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Nucleus launches behavioural finance guide for advisers with behavioural experts Be-IQ

Nucleus, the adviser built wrap platform, has launched a white paper to enable advisers to learn more about how clients make financial decisions and how firms can apply these insights to the financial planning process.

Written by Neil Bage and Dr Ariel Cecchi of behavioural insights firm Be-IQ, the white paper provides an overview of the behavioural principles most relevant to financial planning. It looks at how advisers can help clients to understand their financial behaviour, and the difference behavioural insights can make to the advice given to clients.

The paper sets out the background to behavioural finance theory, in particular highlighting the uncertain, complex financial landscape clients and advisers now find themselves in.

It aims to provide advisers with the practical knowledge and resources to help clients recognise their individual biases and adapt their financial behaviour accordingly. Knowing more about a client's financial decision-making strengths, weaknesses and personality traits should support firms in further tailoring their advice, and also in designing interventions where necessary to keep clients' plans on track.

The paper examines how behavioural insights can be embedded throughout the advice process, from the beginning of the adviser-client relationship, through the planning and monitoring stages and beyond. It also features adviser case studies on how two firms are adopting a behavioural approach to financial planning and how they are starting to put this into practice.

Earlier this year Nucleus agreed a strategic partnership with Be-IQ, supporting the launch of an adviser dashboard which allows firms to analyse clients' behavioural traits at a deeper level. The dashboard is used alongside a consumer app called BEAM, where people can better understand their financial behaviour through a series of games and questions.

Barry Neilson, chief customer officer at Nucleus, said: "Being able to understand clients on a deeper, emotional level is set to be the next evolution of financial planning. Not only will this make advisers more effective in how they already manage their relationship with their clients, but it will also set firms innovative enough to implement a service proposition driven by behavioural insights apart from their peers.

"Behavioural insights can give firms the ability to be much more tailored with their client communications and give a framework for advisers to intuitively shape advice that responds to the personality traits of their clients."

Neil Bage, founder and director at Be-IQ, said: "We all like to think of ourselves as rational, using all available information to inform the decisions we make. This is not the case. Even if we were to have complete and accurate information at all times, we are still subject to our own fears, desires and biases that affect our ability to make sound financial judgements.

"To help clients achieve better outcomes, advisers need an evidence-based framework that factors in the spectrum of behaviours their clients will exhibit – behaviours that go way beyond risk taking. Only then can advisers know who to speak to, when to speak to them, and what to speak to them about. This is a crucial role of a behavioural adviser."

[Advisers can download a copy of the white paper here](#)

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For further information please visit www.nucleusfinancial.com or contact:

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About Nucleus

Nucleus is a wrap platform founded in 2006 by advisers committed to altering the balance of power in the industry by putting the customer centre stage. It provides independent wrap platform services to 1,428 active adviser users and works with more than 900 financial adviser firms. As at 30 June 2020, it is responsible for AUA of £15.8bn on behalf of more than 99,000 customers.

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