

ING Plans Massive Expansion of its Web-Based IFAN Platform

376 words

6 September 2009

Press Trust of India

ING, a financial services major, is planning a massive expansion of its web-based platform IFAN targeted at financial advisors and is eyeing a 10-15 per cent market share by end-2010, a top company official said.

IFAN will also add more products such as on-line equity trading, home and personal loans in addition to its existing mutual funds, company deposits and debentures by this year-end, the official said.

"We plan to expand our footprint to 195 cities and have 3,000 associates (financial advisors) by end-2010. Presently, we have 300 associates covering 65 cities," ING Investment Management's Managing Director & CEO, Navin Suri, told PTI here. IFAN (ING Financial Advisors Network) plans to start on-line equity trading from end-September and secondary market trading from end-October while home and personal loans will be offered from end-December, Suri said. "The idea is to enable our financial advisors to have a breadth of products just like a bank," he said.

IFAN provides financial advisors infrastructure support, expertise and access to ING's research, model portfolios and risk profiles which as individual advisors, they would not be able to create on their own. It also enables them to negotiate with Mutual fund companies for higher brokerages. Suri said that IFAN aggregates volumes of financial advisors and negotiates with product manufacturers for higher brokerage and 50 per cent of incremental revenue generated is given to them.

"They can thus negotiate a higher level of brokerage than they would as an individual whereas we get an alternative revenue-stream," he said.

ING typically appoints 4-5 big advisors in each city as its principal associates and they in turn appoint associates under them. The principal associate gets to retain a small share of revenue generated by his associates, he said.

ING also supports principal associates with the ING brand. It gives them business cards of the network which lifts their credibility. "We also redo signages outside their offices," Suri said.

"Over the next 12-18-months, I foresee an emergence of more platforms like IFAN and financial advisors will have a wider choice. As the regulatory environment evolves, the overall quality of financial planning and advice will significantly increase," he said.