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INVESTMENTS

# DRIVERS & KEY TRENDS OF ADVISORY BUSINESS

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**BILL GATES**

**\$75bn**



**WARREN BUFFETT**

**\$61bn**



**JEFF BEZOS**

**\$45bn**



**LARRY ELLISON**

**\$44bn**



**AMANCIO ORTEGA**

**\$67bn**



**CARLOS SLIM**

**\$50bn**



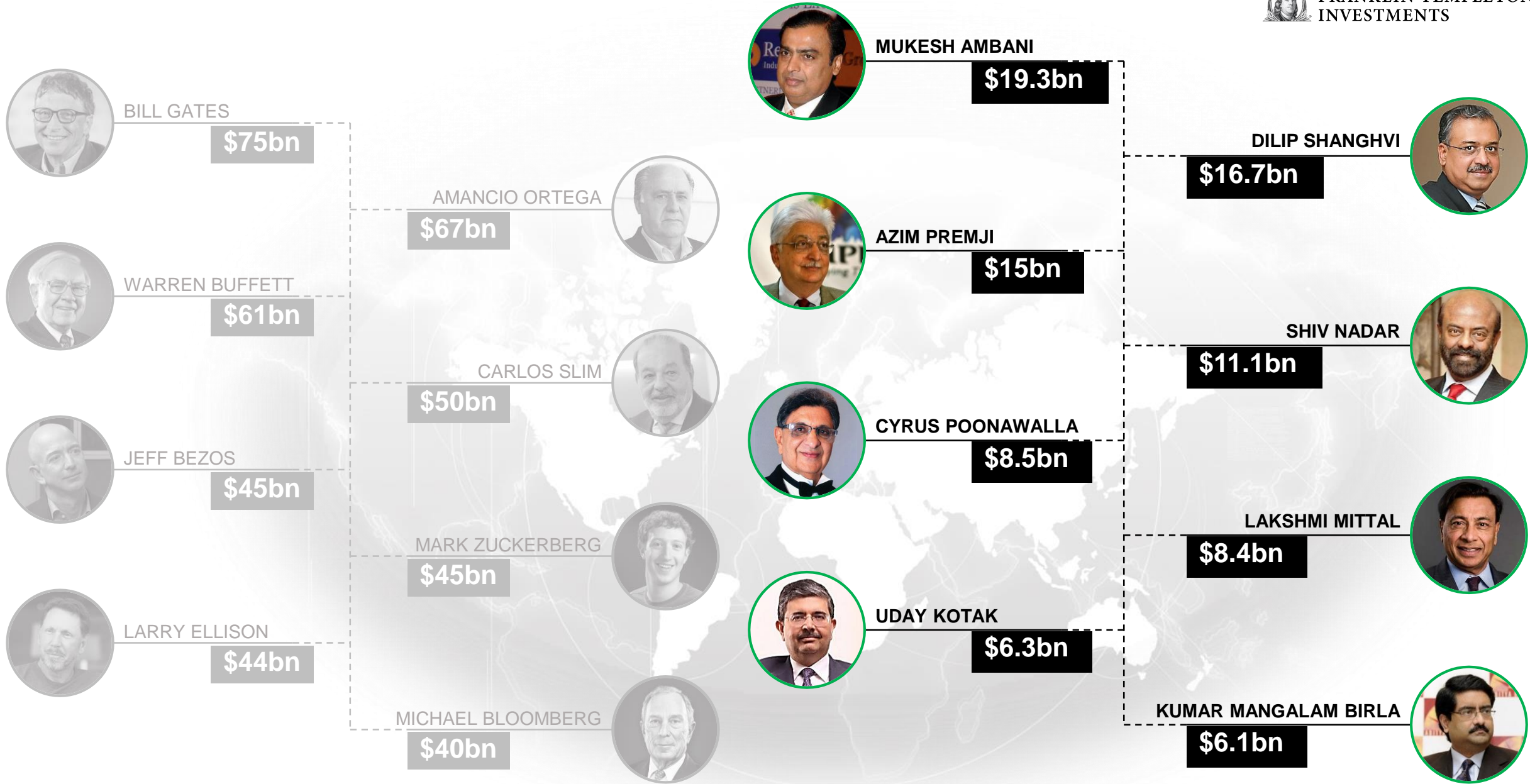
**MARK ZUCKERBERG**

**\$45bn**



**MICHAEL BLOOMBERG**

**\$40bn**







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**The World is Changing**

**India is Changing too...**







**Half** of India is  
below **25** yrs of age  
–**Millennials**



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**60% Indians now have a Bank Account**



