

The Road to Enhanced Wealth Management Services in the New Normal World

Personalising the digital wealth management experience, accelerating innovation and leveraging ecosystems are core elements of the day-to-day challenges Martin Unterbäumen, Head of Product Development for the CREALOGIX Group, faces in his role covering Europe, the Middle East and Asia. Hubbis 'met' with him recently by video call and found someone who is both enthused by his role and highly eloquent about the challenges faced by the firm's clients and the solutions and the unique qualities that CREALOGIX offers. In a high-speed ride across the evolving landscape of wealth management, we learned more of the firm's suite of solutions and what might be in the pipeline ahead as the firm continues its thrust to become the leading global provider of digital banking SaaS software.

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CREALOGIX 

The CREALOGIX Group is a multinational digital transformation specialist and a Swiss FinTech Top 100 company, as well as one of the market leaders in digital banking. The firm develops and implements innovative FinTech solutions for the digital bank of tomorrow and while its roots are coming from the wealth management industry, it also offers digital solutions for both retail banking as well as corporate banking and SME environments.

The firm's focus is on evolving bank and customer needs for digitalisation in a secure, personalised manner, at the same time providing a seamless user experience.

A global leader

The CREALOGIX Group is among the global market leaders in digital banking in Europe, Asia and beyond. The firm develops and implements innovative FinTech solutions for the digital bank of tomorrow. According to the firm's literature, banks can use their solutions to react to evolving customer needs in the area of digitalisation, enabling them to hold their own in a very demanding and dynamic market and to remain one step ahead of their competitors.

And CREALOGIX has a broad suite of state-of-the-art solutions for not only wealth management, its traditional business, an area in which the firm believes it will be able to compete highly effectively in Asia, but also with a stronger push for retail banking and corporate banking solutions going forward. Starting from a small but healthy customer base in Asia. In fact, the company hired Karsten Kemna in Singapore as its regional MD last year to spearhead the thrust in Asia, a core region for expansion.

A solid track record

The group today has around 700 employees and counts more than 550 banks worldwide as customers in countries such as Switzerland, Germany, Austria, the UK, Spain, Singapore, Hong Kong, Thailand and Saudi Arabia. CREALOGIX has carried out more than 1,200 installations for its customers and has a wealth of valuable experience. Offices are located in most of the key countries where the firm has an extensive client base.

“In markets such as Singapore and Hong Kong, we can often see sizable local financial institutions that have traditionally been retail-focused and which now see the demographics, wealth shifting, and as a result, they are keen to expand their offering to the mass affluent and mainstream wealth segments. And we also see, in Asia particularly, that they tend to want mobile-first, so the challenge is to create a mobile-first wealth experience. And then add the building blocks very much around convenience, and then arrive at a multi-channel delivery.”

Together with its vast partner network, the Swiss software company is addressing the growing demand for digital products in wealth management, retail banking and corporate banking in the vast Asia-Pacific region, where the firm sees huge opportunity ahead.

Innovative to the core

CREALOGIX has a suite of products created for the segments of wealth management, supported by the Digital Banking Hub (DBH) platform which acts as a core architecture to open banking and allows banks to integrate seamlessly with third-party providers via APIs.

Also for wealth management, CREALOGIX offers a variety of products for online banking and brokerage, advisory and financial planning, client compliance enabling, RM dashboard, and hybrid advisory, with a target audience of both the end customers of the banks as well as the relationship managers. And also to enhance financial advisory offerings.

Martin explains that he oversees the roadmap for the product portfolio and development,

covering Europe, the Middle East and Asia. “In this role, my team and I spend a lot of time analysing and predicting how wealth management services will change given technology trends, movements in the industry and therefore how we can address those needs for our clients.”

To set the scene, Martin comments on some key markets in Asia. “In markets such as Singapore and Hong Kong, we can often see sizable local financial institutions that have traditionally been retail-focused and which now see the demographics, wealth shifting,



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The digital wealth journey

He offers an example of a large client currently outside those traditional wealth markets, and that started their WM journey with a typical wealth app that offers information on the portfolio, key news, key figures, and so forth. “They are now expanding into desktop as well for more complex processes, bring together the RMs and the clients across different channels, with full interaction. And that is exactly what we can achieve for such clients.”

As to key trends, Martin highlights some market research the firm conducted a few months ago. “One key area on which we are seeing many requests is around personalisation, the enhanced customer journeys and making

Getting Personal with Martin Unterbäumen

Martin hails from Germany and moved to the US to finish high school at the age of 16, then studying at the European Banking Academy in Luxembourg, and together with his career moves to date has lived in over 10 countries thus far.

