325

XYPN MEMBER PROFILES

MEMBER TENURE AND NICHE FOCUS: NICHE CLIENT FOCUS						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW PHASE FIRM NICHE FOCUS	GROW PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
19. Firm has a niche client focus						
Yes	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%
No	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	63.6%	N/A	74.8%	N/A	61.5%	N/A
a. Category that best describes niche(s)						
Age-based (e.g., Millennials)	20.5%	N/A	29.5%	N/A	22.2%	N/A
Professional (e.g., doctors)	43.2%	N/A	40.9%	N/A	33.3%	N/A
Culture-specific (e.g., Latinos, LGBT)	4.5%	N/A	13.6%	N/A	5.6%	N/A
Interest-specific (e.g., adventurers, diligent savers)	4.5%	N/A	4.5%	N/A	5.6%	N/A
Life events (e.g., divorce)	9.1%	N/A	13.6%	N/A	0.0%	N/A
Career stages (e.g., Gen X, retirement planning, recent graduates)	29.5%	N/A	13.6%	N/A	27.8%	N/A
Other	34.1%	N/A	27.3%	N/A	38.9%	N/A
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018						
Percent of prospects where qualified prospects	32.2	27.6	53.2	35.0	45.1	69.8
Percent of prospects converted to clients	69.0%	69.2%	62.5%	72.9%	66.5%	78.8%
Percent of prospects converted to clients	41.7%	42.4%	46.4%	58.7%	40.5%	55.0%
Percent of prospects ultimately converted to monthly retainer	33.0%	20.9%	28.4%	28.3%	34.7%	39.5%
Percent of prospects ultimately converted to AUM	24.5%	31.5%	28.4%	27.4%	17.9%	23.8%
21. Consultative services offered along with financial planning						
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	60.0%	89.5%	76.7%	63.3%	83.3%	100.0%
Investment advice (but not directly managed)	76.7%	41.2%	75.7%	79.3%	72.7%	100.0%
Retirement planning	90.3%	85.7%	89.7%	90.3%	76.9%	100.0%
Estate planning	55.6%	50.0%	54.3%	66.7%	46.2%	33.3%
Tax planning	87.1%	76.5%	66.7%	71.4%	91.7%	83.3%
Tax preparation	57.1%	100.0%	12.5%	50.0%	66.7%	0.0%
Health insurance	45.5%	50.0%	42.9%	47.1%	28.6%	0.0%
Life/disability/long-term care insurance	57.7%	25.0%	62.1%	47.8%	50.0%	50.0%
Property and casualty insurance	52.2%	33.3%	40.9%	52.9%	60.0%	20.0%
Credit card and short-term debt management	41.7%	9.1%	42.4%	28.0%	20.0%	0.0%
Cash flow/budgeting advice	60.0%	41.2%	75.7%	48.3%	69.2%	40.0%
Planning for college savings for kids	36.7%	16.7%	28.9%	13.3%	7.7%	40.0%
Student loan planning	3.8%	0.0%	18.2%	0.0%	10.0%	0.0%
Trust services	0.0%	0.0%	0.0%	50.0%	0.0%	#DIV/0!
Business consulting and support: insurance, benefits, sale of business	18.2%	11.1%	15.0%	0.0%	0.0%	0.0%
Career advice	23.5%	0.0%	18.5%	23.5%	11.1%	0.0%
Employee benefits advice	42.3%	17.6%	40.0%	39.3%	66.7%	40.0%
22. Percentage of client interactions conducted by medium						
	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
In-person meeting	38.0%	32.3%	39.2%	38.6%	23.6%	38.6%
Video conference	20.6%	13.2%	27.5%	22.4%	29.6%	27.1%
Telephone conference	14.7%	19.3%	12.1%	11.6%	12.1%	13.6%
Email	26.7%	35.2%	21.3%	27.5%	34.7%	20.7%

XYPN MEMBER PROFILES

MEMBER TENURE AND NICHE FOCUS: PRICING						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW PHASE FIRM NICHE FOCUS	GROW PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$1,535	\$7,900	\$2,033	\$1,162	\$1,188	\$1,620
Annual retainer fee to clients	\$3,079	\$2,791	\$2,881	\$1,992	\$3,340	\$4,110
AUM fee to clients	\$2,870	\$4,161	\$2,565	\$3,516	\$2,575	\$4,000
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$9,761	\$19,496	\$11,756	\$14,331	\$12,185	\$12,550
Lowest annual revenue paid by a client	\$1,463	\$1,653	\$1,063	\$859	\$1,219	\$888
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE	AVERAGE
AUM fee	47.1%	56.0%	52.0%	67.5%	64.2%	16.7%
Retainer fee	42.1%	42.3%	35.3%	25.4%	34.5%	78.3%
Upfront planning fee	10.3%	1.7%	11.0%	5.0%	1.3%	0.0%
Hourly fee	0.6%	0.0%	1.7%	2.1%	0.0%	5.0%
26. Changed fees since joining XYPN						
Yes	52.4%	46.2%	76.7%	61.1%	88.9%	85.7%
No	47.6%	53.8%	23.3%	38.9%	11.1%	14.3%
MEMBER TENURE AND NICHE FOCUS: RETAINER PRICING						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW PHASE FIRM NICHE FOCUS	GROW PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
27. Offer a retainer fee pricing option						
Yes	88.6%	88.5%	93.2%	83.3%	94.4%	85.7%
No	11.4%	11.5%	6.8%	16.7%	5.6%	14.3%
For advisors offering retainer pricing:						
a. Duration of the retainer agreement						
Month-to-month	75.0%	60.9%	58.5%	69.0%	82.4%	66.7%
Initial term then month-to-month	8.3%	13.0%	26.8%	17.2%	5.9%	0.0%
Required term, quarterly	0.0%	4.3%	2.4%	0.0%	5.9%	0.0%
Required term, annually	16.7%	21.7%	12.2%	10.3%	5.9%	33.3%
Required term, other	0.0%	0.0%	0.0%	3.4%	0.0%	0.0%
	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
b. Standard <i>monthly</i> retainer fee	\$158	\$200	\$225	\$150	\$250	\$400
c. Niche client standard <i>monthly</i> retainer fee						
Niche client	\$209	\$225	\$275	\$100	\$225	# NUM!
Non-niche client	\$195	\$225	\$200	\$175	\$200	# NUM!
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018						
Highest annual revenue in retainer fees	\$2,700	\$2,100	\$3,300	\$2,400	\$5,000	\$5,750
Lowest annual revenue in retainer fees	\$810	\$1,200	\$1,200	\$900	\$1,200	\$1,200

