

# InvestCloud's Julien Le Noble on Arming Asia's Wealth Industry with the Optimal Digital Tools

InvestCloud, a global FinTech firm, in February announced that it had completed a recapitalisation that values the business at USD1 billion. Investors in the corporate new structure are led by Motive Partners along with Clearlake Capital Group and also include other InvestCloud shareholders. Under the terms of the agreement, Motive Partners contributed two of the businesses in its private equity portfolio, Finantix and Tegra118, to forge InvestCloud into a fully-fledged global Software-as-a-Service (SaaS) wealth solutions platform. The addition of those two businesses further establishes InvestCloud as a leader in the wealth and asset management marketplace. InvestCloud now has in excess of USD4 trillion of assets on its platform and revenues of over USD285 million, with a team of over 900 people and a truly global footprint, by adding locations and expert knowledge of continental European and Asian markets, where for example Finantix was already strong. One development of note is InvestCloud recently completed acquisition of Advicent in May, cementing InvestCloud as the leader in financial planning technology, adding global offices and bringing InvestCloud's headcount to over 1,000.

## GET IN TOUCH

[View Julien Le Noble's LinkedIn Profile](#)

[Find out more about InvestCloud](#)



**JULIEN LE NOBLE**  
InvestCloud

**“There is no doubt that to make these RMs and advisors as efficient and productive as possible, they will need specialist digital tools to support them in delivering top notch service, at scale when it’s in the lower segments of the wealth, retail or mass affluent, and increasingly customised and personalised for the higher segments of wealth clients.”**

**InvestCloud’s wealth** and asset management coverage is now offered to the market through five core packages – the Wealth Advisor Platform, the Private Banking Platform, the Financial Supermarket to connect manufacturers (asset managers) to distributors (wealth managers), the Custom Financial Platform offering custom cloud solutions and InvestCloud Concepts (allowing firms to build their own platforms on the InvestCloud platform). John Wise, Co-Founder and CEO of InvestCloud, said at the time of the merger that the recapitalisation would help accelerate plans to build platforms serving the main markets in global wealth and asset management, each utilising the proven SaaS design principles, architecture and data models of the InvestCloud platform. Hubbis was fortunate to have Julien Le Noble, Senior Director, InvestCloud Asia Pacific, join a Hubbis webinar on digital solutions driving portfolio curation on April 22, during which he shed considerable light on the firm’s approach to this core challenge for private banks, wealth management firms and the new breed of digital platforms and robo-advisories. We have summarised some of his very valuable and well-presented observations in this Q&A.

### **What were the merger and recapitalisation all about in terms of intent?**

The merger, as you are aware, saw Finantix and Tegra118 merge into InvestCloud to create a platform with over USD4 trillion of AUM amongst all the different clients we work with. InvestCloud has 3 facets: first, we are a design agency; we design software, in fact we lead with design, incorporating behavioural science into the experiences that we design for our customers. Second, we build cutting-edge software; everything that we design we build using our library of apps and our patented PWP technology and the results are unique and differentiated experiences for our clients. Third, as our name indicates, we are a cloud digital platform, so we host and we run all the technology and software that we build, and the foundation of the digital platform is our Digital Warehouse, ensuring a single version of the integrated truth.

We focus on financial services. InvestCloud is headquartered on the West Coast of the US, but we have a global presence beyond the US, in Europe and Asia-Pacific, with some 500 direct clients live in over 40 countries. With front- to middle- to back-end solutions, InvestCloud brings a vast array of capabilities covering the whole wealth management value chain. So, we service clients, both in retail wealth as well as the mass affluent segment, private banking for HNWIs and above, and also advisor platforms and asset managers.

Typically, our customers work with us for three main reasons. First, we have clients that seek digital solutions to enable them to grow their business. Second, we have clients that need to retain clients, and we help them do so. Third, clients also need to increase productivity and operational efficiencies for their internal teams.

## Views on the future from the InvestCloud Protagonists

Rob Heyvaert, Founder and Managing Partner, Motive Partners, and Chairman, InvestCloud, said at the time of the USD1 billion recapitalisation exercise in February: "Huge forces are impacting the wealth sector. Whether it's demographics, democratisation or disintermediation, the sector will change massively in the years ahead. We believe the use of InvestCloud's cloud technology and platform with our existing assets (Tegra118 and Finantix) will determine the winners. This investment, and the commitment of two of our existing businesses and their exceptional talent, creates a global wealth platform provider that has proven technology with the ability to

software solutions, in combination with Finantix and Tegra118, uniquely position the company to address these trends and deliver significant value to its global customer base."

