

DNA Behavior[®]

**Advisor Behavioral Intelligence in
Practice: Financial Lifestyle Case Study**

Behavioral Intelligence is Transforming the Future of Advice

From generic, backwards-looking analytics to fully personalized, forward-looking behavioral intelligence without friction

Generic Advice — Today	Personalized Advice — Future
Quanta: Numbers · Averages · Backward-Looking · Automated	Qualia: Behavior · Uniqueness · Forward-Looking · Powered by Behavioral AI
<ul style="list-style-type: none"> • Portfolio Construction 	<ul style="list-style-type: none"> • Risk Posture
<ul style="list-style-type: none"> • Risk Analysis 	<ul style="list-style-type: none"> • Beliefs
<ul style="list-style-type: none"> • Rebalancing 	<ul style="list-style-type: none"> • Biases
<ul style="list-style-type: none"> • Tax Loss Harvesting 	<ul style="list-style-type: none"> • Emotional Triggers to Volatility
<ul style="list-style-type: none"> • Static KYC Profiles 	<ul style="list-style-type: none"> • Instinctive Decision Patterns
<ul style="list-style-type: none"> • Demographic Segmentation 	<ul style="list-style-type: none"> • Trust Style
<ul style="list-style-type: none"> • Transaction Data & Analysis 	<ul style="list-style-type: none"> • Communication Preferences
<ul style="list-style-type: none"> • Life Events 	<ul style="list-style-type: none"> • Biometrics & Longevity Changes
<ul style="list-style-type: none"> • Report Preparation 	<ul style="list-style-type: none"> • Real-Time Monitoring
<ul style="list-style-type: none"> • Data Gathering 	<ul style="list-style-type: none"> • Customized Marketing & Sales
<ul style="list-style-type: none"> • Static Insight 	<ul style="list-style-type: none"> • Continuous Engagement & Nudges
<ul style="list-style-type: none"> • Periodic Reviews 	<ul style="list-style-type: none"> • Read & Manage Behavioral Signals
<ul style="list-style-type: none"> • Product Knowledge 	<ul style="list-style-type: none"> • Behavioral Coaching
	<ul style="list-style-type: none"> • Predict & Manage Complex Lifecycle Events
	<ul style="list-style-type: none"> • Tailored Portfolios to Life Goals & Longevity
	<ul style="list-style-type: none"> • Health & Longevity Management
	<ul style="list-style-type: none"> • Portfolio Monitoring, Alerts & Compliance

CURRENT STATE · GOAL

AUM Growth

80% personalization for 20% of clients · Generalist, portfolio-focused, reactionary

