Scaling with Precision

Insights from the Advisor Growth Study

LPL Financial

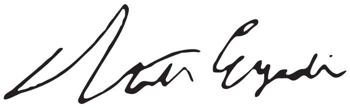
A LETTER FROM LPL'S CHIEF CLIENT OFFICER

GROWTH IS MORE than a metric – it's a mindset. Whether you're already part of LPL's thriving advisor community or exploring new possibilities, one thing is clear: every advisor's path is unique. Growth can mean scaling your business, deepening client relationships, or simply gaining more time to focus on what matters most.

That's why we created the Advisor Growth Study (AGS). This isn't just another benchmarking report – it's a data-driven, advisor-informed framework designed to help you grow on your terms. Grounded in real performance data from more than 14,000 LPL advisors across all models, the AGS offers actionable insights into what drives sustainable success in today's complex environment.

We understand the challenges you face: rising client expectations, evolving technology, and increasing competition. But we also see the opportunities – when you have the right tools, the right data, and the right support behind you.

Whether you're looking to refine your strategy or reimagine your future, we hope this study inspires new thinking and empowers your next step – whatever growth means to you.



– Matt Enyedi
Chief Client Officer, LPL Financial

What Separates Top-Growing Advisors From Their Peers?

ASK 10 ADVISORS what growth looks like, and you'll likely get 10 different answers. And that's the point. Growth isn't one-size-fits-all. It's about evolving your practice in a way that reflects your goals, values, and clients. In today's advisory landscape, it's no longer a luxury, it's a necessity.

But the path to growth is complex. Advisors face rising client expectations, tighter margins, mounting compliance demands, and increasing competition from traditional firms and digital-first platforms. It's not enough to work harder. Advisors need a clear, strategic roadmap for how to grow smarter.

That starts with defining what growth really means. And while growth may mean different things to different advisors, sustainable growth only happens by making intentional choices about where to focus.

From Benchmark to Breakthrough

"There's no single playbook for growth," says Kraleigh Woodford, EVP, Growth Strategy and Enablement at LPL Financial. "The power of this framework is that it meets advisors where they are, helping them understand their own momentum and make informed choices that align with their vision."

LPL Financial set out to answer a fundamental challenge: understanding what separates top-growing advisors from their peers, and how others can apply those insights. By analyzing structured data across thousands of practices across all models, LPL Financial identified four key actions that consistently drive growth:

- Setting a strong foundation with clear growth priorities, a balanced client mix, and operational efficiency
  - **Top grower benchmark:** The % of clients in decumulation phase stays below 35%

- Segmenting their client base to align time and implementing a defined service model
  - **Top grower benchmark:** % of growth from top 10% AUM clients should be between 30 and 60%

- Deepening client relationships through planning, advisory, and expanded solutions
  - **Top grower benchmark:** Assets in Advisory is 60%+

- Driving new client acquisition by elevating their book and targeting high-potential prospects
  - **Top grower benchmark:** 10% of clients are new each year

These insights are grounded in six years of structured performance data from over 14,000 advisors, spanning all business models, affiliations, and stages. Unlike benchmarking tools that rely on self-reported surveys, LPL's study draws from complete, objective data, enhanced through supervised machine learning and cutting-edge AI to identify the exact behaviors that lead to sustainable growth.

These are not anecdotal guesses; these are actionable learnings, backed by data, tested across business models, and proven in the field.

A Framework That Meets You Where You Are

To turn insight into action, LPL created the Advisor Growth Index (AGI), a diagnostic tool that evaluates advisor performance across three critical dimensions of growth: client acquisition, client development, and client retention. With the AGI, advisors can benchmark themselves against their peers and top growers, identify the behaviors that matter most, and get a personalized path forward.

Advisors who scored highly on the AGI demonstrated more balanced and sustainable growth patterns. For example, practices in the top quartile of the Study grew advisory assets under management (AUM) by over 18% year-over-year, triple the growth of median performers. They were more likely to adopt segmentation strategies and reinvest in efficiency-enhancing tools.

