

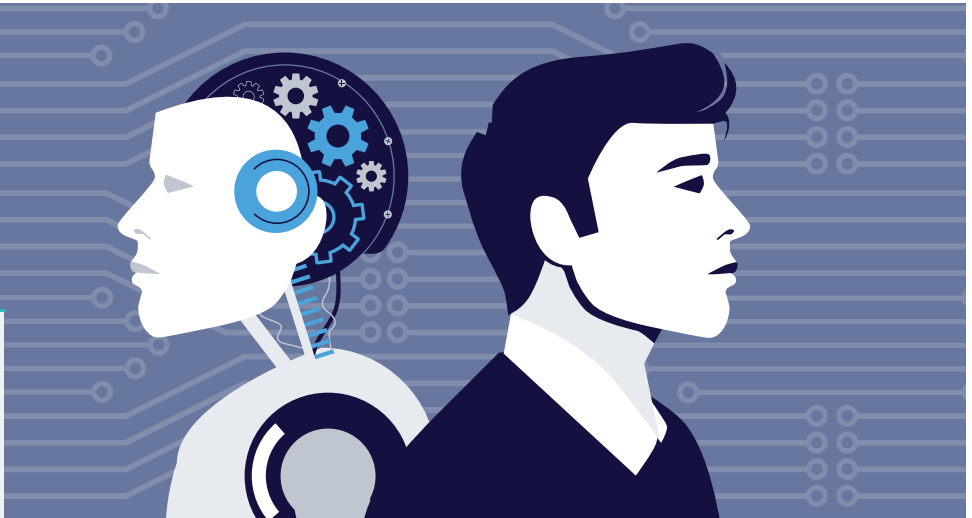
Will AI Replace Financial Advisors?

Key Takeaways

AI is enhancing, not replacing, the role of financial advisors

Human insight is irreplaceable

Financial advisors should be tech-aware, but client-focused



Technology is moving fast—and artificial intelligence (AI) is at the center of that momentum. From headlines to hallway conversations, it's become a hard topic to ignore. For financial advisors, it raises a fair and timely question: *What does this mean for me?*

We've been listening closely to what advisors are hearing from clients, peers, and wholesalers in the field. And while there's no shortage of speculation, we believe the path forward is clear: AI may reshape some of the tools we use, but it can't replace the role of a trusted advisor.

Artificial Intelligence in Financial Planning

Artificial intelligence (AI) systems excel at processing vast amounts of data, identifying patterns, and making predictions.

AI-powered technology can:

- Analyze client data
- Identify areas of risk
- Offer tailored recommendations
- Increase client service efficiency

AI-powered tools can help financial firms analyze market trends, identify areas of risk, and make informed investment decisions. The integration of AI can also help firms achieve better regulatory compliance and reduce risk, ensuring a more secure and efficient operation.

Firms are increasingly adopting AI to enhance their financial services and maintain a competitive edge in the market. AI helps these firms manage client relationships, provide personalized advice, and improve operational efficiency. The use of AI in financial firms leads to improved customer satisfaction, reduced costs, and increased revenue. And most importantly, the automation of routine tasks can free up financial advisors to focus on high-touch services and building strong client relationships.

Human Advice Matters— Now More Than Ever

Somewhere between the headlines and the hype, a real question has started to surface in client conversations:

**“If AI can manage money,
do I still need an advisor?”**



People are hearing that technology is getting smarter, faster, more powerful—and they’re wondering where that leaves the person they’ve come to rely on for guidance.

The most thoughtful advisors we speak with aren’t threatened by AI—they’re leveraging it. They use technology to streamline the basics, so they can spend more time on what actually matters: their relationships.

They’re also reminding us that, especially in volatile times, clients don’t just want information—they want interpretation. They need you to help them make sense of what’s happening in the markets. AI can tell a client how much they’ve saved or earned, but it can’t tell them what that money means for their future. How they allocate and use their investments is based on their personal goals and feelings.

Is AI a Threat to My Role?

AI is already streamlining the advisor workflow. It can pull data quickly, draft meeting notes, suggest lead priorities, and even generate educational content. In short, it can do the “setup” work faster.

