THE FACTORS INFLUENCING THE USE OF FINANCIAL PLANNERS

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Abstract

Individuals need to seek professional financial advice to achieve their financial goals. However, some do not see the value of consulting financial planners, and show little intention to use financial planners. Furthermore, there is a lack of research explaining why these individuals do not make use of financial planners. This study aims, therefore, to investigate the factors that could possibly influence individuals' intentions to make use of a financial planner: awareness, perceived image, trust, and perceived rewards. To achieve this, a hypothesised model and hypotheses were developed and empirically tested. The results of the study indicated that there are significant relationships between perceived image and rewards, on the one hand, and intentions to use a financial planner, on the other. Thus financial planners must portray a positive image and deliver the perceived benefits of engaging in financial planning if individuals are to recognise the value in making use of their services.

Keywords

Financial planner, awareness, perceived image, trust, perceived rewards, intentions

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1. INTRODUCTION

The need for personal financial planning has increased due to demographic and economic trends in the financial planning industry, increased life expectancy, and the rising costs of health care in South Africa (Murtuza & Brunsen, 1988:54). South African consumers are faced with additional challenges such as low levels of financial literacy, high levels of debt and inappropriate savings levels. Individuals aged over 60 years have higher income and asset levels than before and are living past their life expectancy (Martin, 2007:79). As a result of increased awareness, individuals have become more sophisticated in their investment decision-making (Murtuza & Brunsen, 1988:54). Despite these significant changes, individuals still lack the necessary personal financial planning skills and knowledge to manage their personal finances adequately (Van Rooij, Lusardi & Alessie, 2011:593-594).

Individuals are exposed to complex and intangible financial products, as well as to certain financial advisors who do not possess appropriate qualifications. As a result, individuals make inappropriate financial decisions and purchase financial products that do not meet their needs (Gaskell & Ashton, 2008:160). Professional advice is necessary, given the nature of financial products and the complex needs of individuals (Murphy & Yetmar, 2010:814; Gaskell & Ashton, 2008:160). Despite this, individuals do not see the need for financial planning, and show little interest in seeking professional advice (Murphy & Yetmar, 2010:816).

2. PROBLEM STATEMENT

As a result of previously operating in a poorly-regulated industry with minimal client security and compliance, financial planners suffer from a negative image. Consequently, individuals are reluctant to entrust financial planners with their finances (Rowland, 2007). There is also a lack of research that explains why South African individuals in particular do not make use of financial planners – a fact that leads to a lack of understanding of the problem. Previous research has indicated that factors such as an awareness of the nature of financial planners, the services they offer, their image (how they are perceived), the perceived benefits of making use of a financial planner, and consumers' unwillingness to trust them, are seen as important contributors to the low levels of individuals' willingness to use financial planners (Van Riper, 2012; Varma, 2012; Nga, Yong & Sellappan, 2010; Rossini & Maree, 2010:5; Rowland, 2007). By investigating these factors, it is hoped that insights can be offered into how increasing awareness among individuals, improving the image of financial planners, the amount of trust placed in them, and improving perceptions about the benefits of using a financial planner's services, will influence the intention to make use of a financial planner. Thus the purpose of this study was to determine which factors influence individuals' intentions to use financial planners and the services they provide.

3. OBJECTIVES OF STUDY

The primary objective of this study was to investigate the factors that influence an individual's intentions to make use of financial planners. A hypothesised model was empirically tested in order to attain this objective.

The following secondary objectives were also pursued:

- to determine which financial planning services individuals would most likely seek assistance with;
- to assess individuals' level of awareness of financial planners, their perceived image of them, their trust in them, and the perceived benefits in using them;
- to determine which factors influence individuals' intentions to make use of a financial planner;
- to propose recommendations for increasing individuals' intentions to use a financial planner's services.