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↑ in number of  
tax payers as  
**Disposable** ↑  
income





- Half of India is below 25 years of age – Millennials
- 60% Indians now have a bank account
- Increase in number of tax payers as disposable income goes up

# Consumption Mindset







- Half of India is below 25 years of age – Millennials
- 60% Indians now have a bank account
- Increase in number of tax payers as disposable income goes up
- Consumption Mindset

## Preference for financial assets emerging





# Regulations

**Highly regulated industry  
Advisory v/s Distribution**

REGULATIONS





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Technology

**1 billion Indians have biometric identities and a mobile phone**



For Internal Use Only / Not for Distribution to the Public





Technology

**1/3<sup>rd</sup>** of the country has an internet connection mostly  
through a smart phone

**Only China is ahead of India in terms of internet users**







Technology

Traditional media replaced by **social media** like WhatsApp, Facebook, LinkedIn, Twitter, Instagram are big influencers







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Technology

# Big Data Analytics to drive sales







Technology

# Jandhan – Aadhar – Mobile (the JAM Trinity)





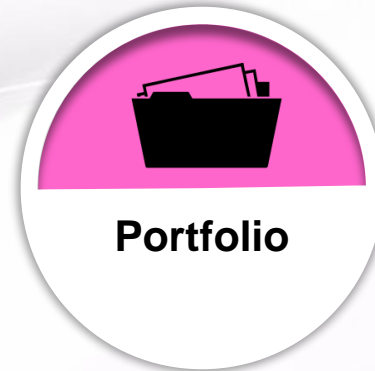


**Are We Relevant**

**in Today's World?**



# TODAY'S CONVERSATIONS ARE ABOUT



## ...BUT THE CUSTOMER IS TALKING ABOUT

### MILLENNIALS

- Short term mind set
- Prefers to spend more & save less
- Aspirational, Fast Paced



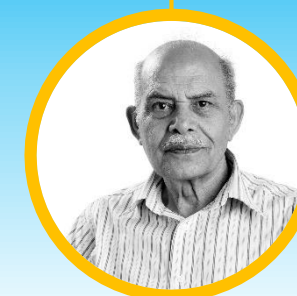
### MIDDLE AGED

- Ready to look at long term goals
- Wants to buy a house, save for kids education, start saving for retirement
- Ready to save more & spend less