"At LPL, our goal isn't just to highlight what top advisors are doing — it's to help every advisor grow on their own terms," says Andrew Beasley, SVP of Strategic Growth Solutions. "We built the AGI to provide the clarity, structure, and partnership advisors need to turn insight into meaningful progress."

This report explores the data behind LPL's findings, unpacks the behaviors that set top growers apart, and outlines how the AGI can help advisors take the next step in their own journey. Growth isn't about doing everything. It's about doing the right things, and doing them with conviction.

Growth Isn't by Luck. It's a Defined Strategy.

IN TODAY'S ENVIRONMENT, growth can feel both urgent and elusive. Advisors are under pressure to expand their practices; not just to thrive, but to survive. Between aging client demographics, fee compression, and increased competition, the growth imperative is no longer just about increasing AUM. It's about securing long-term business value.

Yet despite this pressure, many advisors still rely on anecdotal tactics or instinct-based strategies. Without a clear framework, it's easy to feel overwhelmed by competing priorities or to waste time chasing the wrong goals.

"Advisors want answers to questions," says Kraleigh Woodford. "They want to know where they stand on key performance metrics and what actions to prioritize in order to grow."

That's where LPL steps in. By analyzing behavioral data across its advisor network and institutional programs, LPL uncovered what top-growing advisors do differently, and how others can follow their lead. The most successful advisors align their efforts across four key focus areas: establishing a strong foundation, segmenting clients intentionally, deepening relationships with existing clients, and acquiring new ones.

Top-growing advisors don't just grow faster. They grow with purpose. They identify the strategies that work for their business and commit to them with discipline. More importantly, they don't do it alone. They rely on tools, data, and strategic relationships to guide their decisions and streamline execution.

That belief in partnership is core to LPL's approach. Rather than prescribing a single path, LPL supports advisors in defining what growth means to them and delivers the insight, infrastructure, and guidance to bring that vision to life. The AGI is the latest expression of that commitment: a structured, data-backed way to measure performance, identify high-impact focus areas, and take action with confidence.

The sections ahead will break down the methodology behind the AGI, explore the four key focus areas that distinguish top growers, and show how LPL is helping advisors put these insights into practice.

> **Advisors want answers to questions. They want to know where they stand on key performance metrics and what to prioritize in order to grow. That insight drove the development of the Advisor Growth Index.**
>
> *– Kraleigh Woodford*
> *EVP, Growth Strategy and Enablement, LPL Financial*

From Instinct to Insight

Why benchmarking matters

IN A FAST-CHANGING market, it's not enough to want growth; advisors need a roadmap to achieve it. Yet for many, benchmarking remains an abstract or one-size-fits-all exercise. Static comparisons to peer averages rarely lead to strategic clarity. More often, they leave advisors wondering what to prioritize, or worse, whether they're on the right track at all.

That's the problem LPL set out to solve. Rather than offer generic benchmarks, the AGI translates performance data into personalized insight, so every advisor can identify where they stand and what matters most for their practice.

For the first time, LPL is bringing together data and insights across its expansive advisor and institution base into a single, cohesive framework. The AGI provides advisors with a clearer line of sight into performance patterns, and a practical starting point for change.

The AGI draws from the behaviors of thousands of top growers across the LPL network and distills them into actionable patterns. It doesn't stop at measuring inputs or outcomes; it connects the dots between decisions and results. Whether an advisor wants to deepen client relationships, grow wallet share, or optimize service models, the AGI helps surface the right starting point.

Importantly, it reflects the reality that there's no single formula for growth. Advisors define it in different ways; what matters is having a clear structure to identify strengths, uncover blind spots, and move forward with purpose.

That means less guesswork and more time invested in what works. Because when advisors know what matters most, they can spend less time guessing and more time growing.