FUTURE STATE · NEW GOAL

Human Lifetime Economic Value

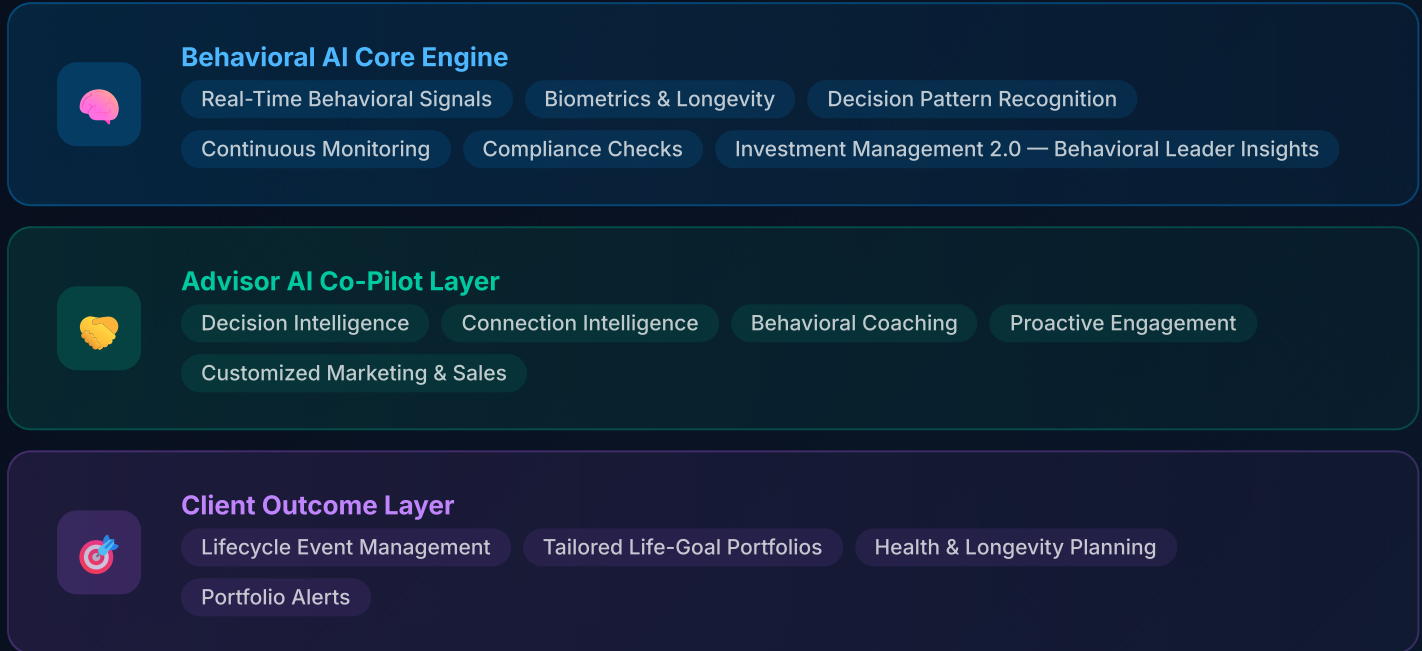
98% personalization for 98% of clients · High-value human conversations powered by AI Co-Pilot

Rewiring Your Wealth Management Firm

Firms that do nothing face the **Profitability Paradox** — margins compressed to **28%**. Rewiring to a centralized Behavioral AI platform locks in a strategic moat at **36%**. Full de-commoditization unleashes scalability and a **40% margin**.

THE CENTRALIZED LIGHTHOUSE PLATFORM

Every Advisor Delivering Personalized Advice with Consistency



THE ADVISOR TRANSFORMATION



12 Modules of the Centralized Tech Stack

The Lighthouse Platform is assembled in three layers. **Layer 1** modules already exist in most firms. **Layer 2** introduces the Behavioral AI intelligence that powers personalization — with **DNA Behavior** as the core insights engine. **Layer 3** modules are strategic enhancers that unlock full de-commoditization and the 40% margin opportunity.

LAYER 1 · EXISTS Foundation modules already present in most wealth management firms


01 Marketing & Sales CRM	02 Digital Engagement Tools	03 Financial Planning Tools	04 Financial Health + Literacy
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LAYER 2 · BEHAVIORAL INTELLIGENCE The AI-powered core — drives personalization, decision intelligence and investment insight

05 DNA Behavior + Money Insights Platform <i>Core behavioral insights engine</i>	06 AI Agents + Digital Twins	07 Biometrics + Longevity	08 Investment Management 2.0
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LAYER 3 · ENHANCERS Strategic capabilities that unlock full de-commoditization and the 40% margin opportunity

09 Risk Management & Compliance	10 Family Dynamics	11 Business Succession	12 Team Alignment + Productivity
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 **DNA Behavior** is the foundational behavioral insights provider powering the entire platform. All other modules — whether built in-house or sourced from best-in-class third-party providers — connect into the DNA Behavior engine to deliver consistent, personalized behavioral intelligence across every advisor interaction. The result: net profit margins stabilized at **36% or better** even as smaller firms get squeezed toward 28%, while unlocking **12–18 hours per week** of advisor capacity for higher-value client conversations and organic growth.

Advisor Behavioral Intelligence in Practice: Financial Lifestyle Case Study

Some leading wealth management firms are already demonstrating how behavioral intelligence and AI can transform advisor productivity and client personalization at scale.

Financial Lifestyle serves more than **40,000 households** with client AUM of \$40 billion through approximately **200 advisors**. At this scale, manual KYC discovery and individualized messaging are no longer feasible. Advisors were spending an estimated **12–18 hours per week** on administrative tasks and fragmented investment research, leaving limited time for high-value client conversations.