4. LITERATURE REVIEW

4.1 The importance of financial planning and the role of financial planners

Financial planning can be referred to as the process of determining how individuals can best meet their life goals. Financial planning involves assessing the current financial situation of individuals, identifying their financial goals and objectives, planning for the effective use of available financial resources, and implementing recommendations to ensure that individuals meet their financial goals (Rossini & Maree, 2010:5). Furthermore, financial planning takes into account the individual's personality, their financial status, and the socio-economic and legal environments.

Financial planning combines different dimensions such as estate planning, tax planning, retirement planning, personal debt management, healthcare provision, risk and insurance planning, funding educational needs, and investment management (Botha, Rossini, Geach, Goodall, Du Preez & Rabenowitz, 2014:25-28; Cull, 2009:27). Given these dimensions, financial planning can provide protection against risk, and minimise the taxes an individual is liable for; it can also help individuals to achieve financial independence at retirement, and determine an individual's suitable level of investments (Botha et al., 2014:5; Botha, du Preez, Geach, Goodall, Palframan & Rossini, 2013:4; Rossini & Maree, 2010:6).

The financial status of individuals, and the prevailing socio-economic environment, can lead to the adoption of strategies that help them to achieve their financial goals. (Botha et al., 2014:5; Cull, 2009:27). Therefore, financial planning can be considered to be a strategic process that aims to help individuals to manage their financial resources, and thus achieve a range of financial and lifestyle goals (Irving, 2012:50; Cull, 2009:27).

Irving (2012:50) states that financial planning goes beyond providing insurance and investment advice: it delivers a financial strategy. A financial planner considers all aspects of an individual's lifestyle, goals, and requirements to help them reach their financial goals effectively and efficiently. Therefore, a financial planner provides individuals with integrated strategies to achieve financial and life goals, so that they are in a position to review their financial situation and make informed financial decisions (Botha et al., 2014:7; Brucker & Leppel, 2013:4).

4.2 Factors that influence the use of financial planners

Individuals are said to go through a process of knowledge, persuasion, decision-making, and confirmation when they are evaluating whether they are ready to use or adopt a product or service. Therefore, 'adoption' refers to the recognition of a product, service, or idea, and the gradual continued use of the product, service, or idea. Reaching a decision to adopt or reject an innovation occurs when an individual becomes aware of a product or service (Rogers & Shoemaker, 1971). An important element in any adoption of a product or service is making individuals aware of the product or service (Agarwal, Rastogi & Mehrotra, 2009:343). In other words, to ensure that individuals adopt or make use of a service, awareness of the service needs to be created in their minds.

Varma (2012) elaborates that the level of financial planning awareness among individuals is low; they lack an awareness of financial planning concepts and financial products (Nga et al., 2010:277-278). Ignorance or a lack of awareness among individuals contributes to their resistance to receiving financial advice. However, a financial planner can assist individuals by educating them about financial issues, and can offer information that helps them to make informed financial decisions (Botha et al., 2013:4-5). Therefore, improved awareness of financial planning can influence the intentions of individuals to make use of financial planners.

Another aspect that could influence the use of financial planners is their perceived image. 'Image' is the collection of feelings, beliefs, knowledge, perceptions, and impressions that one has about a given subject (Yasin, Noor & Mohamad, 2007:40; Gallarza, Saura & Garcia, 2002:56). These beliefs and ideas are sourced from external stimuli in the environment that are processed to represent the mental impression individuals have of a concept (Baloglu & McCleary, 1999:871). Image is based on what an individual knows about the physical characteristics of the subject, or from previous experience of the subject. However, how one feels about the subject should also be considered, whether it be favourable or unfavourable (Martin & Rodríguez del Bosque, 2008:263). Image is unique to each individual, but when the image of a subject is shared by the public, it is referred to as a stereotype (Echtner & Ritchie, 2003:42).

Van Riper (2012) is of the opinion that financial planners are associated with various incorrect and misguided stereotypes, as a result of individuals formulating an image based on minimal information or on a lack of prior experience with a financial planner. According to Weisenthal (2012), one stereotype is that financial planners do not act in the interest of their clients, but instead ensure that the financial products and services offered are aligned with the interests of the financial planner. Another common stereotype of independent financial planners is that they operate with minimal operational support, legal compliance, or client security (Van Riper, 2012). In addition, Rowland (2007) states that – due to previously operating within a poorly-regulated legal environment – financial planners are still associated with salespeople who manipulate individuals into investing in fraudulent or poor financial products. It is thus possible to suggest that, if potential clients have a positive image of a financial planner, it is more likely that they will consider making use of his or her services.