Inside the Study

How LPL built a smarter way to measure growth

WE CREATED THE AGI to bring clarity and focus to advisor benchmarking, turning data into direction. Many tools offer broad comparisons or static metrics, but the AGI captures the real-world behaviors that influence growth and translates them into practical next steps.

Its foundation is LPL's structured, longitudinal dataset – one of the industry's most expansive. With six years of performance data from over 14,000 advisors across business models, institutions, geographies, and growth stages, the AGI provides a representative, objective view of advisor performance. Unlike self-reported surveys, this model is built entirely on actual business activity.

From Data to Insight

To transform this data into actionable intelligence, LPL's Growth team used advanced analytics and machine learning to assess more than 100 practice-level variables, from client segmentation to planning adoption. The approach was grounded in industry expertise and powered by cutting-edge AI. Key analytical steps included:

- Dimensional reduction to identify high-impact inputs
- Clustering to group similar practice types
- Supervised machine learning to isolate growth-driving behaviors

A Framework Advisors Can Use

The AGI originally modeled growth across three core dimensions: acquisition, development, and retention. Over time, it evolved into four day-to-day areas that help advisors align strategy with execution:

- Establish your growth foundation
- Segment your clients
- Deeply serve your clients
- Drive new client acquisition

This framework makes it easier to take benchmarking insights and turn them into concrete business decisions. For instance, an advisor might discover that their segmentation score is below optimal, prompting adjustments to their service models. Alternatively, they may identify that client decumulation is disproportionately hindering growth, necessitating a strategic response.

Because the AGI scores are dynamic, advisors can track progress, assess the impact of business changes, and adjust strategy with support from LPL's ecosystem. Future versions of the AGI will offer deeper insights into how specific practice improvements can affect long-term outcomes.

Strength in numbers & quality

Size & Scale
Six years of data from over 14K advisors and 100+ practice-level variables

Depth & Quality
Analytics and insights from top growing advisors in the industry, spanning a wide range of practice sizes and approaches

Engaged Community
Top growing advisors, highly motivated and eager to learn from each other

What Top Growers Do Differently

Four key focus areas

SOME ADVISORS GROW quickly, consistently, and sustainably, regardless of market conditions. What sets them apart? It's not just experience or luck. It's a set of intentional, repeatable behaviors grounded in data and driven by strategic choices. The AGI uncovered four core focus areas that distinguish top-growing practices from their peers. These areas give advisors a practical framework for diagnosing strengths, uncovering gaps, and building a business that can grow and scale over time.

1. **Establish Your Growth Foundation**

   Insight: Top growers start with the basics: a balanced client mix and operational efficiency.

   Action: Top growers prioritize clients with long-term potential, run lean and productive teams, and build infrastructure that supports scalable growth.

2. **Segment Your Clients**

   Insight: Rather than treat every relationship the same, top performers segment their book based on client needs, value, and lifecycle stage.

   Action: Top performers align their time and services accordingly, bringing intentionality to how they serve, price, and support different client segments.

3. **Deeply Serve Your Clients**

   Insight: Growth doesn't just come from new business. It also comes from deepening wallet share, solving more complex needs, and strengthening long-term loyalty.

   Action: Top performers do this through planning, advice-driven conversations, and expanded solutions that create more engaged, meaningful relationships.

4. **Drive New Client Acquisition**

   Insight: Top growers don't rely on referrals alone.

   Action: Top growers shape their book of business by refining their value proposition, elevating their client experience, and targeting high-potential prospects, whether through organic growth, centers of influence, or strategic M&A.

These aren't abstract ideas; they're grounded in what the data shows top-performing advisors actually do. And while each advisor's path may vary, the most successful ones consistently exhibit strength across all four focus areas. The next four sections will unpack each focus area in detail and explore how advisors can translate the AGI findings into practical steps for their own business.

Establish Your Foundation

SUSTAINABLE GROWTH STARTS with a solid foundation. For top-performing advisors, that means being intentional about who they serve, how they operate, and where they're headed.