XYPN MEMBER PROFILES

MEMBER TENURE AND NICHE FOCUS: UPFRONT PLANNING FEE PRICING						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW/ PHASE FIRM NICHE FOCUS	GROW/ PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
28. Offer an upfront planning fee pricing option						
Yes	72.7%	61.5%	68.2%	54.3%	72.2%	57.1%
No	27.3%	38.5%	31.8%	45.7%	27.8%	42.9%
<i>For advisors offering upfront planning fee pricing</i>						
	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,000	\$1,500	\$1,500	\$1,000	\$1,375	\$1,000
b. Highest and lowest upfront planning fee charged to clients in 2018						
Highest fee amount	\$2,000	\$1,200	\$2,100	\$1,450	\$1,500	\$1,500
Lowest fee amount	\$500	\$425	\$800	\$500	\$748	\$900
MEMBER TENURE AND NICHE FOCUS: HOURLY FEE PRICING						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW/ PHASE FIRM NICHE FOCUS	GROW/ PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
29. Offer an hourly fee pricing option						
Yes	61.4%	46.2%	65.9%	77.8%	55.6%	57.1%
No	38.6%	53.8%	34.1%	22.2%	44.4%	42.9%
<i>For advisors offering hourly fee pricing:</i>						
	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200	\$200	\$200	\$205
b. For hourly clients only, average hours spent on a client	0.0	8.5	3.0	5.0	7.0	8.0
c. Highest and lowest hourly fee charged to clients in 2018						
Highest fee amount	\$200	\$150	\$245	\$225	\$200	\$250
Lowest fee amount	\$200	\$150	\$200	\$200	\$200	\$250

XYPN MEMBER PROFILES

MEMBER TENURE AND NICHE FOCUS: AUM AND OTHER FEE PRICING						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW/ PHASE FIRM NICHE FOCUS	GROW/ PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
30. Offer an AUM fee pricing option						
Yes	81.8%	76.9%	68.9%	88.9%	77.8%	42.9%
No	18.2%	23.1%	31.1%	11.1%	22.2%	57.1%
For advisors offering AUM fee pricing:						
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	100.0	100.0	90.0	100.0	100.0
\$100,000 AUM	100.0	100.0	100.0	90.0	100.0	100.0
\$250,000 AUM	100.0	100.0	100.0	90.0	100.0	100.0
\$500,000 AUM	100.0	96.0	100.0	90.0	100.0	100.0
\$1,000,000 AUM	85.0	88.0	87.0	82.5	97.5	90.0
\$3,000,000 AUM	65.0	75.0	75.0	60.0	75.0	70.0
\$5,00,000 AUM	55.0	50.0	55.0	50.0	57.5	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018						
Highest annual revenue in AUM fees	\$2,540	\$10,000	\$8,250	\$8,000	\$11,000	\$9,940
Lowest annual revenue in AUM fees	\$10	\$100	\$200	\$50	\$173	\$1,000
c. Use a TAMP						
Yes	22.2%	10.0%	20.7%	22.6%	42.9%	33.3%
No	77.8%	90.0%	79.3%	77.4%	57.1%	66.7%
31. Offer another fee pricing option						
Yes	22.2%	11.5%	18.2%	11.4%	5.6%	14.3%
No	77.8%	88.5%	81.8%	88.6%	94.4%	85.7%

MEMBER TENURE AND NICHE FOCUS: TECHNOLOGY						
	LAUNCH PHASE FIRM NICHE FOCUS	LAUNCH PHASE NO FIRM NICHE FOCUS	GROW/ PHASE FIRM NICHE FOCUS	GROW/ PHASE NO FIRM NICHE FOCUS	SCALE PHASE FIRM NICHE FOCUS	SCALE PHASE NO FIRM NICHE FOCUS
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	100.0%	96.2%	100.0%	100.0%	94.4%	100.0%
Client portal	89.5%	88.5%	92.7%	90.6%	88.9%	100.0%
Secure client file transfer	80.0%	75.0%	94.6%	87.9%	76.5%	71.4%
Client relationship management (CRM)	92.7%	100.0%	97.6%	100.0%	100.0%	100.0%
Performance reporting	53.7%	80.8%	64.1%	68.8%	72.2%	100.0%
Trading and rebalancing	63.4%	73.1%	65.0%	71.9%	76.5%	66.7%
Proposal generation	39.5%	52.0%	42.5%	35.5%	37.5%	50.0%
Investment management	75.0%	95.8%	89.5%	84.4%	88.9%	60.0%
Investment research	67.5%	88.5%	76.3%	62.5%	68.8%	57.1%
Risk tolerance	55.0%	62.5%	54.1%	50.0%	52.9%	60.0%
Advice fee payment processing	85.0%	80.8%	95.1%	90.6%	88.9%	100.0%
Compliance archiving	97.6%	88.0%	97.5%	96.8%	100.0%	100.0%
Firm count	48	28	48	36	18	7

XYPN MEMBER PROFILES

PRIOR EXPERIENCE: GENERAL PROFILE			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
1. Reason advisor started an independent advisory firm			
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.4%	24.7%	30.0%
To build an enterprise business (i.e., be a firm owner and scale to multiple advisors beyond yourself)	20.6%	22.9%	0.0%
To be self-employed (i.e., be your own boss, control what you deliver to clients)	54.0%	52.4%	70.0%
	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	7/15/2016	5/25/2016	6/24/2017
	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	7.1	7.8	1.6
	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	11.1	12.4	1.7
5. Percent of participants with professional designation			
CFP	84.8%	88.5%	36.4%
CFA	8.6%	9.4%	0.0%
CPA	11.9%	12.2%	9.1%
CLU	1.3%	1.4%	0.0%
ChFC	4.0%	4.3%	0.0%
PFS	1.3%	1.4%	0.0%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%
MBA	27.8%	25.9%	54.5%
Other designations	33.1%	33.8%	27.3%
	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/15/2017	5/20/2017	3/11/2017
7. Role prior to joining XYPN			
Employee at a financial services company	8.6%	9.6%	0.0%
Advisor at an independent broker-dealer	9.7%	10.8%	0.0%
Advisor at an insurance broker-dealer	4.8%	5.4%	0.0%
Advisor at a wirehouse	4.3%	4.8%	0.0%
Advisor at bank	0.5%	0.6%	0.0%
Owned their own RIA	15.6%	17.5%	0.0%
Advisor at an RIA	23.7%	26.5%	0.0%
Employee at an RIA	8.6%	9.6%	0.0%
Employee at an investment management firm	5.4%	6.0%	0.0%
Not in financial services industry previously	10.8%	0.0%	100.0%
Other	8.1%	9.0%	0.0%
	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	40.3%	42.9%	0.0%