According to Berndt and Tait (2012:25), 'trust' refers to the degree of an individual's willingness to be vulnerable to the actions of others. Thus a high level of trust an individual has in another person indicates that individuals expect that the other person will behave in a responsible manner and will not take advantage of the dependence upon them. Therefore, should an individual have a high level of trust in a specific person, an expectation is created that the trusted person will not behave irresponsibly, nor take advantage of the dependent position of the client.

Before the introduction of the Financial Advisory and Intermediary Services Act 37 of 2002 (FAIS), it was common in the financial planning industry for financial products to be sold to individuals without taking their financial needs and objectives into account. As a result, many individuals were sold products that did not meet their particular needs. (Botha et al., 2014:3-4; Rossini & Maree, 2010:5). Given the history of the financial planning industry, trust is a very important element in a relationship; and it is especially important when individuals enter into a relationship that involves risk and uncertainty. Therefore, should an individual perceive financial planners to be trustworthy, there is an increased likelihood that they can be persuaded to engage with the financial planner and the services they provide (Sharpe, Anderson, White, Galvan & Siesta, 2007:4; Joiner, Leveson & Langfield-Smith, 2002:33; Christiansen & DeVaney, 1998:3).

According to Botha et al. (2013:5), one of the benefits of engaging with financial planners is their ability to educate clients about financial issues and to give them adequate financial information to make informed financial decisions. For example, in a study conducted by Bae and Sandager (1997:14), respondents indicated that they consult a financial planner because of their lack of financial literacy, and to obtain the personal assurances provided by financial planners. Marsden, Zick and Mayer (2011:641) concur that clients who use financial planners are more interested in learning about financial issues.

Financial planners also help clients to compile financial plans that take their financial circumstances, needs, and objectives into account (Botha et al., 2014:5). Christiansen and DeVaney (1998:3) state that the benefit of having a financial plan is that individuals can plan for their desired retirement income levels and structure estate plans that reflect their desires. Additionally, some individuals use financial planners to access financial advice. Bae and Sandager (1997:17), for example, indicate that individuals use financial planners to access financial advice on retirement funding, investment growth, and reduced taxes. Similarly, Christiansen and DeVaney (1998:3) highlight that financial planners provide investment advice that is timely and sound. Furthermore, financial planners help individuals to deal with difficult financial economic situations such as financial crises (Marsden et al., 2011:641). Individuals who use financial planners are more likely to increase their savings rate during a financial crisis. They are also more likely to increase contributions to their retirement funds and invest more in risky financial instruments. (Marsden et al., 2011:641). Therefore, the rewards that individuals expect to receive from financial planners can influence their intentions to use these services.

Intentions-based models such as the Theory of Planned Behaviour (TPB) (Ajzen, 1991) have been used to determine what encourages or discourages a particular behaviour. According to the TPB, a predictor of planned behaviour is the intention to perform that behaviour (Ajzen, 1991:181). Intention refers to an individual's willingness, and the extent of their efforts, to perform a voluntary behaviour. Factors that are within an individual's control, such as their attitude towards the behaviour, subjective norms regarding the behaviour, and the perceived behavioural control of performing the behaviour, are the components that influence an individual's intention to perform a behaviour (Kautonen, Van Gelderen & Tornikoski, 2013; Solesvik, 2013; Gelderen, Brand, van Praag, Bodewes, Poutsma & van Gils, 2008). One's attitude to performing a behaviour refers to favourable or unfavourable evaluations of the perceived outcome of performing or not performing the behaviour (Segal, Borgia & Schoenfeld, 2005:46). Subjective norms are the opinions, perceptions, and normative beliefs of one's friends, family and other individuals who have a direct influence over an individual (Paço, Ferreira, Raposa, Rodrigues & Dinis, 2011:25). Kautonen et al. (2013:699) refer to perceived behavioural control as a person's perception or evaluation of their ability to perform the behaviour, given their current capabilities and resources.

