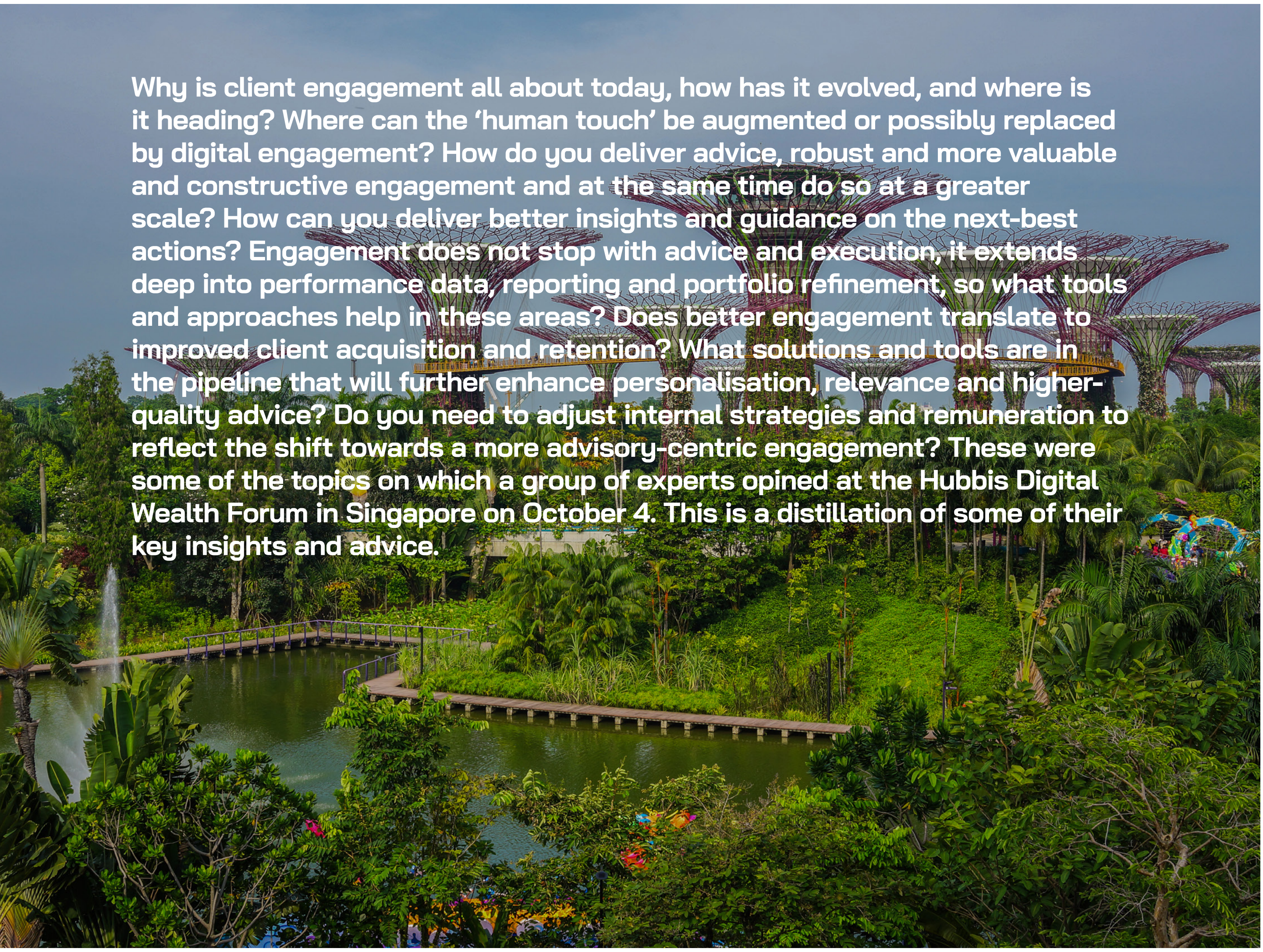
Link to Article on website

Leveraging Digital Solutions to Enhance Client Engagement – Views from the Experts



Why is client engagement all about today, how has it evolved, and where is it heading? Where can the 'human touch' be augmented or possibly replaced by digital engagement? How do you deliver advice, robust and more valuable and constructive engagement and at the same time do so at a greater scale? How can you deliver better insights and guidance on the next-best actions? Engagement does not stop with advice and execution, it extends deep into performance data, reporting and portfolio refinement, so what tools and approaches help in these areas? Does better engagement translate to improved client acquisition and retention? What solutions and tools are in the pipeline that will further enhance personalisation, relevance and higher-quality advice? Do you need to adjust internal strategies and remuneration to reflect the shift towards a more advisory-centric engagement? These were some of the topics on which a group of experts opined at the Hubbis Digital Wealth Forum in Singapore on October 4. This is a distillation of some of their key insights and advice.

