

# A tool for your clients and their kids

**By Davis D. Janowski**

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If you would like an easy way to educate clients — and, more importantly, their children — about matters financial, take a look at HelloWallet.

An inexpensive online tool that provides individualized financial guidance to consumers, HelloWallet has been up and running since May, and applies proprietary analytics and behavioral research to help users boost savings and build wealth.

Financial advisers should welcome this solution — not only because it will encourage your clients' kids to stay with you but because HelloWallet urges consumers to consult their financial advisers when it comes to making an investment or reviewing a financial product.

“Frankly, our service is aligned with the interests of financial advisers,” said Hall Kesmodel, HelloWallet's head of business development.

“We take care of the budgeting and cash flow [issues] that advisers often don't have the time to do. We have built our system to be very complementary to what advisers bring to the table,” Mr. Kesmodel said.

So far, HelloWallet has sold 330,000 subscriptions, mostly to retirement plan and 401(k) providers.

The total number of potential end users among its “enterprise partners” is more than 1 million, Mr. Kesmodel said.

Pricing for individuals is \$8.95 a month. So for just over \$100 a year, a savvy adviser might decide to purchase this service as a gift for a valued client or the client's children as a way to show that you care about them.

The system is meant to engage people with their day-to-day spending and budgeting, and nudge them to enhance their savings habits and promote long-term financial planning, Mr. Kesmodel said.

The belief is that advisers will be better off when their clients are actively engaged and have a better understanding of their own finances.

I tried out the site for myself.

It has an engaging, easy-to-use interface that won't leave users confused. In fact, HelloWallet will be rolling out a dedicated iPhone application sometime this year, with an Android version following shortly thereafter.

## LOTS OF CHOICES



Courtesy HelloWallet

Once someone registers, which takes no more than a minute or two, the application's main page asks you whether you want to start planning for retirement, want to reduce your debt, build a budget or pursue other goals. For example, you can “save for a rainy day,” “pay for college” or “buy a home.”

On the lower right are other choices: “Make me extra cash,” “track all of my bank accounts in one place” or the soup-to-nuts “I want it all!” which takes you through an easy-to-use wizard for building a simple financial plan.

To reassure users about security, the site provides SSL-encrypted connections, McAfee Secure testing on a daily basis and has earned the VeriSign Trusted logo.

Additionally, HelloWallet doesn't store a person's account credentials on the site; the data are used only in establishing connections.

While checking out the site, I was reminded of a recent conversation I had with an adviser regarding succession planning and technology, in which I asked how he plans to turn his client's children into clients.

And lest we forget, the 76 million boomers heading into retirement eventually will pass along about \$41 trillion to heirs, as *InvestmentNews* contributor Cam Marston pointed out in two recent Generational Selling Tactics columns (*InvestmentNews*, Sept. 26 and Oct. 10).

HelloWallet is a way to equip both clients and their children with something that can boost their financial understanding and point out areas where the help of a professional would be beneficial.

Mr. Kesmodel is thoroughly familiar with the advice model because prior to HelloWallet, he spent years as a senior manager with Ernst & Young LLP. In that role, he worked with Fortune 500 firms on large-scale employee financial education and counseling programs.

## SPENDING IS KEY

**Recommendations** *You have 10 waiting for you*

**OVERVIEW**

- Add to Budget
- Reduce Spending**
- Update Goals
- Balance Budget
- Boost Income

**Make \$8,754 from only \$54 per-month**

**\$746** This is how much you spent in your **\$800 Groceries** budget in **Sep 2011**. Was this one-time or do you want to rethink your budget and put some of this extra money toward building your wealth?

One-Time  Rethink Budget

**Make \$21,012 from only \$138 per-month**

**\$21,012** You can make up to this amount if you reduce your **Bars & good times** by **\$138**

**Why?** Spending less on **Bars & good times** will help you make up to **\$21,012**. You have also budgeted more on **Bars & good times** than what our financial advisors judge as a safe level.

**ANOTHER ALTERNATIVE**

Courtesy HelloWallet

“Financial planning is about spending, and spending happens every single day of your lives. If you make a lot of money, it doesn’t necessarily mean you are good at managing it; it can just mean that you have more zeros at the end of your spending,” he said.

Mr. Kesmodel thinks that HelloWallet can help consumers gain a better understanding of their personal spending habits. This not only increases funds available for investment but also helps consumers address issues such as figuring out how to get out of debt, and managing credit cards and spending habits, all of which may be embarrassing to discuss with an adviser.

For more information, including a video on how the site/application works, visit [HelloWallet](#) online.

To get a sense for how the interface looks and works check out this set of screenshots from [HelloWallet located on Flickr](#).