It is therefore possible to suggest that, if one has a positive attitude towards a behaviour – such as consulting a financial planner – and one's subjective norms are in favour of using a financial planner, the behaviour in question is more likely to be performed. In addition, if individuals perceive that they have the necessary resources and capabilities to make use of a financial planner, they are more likely to do so.

5. RESEARCH HYPOTHESES

Given that the primary objective of this study was to investigate the factors that influence an individual's intentions to make use of financial planners, a hypothesised model was constructed and tested, as depicted in FIGURE 1.

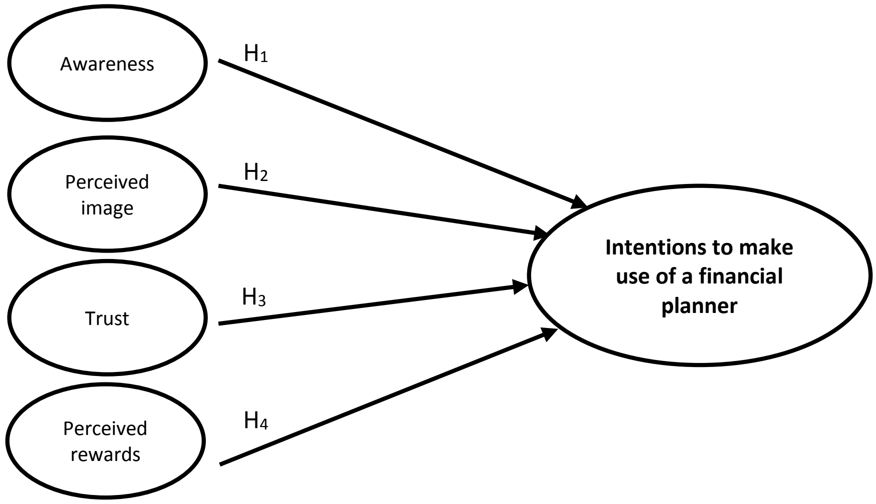

FIGURE 1: Hypothesised model

Source: Authors' construction

As shown in FIGURE 1, the following hypotheses were constructed and tested:

H_1: There is a significant positive relationship between *awareness* and *intentions to make use of a financial planner*.

H_2: There is a significant positive relationship between *perceived image* and *intentions to make use of a financial planner*.

H_3: There is a significant positive relationship between *trust* and *intentions to make use of a financial planner*.

H_4: There is a significant positive relationship between *perceived rewards* and *intentions to make use of a financial planner*.

6. RESEARCH METHODOLOGY

6.1 Sampling and data collection

This study followed a quantitative research approach to test the set of hypotheses empirically. In particular, a survey was used to collect primary data from a sample of respondents. The nonprobability sampling technique known as criterion sampling was used to select 160 respondents for this study. The respondents had to meet the following two criteria:

- They had to be professionals.
- They were not using the services of a financial planner at the time of the survey.

In this study, 'professional' refers to an individual whose vocation requires a special skill, a high level of education, and being of service to others (Yusoff 2009:1). They were selected because of their high levels of education and income. Taking this into consideration, it is possible to suggest that these individuals would most likely make use of a financial planner. However, because of the low level of awareness, the negative image, lack of trust, and the failure to recognise the rewards associated with financial planning, many of these individuals do not currently use the services of financial planners.

A self-developed and self-administered measuring instrument in the form of a structured questionnaire was distributed to individuals in the Nelson Mandela Bay Metropolitan area in the Eastern Cape of South Africa. The questionnaire had three sections. Section A gathered the demographical data of the individuals, while Section B consisted of statements measuring the independent variables. Finally, Section C consisted of statements about the intentions of individuals to use financial planners. Sections B and C made use of a five-point Likert-type scale ranging from 'strongly disagree' (1) to 'strongly agree' (5). The face validity of the measuring instrument was ensured by consulting experts in the field of financial planning who assisted with the questionnaire design.

