

# The Urgent Need to Enhance the Client Experience - Views from SimCorp's Communications Expert Sarah Prior

As private and institutional clients continue to demand the latest technologies and greater service, and ease of access, investment and wealth managers are under pressure to advance all aspects of the client journey and experience. Digitalization is front and centre of outstanding client engagement, and truly differentiating client experience. In Asia, there is great optimism about future economic growth, particularly in the private wealth space. But while some competitors in the wealth industry will enjoy the fruits, it is also likely that those banks and firms that do not adopt the right technologies, protocols and approaches – or adopt them too slowly – could also be left behind.

Hubbis held a virtual event on March 9 in which Sarah Prior, SimCorp's UK-based Global Client Communications Go-To-Market Strategist, offered her perspectives on these issues and shared with delegates about her firm's client communications value proposition. Her premise is that anyone who wants to stay ahead in Asia's rapidly expanding and diversifying wealth management industry, needs to constantly and coherently evolve and upgrade their client engagement and communications. Hubbis has summarised her views in this review.

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**SARAH PRIOR**  
SimCorp

### Wealth management firms are going through a pivotal period of transformation

Sarah is keenly aware of all the changes coming from many fronts, and advised delegates to focus on their clients who need to be at the forefront of every change decision. They need to be better served, with investments and services relevant to them. Importantly, they not only need the information but also the attention that brings trust in their wealth manager. She said her mission at the event was to report on the industry trends influencing how wealth management firms are elevating the client experience, to look at the next phases of transformation, and share some thoughts on how firms can lead successful projects.

Across the globe, there is a huge need for optimal client communications, she explained. "Everyone is trying to get to grips with big changes in the way they engage with data, technology and each other," she said. "There is a greater focus on engagement and client retention initiatives, as well

#### THESE ARE SOME OF THE QUESTIONS THE PANEL ADDRESSED:

- » Standardisation versus personalisation to inspire a better client experience
- » The future of client communications – how to balance and align technology and human interaction for optimum outcomes
- » Delivering secure, risk-mitigated, reliable data and communications in today's complex world
- » Optimising data and alternative data to enhance personalisation and relevance, including driving greater ESG centricity
- » Harnessing technology and automation to improve the client proposition and boost client retention, as well as to help increase AUM and revenues

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as efforts to encompass broader demographics. Clients are asking more questions, they want more data, and of course, they are looking for decent returns."

#### Delivering the right data at the right time to the right stakeholders

Sarah explained that there is a significant challenge in getting the right data to the right stakeholders at the right time, and therefore organizations need to carefully consider the right technology, people and processes. Boosting the client experience is about striking that right balance between standardisation and personalisation, she added.

Automation is vital for helping to manage mundane tasks and reallocating resources to more value-added activities. And data should be concise, accurate, relevant and enhanced via analytics. It should also be tailored to specific objectives, for example around ESG mandates.

#### The need to execute change efficiently in a fast-changing world, or lose out (and possibly permanently)

"Change is needed and is needed fast as we found that 89% of investors are ready to switch their main method of engagement to digital and mobile apps," Sarah stated, adding that there

is a constant need for digital gratification across all aspects of our lives. “...It is not a tick box strategy; you need better skills, better training and better and more creative digital solutions.”

As the major shift to digital interactions unfurls, there is a true sense of urgency, and in the post-pandemic world, digital expectations mean firms need to act now. “There is a digital gratification barometer which shows investors are likely to change wealth managers if they are not satisfied,” she cautioned. “And studies show that digital transformation boosts performance, productivity, AUM, revenues, market share, and shareholder value. To conclude, the path forward is pretty clear. And those who ignore the signs may face hard times.”

**Differentiation is multi-coloured, multi-dimensional and immensely valuable**

Differentiation is key. “According to Accenture, 80% of asset managers believe that customisation for the mass markets is the future, and an Oliver Wyman study reports 70% of investors consider personalisation as one of the most critical factors shaping their decision on who should manage their money,” she explained. Sarah maintains that harnessing the ability to differentiate at scale will only be achievable in the long term with digital technology.

Internally, we need far greater efficiency around data management and data assembly, as RMs need to spend their time on revenue generating activities and getting closer to clients. “Increasing

automation, and improving digital maturity allows for better self-service capabilities, increased understanding of the end investor through analytics, and ultimately, the ability to do so much more securely and efficiently,” she elucidated. “And that means more and better automation, which in turn frees up valuable time for RMs to become the strategic advisor your clients crave.”

**“The most successful way of getting the messaging across is often to go interactive, play with different dashboards, add commentary, until you are confident that your clients have the same base level understanding of all of that data and how it impacts their investments.”**

She said studies show that firms who can tick that strategic advisor box really outperform their counterparts by around 25% and are given more leeway or time in periods of underperformance to properly turn that engagement around.

**Rising to the challenges around data and differentiation – tough but absolutely essential**

“Competitive differentiation is really more difficult to achieve than ever as margins are being squeezed,” she elaborated. “And current economic uncertainty means that investors are looking for instant access to data and advice as and when events unfold. But it is not easy.”