“My career saw me transition from finance to FinTech,” he reports, “and involved a variety of different markets, different roles, and many different clients, especially in wealth management. A key shift was then to product management, which is perhaps one of the toughest, but also one of the most exciting roles in IT, because it combines client requirements, building a product, and truly following or even predicting the markets in terms of determining the strategy. I must say I really enjoy doing what I do.”

Married with two boys aged 13 and 18, Martin has other passions in the form of snowboarding and classic cars, especially his classic Porsche 911 that dates back to 1970. “I have loved older cars all my life, I simply do not have any passion whatsoever about modern cars. However, as I need a modern car just to get around, probably my next car will be an electric one, but it will never replace the classics.”

One of his favourite mountain drives in the 911 in Switzerland is the Splügen-Grimsel-Furka trail, which is four passes from where the family live. “You do full circle around four passes, which is pretty awesome,” he enthuses.

The family are semi-residents in Laax, which he reports is regularly rated as the best freestyle snowboard resort in the world. “That is for my exercise and exhilaration,” he says. “As a family, we share a passion for snowboarding, so being out and about on the mountains with them is fantastic. The boys are both highly energetic, and that dictates a lot of our activities.”

everything you deliver as a banker, as a service, more relevant to the individual,” he reports. “This is all being driven now by the evolving technology available. A simple example would be not just sending out all sorts of news and research, but tailoring them to the client portfolio and history, their interests, their comments on what their financial plans are, and so

forth. This is all under the banner of personalisation.”

Personalisation the catalyst for client adoption

He explains that with advanced analytics and data analytics tools, banks are in a much better place to provide that type of relevant, highly personalised service. “I see this as

a natural evolution in the private banking, the wealth management business model, enabled by technology and driven by digital evolution, which is constant.”

He also highlights omnichannel capabilities, explaining that it is essential to be multi-device capable. “The advisor needs more time to spend on value-added tasks, and a big trend we see now - accelerated due to the pandemic - is the thrust to make digital banking more conversational. This means the client can interact with the bank via different channels in a natural conversation form.”

It can work independently and offers secure communication between the parties, meaning it is highly relevant for the wealth management sphere, especially as it offers secure authentication, as well as document management, digital signature processes, it is regulatory compliant and can be bought and used as an independent SaaS solution.

Enhancing the commonplace

“This serves to enhance existing digital banking services with secure live chat features in order to build a closer relationship with

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He elaborates on this, noting that technology enablers such as chatbots, with the integration of daily apps such as WhatsApp and other chat media, but on a secure and private basis to adhere to the compliance requirements necessary.

Conversations that connect

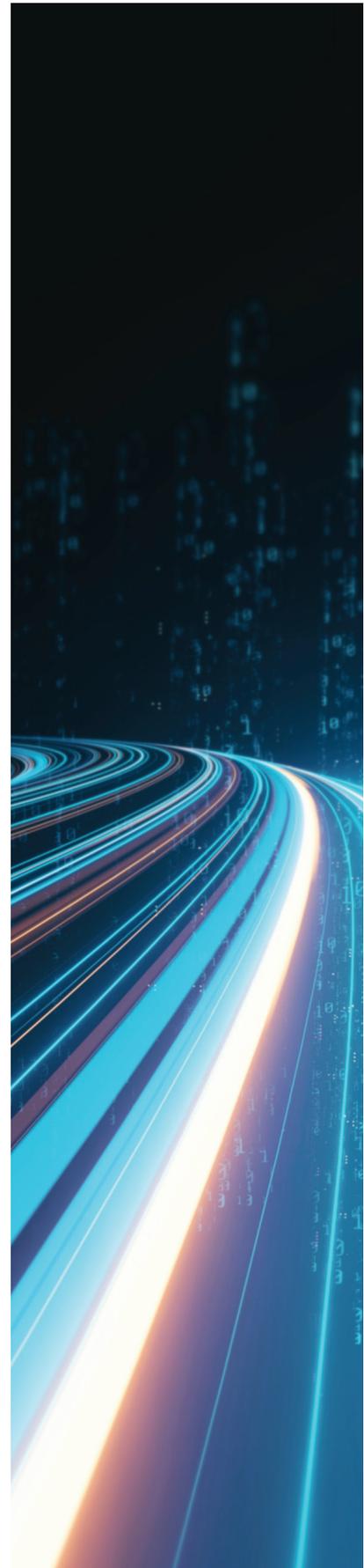
CREALOGIX launched this conversational banking service – a software-as-a-service (SaaS) solution focussed on customer loyalty – in August of last year. CREALOGIX Conversational is designed to allow both banks and customers to conduct banking transactions anytime and from anywhere.

customers,” Martin elucidates. “Banks can serve customers, especially the millennial and digitally native generation who are highly tech-savvy and who prefer ad-hoc chat to traditional email, phone, or meeting for advice and support.”

