Data to drive
client experience

Patrick Donaldson, Head of market development, Wealth Management, APAC, Thomson Reuters, talks about the challenges wealth management firms face while dealing with their data and what they can do with it to enhance the client experience.

WITH TECHNOLOGY SPANNING ALL KINDS of economic activity, there is a massive pool of data that gets generated by each click or tap. And in the wealth management industry, data is generated right when an advisor starts interacting with a client and records his investment preferences, says Donaldson.

"I think there's an amazing amount of information

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that the wealth management firms have accumulated," he says.

But, according to him, firms may not be making full use of this data, for example, linking it to investment results, trends etc., and show it in an engaging manner to drive clients towards making decisions.

This is an era where client behaviour is also changing—they have access to massive amount of data today on just their mobile phones, and firms have to catch up with that on a minimum, he says.

Donaldson says that wealthy individuals are ready to share more information if they get a sense that the advisor is adding value and will make good use of the information provided.

So why are wealth management firms unable to catch up? One reason behind it is the legacy technology a lot of these firms work with, says Donaldson.

Many of these firms started years if not decades ago, when data tools were not as evolved as they are now and were unable to capture data tools of today can, Donaldson reasons. On top of that, it may be hard to reconcile any initially recorded data with current technologies.

Hubbis and Thomson Reuters recently ran a survey on the use of data in the Asian wealth management industry, and Donaldson points to a key finding that while firms had access to tons of data, they were unable to figure out how best to leverage that data to improve performance.

If Asian wealth management firms want to make the best use of the data they have, the first step is to clean the data and make it digital ready, Donaldson advises. "How to categorize data, tag it, analyse it, and then use it," he says.

Going digital, which is the name of the game today, will only help if the data is ready for it, he adds. ∎

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