She supported that view by pointing to ESG, noting a shift in key challenges for ESG inclusion in client communications. She said it is tough – actually somewhat of a

minefield - to select the right ESG data from the right sources, and then work out how to show that data in a digestible format.

She extrapolated from those comments, adding that a key shift taking place is in the area of insightful and transparent reporting where flexibility is key.

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is often to go interactive, play with different dashboards, add commentary, until you are confident that your clients have the same base level understanding of all of that data and how it impacts their investments,” she explained.

**Beware the money pit of poorly devised digitisation strategies and poor implementation**

Sarah also advised due care and attention to make sure digitalisation projects do not spiral out of control, and the outcomes are properly monitored with relevant success metrics.

Based on recent projects and framework to identify ROI and future potential, Sarah and her team found that there are six main categories that recur time and again in evaluating the client communications experience:

The first is engagement. This can be measured in many ways, such as number of active users, login rates, content downloads, self-service reporting counts, and even better questions and interaction during face-to-face client meetings.

Secondly, content creation. In other words, how long does it take to source, create, and then share all of those reports in whatever format chosen? How up to date is the data, and how quickly can new content and new offers be made available to clients?

The third element is headcount—the actual number of people in the team, or the number of people dedicated to the reporting tasks,

talent that can be reallocated to more value-added activities.

Sarah added that the most successful digitalisation projects are those whereby the same or similar type of client requests diminish month on month, as organizations are able to better anticipate client needs and enable self-service.

She also referred to Recovery Point Objective (RPO), which generally refers to calculating how much data loss a company can experience within a period most relevant to its business before significant harm occurs, or RTO, standing for Recovery Time Objective. “Improving the time to get systems back up and running,

as well as the point at which you can reload everything should also be top of mind,” she stated.

“In summary, SimCorp helps you get the right data to your clients before they even ask for it and provides your teams the ability to bring value to the client relationships with credible analytics and intuitive tools. Our clients thereby get more done with less, experiencing more than 20 times higher output with 80% less people power, resulting in major savings and reallocation of resources to more meaningful work. Transforming client communications is a major step towards positive differentiation, bringing rewards in client retention, AUM growth and cost efficiency.” ■

### SimCorp – a Brief Snapshot

SimCorp is a world leader in offering solutions and services for investment management, data management and client communications to help customers and their end-clients navigate dynamic markets.

Founded in 1971, SimCorp has over five decades of experience in catering to top-tier investment and wealth managers, providing them with scalable choices in solutions, innovative software and services, and simplicity.

SimCorp has been helping its leading asset and wealth management customers in Europe, the US and Asia solve these crucial challenges around client engagement, communications and the client experience, all of which are increasingly essential for differentiation, for client retention and for building AUM and revenues.

The firm is independent, headquartered in Denmark, and listed on NASDAQ Copenhagen. Their clients include 300-plus of the world’s leading asset managers, fund managers, asset servicers, pension and insurance funds, wealth managers, central banks, sovereign wealth funds, and treasury.

With more than 2,000 employees, SimCorp has become a global team of experts connecting every continent and industry seamlessly. Moreover, they are proud of the company’s investment of 20% of its revenues into R&D every year to help ensure that its solutions continue to meet client needs in a rapidly changing marketplace.

A particular focus of the front-to-back SimCorp offering lies in enabling access to a single source of data across all (public and private market) assets and insights that allow clients to make faster and better investment decisions that are critical to responding to rapidly changing market conditions and seizing new opportunities.

In fact, SimCorp’s expansion in the field of data management has accelerated rapidly since the 2019 acquisition of AIM Software, a leader in the enterprise data management space. Since then, the company has brought a lot of talent and a wealth of industry knowledge and experience to help grow and service the global customer base.

SimCorp also advises clients to adopt digital, interactive portals to boost client engagement, namely the cloud-native SimCorp Digital Engagement Platform.

The optimised digital portal is designed to help customers move beyond pure distribution of information to provide a deeper understanding of clients’ needs, to deliver a more compelling customer experience, drive client retention, and also create upselling opportunities.

SimCorp today has offices in more than 20 countries and has a major presence across the US and Europe, as well as a growing business in Asia Pacific, where the firm is now concentrating significantly more resources.

Asia is a vital and growing market for SimCorp. There are great opportunities for the investment management market and the broader wealth management market to transform their engagement with their clients.

Sarah Prior told delegates at the March 9 event: “Innovation is central to our being, and it is only with thorough expertise and an inventive attitude that we continue to be a leading provider of native integrated front to back multi-asset investment management solutions. Simcorp covers solutions across the entire investment management lifecycle. And our more than 300 clients are really at the heart of everything we do, and are with us for the long haul, mainly because we continue to help them achieve their desired outcomes.”

For further reading on these topics and on SimCorp’s offering through Sarah Prior’s eyes, see [this Hubbis article](#)