But what it can’t do is the “meaning” work. While AI can assist in providing financial advice, it cannot replace the human element. It can’t sit with a client and hear the concern behind the question. It can’t weigh a market risk against an emotional one. And it certainly can’t read the room the way you can.

AI can streamline various processes within a financial advisory practice, making it more accessible and effective. That’s why advisors aren’t being replaced—they’re being repositioned: less time on task management, more time on trust-building.

What do clients want from their advisor? Peace of mind. Most clients don’t come in asking for a data visualization or a predictive model. They come in asking, “Am I going to be okay?” Whether they say it or not, they’re wondering if their plan will hold up—through volatility, life changes, and unexpected expenses.

They don’t want a dashboard—they want a partner. Someone who can help reframe fear with a steady

perspective, not just stats. Someone who knows that at the heart of their anxiety isn't market fluctuation—it's the future they've envisioned that suddenly feels at risk. The innovative idea of integrating AI to improve client reassurance can be beneficial, but it must be balanced with human empathy and understanding. AI might generate answers. You provide reassurance. A financial advisor plays a crucial role with personalized advice and a trust-based relationship essential for navigating complex financial decisions.

How Should I Talk to Clients About AI?

Keep it simple, confident, and collaborative. Try something like:

"AI can help us process data and find new efficiencies—but when it comes to planning your future, the human piece still matters. That's why we'll use tools that support your goals, not replace our conversations. AI does a good job of reflecting domain-specific knowledge, but the expertise of financial advisors remains indispensable."

This positions you as both tech-aware and client-focused—a combination people want right now. Business professionals will always play the leading role in advising clients with the support of AI technology.

What Should Advisors Watch Out For?

AI can be a powerful tool—but like any tool, it has limits. And in a profession built on trust, advisors must be especially thoughtful about how and when they use it.

Here are a few things to keep an eye on:

- **Overconfidence in automation:** AI tools can "sound" convincing, even when they're wrong. Relying on them without oversight could lead to mistakes or compliance issues—especially when the topic is complex or personal.
- **Regulatory risk:** As AI-generated content becomes more common, advisors should stay alert to evolving rules around disclosures,

suitability, and marketing. A tool that helps today might raise flags tomorrow. Predictive analytics, in particular, is being scrutinized by regulators like the SEC to ensure that financial firms do not use it to prioritize their own interests over those of their clients.¹

- **Loss of personal connection:** Automating every touchpoint might seem efficient—but it can also erode the relationship clients value most. A templated check-in won't replace a well-timed, thoughtful phone call.
- **Misplaced delegation:** Some tasks (like email drafting or lead prioritization) are a smart place for AI. Others—like suitability assessments, product recommendations, or sensitive client conversations—should remain fully human-led.

AI can help you do more, faster. But that speed should never come at the cost of clarity, care, or compliance.

AI Can't Replace You



AI may be able to mine data. It may even help draft a plan. But only you can:

- See hesitation in a client's expression—and pause to ask what's really on their mind.
- Balance financial projections with life-stage realities.
- Reframe panic into perspective during a market swing.
- Understand not just what someone wants to do, but why.

At the core of every plan is a person. And behind every good decision is a trusted relationship. That's what makes your role irreplaceable. Not because AI won't evolve—but because advice isn't just about answers. It's about understanding, empathy, and emotional intelligence.

Three Things to Remember

1

AI can help with information.

AI is transforming the financial planning profession by providing advanced data analysis and insights. You provide interpretation.

2

Clients don't want perfect answers.

They want personal advice. Understanding investor behavior and emotional responses is crucial in providing this personalized guidance.

3

Your value isn't being replaced.

It's being re-focused—on what matters most. Progress in AI technology can even enhance client relationships by helping you monitor progress toward their financial goals.

Keep It Human

We believe that financial guidance should always feel personal. And our commitment to our financial professionals delivers the insights, tools, and products you need to support your clients.

So, when your next client asks about AI, you can answer with confidence—not just about what's changing, but about what will never change. AI is being used in financial services to analyze data, maintain regulatory standards, and personalize advice.

However, the human element will always be necessary to make sense of the big picture, provide emotional intelligence, and solve for the limitations and potential risks of AI.

Visit delawarelife.com to explore our full spectrum of products and solutions.

¹ Source: <https://www.sec.gov/newsroom/press-releases/2023-140>

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