XYPN MEMBER PROFILES

PRIOR EXPERIENCE: FIRM OWNERSHIP AND FINANCIALS			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
9. Firm owner			
Yes	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	95.7%	100.0%
	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.2	1.0
11. Target revenue for 12/31/2019	\$131,833	\$141,472	\$70,667
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$86,633	\$86,633	N/A
Fiscal year 2016	\$115,958	\$115,958	N/A
Fiscal year 2017	\$138,432	\$138,432	N/A
Fiscal year 2018	\$163,112	\$163,112	N/A

PRIOR EXPERIENCE: CLIENTS AND SERVICES			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE
12/31/2015	38.1	38.1	N/A
12/31/2016	31.8	33.3	12.8
12/31/2017	45.7	47.4	23.8
12/31/2018	58.6	58.9	54.0
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	16%	15%	17%
Retainer fee only	33%	34%	31%
AUM fee only	37%	37%	33%
Retainer & AUM	8%	8%	8%
Standalone & retainer	3%	3%	6%
Standalone & AUM	2%	2%	0%
Other	2%	1%	4%
15. Source of new clients over the 12 months ending 12/31/18			
Total net new clients			
XYPN Find an Advisor profile	5%	5%	3%
NAPFA	7%	8%	5%
Online/Google searches	16%	16%	15%
Speeches, seminars, community events	3%	3%	2%
Social media	3%	4%	0%
Online advertisement	1%	1%	0%
Blog	1%	1%	0%
Third-party Q&A sites	2%	2%	2%
Networking and general business development	25%	24%	26%
Referrals from existing clients	22%	22%	26%
Referrals from centers of influence	18%	18%	22%
Lost clients you previously worked with but do not any longer	3%	3%	0%

XYPN MEMBER PROFILES

PRIOR EXPERIENCE: DISCRETIONARY AND NON-DISCRETIONARY ASSETS			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
16. Firm provides discretionary investment management services			
Yes	79.4%	79.5%	80.0%
No	20.6%	20.5%	20.0%
a. Total discretionary assets under management (AUM)			
	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$9,727,967	\$9,727,967	N/A
12/31/2016	\$13,806,951	\$13,806,951	N/A
12/31/2017	\$17,050,260	\$17,050,260	N/A
12/31/2018	\$19,241,111	\$19,241,111	N/A
17. Firm bills on outside investments on which it provides advice, but does not directly manage			
Yes	21.4%	18.9%	40.0%
No	78.6%	81.1%	60.0%
a. If firm bills for non-discretionary assets, method used			
Separate AUM fee	30.6%	25.9%	37.5%
Included as a service as part of the retainer fee	69.4%	74.1%	62.5%
b. Total billed non-discretionary AUM			
	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$11,457,100	\$11,457,100	N/A
12/31/2016	\$10,973,041	\$13,422,214	\$2,400,935
12/31/2017	\$14,664,377	\$18,205,439	\$2,860,838
12/31/2018	\$13,118,305	\$16,689,301	\$3,225,790
18. Sources of AUM for the 12 months ending 12/31/2018			
	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,345,076	\$2,963,877	\$5,886,406
XYPN Find an Advisor Profile	\$50,870	\$58,500	\$0
NAPFA	\$123,419	\$141,932	\$0
Online/Google searches	\$85,485	\$98,308	\$0
Speeches, seminars, community events	\$8,696	\$10,000	\$0
Social media	\$119,565	\$137,500	\$0
Newspaper advertisement	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0
Blog	\$0	\$0	\$0
Networking and general business development	\$1,159,716	\$1,303,673	\$200,000
Referrals from existing clients	\$889,808	\$905,457	\$785,487
Referrals from centers of influence	\$136,308	\$44,255	\$750,000
Existing client contributions	\$637,026	\$679,703	\$352,513
Lost clients	\$110,109	\$126,625	\$0
Existing client distributions	-\$4,625	\$7,182	-\$83,333
Change in AUM due to market performance	-\$99,740	-\$77,201	-\$250,000
Ending AUM	\$4,951,712	\$4,548,308	\$7,641,072

XYPN MEMBER PROFILES

PRIOR EXPERIENCE: NICHE CLIENT FOCUS			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
19. Firm has a niche client focus			
Yes	61.9%	60.0%	78.9%
No	38.1%	40.0%	21.1%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.1%	67.4%	76.9%
a. Category that best describes niche(s)			
Age-based (e.g., Millennials)	26.1%	25.8%	31.3%
Professional (e.g., doctors)	39.6%	34.4%	62.5%
Culture-specific (e.g., Latinos, LGBT)	7.2%	8.6%	0.0%
Interest-specific (e.g., adventurers, diligent savers)	4.5%	3.2%	12.5%
Life events (e.g., divorce)	9.9%	10.8%	6.3%
Career stages (e.g., Gen X, retirement planning, recent graduates)	23.4%	23.7%	25.0%
Other	31.5%	35.5%	12.5%
	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018			
Percent of prospects where qualified prospects	39.2	42.6	13.5
Percent of prospects converted to clients	65.3%	64.5%	74.0%
Percent of prospects ultimately converted to monthly retainer	45.3%	44.7%	51.7%
Percent of prospects ultimately converted to AUM	28.4%	29.2%	23.0%
	25.4%	25.3%	22.9%
21. Consultative services offered along with financial planning			
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	72.0%	72.5%	64.3%
Investment advice (but not directly managed)	72.1%	72.7%	68.8%
Retirement planning	87.9%	87.0%	100.0%
Estate planning	53.6%	54.5%	42.9%
Tax planning	76.7%	78.6%	66.7%
Tax preparation	46.2%	47.6%	40.0%
Health insurance	42.3%	42.4%	45.5%
Life/disability/long-term care insurance	52.4%	54.9%	38.5%
Property and casualty insurance	47.1%	52.1%	16.7%
Credit card and short-term debt management	32.7%	33.3%	30.8%
Cash flow/budgeting advice	59.2%	58.8%	71.4%
Planning for college savings for kids	23.3%	24.1%	20.0%
Student loan planning	8.1%	7.2%	15.4%
Trust services	5.6%	6.7%	0.0%
Business consulting and support: insurance, benefits, sale of business	9.5%	10.2%	0.0%
Career advice	16.3%	16.2%	16.7%
Employee benefits advice	38.5%	36.8%	50.0%
	AVERAGE	AVERAGE	AVERAGE
22. Percentage of client interactions conducted by medium			
In-person meeting	35.5%	35.4%	34.2%
Video conference	23.1%	23.6%	21.6%
Telephone conference	13.8%	13.7%	13.3%
Email	27.7%	27.3%	30.9%

