When it comes to investing, one size does not fit all

While most Canadians share some common financial goals, including a comfortable retirement, the path they take toward achieving those goals can be quite different.

Paul Griffin, CFP, professor at Humber College and the Education Committee chair of the Canadian Institute of Financial Planners, says that it also is common to combine the different methods. "'Do-it-yourselfers' may choose to reduce their transaction costs and do their own research, ultimately making purchase and sale decisions through a discount broker. Others may choose to work closely with an advisor, relying on his or her advice. Still others may prefer a hands-off approach and give the advisor full control of the research and transaction decisions."

So what's right for you? Start with a thorough, honest self-assessment in order to determine your own objectives, skills, knowledge, risk tolerance, available time and motivation, says Professor Griffin. "Do not take this first step lightly, and if circumstances change in the future, consider changing channels to a more appropriate one. It is both important and helpful to obtain professional advice in determining which approach is most suitable."

On the other side of the equation, at financial services organizations, understanding the ways that Canadians make decisions about how and where to invest is a key element in designing products and services. "We've made customer experience enhancements one of our key strategic priorities," says Lori Landry, vice-president, Marketing Canada, Sun Life Financial.

One of the findings of Sun Life's research was that individuals value access to all the channels of investing. "We found that Canadians want choice in how they do business with us, including how and when they want to find and be served by a financial advisor," she says. "They also value ease – our research indicates that all financial institutions need to do a better job of communicating in plain English around these complex subjects, and make it easier to do things like find forms online and fill them out."

The research conducted by Sun Life also reveals that the investing channel that works best for the individual depends on what he or she is looking for, but there are some common trends. "One of the most effective combinations was working with a financial advisor for individual investing needs and with their workplace benefit and retirement plan to maximize their investment strategy at work. We found that many Canadians don't access their full suite of benefits at work, so seeking an advisor to maximize those benefits creates powerful results."

Most Canadians report that they don't want to take on the learning curve required to create a financial plan and invest successfully all alone, she says. "They want a professional to help them make the right investment decisions. That's why we believe strongly in the value of professional financial advice."

While Canadian respondents emphatically expressed their belief in the value of working with a financial advisor, they also said they're not sure how to go about identifying the right financial advisor for them, says Ms. Landry. "To help, we built an online interactive tool called Advisor Match. Go online to sunlife.ca, click on Advisor Match, and tell us a little bit about yourself including your postal code. The tool then produces a list of advisors in your geographic area who are a good match for your needs. It puts the control in the hands of consumers, and it's created tremendous results for our clients."

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Paul Griffin, CFP, professor, Humber College; Education Committee chair, the Canadian Institute of Financial Planners

essential info

from the Canadian Life and Health Insurance Association

The life and health industry, which covers some 20 million Canadian workers and pays out about $27 billion for medical, hospital, dental and drug benefits, believes there are real opportunities for governments to reduce prescription drug costs for all Canadians. Canada is one of the highest priced markets in the world for prescription drugs: lower drug prices mean more affordable drugs for Canadians, savings for governments, and more affordable supplementary insurance coverage, which, in turn, will increase access to prescription drugs for more Canadians. The industry therefore applauds the provinces for their recent actions to lower drug costs for their citizens, and believes there should be a national approach to establishing catastrophic drug coverage for all Canadians.

No one should have to choose between putting food on the table and paying for life-saving medication.

online? Visit **clhia.ca** for more information from Canada's Life and Health Insurance Association. For more investing information, visit **Sunlifeglobalinvestments.com.**

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