Leading Practices Tend to Focus on Three Core Elements:

Client Mix

They prioritize relationships that align with their value proposition, service model, and long-term goals, to help ensure that every client is served in a way that's both intentional and sustainable.

Operational Efficiency

They streamline repeatable tasks, clarify roles on their team, and reduce time spent on activities that don't create value.

Growth Priorities and Strategic Planning

They establish clear growth priorities, using data to identify 1-2 areas of focus and take targeted action. This includes aligning their book to reflect where they're headed, not just where they've been.

These practices aren't one-off improvements. They reinforce one another and compound over time. For example, firms with an intentional client mix often find greater operational efficiencies.

Many advisors believe they already have a strong foundation. But the data often tells a different story. Some have a growing client base but declining average household size. Others are putting in long hours but don't have enough time to spend on higher value activities. Top growers take a closer look at the fundamentals, because the foundation isn't just what supports growth, it's what makes it possible.

The next section will explore how segmentation helps advisors focus their time and energy where it counts most.

WHAT TOP GROWERS DO DIFFERENTLY

Prioritizing client mix, efficiency and infrastructure

- % of clients in decumulation phase: <35%
- Median client age: <61
- % of clients growing: 35%

Segment Your Clients

TOP-GROWING ADVISORS don't try to serve everyone the same way. They use segmentation to focus their time, elevate their service experience, and align effort with opportunity.

Segmentation isn't new, but the AGI shows it's one of the clearest differentiators between average and top performers. Leading advisors don't just tier clients by AUM — they consider factors like life stage, complexity, growth potential, and personal fit. Then they translate that segmentation into service models, pricing, and support structures that make sense for their business.

For example, top advisors are more likely to define service tiers and match them to planning levels or communication cadences. They create clarity, for clients and for their teams, about what each relationship entails and how it's delivered.

Segmentation is also a critical step toward scaling without sacrificing experience. By standardizing how different client types are served, advisors can expand capacity, maintain quality, and protect their time for the relationships that matter most.

Many advisors assume segmentation means cutting clients. But in reality, it's about serving each client intentionally, based on their needs and your value. Some relationships are best supported through digital solutions, junior team members, or outsourcing. Others require direct, high-touch engagement. The key is to design your model on purpose, not by default.

The next section will examine how top advisors deepen relationships through planning, advice, and an expanded value proposition.

WHAT TOP GROWERS DO DIFFERENTLY

Segment clients and refine service models

More balanced growth:

- No concentration in any one asset segment
- 30-60% of growth from top 10% AUM clients
- 35%+ of clients growing across $500k+ asset segments
- Revenue from bottom 50% AUM: >7%

Deeply Serve Your Clients

GROWTH ISN'T JUST about acquiring new clients. It's about building stronger, dedicated relationships with the ones you already have.

Top-growing advisors in the AGI consistently deepen client engagement through financial planning, advisory platforms, and expanded services. These aren't financial box-checking exercises — they're strategic moves that increase share of wallet, client satisfaction, and long-term loyalty.

Financial planning, in particular, emerged as a key driver. Top advisors aren't just producing more plans; they're using planning as a gateway to richer conversations and better decision-making. It becomes the foundation for investment strategies, ongoing advice, and timely follow-ups tied to real-life goals.

The same holds true for advisory AUM. Practices that shifted more clients into fee-based models saw stronger revenue stability and improved scalability. These models also support more consistent, proactive client interactions, creating value beyond portfolio performance.

Serving clients deeply doesn't mean offering every product or service. It means knowing your clients well enough to anticipate their needs and tailoring your support to what matters most. That could include help with executive compensation, estate planning, insurance reviews, or connecting them with outside specialists.

Ultimately, deepening relationships is about moving from reactive to proactive. Advisors who do this well position themselves not just as financial professionals, but as essential partners in their clients' lives.

Next, we'll look at how top growers complement these efforts by driving new client acquisition, without losing sight of service quality.