With this new feature, Martin comments that CREALOGIX is helping banks to redefine the relationship, bringing two-way interactions back to digital banking and therefore combining the best of both worlds.

Across the demographics

“It provides personalised banking services and bridges





omnichannel customer interaction from onboarding to successful long-term relationships, while establishing a secure, manageable, and efficient set of processes around the chat channel,” he says. “It was very timely in terms of release, as if you look at the pandemic, even the older wealth clients are now quite used to using digital channels, but there are media breaks, they’re not very consistent, they don’t interact across different channels, you can’t stop and restart the conversation, so our solution is all about putting the human touch back into digital interaction.”

The USP

And that, he explains, is key because it comes back to the topic of client engagement and personalisation. “This is a prerequisite, in my view, for real client engagement, which is vital for the wealth management industry, this is not like a retail store, there are steps that are essential before the purchase is made of the product or service. And again, it also all comes back to making the product or service offering relevant, rather than generic, for example around buying a fund or investing in a particular stock.”

Martin then delves deeper into the CREALOGIX USP, noting that a key element is agility, especially the speed at adapting to new requirements via what he calls the ‘API economy’, commenting that the open banking, API type of environment that CREALOGIX completely embraces makes it remarkably easy to connect with other tools, with other legacy software, and it makes it easy for financial institutions to bring new functionalities to the market.

Reinventing the one-stop shop

“There’s no such thing anymore as the one platform that will provide you with everything that a bank wants, and of course, that the client ultimately wants. The banks are starting to understand this, namely that the future is defined by new entrants and competition, from the neo-banks, from retail institutions that move into wealth management, and from others who might jump industry sector, for example the Big Techs. Accordingly, we recommend our clients to be open to that, to then pick and choose the best services and solutions, in short to position themselves rapidly and with agility in order to be successful, and that is precisely what we can help them achieve.”

Commercial objectives

He concludes this point by adding that the solutions are all aimed at helping the clients to generate new business and generate new revenues by enabling more and more transactions, in particular mobile, besides making it easier to onboard new customers.

And this is not simply about integrating new solutions, new interfaces and new delivery, but about orchestration capabilities. “Imagine your bank using one of the typical backend providers such as Avaloq, or Temenos, and then – and this is increasingly the case – adding services coming from third parties, perhaps a start-up, an external partner/provider, or others,” he says. “So, what we do is to orchestrate all these services in a way that the client enjoys an attractive and seamless UX/UI and that appear homogenous and coordinated. The competition is really in the UX front end today.”

Orchestration and flexibility

Additionally, CREALOGIX ensures the delivery of an open flexible architecture, which on one hand provides functionality out of the box, but that is extendable. “The reason for that is if you look at the development cycles of the different layers of banking applications, if you look at the traditional backend solutions, they’ve got release cycles of, on average, probably two years, so agility is again essential. You need to have that extendibility and flexibility to add services at random.”

Picking and choosing

He offers an example from Europe of a bank that has now integrated around 400 different services into their mobile application. “Because of our capabilities,” he reports, “they can integrate services within weeks, and then test them against user acceptance, and remove what is not used or appreciated. Time to

market and flexibility at all levels is core to the whole proposition today, and that again is precisely what we deliver.”

Key Priorities

Martin’s first preoccupation, he reports, is building customer-centric front ends and enhancing the UX. “This is really where we feel we can bring the most value,” he states. “Secondly, we must facilitate open platforms, what I referred to as the API economy and orchestration. Thirdly, personalisation is ubiquitous in this industry and essential, so this covers the areas I mentioned, from conversational banking to advanced analytics and optimising relevance.”

Martin clearly believes that the future of wealth management across the key segments from mass affluent to HNW and UHNW is more about user experiences and journeys, plus how to drive transactions and customer engagement at the front

end. “That is what is truly driving customer acquisition and retention,” he reports.

He closes the discussion by pointing to shifts in the demographics underpinning many of the changes taking place, and ahead. “We expect that between 20% to 25% of the wealth in Asia will shift to younger generations over the next 5 to 10 years, but the expectations amongst the older generations are in fact quite similar in terms of digital engagement in the wealth space, so this is the future – wealth clients of all ages really expect this type of seamless delivery and personalisation.”

And his final word is that the wealth management industry, including in Asia, is lagging in all this. “They need to see the urgency, to grasp the opportunity to future-proof their business models,” he says. “And that again is precisely where we can deliver for them.” ■

