

Paying for financial advice become mainstream in 2021

Vishal Dhawan, Founder and CEO, Plan Ahead Wealth Advisors shares with us his key learnings of 2021 and talks about upcoming trends in the financial distribution business.

Team Cafe mutual

2021 is coming to an end soon. Can you give us a sneak peek into your 2021?

2021 was a year of dealing with rapid change with new SEBI RIA regulations needing to reimagine one's practice, gear for growth with pay for advice services becoming much more mainstream. Risk management for client portfolios became crucial considering the sharp run in risk assets in India as well as other parts of the globe.

What are the two key lessons that the year has taught you?

Being nimble and flexible is going to be crucial, as changes in financial goals, markets and response time expectations of clients are likely to be much more rapid going forward.

Greed cycles in markets can be more difficult for investors and their advisors to deal with, as compared to fear cycles in markets, as greed cycles tend to give instant gratification, very much like a sugar high and cause significant overconfidence and recency bias.

What are your aspirations for the coming year? What are the new things that you would like to implement in your professional and/or personal life?

Staying flexible and nimble basis incoming data, on the practice and client experiences, much like Central Banks globally have been for the last few years.

Also, I would like to ensure that a growth focus does not dilute existing investor engagement and experience.

What is that one thing that you feel could have been done differently last year?

Build additional capacity in teams to prepare for growth.

What trends do you think MFDs/RIAs should watch for in 2022?

I think these three trends will define 2022 for the financial distribution industry:

- Internationalisation of investment portfolios
- ETFs and index funds, along with smart beta offerings becoming more popular
- Investors seeking higher customisation and personalisation