6.2 Data analysis

The data from 160 usable questionnaires was statistically analysed using the computer programmes Microsoft Excel and Statistica 12. To describe, summarise, and organise the data mean scores, standard deviations and frequency distributions were calculated (Salkind, 2010:8). These statistics were used to determine which financial planning services individuals would most likely seek assistance with, and to assess individuals' level of awareness, perceived image, trust, and perceived rewards in using financial planners.

It is important to establish the validity and reliability of the research instrument used in this study. According to Hair, Black, Babin and Anderson (2010:7), validity can be described as the extent to which a measuring instrument accurately measures what it is meant to, while reliability is concerned with the consistency with which a measuring instrument accurately measures something.

For the purpose of this study, an exploratory factor analysis (EFA) was conducted to test for validity. Factor analysis is a technique that aims to identify how well different items in a measuring instrument are related to one another so that they form clusters of items that can be considered as a single factor (Salkind, 2010:324). The principal components extraction method and Varimax raw rotation were used to identify the factors in the study. According to Hair et al. (2010:117), the appropriate factor loading in this study, given the sample size of 160, is 0.5. In other words, only factor loadings greater than 0.5 were considered as significant.

In terms of reliability, Cronbach's alpha coefficients were calculated to test the internal consistency of the measuring instrument. According to Hardy and Bryman (2009:23), Cronbach's alpha coefficients less than 0.8 are not acceptable, and the reliability of the measuring instrument will have to be further investigated.

Once the validity and reliability of the measuring instrument had been confirmed, inferential statistics were calculated. The inferential statistics included Pearson's product moment correlations coefficients and multiple regression analyses. These inferential statistics were used to determine which factors influence individuals' intentions to make use of a financial planner.

7. EMPIRICAL FINDINGS

7.1 Sample description

The majority of the respondents were black (42.5%) males (50.6%). The largest proportion of the sample (35.6%) indicated that they are between the ages of 20 and 29 years. Most of the respondents held a bachelor's degree (29.4%) and occupied an administrative position (21.9%) in the organisation that they work for.

7.2 Validity and reliability results

The results of the EFA on the independent variables, *Trust, Awareness, Perceived rewards* and *Perceived image* are shown in TABLE 1.

TABLE 1: Factor structure – independent variables

Items	*Trust*	*Awareness*	*Perceived rewards*	*Perceived image*
TRUST2	0.552	0.053	-0.091	0.403
TRUST4	0.791	0.119	0.069	0.207
TRUST5	0.792	0.096	0.125	0.064
TRUST6	0.748	0.119	0.204	0.101
TRUST7	0.765	0.148	0.244	0.193
TRUST8	0.781	0.058	0.170	0.207
TRUST9	0.556	0.004	0.044	0.241
AWARE1	0.002	0.785	-0.032	-0.007
AWARE2	0.168	0.797	0.109	0.012
AWARE3	0.218	0.820	-0.025	0.090
AWARE4	0.147	0.810	0.048	0.081
AWARE5	0.157	0.543	-0.122	0.164
AWARE6	0.076	0.752	0.197	0.204
AWARE7	-0.187	0.624	0.235	0.281
REWARD1	0.061	0.095	0.655	0.282
REWARD2	0.146	0.044	0.775	0.204

Items	Trust	Awareness	Perceived rewards	Perceived image
REWARD3	0.137	0.029	0.740	0.267
REWARD4	0.109	0.055	0.690	0.172
REWARD5	0.174	0.116	0.665	0.171
REWARD6	0.182	0.100	0.712	0.134
REWARD7	0.214	0.120	0.684	0.142
REWARD8	0.099	0.010	0.780	0.153
IMAGE1	0.351	0.158	0.290	0.611
IMAGE2	0.102	0.212	0.010	0.638
IMAGE3	0.175	0.161	0.218	0.719
IMAGE4	0.203	0.069	0.189	0.810
IMAGE5	0.145	0.125	0.204	0.766
IMAGE6	0.147	0.047	0.218	0.754
IMAGE7	0.148	0.072	0.222	0.791
IMAGE8	0.438	0.102	0.250	0.558
Expl.Var	4.793	4.418	5.316	5.397
Prp.Totl	0.114	0.105	0.127	0.129