The Centralized Platform Decision

Facing PwC's "profitability paradox" of margin compression despite AUM growth, Financial Lifestyle committed to building a centralized solutions platform based on **the Behavioral AI Future of Advice Roadmap** (See attached), designed by DNA Behavior. Their goal: shift from AUM to **Human Lifetime Economic Value** as the key metric while enabling advisors to deliver more insightful, behaviorally informed guidance.

They created "**Lighthouse Insights**"—an AI recommendation engine powered by DNA Behavior's psychometric data which they perceived as like "liquid gold". This constantly running behavioral layer sits behind the advisor desktop, surfacing **next-best-value opportunities** for every client and prospect.

How Lighthouse Insights Works

1. **Centralized Data Foundation:** Aggregates data from CRMs, planning tools, and other systems into a single warehouse.
2. **Mass Behavioral Profiling:** DNA Behavior's Digital Scan processed ~400,000 individuals (100,000 clients + 300,000 prospects) in one batch—no manual profile completion required. This generated **4,000+ psychometric measures** covering emotional drivers, financial behaviors, communication style, and decision patterns.
3. **AI Fusion Layer:** Behavioral data fuses with demographic/financial data, continuously updated via machine learning as life events, market movements, and biometric signals arrive.
4. **Behavioral Workflow Integration:**
 - **Advisor-Client Style Matching:** Aligns team members with client communication preferences
 - **Market Mood Analysis:** Detects real-time client reactions to volatility

- **Enhanced Communication Segmentation:** Tailors marketing, sales and engagement messaging by behavioral profile
- **Behavioral Decision Guidance:** Interprets client stress triggers and frames recommendations
- **Financial Health Calculators:** Combines behavioral, financial, and biometric data for stress/longevity projections

The New Client Experience

For every household, matched advisor co-pilots deliver:

- **Next-best conversation** recommendations
- **Behavioral portfolio adjustments**
- **Curated research/insights**
- **Personalized communication drafts**
- **Life event response strategies**

Advisors receive pre-written messaging tuned to each client's DNA profile and engagement history, which they review, edit, and approve. The system learns from actual client responses (what they open, ignore, act on), creating a **continuous behavioral feedback loop** that improves precision over time.

Generative AI layers further enhance this: advisors query firm research/policies in plain language, while post-meeting AI tools auto-generate notes, CRM entries, and follow-up actions.

The Results

Advisor adoption reached **near-universality** within months. Leadership's message is clear: **AI enhances, never replaces, the human advisor**. Machines handle data synthesis, pattern recognition, and first-draft creation. Humans deliver **connection intelligence**—reading subtle cues, framing complex trade-offs, coaching behavior, and building trust.

"Financial Lifestyle proves behavioral AI doesn't commoditize advisors. It gives them superpowers: personalized guidance at industrial scale, so every client gets high-touch service regardless of AUM size."

Strategic Implications

This model creates three durable advantages:

1. **Advisor Capacity:** 12–18 hours/week reclaimed for client acquisition and relationship deepening
2. **Compliance Consistency:** Behavioral guardrails reduce mis-suitability risk across 40,000+ households
3. **Scalable Personalization:** "Segment-of-one" advice for mass-affluent clients, not just HNW

DNA Behavior enables wealth firms to operationalize behavioral intelligence across the entire client base, creating a platform others can't easily replicate in a disruptive environment. Lighthouse Insights shows how this elevates advisor value, unlocks organic growth, and builds lasting competitive moats.

Financial Impact at Scale

Metric	Before	After Lighthouse Insights
Profit Margin	to ~32% → 28% (do-nothing)	36% or more stabilized
Advisor Capacity	200/clients/advisor	230-250 clients/advisor (+15% to 25%)
Annual Profit Uplift		\$27m on \$40B AUM
Enterprise Value	8-10x	12-15x (+3-4x multiple)

The per advisor economics is: 12-18 hours reclaimed for growth and client meetings and ~\$200,000 additional profit contribution per advisor (assuming \$1.56m gross revenue at 36% margin).

The proof point: What works for Financial Lifestyle's \$40B / 200 advisors scales predictably to \$100B, delivering 40% margins and \$260M profit pool.

Disclaimer: This is a hypothetical scenario and not intended to be a guarantee of results. Each firm's performance may vary based on the depth and consistency of execution.

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