XYPN MEMBER PROFILES

PRIOR EXPERIENCE: PRICING			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$2,223	\$947
Annual retainer fee to clients	\$2,716	\$2,779	\$2,193
AUM fee to clients	\$3,043	\$3,057	\$2,758
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$12,466	\$12,951	\$8,916
Lowest annual revenue paid by a client	\$1,209	\$1,207	\$1,346
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE
AUM fee	54.7%	55.4%	46.8%
Retainer fee	36.8%	36.2%	48.2%
Upfront planning fee	7.3%	7.0%	5.0%
Hourly fee	1.2%	1.4%	0.0%
26. Changed fees since joining XYPN			
Yes	64.7%	65.5%	57.9%
No	35.3%	34.5%	42.1%

PRIOR EXPERIENCE: RETAINER PRICING			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
27. Offer a retainer fee pricing option			
Yes	87.9%	87.3%	95.0%
No	12.1%	12.7%	5.0%
<i>For advisors offering retainer pricing:</i>			
a. Duration of the retainer agreement			
Month-to-month	66.9%	64.8%	77.8%
Initial term then month-to-month	16.2%	15.6%	22.2%
Required term, quarterly	2.0%	2.3%	0.0%
Required term, annually	14.2%	16.4%	0.0%
Required term, other	0.7%	0.8%	0.0%
	MEDIAN	MEDIAN	MEDIAN
b. Standard <i>monthly</i> retainer fee	\$200	\$200	\$175
c. Niche client standard <i>monthly</i> retainer fee			
Niche client	\$250	\$250	\$232
Non-niche client	\$200	\$200	\$232
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018			
Highest annual revenue in retainer fees	\$3,000	\$3,000	\$3,000
Lowest annual revenue in retainer fees	\$1,200	\$1,200	\$1,000

XYPN MEMBER PROFILES

PRIOR EXPERIENCE: UPFRONT PLANNING FEE PRICING			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
28. Offer an upfront planning fee pricing option			
Yes	66.3%	65.8%	65.0%
No	33.7%	34.2%	35.0%
<i>For advisors offering upfront planning fee pricing</i>			
	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,200	\$1,000
b. Highest and lowest upfront planning fee charged to clients in 2018			
Highest fee amount	\$1,500	\$1,500	\$1,500
Lowest fee amount	\$500	\$550	\$500

PRIOR EXPERIENCE: HOURLY FEE PRICING			
	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
29. Offer an hourly fee pricing option			
Yes	61.8%	60.9%	63.2%
No	38.2%	39.1%	36.8%
<i>For advisors offering hourly fee pricing:</i>			
	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$175
b. For hourly clients only, average hours spent on a client	4.5	5.0	3.0
c. Highest and lowest hourly fee charged to clients in 2018			
Highest fee amount	\$250	\$250	\$225
Lowest fee amount	\$200	\$200	\$160

XYPN MEMBER PROFILES

PRIOR EXPERIENCE: AUM AND OTHER FEE PRICING

	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
30. Offer an AUM fee pricing option			
Yes	77.0%	78.3%	68.4%
No	23.0%	21.7%	31.6%
<i>For advisors offering AUM fee pricing:</i>			
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	100.0	90.0
\$100,000 AUM	100.0	100.0	90.0
\$250,000 AUM	100.0	100.0	90.0
\$500,000 AUM	100.0	100.0	85.0
\$1,000,000 AUM	85.0	85.0	85.0
\$3,000,000 AUM	68.0	70.0	65.0
\$5,000,000 AUM	50.0	50.0	60.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018			
Highest annual revenue in AUM fees	\$7,500	\$8,000	\$4,214
Lowest annual revenue in AUM fees	\$120	\$132	\$32
c. Use a TAMP			
Yes	23.1%	23.3%	25.0%
No	76.9%	76.7%	75.0%
31. Offer another fee pricing option			
Yes	17.4%	17.3%	10.5%
No	82.6%	82.7%	89.5%

PRIOR EXPERIENCE: TECHNOLOGY

	ALL PARTICIPANTS	PRIOR INDUSTRY EXPERIENCE	CAREER CHANGER
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	98.8%	98.6%	100.0%
Client portal	91.2%	92.0%	83.3%
Secure client file transfer	83.3%	84.3%	78.9%
Client relationship management (CRM)	98.2%	98.6%	94.7%
Performance reporting	67.3%	72.5%	22.2%
Trading and rebalancing	67.9%	71.0%	44.4%
Proposal generation	40.5%	42.9%	17.6%
Investment management	84.5%	85.8%	72.2%
Investment research	70.5%	73.3%	44.4%
Risk tolerance	55.3%	58.3%	35.3%
Advice fee payment processing	89.4%	89.1%	89.5%
Compliance archiving	96.9%	96.4%	100.0%
Firm count	189	166	20

XYPN MEMBER PROFILES

CFP® VS. NON-CFP®: GENERAL PROFILE			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
1. Reason advisor started an independent advisory firm			
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.4%	25.0%	30.4%
To build an enterprise business (i.e., be a firm owner and scale to multiple advisors beyond yourself)	20.6%	19.5%	26.1%
To be self-employed (i.e., be your own boss, control what you deliver to clients)	54.0%	55.5%	43.5%
	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	7/15/2016	2/27/2016	8/27/2016
	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	7.1	8.2	3.9
	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	11.1	12.3	10.1
5. Percent of participants with professional designation			
CFP	84.8%	100.0%	0.0%
CFA	8.6%	7.0%	17.4%
CPA	11.9%	10.2%	21.7%
CLU	1.3%	1.6%	0.0%
ChFC	4.0%	3.9%	4.3%
PFS	1.3%	1.6%	0.0%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%
MBA	27.8%	20.3%	69.6%
Other designations	33.1%	35.9%	17.4%
	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/15/2017	3/16/2017	9/13/2017
7. Role prior to joining XYPN			
Employee at a financial services company	8.6%	9.4%	0.0%
Advisor at an independent broker-dealer	9.7%	8.7%	8.7%
Advisor at an insurance broker-dealer	4.8%	6.3%	0.0%
Advisor at a wirehouse	4.3%	4.7%	0.0%
Advisor at bank	0.5%	0.8%	0.0%
Owned their own RIA	15.6%	18.9%	21.7%
Advisor at an RIA	23.7%	25.2%	13.0%
Employee at an RIA	8.6%	11.8%	4.3%
Employee at an investment management firm	5.4%	4.7%	8.7%
Not in financial services industry previously	10.8%	3.1%	30.4%
Other	8.1%	6.3%	13.0%
	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	40.3%	40.5%	30.0%

XYPN MEMBER PROFILES

CFP® VS. NON-CFP®: FIRM OWNERSHIP AND FINANCIALS			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
9. Firm owner			
Yes	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	96.9%	94.0%
	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.2	1.2
11. Target revenue for 12/31/2019	\$131,833	\$151,519	\$97,237
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$86,633	\$86,633	N/A
Fiscal year 2016	\$115,958	\$116,337	\$108,000
Fiscal year 2017	\$138,432	\$140,103	\$100,000
Fiscal year 2018	\$163,112	\$166,251	\$81,500