### Talking about efficiencies and productivity, how do certain digital solutions boost those for the client-facing RMs and advisors, and what impact does this have on the organisation?

Let's just look at what is happening around the world, as this is really an important question you have raised. Look at Citi, which in recent days announced it is withdrawing from 13 consumer banking markets globally, but importantly at the same time, they reported plans to hire about 2,300 new

being still front and centre of what a wealth manager or private bank needs to deliver to its clients.

And there is no doubt that to make these RMs and advisors as efficient and productive as possible, they will need specialist digital tools to support them in delivering top notch service, at scale when it's in the lower segments of the wealth, retail or mass affluent, and increasingly customised and personalised for the higher segments of wealth clients.

### So where precisely can digitalisation really support RMs and advisors?

We see four key areas where digital solutions can support RMs and ICs. The first one is the ability to support the RM in providing relevant advice. So, there is a variety of tools to help an RM or an IC to provide relevant advice and it starts with giving them an ability to take a truly holistic view of the client, and that in turn means providing to the bank the ability to aggregate the client's financial situation and data across multiple sources within the bank, from core banking, to books of records, CRM, risk management systems and so forth.

Frankly, we all know that banks legacy technology ecosystems are complex, and that's where we come in. In short, we aggregate all the required client data, normalise that data and make it into what we call at InvestCloud the 'Single Version Of The Integrated Truth'. For us, this is contained in our Digital Warehouse which is foundational to our tech stack.

Then, once you have an aggregated and normalised set of your

## "We know that client experience or user experience is critical. We therefore lead with design, and we do that because we incorporate behavioural science in how we design, and that behavioural science is really aimed at maximising user adoption and engagement."

scale and serve the needs of our global clients and their customers through existing, new and hyper-personalised solutions."

And at the same time, Behdad Eghbali, Co-Founder and Managing Partner, and James Pade, Partner, Clearlake, said: "Wealth managers are faced with several operational complexities, including increased demand for tailored, diverse investment products as a result of the shift towards open banking. We believe InvestCloud's leading

employees in both Hong Kong and Singapore, including 1,100 relationship managers and private bankers. They are doubling down on wealth management, and they stated their objective is to triple AUM and multiply by 2.5 times the number of clients by 2025.

What we can see from this is that there is great potential in wealth management and in this region in particular. It also speaks volumes as to the role and the place of RMs and investment counsellors,

customers data, then you can deploy solutions on top of that, and the solutions can be to slice and dice the portfolio of customers, render performance and risk indicators for example. Other solutions can be deployed to continuously check the health of the customers' portfolios, proactively alert the RMs when the portfolio drifts away from the house views or departs from personnel constraints or preferences. All these are tools that will really make the RM informed and able to be relevant and timely in providing advice to clients.

The second key area centres on the personalisation of advice. That is all about data mining capabilities, using AI and machine learning engines to generate insights, analytics, in short, recommendations that are personalised, if not hyper-personalised. Next-best action engines encompass exactly those capabilities; they are a great example of AI and machine learning algorithms that analyse client behaviours and predict their preferences in order to show recommendations that are hyper-personalised.

A third area where RMs and ICs can be supported with digital tools is in how advice is delivered. For this delivery of advice, whether it's through client channels, or whether it is through hybrid channels with digital collaboration tools, you need to keep the customer always engaged and informed with personalised content, with portfolio analysis, collaborative and secure channels that engage interaction. So, that comes to be very important to get the RM into a position to be able to provide value to the customer.

The first two points will enhance the value that the RM can provide. But also, this touch point, again, whether it's a self-directed portal or whether it's a hybrid channel to generate more trust and more empathy with your customers, and that's obviously critical, because at the end of the day, in many respects, this is still a people business; you can digitise many of the elements, but the human connectivity and value still remain.

And last but not least, you must also keep the advice compliant, and that's top of mind of every customer that we talk to. This is essential in the regulatory world we inhabit - everything that the wealth manager does digitally needs to be compliant, recorded, auditable, and that's something we're very mindful of, and we always factor into our solutions.