WHAT TOP GROWERS DO DIFFERENTLY

Deepen client relationships for the long term

- Holding 60%+ of client assets in advisory saw consistent gains over brokerage year-over-year
- Provided comprehensive financial planning to clients or advised retirement plans

Drive New Client Acquisition

EVEN THE MOST well-run practice needs to bring in new relationships to stay healthy over time. But top growers in the AGI aren't pursuing growth for growth's sake; they're targeting the right kind.

Rather than casting a wide net, these advisors take a more intentional approach to acquisition. They focus on quality over quantity, with strategies that elevate their book of business and align with long-term goals. That might include raising minimums, refining ideal client profiles, or leaning into strategic referral channels.

Top performers also expand their reach through centers of influence, digital marketing, and community presence. But they're selective about where they invest time. Many use data and segmentation to identify which prospects are most likely to convert, and which current clients may be strong referral sources.

Importantly, acquisition isn't treated as a siloed activity. Advisors who grow consistently tend to build infrastructure that supports scale: onboarding processes, CRM workflows, and client education that allow new relationships to integrate seamlessly into the business.

Some are also exploring inorganic growth through M&A. But even then, the filter remains the same: Does this move align with my client experience, service model, and long-term strategy?

For high-growth advisors, acquisition isn't just about adding clients. It's about elevating the practice with every relationship.

WHAT TOP GROWERS DO DIFFERENTLY

Expand client acquisition and elevate book of business

- Strategically acquired clients to improve growth potential of client mix and move up-market
- Higher client acquisition rate, but not at cost of client experience and retention

Our vision wasn't to create another score. We wanted to build a decision-making framework – something advisors can actually use to prioritize their focus and grow in a way that's right for them.

– Andrew Beasley
SVP, Strategic Growth Solutions, LPL Financial

From Insight to Action

Partnering for Go-Forward Momentum

AT LPL, WE BELIEVE every one of our advisors should have a business plan. One that's informed by the AGI and supported by a dedicated engagement model. That's the core of our Advisor Growth System: helping advisors and institutions clarify where they want to go, then partnering with them to get there.

The AGI is the starting point, not the destination. It helps advisors understand where they stand, identify areas of opportunity, and prioritize the actions that will make the biggest impact. But the real value comes from what happens next: turning those insights into a plan, and that plan into progress.

The process is tailored, not templated. LPL's scale may be national, but our partnerships are individual. Through personalized consulting, integrated tools, and a flexible platform model, LPL helps advisors and institutions build momentum around what matters most. That could mean streamlining operations to free up capacity. Rethinking client segmentation to align service and pricing. Expanding planning conversations. Or investing in talent and technology to support scalable growth.

The common thread: advisors and institutions aren't doing it alone. With the AGI as a compass and LPL as a co-pilot, they're able to stay focused, make confident choices, and build a practice that reflects their vision and goals. It's a data-powered partnership for real-world growth.

This isn't a one-time report. It's part of a larger commitment to helping advisors succeed in a more intentional, sustainable way. The AGI is here to evolve, helping clients track progress, revisit priorities, and stay in control of their growth journey.

> **This isn't about prescribing one playbook. It's about giving advisors and institutions the structure and clarity to grow their way, based on what works, and with a partner that's invested in their success.**
>
> *– Andrew Beasley*
> *SVP, Strategic Growth Solutions, LPL Financial*

LPL Financial

Growth That's Measurable, Meaningful, and Yours

EVERY PATH to growth looks different. That's why the AGI isn't a universal formula; it offers a framework for focus. Backed by data and built for action, the AGI helps advisors and institutions cut through the noise, identify what matters most, and take practical steps toward stronger performance.

What sets top growers apart isn't luck or even ambition. It's clarity, consistency, and alignment across their business. They build the right foundation. They serve the right clients in the right ways. And they make intentional decisions that reinforce long-term value.

The AGI gives every advisor and institution the tools to do the same, on their own terms and with the support of a partner that's invested in their success. Whether they want to deepen relationships, improve profitability, or create capacity for new growth, the AGI offers a starting point, and a way forward.