



# 4 Ways Insurance Companies Can Drive Growth with Wealth Management

As the insurance industry faces increasing competition and evolving expectations, many institutions are discovering that expanding and deepening their wealth management capabilities is a key strategy for driving growth and enhancing their core business. For institutions already offering wealth management, further investment in this area can differentiate their services, improve profitability, and position them as comprehensive financial leaders.

Running a wealth management business presents opportunities to deepen relationships and expand the addressable market, but only if the institution is

prepared to invest in advanced technologies, provide personalization, and keep up with the ever-changing regulatory environment. That's where partnering with a specialized wealth management provider like LPL can help insurance providers grow their business through the tools and expertise needed to navigate these complexities.

With the right partner, here's how insurance providers offering wealth services can stay competitive, streamline operations, and expand their base:



# 1

## Expanding the Advisor Experience with Holistic Financial Advice

Today's clients expect more than traditional insurance solutions; they're looking for integrated financial services that encompass retirement planning, investment management, and tax strategies. Institutions already in the wealth management space are seeing the opportunity to expand these offerings, allowing them to become one-stop financial solutions providers without building new infrastructures from scratch.



### Why it matters:

Modern clients seek comprehensive financial services that address all aspects of their financial well-being. By partnering with a provider like LPL, which offers expertise and tools for delivering personalized advice, insurance providers can expand into wealth management while maintaining a seamless experience.



### How it helps:

With access to LPL's resources and expertise, your institution can offer a full suite of wealth management services that complement core insurance offerings. This expanded range improves both client satisfaction and advisor productivity, giving advisors the tools to deliver customized solutions that address the full spectrum of financial goals.



# 2

## Leveraging Technology for Innovation and Operational Efficiency

Technology plays a crucial role in delivering the seamless, digital-first experience clients expect from their financial services providers. By partnering with a wealth management provider like LPL, insurance providers can access cutting-edge technology that continuously evolves, keeping them competitive in an increasingly tech-driven market. Instead of investing millions into building proprietary technology, institutions can leverage LPL's platform and ongoing \$360M+ investment in innovation.



### Why it matters:

Building and maintaining technology in-house can be costly and time-consuming. Aligning with a partner committed to constant innovation ensures that institutions have access to the latest tools and capabilities without overwhelming internal resources.



### How it helps:

LPL's platform allows insurance providers to stay at the forefront of technology by offering advanced tools for data security, streamlined operations, and improved communication between advisors and clients. This helps institutions focus on core business functions while benefiting from the tech leadership of a dedicated partner. By outsourcing these tech-heavy functions, institutions can better allocate resources toward strategic growth.



# 3

## Mitigating Risk and Ensuring Regulatory Compliance

Navigating regulatory risks in the insurance and wealth management space is increasingly complex. The evolving regulatory landscape requires constant vigilance and a robust infrastructure to avoid compliance issues. By partnering with a wealth management provider like LPL, insurance providers can offload much of this burden and mitigate risk, allowing them to focus on core business operations.



### Why it matters:

Staying compliant in a fast-changing regulatory environment demands significant resources and expertise. Insurance providers can benefit from LPL's experience and infrastructure, which is designed to manage operational risks and ensure that all necessary regulatory requirements are met, reducing the potential for costly errors.



### How it helps:

LPL's dedicated compliance and regulatory teams ensure that your institution remains compliant with industry standards, eliminating the need for constant internal investment in these areas. This frees up resources, minimizes litigation and reputational risks, and enables your institution to focus on delivering value to clients and driving business growth.



# 4

## Enhancing Advisory Efficiency and Driving Growth Through Comprehensive Services

Offering wealth management services not only optimizes internal operations but also has a profound impact on advisor effectiveness and overall growth. Advisors who can provide a broader range of services are better positioned to deepen client relationships and generate more business. With the right technology and resources in place, institutions can empower advisors to manage larger portfolios, provide personalized financial advice, and enhance client satisfaction.



### Why it matters:

Clients who use both insurance and wealth management services are more likely to view their relationship with your institution as a one-stop solution for their financial needs. This leads to stronger client loyalty, increased engagement, and a higher likelihood of purchasing additional products.



### How it helps:

By offering a comprehensive suite of financial services—including wealth management—your institution can capture a larger share of clients' financial portfolios. Research shows that clients who engage with their insurer's wealth management services are not only more loyal but also purchase an average of 3.7 additional products, further driving revenue growth. Additionally, integrating these services increases the lifetime value of each client, making your business more resilient and profitable.

# A Strategic Path Forward for Institutions

In today’s competitive insurance landscape, adding wealth management capabilities through strategic partnerships is a game-changer. From enhancing client and advisor experiences to driving operational efficiency and boosting revenue, partnering with a specialized provider like LPL allows insurance providers to expand their services and stay ahead of the competition.

By making these strategic moves, institutions can leverage their core strengths while delivering more value, positioning themselves for long-term success in a rapidly changing industry.





## Learn more

about how LPL has helped institutions like yours scale their wealth management offerings and drive growth.

**This material was prepared by LPL Financial, LLC.**

**Securities and advisory services offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC).** Insurance products are offered through LPL or its licensed affiliates. To the extent you are receiving investment advice from a separately registered independent investment advisor that is not an LPL affiliate, please note LPL makes no representation with respect to such entity.

<b>Not Insured by FDIC/NCUA or Any Other Government Agency</b>	<b>Not Bank/Credit Union Guaranteed</b>	<b>Not Bank/Credit Union Deposits or Obligations</b>	<b>May Lose Value</b>
--	---	--	-----------------------