CFP® VS. NON-CFP®: CLIENTS AND SERVICES			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE
12/31/2015	38.1	39.3	4.0
12/31/2016	31.8	34.8	12.5
12/31/2017	45.7	48.3	18.2
12/31/2018	58.6	61.9	24.5
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	16%	18%	9%
Retainer fee only	33%	38%	30%
AUM fee only	37%	32%	31%
Retainer & AUM	8%	7%	7%
Standalone & retainer	3%	3%	11%
Standalone & AUM	2%	1%	5%
Other	2%	0%	8%
15. Source of new clients over the 12 months ending 12/31/18			
Total net new clients			
XYPN Find an Advisor profile	5%	7%	0%
NAPFA	7%	11%	0%
Online/Google searches	16%	22%	5%
Speeches, seminars, community events	3%	3%	4%
Social media	3%	4%	1%
Online advertisement	1%	1%	0%
Blog	1%	1%	0%
Third -party Q&A sites	2%	2%	0%
Networking and general business development	25%	17%	40%
Referrals from existing clients	22%	18%	22%
Referrals from centers of influence	18%	18%	27%
Lost clients you previously worked with but do not any longer	3%	3%	0%

XYPN MEMBER PROFILES

CFP® VS. NON-CFP®: DISCRETIONARY AND NON-DISCRETIONARY ASSETS			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
16. Firm provides discretionary investment management services			
Yes	79.4%	77.3%	91.3%
No	20.6%	22.7%	8.7%
a. Total discretionary assets under management (AUM)			
	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$9,727,967	\$9,727,967	N/A
12/31/2016	\$13,806,951	\$13,806,951	N/A
12/31/2017	\$17,050,260	\$17,050,260	N/A
12/31/2018	\$19,241,111	\$20,455,519	\$1,025,000
17. Firm bills on outside investments on which it provides advice, but does not directly manage			
Yes	21.4%	19.0%	34.8%
No	78.6%	81.0%	65.2%
a. If firm bills for non-discretionary assets, method used			
Separate AUM fee	30.6%	30.0%	25.0%
Included as a service as part of the retainer fee	69.4%	70.0%	75.0%
b. Total billed non-discretionary AUM			
	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$11,457,100	\$11,457,100	N/A
12/31/2016	\$10,973,041	\$13,422,214	\$2,400,935
12/31/2017	\$14,664,377	\$18,205,439	\$4,057,574
12/31/2018	\$13,118,305	\$21,345,893	\$2,377,121
18. Sources of AUM for the 12 months ending 12/31/2018			
	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,345,076	\$2,938,873	\$6,135,626
XYPN Find an Advisor Profile	\$50,870	\$75,484	\$0
NAPFA	\$123,419	\$183,138	\$0
Online/Google searches	\$85,485	\$126,849	\$0
Speeches, seminars, community events	\$8,696	\$0	\$66,667
Social media	\$119,565	\$177,419	\$0
Newspaper advertisement	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0
Blog	\$0	\$0	\$0
Networking and general business development	\$1,159,716	\$1,137,772	\$1,215,000
Referrals from existing clients	\$889,808	\$1,168,331	\$785,487
Referrals from centers of influence	\$136,308	\$48,232	\$45,833
Existing client contributions	\$637,026	\$748,004	\$1,000,000
Lost clients	\$110,109	\$163,387	\$0
Existing client distributions	-\$4,625	-\$2,830	-\$20,833
Change in AUM due to market performance	-\$99,740	-\$83,485	-\$333,333
Ending AUM	\$4,951,712	\$5,155,043	\$8,602,780

XYPN MEMBER PROFILES

CFP® VS. NON-CFP®: NICHE CLIENT FOCUS			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
19. Firm has a niche client focus			
Yes	61.9%	58.0%	66.7%
No	38.1%	42.0%	33.3%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.1%	69.3%	62.2%
a. Category that best describes niche(s)			
Age-based (e.g., Millennials)	26.1%	24.6%	37.5%
Professional (e.g., doctors)	39.6%	36.2%	50.0%
Culture-specific (e.g., Latinos, LGBT)	7.2%	8.7%	0.0%
Interest-specific (e.g., adventurers, diligent savers)	4.5%	2.9%	6.3%
Life events (e.g., divorce)	9.9%	14.5%	6.3%
Career stages (e.g., Gen X, retirement planning, recent graduates)	23.4%	20.3%	31.3%
Other	31.5%	33.3%	37.5%
	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018			
Percent of prospects where qualified prospects	39.2	41.7	26.1
Percent of prospects converted to clients	65.3%	64.5%	67.7%
Percent of prospects ultimately converted to monthly retainer	45.3%	46.0%	53.3%
Percent of prospects ultimately converted to AUM	28.4%	31.4%	30.1%
21. Consultative services offered along with financial planning			
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	72.0%	71.6%	66.7%
Investment advice (but not directly managed)	72.1%	72.4%	70.0%
Retirement planning	87.9%	89.7%	84.2%
Estate planning	53.6%	58.9%	31.3%
Tax planning	76.7%	75.0%	88.2%
Tax preparation	46.2%	47.1%	60.0%
Health insurance	42.3%	40.7%	50.0%
Life/disability/long-term care insurance	52.4%	55.3%	40.0%
Property and casualty insurance	47.1%	48.4%	38.5%
Credit card and short-term debt management	32.7%	30.7%	50.0%
Cash flow/budgeting advice	59.2%	59.6%	68.4%
Planning for college savings for kids	23.3%	25.0%	11.1%
Student loan planning	8.1%	9.1%	12.5%
Trust services	5.6%	9.1%	0.0%
Business consulting and support: insurance, benefits, sale of business	9.5%	8.3%	22.2%
Career advice	16.3%	10.3%	18.2%
Employee benefits advice	38.5%	43.0%	23.5%
22. Percentage of client interactions conducted by medium			
	AVERAGE	AVERAGE	AVERAGE
In-person meeting	35.5%	35.4%	30.3%
Video conference	23.1%	23.3%	21.2%
Telephone conference	13.8%	13.1%	15.0%
Email	27.7%	28.3%	33.5%

XYPN MEMBER PROFILES

CFP® VS. NON-CFP®: PRICING			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$1,601	\$6,194
Annual retainer fee to clients	\$2,716	\$3,136	\$2,263
AUM fee to clients	\$3,043	\$3,622	\$1,705
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$12,466	\$14,171	\$9,108
Lowest annual revenue paid by a client	\$1,209	\$1,296	\$1,301
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE
AUM fee	54.7%	54.1%	39.4%
Retainer fee	36.8%	38.1%	55.1%
Upfront planning fee	7.3%	6.3%	4.5%
Hourly fee	1.2%	1.6%	1.0%
26. Changed fees since joining XYPN			
Yes	64.7%	72.4%	50.0%
No	35.3%	27.6%	50.0%

