Experience Engineering Balances High Tech with High Touch

By **Infosys** and **WONGDOODY**

COVID-19 and the move to remote work have highlighted how critical it is to balance self-service, automation and high-touch connection to meet the evolving needs of clients.

This is especially true for wealth-management companies. Often our clients start by asking us for better technological tools to acquire, onboard, and build relationships and share of wallet with their high net worth (HNW) and ultra-high net worth (UHNW) clients.

Most often the need is not to change the tools but to change the approach towards engineering client experiences. Client or customer experience (CX) transformations deliver up to 20% higher client satisfaction, resulting in 10–15% improvement on churn, upsell and acquisition, while increasing employee engagement and lowering cost.[1]

Effective CX transformation is built on understanding the human needs of the clients as they interact with the people, products, services, brands, systems, and channels of a company. We call it **Human Experience, or HX. HX centers the client as the fixed point of reference** when solving any business problem throughout the entire design-and-build process. Once we understand the clients' needs, wants and fears, we can develop insights that let us design and build the processes and systems that support the various ways these clients want to interact with a company.

> CX transformations deliver up to 20% higher client satisfaction

HX includes Experience Engineering and Experience Design. **Experience Engineering connects the interactions, systems, processes and data needed to build and improve an effective client experience from end to end.** It's the roadmap.

Experience Design engages clients with captivating user experience (UX) so that what a client sees when they pull up an app on their mobile device or engage with a website is aesthetically pleasing and functionally intuitive.

Together, Experience Engineering and Design deliver the **HX Value Chain, which identifies the pain points from a human perspective and then addresses the experience, data and systems needed to remove the pain points and roadblocks.**

The HX value chain requires design thinking and the digital maturity to effectively capture, analyze and leverage data and incorporate AI and automation to deliver business-changing results.

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[1] Infosys Global Wealth Mgmt, McKinsey Private Banking Survey 2018, HNWI client satisfaction surveys

Problems caused by a lack of digital maturity

Unfortunately, many financial services companies lack digital maturity. This hampers an effective response to the changing needs of investors, shifts in regulations or economic circumstances or crises like COVID-19.

Here are some examples of how a lack of digital maturity challenges financial services companies and can hurt their business.

- **Complex end-to-end journeys** that clients find confusing, because they haven't been designed with that client in mind. While "paperwork" across the investment cycle is a challenge, **the onboarding process is particularly daunting and ineffective,** risking clients abandoning it altogether and taking their assets elsewhere.

- Tools that are not intuitive and **a lack of self-service options** thwart clients who are used to a very sophisticated level of design and interaction. These same clunky tools hamper the ability of FAs, RMs and others within the organization who regularly connect with and support these high-value clients from providing the best service or advice. **This limits client communication and collaboration;** key components of effective relationships.

> **Data blind spots hamper prospecting, upsell and cross sell**

- Disjointed back-end systems built over years or bolted on during acquisitions don't connect effectively, and **legacy technical debt** hinders many firms. This leads to a raft of problems, including **data blind spots** about how to service, prospect, upsell or cross-sell these valuable targets who are already doing business with your company.

Unfortunately, in this time of economic uncertainty, few companies are able or willing to invest in a radical restructure of all of their systems or a complete teardown and rebuild.

And they might not have to. By carefully investigating and strategically evolving your client experience, you can not only make getting and keeping clients easier through Experience Design, **you can also use the HX Value Chain to gather data that can drive automation and innovation to create a path through disjointed back-end systems.**

A hybrid model delivers Human Experience by balancing high tech and high touch

We recommend a hybrid model that balances self-service, automation and high-touch connection because it is the only model that will work across the changing needs of clients while correcting for the process challenges and technical debt hampering the industry.

Let's look at the HNW and UHNW target. If you understand the experiences your target audience wants to have as human beings, you can craft that experience in such a way that it builds preference and loyalty. **Big data and AI can hyper-personalize experiences** to serve up the content your client wants at the time they want it, while also gathering and leveraging data about opportunities to increase share of wallet through cross-sell and upsell.

The goal of the hybrid model is to provide opportunities along the continuum that meet the goals of various clients. At one end of the continuum is a high-tech, largely automated, frictionless, self-service model. At the other end is a high-touch relationship of traditional advisory functions delivered by the RM or FA. Some clients want a blend of both depending on circumstance. An effective hybrid model starts with the right experience strategy that effectively leverages tools, systems and processes.

HIGH TECH   HIGH TOUCH

Personas: Ishaa, Sarah and Patrick

Let's take some examples from our persona library to bring this to life; Ishaa, a HNW Lean Back Investor; Sarah, an UHNW VIP Investor, and Patrick, an UHNW Millennial.