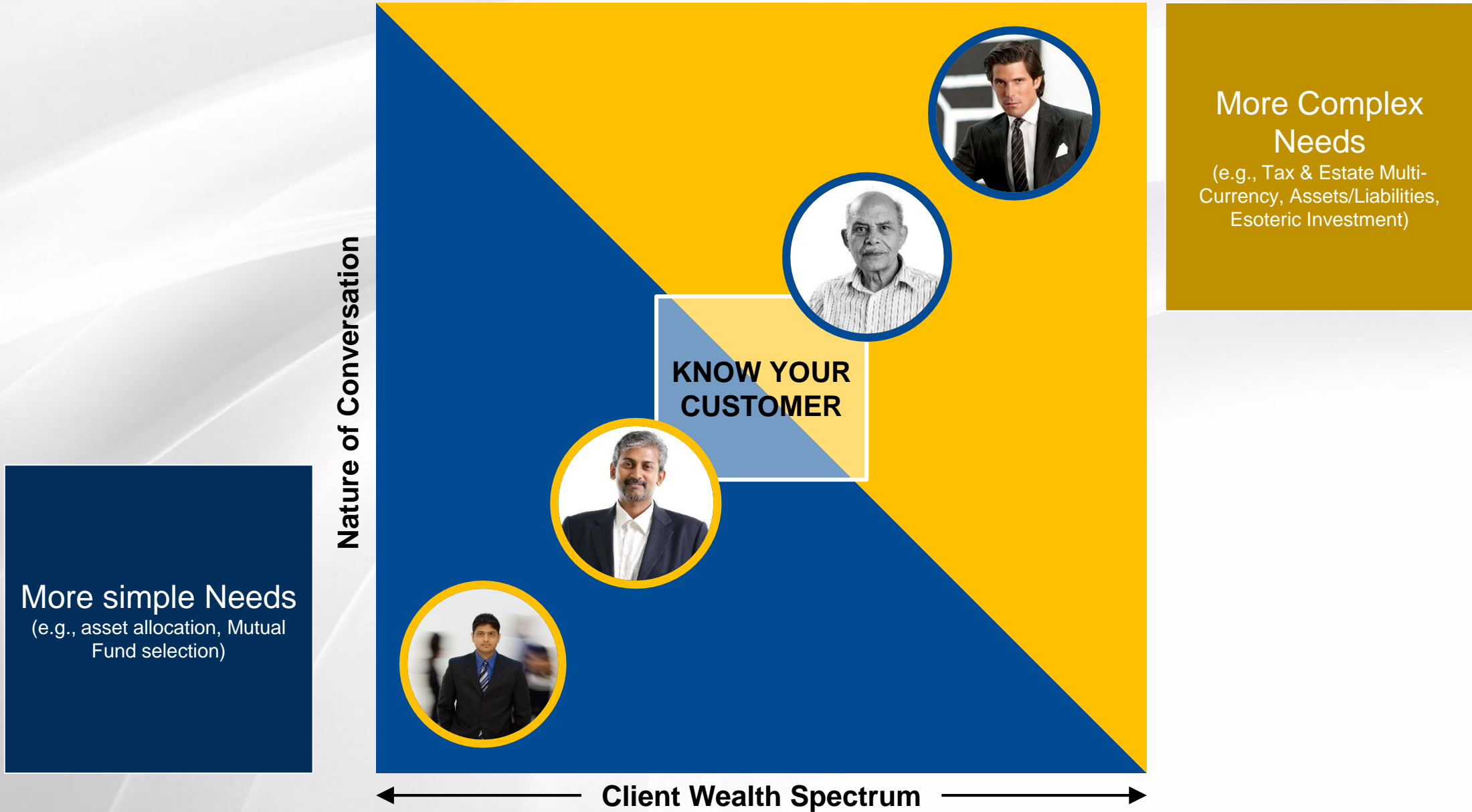


### RETIREES

- Wants to protect capital
- Wants the corpus to suffice for 20-30 years post retirement