CFP® VS. NON-CFP®: RETAINER PRICING			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
27. Offer a retainer fee pricing option			
Yes	87.9%	90.6%	86.4%
No	12.1%	9.4%	13.6%
For advisors offering retainer pricing:			
a. Duration of the retainer agreement			
Month-to-month	66.9%	71.2%	66.7%
Initial term then month-to-month	16.2%	13.5%	22.2%
Required term, quarterly	2.0%	1.9%	0.0%
Required term, annually	14.2%	13.5%	5.6%
Required term, other	0.7%	0.0%	5.6%
	MEDIAN	MEDIAN	MEDIAN
b. Standard monthly retainer fee	\$200	\$200	\$200
c. Niche client standard monthly retainer fee			
Niche client	\$250	\$250	\$261
Non-niche client	\$200	\$200	\$200
d. Highest and lowest annual retainer revenue collected from a single client in 2018			
Highest annual revenue in retainer fees	\$3,000	\$3,600	\$3,000
Lowest annual revenue in retainer fees	\$1,200	\$1,200	\$960

XYPN MEMBER PROFILES

CFP® VS. NON-CFP®: UPFRONT PLANNING FEE PRICING			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
28. Offer an upfront planning fee pricing option			
Yes	66.3%	63.8%	77.3%
No	33.7%	36.2%	22.7%
For advisors offering upfront planning fee pricing			
	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,500	\$1,200
b. Highest and lowest upfront planning fee charged to clients in 2018			
Highest fee amount	\$1,500	\$1,500	\$1,200
Lowest fee amount	\$500	\$750	\$500

CFP® VS. NON-CFP®: HOURLY FEE PRICING			
	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
29. Offer an hourly fee pricing option			
Yes	61.8%	57.6%	86.4%
No	38.2%	42.4%	13.6%
For advisors offering hourly fee pricing:			
	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200
b. For hourly clients only, average hours spent on a client	4.5	5.0	1.5
c. Highest and lowest hourly fee charged to clients in 2018			
Highest fee amount	\$250	\$250	\$200
Lowest fee amount	\$200	\$200	\$180

XYPN MEMBER PROFILES

CFP® VS. NON-CFP®: AUM AND OTHER FEE PRICING

	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
30. Offer an AUM fee pricing option			
Yes	77.0%	76.5%	72.7%
No	23.0%	23.5%	27.3%
For advisors offering AUM fee pricing:			
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	100.0	95.0
\$100,000 AUM	100.0	100.0	95.0
\$250,000 AUM	100.0	100.0	90.0
\$500,000 AUM	100.0	100.0	90.0
\$1,000,000 AUM	85.0	90.0	75.0
\$3,000,000 AUM	68.0	70.0	50.0
\$5,00,000 AUM	50.0	50.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018			
Highest annual revenue in AUM fees	\$7,500	\$8,700	\$2,113
Lowest annual revenue in AUM fees	\$120	\$139	\$77
c. Use a TAMP			
Yes	23.1%	25.6%	13.3%
No	76.9%	74.4%	86.7%
31. Offer another fee pricing option			
Yes	17.4%	19.3%	9.5%
No	82.6%	80.7%	90.5%

CFP® VS. NON-CFP®: TECHNOLOGY

	ALL PARTICIPANTS	WITH CFP	WITHOUT CFP
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	98.8%	99.1%	100.0%
Client portal	91.2%	90.9%	89.5%
Secure client file transfer	83.3%	84.3%	84.2%
Client relationship management (CRM)	98.2%	99.1%	94.7%
Performance reporting	67.3%	70.9%	47.4%
Trading and rebalancing	67.9%	72.7%	52.6%
Proposal generation	40.5%	42.9%	27.8%
Investment management	84.5%	83.0%	89.5%
Investment research	70.5%	67.6%	73.7%
Risk tolerance	55.3%	61.0%	35.3%
Advice fee payment processing	89.4%	91.0%	78.9%
Compliance archiving	96.9%	96.4%	100.0%
Firm count	189	128	23

XYPN MEMBER PROFILES

TOP VS. NON-TOP PERFORMERS: GENERAL PROFILE			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
1. Reason advisor started an independent advisory firm			
To build a small business (i.e., be a firm owner and advisor of a practice, perhaps with some support staff)	25.4%	17.4%	26.5%
To build an enterprise business (i.e, be a firm owner and scale to multiple advisors beyond yourself)	20.6%	21.7%	20.5%
To be self-employed (i.e, be your own boss, control what you deliver to clients)	54.0%	60.9%	53.0%
	AVERAGE	AVERAGE	AVERAGE
2. Firm start date	7/15/2016	10/23/2014	10/10/2016
	AVERAGE	AVERAGE	AVERAGE
3. Years of experience as primary advisor	7.1	10.6	6.6
	AVERAGE	AVERAGE	AVERAGE
4. Years of experience in the industry	11.1	14.3	10.7
5. Percent of participants with professional designation			
CFP	84.8%	91.3%	83.6%
CFA	8.6%	8.7%	8.6%
CPA	11.9%	8.7%	12.5%
CLU	1.3%	0.0%	1.6%
ChFC	4.0%	0.0%	4.7%
PFS	1.3%	4.3%	0.8%
Master's in Financial Planning/Financial Services	0.0%	0.0%	0.0%
MBA	27.8%	26.1%	28.1%
Other designations	33.1%	17.4%	35.9%
	AVERAGE	AVERAGE	AVERAGE
6. Date joined XYPN	5/15/2017	12/22/2015	7/25/2017
7. Role prior to joining XYPN			
Employee at a financial services company	8.6%	4.3%	9.2%
Advisor at an independent broker-dealer	9.7%	8.7%	9.8%
Advisor at an insurance broker-dealer	4.8%	4.3%	4.9%
Advisor at a wirehouse	4.3%	4.3%	4.3%
Advisor at bank	0.5%	0.0%	0.6%
Owned their own RIA	15.6%	30.4%	13.5%
Advisor at an RIA	23.7%	21.7%	23.9%
Employee at an RIA	8.6%	17.4%	7.4%
Employee at an investment management firm	5.4%	4.3%	5.5%
Not in financial services industry previously	10.8%	4.3%	11.7%
Other	8.1%	0.0%	9.2%
	AVERAGE	AVERAGE	AVERAGE
8. Percentage of your clients that came with you when you joined XYPN	40.3%	46.3%	39.1%

