

REMAKING THE CLIENT EXPERIENCE IN WEALTH MANAGEMENT: BISA 2019 REPORT

If you didn't make it to the [Bank Insurance and Securities Association \(BISA\) annual convention](#) this year in Hollywood, Florida (March 5-8) - I've got you covered. Here are some key takeaways from the event.

Not surprisingly, the program at BISA 2019 covered a range of hot button topics you might expect at an event like this: technology integration and the digital experience, better serving female investors, measuring and improving customer satisfaction, evolving pricing models, and helping advisors achieve scale, to name a few.

Yet, if you listened carefully in these diverse sessions, many speakers echoed a common message: to succeed in the wealth advisory business, advisors need to figure out how to deliver a richer, more human experience to their clients - and technology can help them do this. Yes, technology improving the human experience.



ACCESSING ADVICE MUST BE FASTER AND EASIER

To start at the beginning (of the client lifecycle), bringing clients into wealth management can be dramatically improved.

[Drew Sievers](#), CEO of digital wealth management platform, Trizic, stressed that the retail banking industry is way ahead of the wealth industry in leveraging client-facing technology in an impactful way. Mobile banking is a top-5 app for consumers, with digital account opening and deposits being up significantly (+66% and +40%,

respectively) even though branches are closing – because it’s become much simpler for consumers to use the apps.

Wealth management onboarding is lagging because processes require many personal interactions and all too often, reams of signed documents. Moreover, most of the industry continue to focus on digital substitution versus digital transformation. Sievers offered four areas where wealth managers must deploy digital solutions to close this gap:

- account opening – it takes on average 40 days to open a trust and that’s way too long;
- handling small accounts – advisors aren’t well-positioned today to profitably manage small accounts (and often do so to the detriment of their core clients);
- retaining deposits – today, deposits are being lost to robo-advisor services like Schwab, Betterment, or Wealthfront; and
- providing investors with self-service capabilities.

Taken together, this can improve compliance, increase revenue and profits, lower operating costs, increase the rate of bringing on and keeping wealth-appropriate clients, and improve satisfaction for both investors and advisors.

Today, wealth management often “just happens”, but digital tools can help support a smoother and more intentional pathway for clients. According to [Cheryl Nash](#) of Fiserv, it’s becoming imperative that wealth advice is available to clients or prospective clients at moments of key life transitions – upon receipt of an inheritance or a big bonus, the start of a new marriage or purchase of a house. It needs to be easy to find and speak with an expert.

ADVICE MUST FIT WITH CLIENTS’ DIVERSE NEEDS

The next element is that advisors need to be able to deeply understand the needs of their clients to truly serve them and they need to do that at greater scale. Additionally, we need to recognize and address the fact that the needs of a client household aren’t monolithic – partners may have distinct needs, concerns, and interests, not to mention the diverse needs of a multi-generational household. The need set is becoming more complicated and the necessity to assess and service that need set in a scalable way is growing.

SunTrust and Global Atlantic led an intriguing discussion on household dynamics which highlighted the differences between female and male interests and needs. Perhaps the most interesting takeaway was that male investors tend to focus on aspects of investment management (which is becoming commoditized, and in some cases automated), while female investors are more interested in savings adequacy, insurance and long term care, and generally receiving advice from experts.

This speaks to the importance of having tools to engage all members of a household in the wealth management process, and ensuring advisors have the expertise and capacity to deliver the expert advice that’s valued and desired by a range of client needs.

INCENTIVES NEED TO BE BUILT AROUND DRIVING ADVISOR BEHAVIORS

So, how do advisors find the time (and expertise) to deliver the best advice suited to their clients’ needs, given the competing priorities of operating their businesses, running portfolios, bringing prospective clients on board, meeting their compliance requirements, and making strategic decisions?

[Mike Miroballi](#) of Huntington Bank discussed the support that firms can provide to advisors to help them develop behaviors that will lead to successful client outcomes, including:

- funding for CFP training (and ongoing support for cohort groups who have embraced the process);
- technology to help manage lighter-touch clients, so advisors can focus their time and energy on a smaller set of core clients; and
- incentive compensation that rewards delivering true wealth management services to clients.

More broadly, Miroballi emphasized the importance of striving to deliver an integrated technology environment where it's not only simple (and ideally seamless) for the advisors to navigate from system to system, but also that the advisors are guided in a way that makes their lives easier and encourages the right actions and behaviors.

PERSONALIZATION TRANSLATES INTO CUSTOMER SATISFACTION

[Vince Spurduto](#) spoke about what BMO Harris Financial Advisors learned when they measured and analyzed customer satisfaction using net promoter score. While participating in premier services was correlated with higher satisfaction (+12 in NPS), even more significant was using personalized financial plans as a core aspect of the relationship (a STUNNING positive 55 points in NPS and a 2.5 times higher level of assets), and making a connection with clients through in-depth conversations (+49 in NPS). Enabling those in-depth conversations at scale is the trick and it usually doesn't usually come through walking a client through a 30-page report, however evidence suggests that a personal variant on business balanced scorecards, delivered in a really clean dashboard that focuses on progress towards meaningful life goals, offers both compelling engagement and scale.

BE MORE LIKE AMAZON

Perhaps the most common sentiment I heard at BISA 2019 had to do with how the wealth management client experience had to be more like Amazon, or as easy to use as Amazon.

Let me be clear, we are not suggesting an "Amazon for Wealth". But rather learning from Amazon to help enrich the customer experience. The ease of use of Amazon is an important factor. Wealth management is far from 'easy to use', yet I and many in attendance have confidence that wealth management will get there. What stuck with me is the idea that technology can do so much more to remove the roadblocks and pave the way to delivering the experience wealth management clients really want - meaningful, informed discussions with experts about their financial life needs. Minus the wet signatures, long wait times, and overwhelming reports that still don't answer the important questions.

We - the wealth management industry - can do better. A lot better. Finally after a decade or more of false starts, I feel we are on the cusp of really being able to fulfill that promise.