Source: Authors' analysis

It can be seen from TABLE 1 that the items displayed sufficient evidence of validity, as factor loadings of greater than 0.50 provide evidence of validity in a study (Hair et al., 2010:117). To measure the factor *Trust*, nine items were initially developed, and seven items were loaded. Factor loadings between 0.552 and 0.792 were reported for this factor. As seen in TABLE 1, *Trust* explained 4.793% of the variance in the data.

Originally nine items were developed to measure *Awareness*. Of those items, seven loaded on to the factor as expected. Factor loadings of between 0.543 and 0.820 were returned for *Awareness*, and this factor explained 4.418% of the variance in the data (see TABLE 1).

All eight items that were formulated to measure the construct *Perceived rewards* loaded together as expected. Factor loadings of between 0.655 and 0.780 were returned for *Perceived rewards,* which explained 5.316% of the variance in the data.

All eight items that intended to measure the factor *Perceived image* loaded together. TABLE 1 shows that factor loadings of between 0.558 and 0.810 were reported for this construct. In addition, *Perceived image* explained 5.397% of the variance in the data.

TABLE 2 contains the results of the EFA conducted for the dependent variable (*Intentions*).

TABLE 2: Factor structure – dependent variable

Items	*Intentions*
INTENT1	0.773
INTENT2	0.838
INTENT3	0.811
INTENT4	0.788
INTENT5	0.824
INTENT6	0.643
INTENT7	0.840
INTENT8	0.779
Expl.Var	6.172
Prp.Totl	0.147

Source: Authors' analysis

All eight items used to measure the construct *Intentions* loaded on to the one factor as expected. *Intentions* reported factor loadings of between 0.643 and 0.840. As depicted in TABLE 2, *Intentions* also explained 6.172% of the variance in the data. The items that did not load as expected when conducting the EFAs were consequently eliminated from further analysis.

TABLE 3 presents the Cronbach's alpha coefficients for all the variables.

TABLE 3: Cronbach's alpha coefficients

Independent Variables	*Cronbach's alpha coefficient*
Awareness	0.876
Perceived image	0.922
Trust	0.878
Perceived rewards	0.921
Dependent Variable	*Cronbach's alpha coefficient*
Intentions	0.938

Source: Authors' analysis

As can be seen in TABLE 3, the highest Cronbach's alpha coefficient (0.938) was reported for *Intentions* and the lowest was returned for *Awareness* and *Trust* (0.876 and 0.878 respectively). *Perceived image* and *perceived rewards* returned Cronbach's alpha coefficients of 0.922 and 0.921 respectively. Given these results, all the constructs in the measuring instrument met the reliability requirements.

7.3 Descriptive statistics and relationships between variables

The proportion of the total sample of respondents who indicated which specific financial planning services they required assistance with are given in TABLE 4.

TABLE 4: Financial planning services required by respondents

Financial planning service	*% of total sample*
Retirement planning	74.375
Investment management	62.500
Estate planning	48.125
Personal debt management	40.625
Funding educational needs	38.750
Tax planning	37.500
Risk and insurance planning	35.625
Healthcare provision	28.750

Source: Authors' analysis

As can be seen in TABLE 4, most of the respondents indicated that they required assistance with retirement planning (74.375%), investment management (62.500%) and estate planning (48.125%). The services that were least required by respondents were healthcare provision (28.750%), risk and insurance planning (35.625%), and tax planning (37.500%).

The means, standard deviations, and percentages of respondents who indicated that they were either in disagreement with, neutral about, or in agreement with the factors in this study can be found in TABLE 5.