XYPN MEMBER PROFILES

TOP VS. NON-TOP PERFORMERS: FIRM OWNERSHIP AND FINANCIALS			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
9. Firm owner			
Yes	100.0%	100.0%	100.0%
No	0.0%	0.0%	0.0%
	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP	AVERAGE OWNERSHIP
	96.3%	96.3%	96.3%
	AVERAGE	AVERAGE	AVERAGE
10. Total number of firm owners	1.2	1.1	1.2
11. Target revenue for 12/31/2019	\$131,833	\$214,348	\$118,080
12. Annual firm revenue, by year	AVERAGE	AVERAGE	AVERAGE
Fiscal year 2015	\$86,633	\$62,532	\$118,768
Fiscal year 2016	\$115,958	\$101,301	\$133,547
Fiscal year 2017	\$138,432	\$144,270	\$132,593
Fiscal year 2018	\$163,112	\$184,318	\$146,147

TOP VS. NON-TOP PERFORMERS: CLIENTS AND SERVICES			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
13. Number of clients (i.e., households), by year	AVERAGE	AVERAGE	AVERAGE
12/31/2015	38.1	44.0	32.5
12/31/2016	31.8	47.9	21.4
12/31/2017	45.7	64.7	33.4
12/31/2018	58.6	77.7	46.2
14. Client engagement type in 2018	AVERAGE	AVERAGE	AVERAGE
Standalone engagement only	16%	11%	17%
Retainer fee only	33%	33%	33%
AUM fee only	37%	40%	36%
Retainer & AUM	8%	9%	7%
Standalone & retainer	3%	4%	3%
Standalone & AUM	2%	1%	2%
Other	2%	2%	2%
15. Source of new clients over the 12 months ending 12/31/18			
Total net new clients			
XYPN Find an Advisor profile	5%	5%	4%
NAPFA	7%	5%	8%
Online/Google searches	16%	25%	15%
Speeches, seminars, community events	3%	3%	3%
Social media	3%	3%	4%
Online advertisement	1%	2%	1%
Blog	1%	0%	1%
Third-party Q&A sites	2%	2%	2%
Networking and general business development	25%	16%	26%
Referrals from existing clients	22%	29%	21%
Referrals from centers of influence	18%	14%	19%
Lost clients you previously worked with but do not any longer	3%	4%	2%

XYPN MEMBER PROFILES

TOP VS. NON-TOP PERFORMERS: DISCRETIONARY AND NON-DISCRETIONARY ASSETS			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
16. Firm provides discretionary investment management services			
Yes	79.4%	87.0%	78.3%
No	20.6%	13.0%	21.7%
a. Total discretionary assets under management (AUM)	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$9,727,967	\$11,289,669	\$7,645,697
12/31/2016	\$13,806,951	\$16,559,753	\$10,136,548
12/31/2017	\$17,050,260	\$21,218,251	\$12,286,842
12/31/2018	\$19,241,111	\$24,873,531	\$13,608,692
17. Firm bills on outside investments on which it provides advice, but does not directly manage			
Yes	21.4%	34.8%	19.5%
No	78.6%	65.2%	80.5%
a. If firm bills for non-discretionary assets, method used			
Separate AUM fee	30.6%	14.3%	34.5%
Included as a service as part of the retainer fee	69.4%	85.7%	65.5%
b. Total billed non-discretionary AUM	AVERAGE	AVERAGE	AVERAGE
12/31/2015	\$11,457,100	\$5,000,000	\$14,685,651
12/31/2016	\$10,973,041	\$12,160,374	\$9,488,874
12/31/2017	\$14,664,377	\$21,375,987	\$8,911,568
12/31/2018	\$13,118,305	\$56,050,221	\$2,814,645
18. Sources of AUM for the 12 months ending 12/31/2018	AVERAGE	AVERAGE	AVERAGE
Beginning AUM	\$3,345,076	\$12,161,045	\$2,505,460
XYPN Find an Advisor Profile	\$50,870	\$235,000	\$33,333
NAPFA	\$123,419	\$357,242	\$101,150
Online/Google searches	\$85,485	\$0	\$93,627
Speeches, seminars, community events	\$8,696	\$0	\$9,524
Social media	\$119,565	\$0	\$130,952
Newspaper advertisement	\$0	\$0	\$0
Online advertisement	\$0	\$0	\$0
Blog	\$0	\$0	\$0
Networking and general business development	\$1,159,716	\$2,957,717	\$988,478
Referrals from existing clients	\$889,808	\$1,253,730	\$855,149
Referrals from centers of influence	\$136,308	\$0	\$149,290
Existing client contributions	\$637,026	\$837,056	\$617,976
Lost clients	\$110,109	\$0	\$120,595
Existing client distributions	-\$4,625	-\$267,051	\$20,369
Change in AUM due to market performance	-\$99,740	-\$766,090	-\$36,278
Ending AUM	\$4,951,712	\$16,768,649	\$3,826,290

XYPN MEMBER PROFILES

TOP VS. NON-TOP PERFORMERS: NICHE CLIENT FOCUS			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
19. Firm has a niche client focus			
Yes	61.9%	69.6%	60.8%
No	38.1%	30.4%	39.2%
	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE	% OF CLIENTS IN NICHE
	68.1%	65.6%	68.6%
a. Category that best describes niche(s)			
Age-based (e.g., Millennials)	26.1%	12.5%	28.4%
Professional (e.g., doctors)	39.6%	25.0%	42.1%
Culture-specific (e.g., Latinos, LGBT)	7.2%	0.0%	8.4%
Interest-specific (e.g., adventurers, diligent savers)	4.5%	0.0%	5.3%
Life events (e.g., divorce)	9.9%	6.3%	10.5%
Career stages (e.g., Gen X, retirement planning, recent graduates)	23.4%	25.0%	23.2%
Other	31.5%	62.5%	26.3%
	AVERAGE	AVERAGE	AVERAGE
20. Number of prospects connected with in calendar year 2018			
Percent of prospects where qualified prospects	39.2	47.7	37.6
Percent of prospects converted to clients	65.3%	69.0%	64.6%
Percent of prospects ultimately converted to monthly retainer	45.3%	48.2%	44.8%
Percent of prospects ultimately converted to AUM	28.4%	28.8%	28.3%
	25.4%	19.5%	26.4%
21. Consultative services offered along with financial planning			
	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS	TO ALL OR MOST CLIENTS
Discretionary investment management	72.0%	82.4%	70.4%
Investment advice (but not directly managed)	72.1%	82.4%	70.5%
Retirement planning	87.9%	90.0%	87.6%
Estate planning	53.6%	55.0%	53.3%
Tax planning	76.7%	89.5%	74.5%
Tax preparation	46.2%	25.0%	50.0%
Health insurance	42.3%	30.0%	44.1%
Life/disability/long-term care insurance	52.4%	58.8%	51.1%
Property and casualty insurance	47.1%	50.0%	46.5%
Credit card and short-term debt management	32.7%	21.4%	34.4%
Cash flow/budgeting advice	59.2%	73.7%	56.8%
Planning for college savings for kids	23.3%	21.1%	23.7%
Student loan planning	8.1%	5.9%	8.5%
Trust services	5.6%	0.0%	7.1%
Business consulting and support: insurance, benefits, sale of business	9.5%	0.0%	11.8%
Career advice	16.3%	9.1%	17.4%
Employee benefits advice	38.5%	42.1%	37.9%
22. Percentage of client interactions conducted by medium			
	AVERAGE	AVERAGE	AVERAGE
In-person meeting	35.5%	33.9%	35.7%
Video conference	23.1%	18.7%	23.7%
Telephone conference	13.8%	14.3%	13.7%
Email	27.7%	33.2%	26.9%