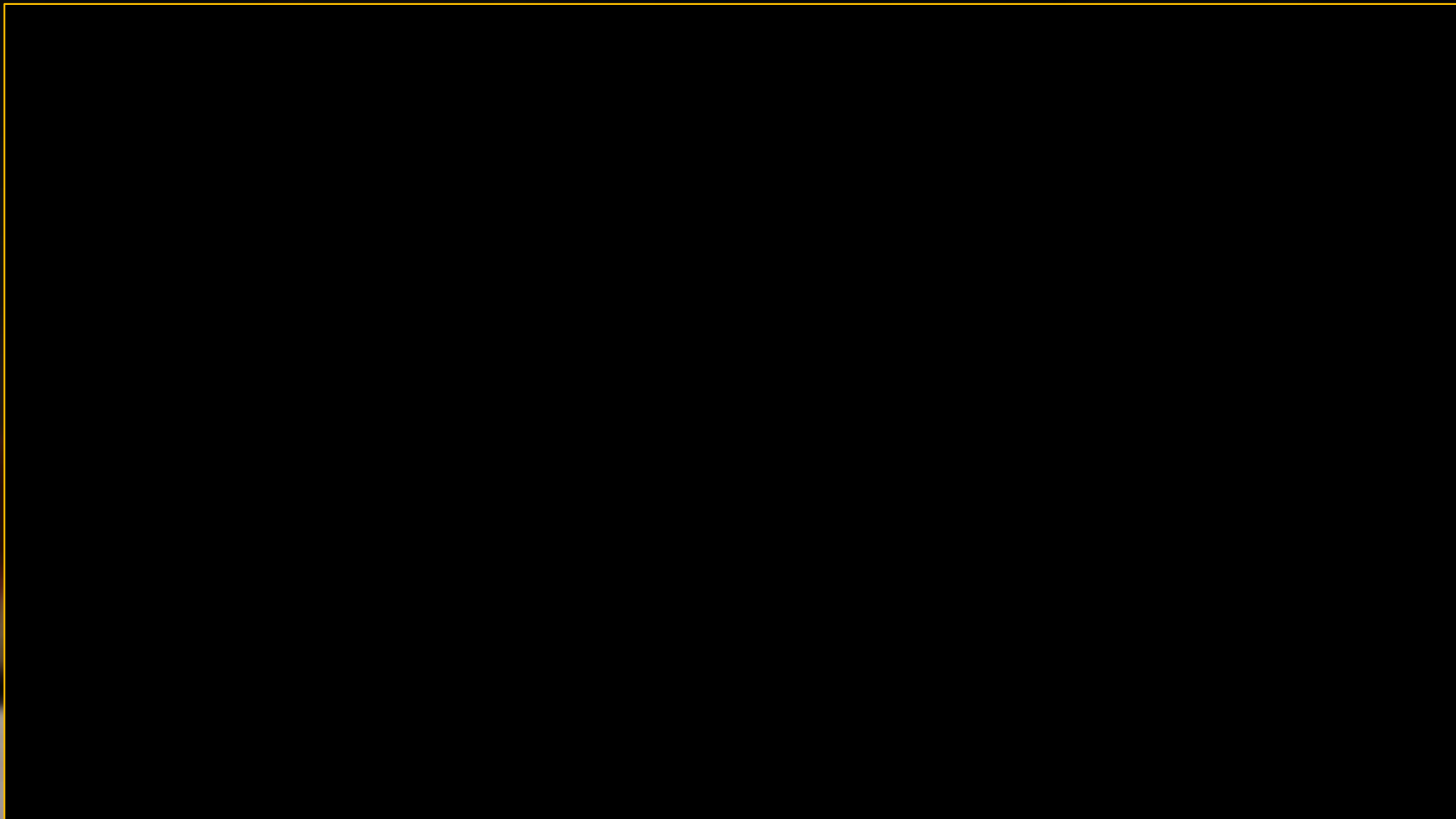




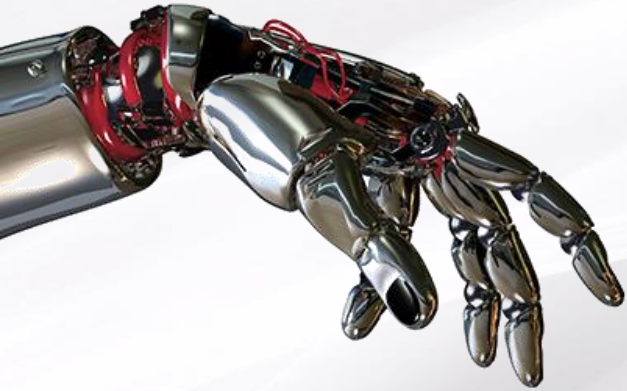






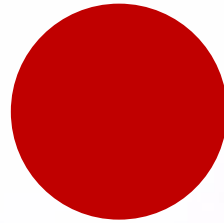






## TECHNOLOGY

- Transaction Processing
- Goal Mapping & Tracking
- Asset Allocation Assistance
- Fund Selection Assistance
- Portfolio Tracking
- Geography agnostic
- Reach New Clients
- Communication
- Lowers cost



## HUMANS

- Goal Prioritisation
- Estate / Risk/ Tax Planning
- Avoid behavioural mistakes
- Relationships
- Asset Allocation & Fund Selection
- **Hand holding in turbulent times**





**Humans**



**Technology**



## Key Take-Aways

1

The World is changing and so must **YOU**

2

Regulations are a given

- Entry Load Ban
- Direct Share Class
- Cap on Commissions
- Commission Disclosures
- Advisory Vs Distribution

3

Know Your **CUSTOMER**

4

Tailor your **CONVERSATION**

5

**TECHNOLOGY** is your **FRIEND**

6

Demonstrate your **Value - ADVISOR ALPHA**



**Happy To Take Questions**