GET IN TOUCH
View this Panel On Demand

[View the photos from this event]

In terms of general trends, there is an inclination for major institutions to move down the wealth spectrum

A guest explained that there is a drive to cover the wealth continuum and multiple segments, for example, universal banks in Asia that might have focused more on wealth management largely for the upper tiers of clients now increasingly want to cover more clients, and this means enhancing the delivery of a digital-only offering that also promotes advice for mass affluent and retail customers, as well as boosting the productivity and efficiency of the RMs and advisors with optimal digital tools and greater automation.

Providing advice as well as products in a purely digital way, boosting engagement and communication, and personalisation are key priorities in the region, as well as enhancing mobile engagement and the efficacy of apps and online interaction.

Specific priorities in terms of engagement depend partly on the jurisdiction, but there is a major shift taking place from just selling products to delivering higher quality advisory and better client engagement, including for digital-first operators.

Chair:

» **Michael Stanhope**
Chief Executive Officer & Founder
Hubbis

Panel Members:

» **Nicole Bodack**
Managing Director, C&IB, Wealth & Asset Management, APAC
Accenture

» **Rajashik Chatterjee**
Associate Partner - Consulting, Financial Services, and the Wealth Management Lead for Singapore
EY

» **Guillaume Roux-Chabert**
Head of Sales, Singapore
Interactive Brokers

» **Darell Miller**
Managing Director APAC
Wealth Dynamix

Refining content to make the personalisation journey and associated information more accessible Is vital to keeping clients engaged

New technologies including GenAI can be leveraged to help deliver more accessible information, perhaps with a quick 'Insta' story, some pictures, some graphs, and key messages. These summaries of information and insights can then be delivered flexibly by the wealth managers using a variety of software.

"Overloading customers with content is not going to work," a panellist stated. "You need to make it much more relevant to them and their needs, much easier to digest, and then you need to adopt processes to find out what the clients did with it if anything at all."

The clients need 'life' navigation guidance as well as financial expertise to help them at different stages of their lives, especially amongst the mass affluent or emerging wealthy segment

This same expert also explained that advice is not only about relevant products and direction on portfolio formation but also about taking the right steps relevant to different times in one's life; the advice should also, for many clients, be quasi-educational, so the clients evolve their approaches

in collaboration with the wealth management and what they deliver the clients.

Engagement can be increasingly agile and increasingly targeted to micro campaigns that can produce surprisingly high response rates

Another [FinTech] guest explained that there are some excellent tools for what his firm calls 'micro' campaigns that extract word clouds from banks' emails with clients and the conversations, to highlight topics of most interest, leading to the bank being able to focus small-scale campaigns, across mass affluent clients, as well as very concentrated on a small number of HNW or UHNW clients.

"We know of our customers who are getting a 90% response rate to these mini campaigns," he reported. "That is remarkable for any type of marketing push." And therefore pushing the boundaries of effective client engagement through a much more personalised and rapid-action delivery of content."

Balancing the needs and objectives of the business and its talent pool with the needs and expectations of the clients requires some kind of magic formula, and also a fundamental look at the remuneration and incentive structures, so they more accurately encourage and reflect these key shifts taking place

Balancing incentive systems, the needs of the business, the objectives and needs of the clients, the sale of products (transactions still generate the bulk of the revenues in Asia, despite claims otherwise), and the delivery of advice is very challenging.

"The banks see each quarter coming up and have to bring the revenues, so the shift to advice is difficult, as it is a longer-term gain while in the shorter to near term the banks need to build AUM," a guest commented. "Accordingly, the shift to advice needs to be incremental. For lower wealth clients, for example, someone with USD20000 to invest, you first need to get them investing really, not start with advice. The key is to bring them in and get them involved and gradually deliver more advice as they become more engaged."

However, there are also clients in certain age groups and at certain levels in their wealth and careers and family life, where they do need more guidance around planning for their children's education, healthcare, insurance, retirement and so forth, she added.

"You must be relevant in the advice and guidance to these people at different phases," she said. "And for the RMs, they need to help these clients focus on these issues, and to allow them the time to do so means making these RMs and advisors more efficient and able to handle more clients more productively."

A fellow panellist agreed, adding that incentive systems need to reflect these fundamental shifts taking place more directly in the wealth industry, and tailored to different segments of customers. ■