TABLE 5: Descriptive statistics on variables (N=160)

Factors	*Mean*	*Std. Dev*	*Disagree%*	*Neutral%*	*Agree%*
Independent variables					
Awareness	3.718	0.731	4.375	31.875	63.750
Perceived image	4.197	0.691	1.875	20.000	78.125
Trust	4.623	0.429	0.000	2.500	97.500
Perceived rewards	3.966	0.882	4.375	21.875	73.750
Dependent variable					
Intentions	3.599	0.882	7.500	42.500	50.000

Source: Authors' analysis

According to TABLE 5, all of the independent variables had relatively high mean scores, and the majority of the respondents agreed with the statements used to measure these variables. *Trust* had the highest mean score of 4.623, with 97.500 percent of the respondents agreeing that a financial planner should be trustworthy. However, in terms of the dependent variable, *Intentions,* the lowest mean score (3.599) was returned. Only half of the respondents (50.000%) agreed that they intended to make use of financial planning services in the future.

TABLE 6 presents the results of the Pearson's product moment correlations.

TABLE 6: Pearson's correlations coefficients

	Factors	*1* *Awareness*	*2* *Perceived image*	*3* *Trust*	*4* *Perceived rewards*	*5* *Intentions*
1	Awareness	1.000				
2	Perceived image	0.341*	1.000			
3	Trust	0.261*	0.543***	1.000		
4	Perceived rewards	0.263*	0.548***	0.391**	1.000	
5	Intentions	0.239*	0.466**	0.267*	0.573***	1.000

Source: Authors' analysis

r < 0.05

*weak correlation; **moderate correlation; ***strong correlation

According to TABLE 6, all of the factors were positively correlated to each other, but to varying degrees. In terms of the independent variables, it was found that *Perceived image* had strong positive correlations with *Trust* and *Perceived rewards*. The correlation coefficients calculated to determine the association between the dependent variable and the independent variables revealed that *Intention* was only strongly correlated with *Perceived rewards*. All other correlation coefficients displayed only weak or moderate relationships between the variables.

To test the hypotheses in this study, a multiple regression analysis was used. The results of the regression analysis can be found in TABLE 7.

TABLE 7: Influence of the independent variables on the dependent variable

D*ependent variable: Intentions*	R-Square = 0.365		
Independent variables	*b**	*t-value*	*Sig.(p)*
Awareness	0.056	0.814	0.417
Perceived image	0.223	2.588	0.011*
Trust	-0.0468	-0.607	0.545
Perceived rewards	0.455	5.871	0.000***

Source: Authors' analysis

*$p < .05$; **$p < .01$; *** $p < .001$)

A significant positive relationship (b* = 0.223; p = .011) was reported between *Perceived image* and *Intentions*. This implies that the more positive the image that the respondent has of a financial planner, the more likely he/she is to make use of the services offered by financial planners. Another significant positive relationship ($b^* = 0.445$; $p = .000$) was reported between *Perceived rewards* and *Intentions*. This suggests that the more beneficial the respondent perceives financial planning services to be, the greater the likelihood that he/she will make use of a financial planner.

There were no significant relationships found between some of the independent variables and the dependent variable. *Awareness* and *Trust* did not have significant relationships with the dependent variable *Intentions*. In other words, the awareness individuals have of financial planners does not significantly influence their intentions to make use of financial planners. Furthermore, the respondents did not perceive the trustworthiness of financial planners to be influential in their decision to make use of them.

As a result of the multiple regression analyses, hypotheses H_2 and H_4 were accepted, while H_1 and H_3 were rejected.

8. CONCLUSIONS AND RECOMMENDATIONS

On the question of which financial planning services individuals would most likely seek assistance with, it was found that retirement planning, investment management, and estate planning were the services most in demand. Financial planners must ensure that they include these services in their service offerings, and tailor their financial planning services in these aspects of financial planning to attract clients. These services must form the cornerstone of the financial planners' marketing communication campaigns. This also suggests that financial planners who provide these financial planning services will be able to effectively meet the needs of individuals. Financial planners must also have the knowledge, skills, and competence in these areas to add value to their prospective clients. It is also interesting to note that most respondents did not require assistance with healthcare provision, risk and insurance planning, or tax planning. This could possibly be an indication that individuals do not associate these services with financial planners. Traditionally, services such as healthcare provision are associated with medical aid schemes. Given this, it is recommended that financial planners inform potential clients of these service offerings.