It is important to keep in mind that these clients are constantly interacting with top luxury brands who have invested in CX and established very high standards and expectations around digital interactions in terms of design and experience. Every touchpoint is aesthetically pleasing, highly functional and personalized to the exact degree of self-service they want. These luxury brands have set a very high bar for CX, one that the wealth-management industry rarely meets. And these are clients who can — and do — switch to a competitor quite easily.

> **Luxury brands have set a very high bar for CX**

Ishaa

Ishaa is a Lean Back Investor with $3 million in investable assets. She wants a self-service experience that is personalized to her needs because she's a busy surgeon and mother of three and not that interested in how her assets are managed. And yet she does want to have access to a qualified advisor for guidance when there is volatility in the market.

Ishaa wants a hybrid experience that will be heavier on the self-service side and still give her easy access to talk to her FA when she wants. Artificial intelligence can monitor larger market trends as well as her personal portfolio. When market trends warrant (e.g., volatility, specific financial news) her FA is alerted and can reach out to her proactively, giving her the one-on-one guidance she wants.

HIGH TECH — HIGH TOUCH

Sarah

Sarah, with over $100 million in assets, is a VIP investor who relies on her FA to manage her investments actively. A recent widow, Sarah is learning more about financial management since her husband's death. She is looking for personal interaction and highly personalized advice from her FA. And yet one of her pain points is that she is inundated with information from her wealth management company, and she's not interested in most of it.

While the bulk of her interaction will be on the high-touch end of the continuum, she is actively educating herself, so she wants a personalized platform for quick self-service information on topics of interest to her, like sustainable investing. Rather than wading through newsletters, she would prefer self-service access to integrated market intelligence on her tablet, as well as a channel that connects her to her FA's curated recommendations. Her FA needs tools that can focus and manage the content available to Sarah, as well as the messaging she receives from the company. A dashboard could alert the RM to appropriate and timely opportunities to offer Sarah additional services or products.

HIGH TECH — HIGH TOUCH

Patrick

Patrick is a Millennial Investor with generational wealth over $500 million. While his grandparents and parents concentrated on wealth creation, Patrick is more concerned with his wealth legacy; preserving wealth and passing it on to his children and his philanthropic foundation. Which means he wants to know about tax implications and estate planning and other legal issues that his parents' banker wasn't talking about. He is interested in the social and environmental impact of his investments. He lives in San Francisco but is concerned with the global macro-environment.

Patrick wants a comprehensive set of solutions that help him achieve his goals, so he wants tools like dashboards that can show his progress against his foundation's endowment goals, and the tax implications of how he structures a particular real estate investment. He doesn't want the high-touch interactions his parents had with their wealth managers. Which means the vast majority of his experience with the company will be self-service, through digital interactions.

HIGH TECH   HIGH TOUCH

All of these personas want a hyper-personalized experience. As individuals, their emotional needs and personal preferences put them at different places on the continuum from high tech to high touch. But as a group they expect a level of personalization and service that rivals consumer brands catering to the UHNW clients.

Financial Analyst

Employee Experience is a critical factor in successful CX transformation.

And don't forget the RMs themselves, and everyone from the organization who connects in any way with the client. They need a robust tool set to provide the kind of high-touch experiences and personalized content these clients need and expect. Access to data intelligence about additional opportunities they could provide to expand their business with these clients can impact revenue and retention. Which makes Employee Experience (EX) a critical factor in any CX transformation.

Digital Maturity Checklist

In order to provide this level of personalization through a hybrid model, an organization needs digital maturity, or a plan to use experience engineering and design to work around limitations to provide the kind of client experience these HNW and UHNW clients expect. Any company can begin to audit their digital maturity with some basic questions.

Client Journey

- Is it possible for a new client to effectively and quickly onboard using digital tools?
- Do these include digital ID and verification?
- Are there electronic Know Your Client (eKYC) processes in place?
- Can clients manage and maintain all their accounts digitally?
- How many clicks does it take for the client to get to what they need?
- Will they get a consistent omnichannel experience across touchpoints?

Intuitive Tools

- Are the digital tools intuitive and do they provide easy access to personalized information?
- Are chatbots and interactive tools available for content sharing and cross-channel updates?
- Is the employee experience (EX) robust?
- Are there effective tools for the FAs, RMs and other employees to provide end-to-end CX?

Automation

- What processes are automated?
- Which could benefit from automation, saving time and resources?
- Are robotics deployed to help with process automation?

Data Gaps and Technical Debt

Digital maturity cannot progress without data intelligence that integrates micro services into core banking capabilities.

- How effective is current data collection?
- Is it fueling a data-driven advisory mechanism which allows for analytically supported risk profiling, individual portfolio construction, and monitoring/rebalancing?
- Consider the most recent assessment of technical debt. How significant is it and is it hampering effective CX?

The type of digital transformation financial services companies need to survive and thrive must begin with a deep understanding of their clients' needs as human beings. With those insights, experience becomes the driver and catalyst that revitalizes the entire system to compete effectively in a rapidly changing world.

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