



# Help Grow Revenue by Improving Securities-Based Lending Adoption

Learn How State-of-the-Art  
Securities-Based Lending Technology  
Combined With a Winning  
Go-To-Market Playbook  
Helps Adoption Reach Higher Heights

## PART 1: ADOPT A STATE-OF-THE-ART SECURITIES-BASED LENDING PLATFORM TO ACHIEVE RESULTS

Is your institution looking for new revenue streams? Have you considered growing revenue by increasing your firm's adoption of securities-based lending (SBL)? SBL is an attractive liquidity option for investors to take advantage of buying opportunities and to finance expenses without having to sell their investments. Over 70% of U.S. households borrow money\* but what % of your firms' clients utilize securities-based lines of credit (SBLOC) through your firm?

*In other words, why aren't more of your advisors offering an attractive lending option to a broader range of clients?*

In other words, why aren't more of your advisors offering SBL as an attractive lending option to a broader range of clients? To take a look at what might be limiting adoption at your institution, analyze your performance metrics, including:

- **What % of your clients have SBLOCs? Segment the data into groups and see how many advisors' clients actively use, moderately use, and never use SBL.**
- **What % of loan applications are abandoned? Look into how long it takes to complete an application and to decision and underwrite a loan. Where do clients drop out in the process?**

Supernova observes that it takes an advisor successfully completing three loans to become comfortable with SBL and create a habit. But an advisor will not proactively offer SBL if they don't have visibility and confidence with the loan process as they do not want to subject their clients to a subpar experience.

*... it takes an advisor successfully completing three loans to become comfortable with SBL and create a habit.*

To gain broader SBL adoption, your firm needs to keep pace with an easy-to-use, integrated, and fully digital SBL solution

like Supernova Technology's. Supernova's clients experience remarkable results to help grow their SBL business and deliver revenue. Consider:

- **Speed to Liquidity:** With Supernova's origination platform, loans can be decisioned in minutes or hours, not weeks, with semi-automated processing.\*\* Digital applications can be prepopulated, resulting in increased accuracy and higher client completion rates.
- **Ease of Use:** Supernova's system is easy to use and intuitive, even for advisors with no lending experience. Clients can go online to request draws on their SBLOC, making utilization convenient and more frequent.
- **Transparency:** Advisors and clients can view loan details 24/7 through online portals. Portals include color-coded risk ratings to readily track loan health and a collaborative messaging workflow to stay ahead of potential risk trouble.

With a state-of-the-art SBL solution, your advisors will have confidence in the SBL product and process. Having the right SBL solution is essential for improving adoption at your firm.

**PART 2: HAVE A WINNING GO-TO-MARKET PLAYBOOK TO REACH HIGHER HEIGHT**

Developing and implementing a winning go-to-market playbook is critical to reaching your firm's full adoption potential. When launching or relaunching securities-based lending (SBL) at your institution, your goals should include increasing awareness and building momentum with both advisors and clients. SBL is not a commonly known liquidity option, even among high-net-worth investors, so education and awareness are critical to building adoption and achieving results. Both clients and advisors will be open to learning about the benefits of SBL as a lending option.

**Clients Want Holistic Advice**

50% of investors say they will be looking for more holistic advice within three years; over 60% of investors say they are considering using advisory services while starting a new business or buying a house.\*\*\* Your firm's clients will appreciate SBL as an attractive liquidity option when they need cash. Your advisors plan for life events with your client's investment strategy – why not with their liquidity strategy? SBL can differentiate your advisors' services and help lead to long-lasting relationships with AUM growth.



*Source: 2019 EY Global Wealth Management Research Report.*

**What Successful Advisors Do**

A winning go-to-market playbook will create awareness and confidence with advisors to offer SBL actively to their clients. High SBL adoption levels come from a regular and proactive setup of securities-based lines of credit (SBLOC), not a reactive approach. Many wirehouses take a proactive approach and make SBL part of the new account opening process. With an SBLOC, clients have the flexibility to draw on their line when there is a cash need with no delays. Advisors should make liquidity management and SBL part of their regular client conversations.

**Omni-Channel Messaging to Reach Advisors**

Firms need to develop and implement a multi-touch, omnichannel plan to reach and engage advisors as part of their go-to-market playbook. For training, Supernova finds starting with the firm's highest producing advisors is best, followed by a full rollout to educate and make advisors comfortable with the process, pricing, and what their clients will experience at every step of the loan journey. The highest producing



*The highest producing advisors tend to be early adopters of SBLOCs, and their success stories can generate enthusiasm with their peers.*

advisors tend to be early adopters of SBLOCs, and their success stories can generate enthusiasm with their peers. Message the launch across your firm's communication channels, including newsletters, emails, team meetings, and town halls. A webinar or in-person meeting to kick-off the launch can be an effective way to gain awareness. If you have an

internal sales force, they can deliver messaging and tools to advisors and share best practices. Identify advisors who have had SBL success to be featured in webinars and calls to share their positive experiences. Advisor to advisor endorsement of SBL is a great way to build momentum across your firm.

**Marketing to Clients**

Marketing to your clients about the benefits and uses of SBL is also part of a winning go-to-market playbook. Your firm can send trigger emails when a client is eligible for an SBL and as part of new customer communications. Case studies are a great way to educate clients about the uses for SBL and highlight SBLOCs' flexibility, tax advantages, and other benefits to make adoption gains. Seasonal campaigns, like reminding

clients they can draw on their SBLOC to pay an unexpected tax bill, back to school expenses, and other life events, can be an effective part of a multi-touch, omnichannel plan.

### **Quantify and Track Your Progress**

Don't forget to quantify your baseline metrics, set numeric goals, and track your progress. Supernova's solution comes with Smart Analytics, a reporting and analytics portal where all of your institution's SBL data is leveraged to monitor and analyze your firm's business. With quantified goals and progress tracking, you'll be able to see what is working and what areas need more attention.

Supernova's clients see remarkable results when adopting our SBL solution. Beyond technology, we are experts in SBL and provide partnerships to help our client's businesses and revenue grow.

To learn how Supernova can help improve adoption and increase SBL revenue at your firm, contact us at (312) 470-6280 or [info@supernovacompanies.com](mailto:info@supernovacompanies.com)

\*Summarized from the Federal Reserve Survey of Consumer Finances.

<https://www.federalreserve.gov/econres/scfindex.htm>

\*\*Assumes fully integrated solution.

\*\*\*2019 EY Global Wealth Management Research Report.

Supernova Lending, LLC is a subsidiary of Supernova Companies, LLC. The Supernova Technology Trademark is used under license from Supernova Lending, LLC.

Supernova Lending, LLC (NMLS): 1543400

©2021 Supernova Companies, LLC. All rights reserved.