**I would like to delve deeper into hyper-personalisation, which is bandied about a lot these days. Is this just a buzzword, or is this something of substance?**

A matter of substance for sure. How we approach hyper-personalisation as a B2B FinTech and we work a lot with Tier 1 banks and regional wealth managers is to focus on two elements - the advisory content and the digitally-enhanced process of supporting that advice. What we see is that there is relatively well-advanced digitisation of the advisory process to simulate and generate investment proposals. But in itself that is not enough and what we are adding into the advisory processes are data science and cognitive technology.





Stepping back to give a real-world analogy, everybody is used to watching a movie on-demand, ordering food on their phones, streaming music on demand, all this on the basis of recommendations and nudges that they receive on their phone or on their channel, related to how they previously interacted and consumed that service. They now want the same experience out of their financial advisors and bankers, and we believe that is true across the entire wealth spectrum.

Accordingly, AI can be used to mine client data, and compare that client data with the aggregated, synthetic population, if you like, and predict client preferences and affinities. This is what you will find in solutions such as 'next-best action', which we like to call the 'Netflixing' of advice. It's a solution with real application in finance and in our case, for instance, we have that deployed with banks in Switzerland that are regulated, and therefore it is a proven product, it is not just a buzzword, it is something that exists.

The other dimension of hyper-personalisation is found in the ability that the bank or the wealth manager will have to deploy digital experiences for clients that are unique and fit with their unique personas. What I mean by that is that everybody is different. It's not just about client segmentation - within the UHNW, HNW, the mass affluent, and the retail segments, you're going to have, and you should have, identified a number of unique personas.

At InvestCloud, for example, we've developed over the years over 7,000 unique user journeys and personas. We're able to do that, thanks to a patented AI code-

generating technology, which is called PWP (Programs Writing Programs), which enables us to really put together ultra-rapidly user journeys and fit those to specific personas at a very granular level, and therefore multiplying on a unique platform or set of capabilities, the different experiences that our clients will be able to deploy.

We know that client experience or user experience is critical. We therefore lead with design, and we do that because we incorporate behavioural science in how we design, and that behavioural science is really aimed at maximising user adoption and engagement.

However, good design will only get you so far for adoption and engagement. A well designed experience is a must and to achieve this we incorporate behavioural science, such as gamification or decision theory, principles in the experience that we put together for our customers, thereby maximising adoption and engagement for their clients. So, these gamification principles or decision theory principles, really, whether it's in the retail mass affluent or high net worth segments, they enable you at scale to maximise adoption and if you maximise adoption and retention, inevitably, you will maximise your objective.

If your objective is to grow your market share, grow your business, grow your top line, well, you need to have these elements incorporated into your user journeys and experiences. If it's about consolidating and retaining customers, you're going to have to have the adoption by and engagement of your customers. That can be on the self-service

front, that can be advisor-led, that can be hybrid; the engagement and the adoption can be defined and used across those different modes of engagement with customers.

**This is all really interesting and insightful, thanks, but can we also mine down a bit further into the upper segments of wealth, and precisely how for this hybrid model that you see existing well into the future – the combination of the digital and the human – you are deploying the digital tools to enable and to boost this protocol?**

The hybrid advisory model offered by established wealth managers really is the most promising advisory model for the main customer segments today, whether it's 20% or 40% of human intervention or more, it is the way forward and every client we talk to

believes in and is talking about the hybrid approach.

You have the continuum from low touch, served for example increasingly by robo-advisors, to the high touch, that's the UHNWIs that have very complex needs, and demand more sophisticated structures, served very much by the human advisor, often dedicated as these are often extremely wealthy clients.

But in the middle, you have the hybrid model, which is the majority and, in essence, an end-to-end digital advisory platform that supports both self-service when a client is able to guide him or herself through the journey, and also guided by advice from the RMs, ICs or other specialists to intervene at critical moments. This intervention adds human judgement, adds creativity, adds empathy, and we at InvestCloud are very big on empathy. We believe empathy will drive and will help to forge meaningful and trust-based relationships.

Moreover, when you're looking at private banking clients, especially high net worth clients, the affinity of users with technology is not an issue; the question rather is to what extent they will accept and be willing to receive advice digitally.

You have many different tools that enable you for a wholesome digital collaborations experience. It is very important that your hybrid interaction with your customers is secure, actionable and personalised, to the extent that it gives you an ability through the screen to keep rendering the white glove service, in a way.

In our view, there remains a huge opportunity for banks to stay a trusted partner with clients in this digital era. In short, the hybrid model will persist – we believe in it, and we have the tools to help the banks respond to the needs of their clients but also compete with the disruptors, the B2C FinTech start-ups providing wealth management services. ■