The results of this study showed that the respondents had a relatively high level of trust in financial planners. In other words, they believed that financial planners respond quickly to errors; are reliable and deliver what they promise; act in clients' best interest; respect clients' confidentiality; and base services on moral and ethical principles. Given this, it is recommended that financial planners communicate their membership of and compliance with professional bodies that are responsible for setting ethical standards, such as the Financial Planning Institute. This could improve the level of trust individuals have in financial planners.

Respondents also had a positive image of financial planners. They perceived financial planners to have appropriate financial planning qualifications and professional designations; the necessary competence to respond to clients' financial needs; sufficient communication skills, making them courteous and easy to contact; and services that are fairly priced and affordable. Thus, financial planners must inform individuals from their first engagement about how and when they will receive feedback from them, how financial planners can be contacted, and how consultations will be arranged with the planner. As financial planners are also required to communicate well with their clients, this suggests that planners must disclose in the early stages of the financial planning process what prospective clients can expect from them, and which financial planning services they can offer to them. For individuals to use financial planners, financial planners should possess a postgraduate diploma in financial planning and have a minimum of three years' working experience. It was also suggested that financial planners should be members of a professional body such as the Financial Planning Institute (FPI). Furthermore, financial planners must be licensed in the product category in which they provide financial planning services. To increase their competence, financial planners must also engage in continuous training to keep up with trends in the financial services industry.

Most of the respondents also saw that a number of rewards were associated with using a financial planner. This implies that respondents felt that using financial planners would help them to understand financial decisions; set financial goals; take control of their finances; make informed financial decisions; prepare for financial emergencies; review their financial plans; develop positive financial planning habits; and improve their overall financial situation. It is thus recommended that financial planners continue to ensure that their clients understand the value of their services, and that their clients actually receive these benefits.

The majority of the respondents also showed a relatively high level of awareness of the services offered by financial planners. In other words, most respondents indicated that the marketing of financial planners made them more aware of financial planning services, including estate planning, retirement planning, insurance planning, saving and investment advice, and helping them to achieve financial goals. Given this awareness, it is recommended that financial planners continue promoting their services effectively to ensure that individuals use their services.

The regression analysis revealed that perceived image and rewards have a significant positive influence on intentions to make use of a financial planner. In other words, financial planners should ensure that they have the appropriate financial planning qualifications, professional designations, and competence; and that they offer services that are fairly priced and affordable. This could increase the likelihood of individuals making use of financial planning services. Also, financial planners should provide services that assist individuals in understanding financial decisions; setting financial goals; taking control of their finances; allowing them to make informed financial decisions; preparing them for financial emergencies; reviewing their financial plans; developing positive financial planning habits; and improving their overall financial situation – all of which could make it more likely that individuals would make use of financial planning services.

Although this study provides valuable insights into the intentions of individuals to make use of financial planners, a number of limitations should be borne in mind. Firstly, this study only concentrated on individuals in the Eastern Cape of South Africa. So care should be taken when attempting to generalise the findings more widely. Future researchers are encouraged to expand this study to the rest of South Africa to obtain a more complete view at a national level of individual's intentions to make use of a financial planner. This could also allow researchers to investigate any demographic differences in the perceptions of respondents. Another limitation is that this study used only a quantitative survey methodology. This means that the researchers were not able to collect rich, in-depth information from respondents that could reveal whether certain contextual factors influenced their intentions. Thus future research should consider employing qualitative methods that could allow these issues to be addressed. Future research could also investigate the extent to which *Perceived image* and *Perceived rewards* influence individuals' commitment to a client-planner relationship.

Notwithstanding these limitations, this study has added to the body of knowledge in the field of financial planning, especially about the factors that influence the intentions of individuals to make use of the services of financial planners.

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