XYPN MEMBER PROFILES

TOP VS. NON-TOP PERFORMERS: PRICING			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
23. Average client productivity	AVERAGE	AVERAGE	AVERAGE
Standalone engagement (hourly, upfront, project) fee to clients	\$2,105	\$1,277	\$2,243
Annual retainer fee to clients	\$2,716	\$3,959	\$2,510
AUM fee to clients	\$3,043	\$3,763	\$2,910
24. Range of annual fees	AVERAGE	AVERAGE	AVERAGE
Highest annual revenue paid by a client	\$12,466	\$16,373	\$11,815
Lowest annual revenue paid by a client	\$1,209	\$1,252	\$1,202
25. For highest revenue client, percent of revenue by engagement type	AVERAGE	AVERAGE	AVERAGE
AUM fee	54.7%	63.2%	53.2%
Retainer fee	36.8%	36.8%	36.8%
Upfront planning fee	7.3%	0.0%	8.5%
Hourly fee	1.2%	0.0%	1.4%
26. Changed fees since joining XYPN			
Yes	64.7%	78.3%	62.6%
No	35.3%	21.7%	37.4%

TOP VS. NON-TOP PERFORMERS: RETAINER PRICING			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
27. Offer a retainer fee pricing option			
Yes	87.9%	87.0%	88.0%
No	12.1%	13.0%	12.0%
For advisors offering retainer pricing:			
a. Duration of the retainer agreement			
Month-to-month	66.9%	78.9%	65.1%
Initial term then month-to-month	16.2%	10.5%	17.1%
Required term, quarterly	2.0%	0.0%	2.3%
Required term, annually	14.2%	5.3%	15.5%
Required term, other	0.7%	5.3%	0.0%
	MEDIAN	MEDIAN	MEDIAN
b. Standard <i>monthly</i> retainer fee	\$200	\$300	\$200
c. Niche client standard <i>monthly</i> retainer fee			
Niche client	\$250	\$250	\$230
Non-niche client	\$200	\$175	\$200
d. Highest and lowest <i>annual</i> retainer revenue collected from a single client in 2018			
Highest annual revenue in retainer fees	\$3,000	\$4,800	\$3,000
Lowest annual revenue in retainer fees	\$1,200	\$1,650	\$1,075

XYPN MEMBER PROFILES

TOP VS. NON-TOP PERFORMERS: UPFRONT PLANNING FEE PRICING			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
28. Offer an upfront planning fee pricing option			
Yes	66.3%	56.5%	67.8%
No	33.7%	43.5%	32.2%
<i>For advisors offering upfront planning fee pricing</i>			
	MEDIAN	MEDIAN	MEDIAN
a. Standard upfront planning fee	\$1,200	\$1,500	\$1,200
b. Highest and lowest upfront planning fee charged to clients in 2018			
Highest fee amount	\$1,500	\$1,988	\$1,500
Lowest fee amount	\$500	\$998	\$500

TOP VS. NON-TOP PERFORMERS: HOURLY FEE PRICING			
	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
29. Offer an hourly fee pricing option			
Yes	61.8%	52.2%	63.3%
No	38.2%	47.8%	36.7%
<i>For advisors offering hourly fee pricing:</i>			
	MEDIAN	MEDIAN	MEDIAN
a. Standard hourly fee	\$200	\$200	\$200
b. For hourly clients only, average hours spent on a client	4.5	10.0	3.5
c. Highest and lowest hourly fee charged to clients in 2018			
Highest fee amount	\$250	\$200	\$250
Lowest fee amount	\$200	\$195	\$200

XYPN MEMBER PROFILES

TOP VS. NON-TOP PERFORMERS: AUM AND OTHER FEE PRICING

	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
30. Offer an AUM fee pricing option			
Yes	77.0%	82.6%	76.2%
No	23.0%	17.4%	23.8%
For advisors offering AUM fee pricing:			
a. Standard AUM fee, in basis points on assets	MEDIAN	MEDIAN	MEDIAN
\$50,000 AUM	100.0	100.0	100.0
\$100,000 AUM	100.0	100.0	100.0
\$250,000 AUM	100.0	100.0	100.0
\$500,000 AUM	100.0	100.0	100.0
\$1,000,000 AUM	85.0	95.0	82.5
\$3,000,000 AUM	68.0	70.0	67.5
\$5,000,000 AUM	50.0	50.0	50.0
b. Highest and lowest annual revenue collected from a single client in AUM fees in 2018			
Highest annual revenue in AUM fees	\$7,500	\$11,000	\$6,000
Lowest annual revenue in AUM fees	\$120	\$210	\$100
c. Use a TAMP			
Yes	23.1%	15.8%	24.3%
No	76.9%	84.2%	75.7%
31. Offer another fee pricing option			
Yes	17.4%	17.4%	17.4%
No	82.6%	82.6%	82.6%

TOP VS. NON-TOP PERFORMERS: TECHNOLOGY

	ALL PARTICIPANTS	TOP PERFORMER	NON-TOP PERFORMER
32. Technology solution	ADVISORS USING TECH	ADVISORS USING TECH	ADVISORS USING TECH
Financial planning	98.8%	100.0%	98.6%
Client portal	91.2%	87.0%	91.9%
Secure client file transfer	83.3%	81.8%	83.6%
Client relationship management (CRM)	98.2%	100.0%	97.9%
Performance reporting	67.3%	87.0%	64.0%
Trading and rebalancing	67.9%	72.7%	67.2%
Proposal generation	40.5%	40.9%	40.5%
Investment management	84.5%	90.9%	83.5%
Investment research	70.5%	72.7%	70.1%
Risk tolerance	55.3%	61.9%	54.2%
Advice fee payment processing	89.4%	77.3%	91.3%
Compliance archiving	96.9%	95.7%	97.1%
Firm count	189	23	166