



Navigating the New Normal in Investment Management

How investment management firms can deliver expertise and exceptional client service in a digital world

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Thriving in the digitally disrupted business of investment management

Investment management has seen major digital transformation in the past decade. That transformation has disrupted the way investors and wealth managers interact, as well as the very business model of investment management companies.

In 2013, financial startup Robinhood launched with zero-fee trading. By 2019, Robinhood had carved so much business away from the investment management incumbents that all the giants were forced to follow suit. On October 1, 2019, Charles Schwab announced that it would follow Robinhood's lead, eliminating commissions on U.S. stocks, ETF, and options trades. TD Ameritrade, E-Trade, and Fidelity soon followed, sending shockwaves throughout the investment management industry.

How to compete in a disrupted market

How can investment management companies compete to win and retain customers — and maintain profitability — in a democratized market where margins are now squeezed by free digital trading? CNN Business asked Charles Schwab that very question. His response was that his firm would double-down on client relationships, appealing to investors "by great service... that's what we've always been enjoying, great service for our clients."¹ Anthony Denier, CEO of the Webull digital trading platform, summed it up when he said, "the industry will now have to shift to offer better trading technology tools and an overall customer experience."²

The end of the in-branch meeting?

The status quo took another hit in 2020 when the COVID-19 pandemic forced financial institutions to close branches and suspend in-person meetings. If investment managers were meant to succeed based on delivering exceptional service, how were they supposed to accomplish this when they were no longer able to sit across the table from clients to learn their investment objectives and present strategies? March of 2020 saw rapid adoption of online meeting software for conducting virtual meetings, but that was quickly followed by news about dramatic violations of financial services data security and privacy policies exposed by those same tools. Investment management companies must develop a digital version of the in-branch meeting that complies with financial-grade data security and privacy policies.

"The industry will now have to shift to offer better trading technology tools and an overall customer experience."

– Anthony Denier,
CEO of Webull

¹ <https://www.cnn.com/videos/business/2019/10/16/markets-now-charles-schwab-brokerage-wars.cnn-business>

² <https://www.napa-net.org/news-info/daily-news/cerulli-digital-advice-helpful-dont-forget-human-touch>

Financial brands must find the right mix of digital and human

Client craving for the convenience of digital has been brewing for some time; COVID-19 simply accelerated this desire. Digital startups and robo-advisors are thriving, reporting Q1 2020 growth in new account openings ranging from 50% to 300% compared to the previous period, according to Aite Group³.

At the same time, clients are starved for financial advice. Many want financial education. They want holistic financial advice that takes into account their overall life situation. They want to be involved in and take charge of their overall financial health. Research from Vanguard shows that emotional elements like trust and personal connection with a human advisor account for about 40% of the investor's perceived value of their relationship with an investment firm.⁴ COVID-19 has further stimulated the hunger for financial knowledge as seven out of ten Americans are concerned about the pandemic's impact on their finances.⁵

To thrive in this new landscape, investment management firms will need to create a unique value proposition for clients that combines a digital experience with the human touch. Forrester predicts that in 2021 investment management solutions with human advisors behind them will fare better than solutions that rely entirely on robo-advisors. These investment managers must be able to join customers in the digital experience to deliver expert advice and guidance in real-time. This combined digital/human interactivity can enable financial brands to attract younger tech-savvy clients and support traditional clients who might not be entirely comfortable with the new pandemic-driven digital reality.

Digital will also play a role in helping advisors grow assets by expanding their client base beyond geographic boundaries and capture additional client wallet share.

6 Keys to a great digital investment experience



1. Access to expert advice anywhere any time

The use of robo advisors is on the rise, but clients still want to speak with a human expert advisor. The investment management app should allow financial advisors to conduct digital strategy meetings, to listen to client needs and objectives, to present proposals and prospectuses, and deliver personalized financial advice. The digital experience should be a conduit for human-to-human connection, shining a spotlight on the human strategic expertise of your advisors and elevating it as a brand attribute.



2. Shepherd client transactions through completion

The app should allow the advisor to transition elegantly from showing to seeing to guiding. For example, the advisor could join the client in the app to present a prospectus. If the client likes what she sees then the advisor could switch to viewing the client's screen, offering navigation guidance to

To thrive in this new landscape, investment management firms will need to create a new value proposition for clients that focuses less on returns and transactions and more on loyalty-building financial advice.

³ <https://www.financial-planning.com/news/goldman-sachs-delays-robo-advisor-until-2021>

⁴ <https://pressroom.vanguard.com/news/Press-Release-Vanguard-Measures-Emotional-Value-of-Advice-04012020.html>

⁵ <https://www.equifax.com/personal/education/credit/score/equifax-financial-literacy-survey-2020/>

execute the trade. The result: a premium client experience and also more completed transactions.



3. Intuitive user interface

The largest investment management firms employ an army of app designers and developers, but clients are still underwhelmed. A recent Gartner survey found that 84% of consumers say their experiences using digital tools and services fall short of expectations. Millennials—the most frequent users of digital services—were the least happy.⁵ Your digital experience has to beat the odds and not just meet, but exceed, client expectations.



4. Exceptional in-app customer support

No matter how intuitive the UI, investors will sometimes run into a snag. For investment management, speedy resolution of user support cases is essential. Your investment managers and support staff need to be able to join the investor in the app, see their screen, and guide them quickly to a successful resolution. Gartner suggests that many mobile apps fail to achieve business objectives because “there is very little customer service capability built into the apps.”⁶



5. Humanity

Human interaction matters: 82% of consumers want more of it in the future.⁷ When the client can see the face of the advisor who is helping them, NPS scores increase. Injecting humanity into your digital experience builds client satisfaction, loyalty, and lifetime client value.



6. Premium client experience

Do it right and you achieve the best of both worlds: the benefits of digital transformation with the loyalty-building human element and premium experience of a face-to-face in-person experience.

Your investment managers and support staff need to be able to join the investor in the app, see their screen, and guide them quickly to a successful resolution.

⁵ <https://www.gartner.com/en/newsroom/press-releases/2018-10-03-gartner-survey-finds-that-most-consumers-have-underwhelming-digital-experiences>

⁶ <https://www.gartner.com/en/newsroom/press-releases/2018-10-03-gartner-survey-finds-that-most-consumers-have-underwhelming-digital-experiences>

⁷ <https://www.pwc.com/us/en/advisory-services/publications/consumer-intelligence-series/pwc/en-consumer-intelligence-series-customer-experience.pdf>

Visual engagement for digital investment management

Visual engagement is the ability for financial advisors to see, show, share, and collaborate with digitally connected clients. Advisors see the client's screen, help them get "un-stuck," and guide them through complex digital transactions. Advisors can present proposals and prospectuses, offer graphic "what-if" analysis, and share portfolio reporting in a highly secure environment. They can deliver investment advice and financial planning with the same human element as a face-to-face meeting.

Visual engagement is enabled by a suite of technologies that include screen sharing, cobrowse, and video. Investors can participate in visual engagement sessions while using an app, website, or chat. The visual engagement solution is embedded in the customer relationship management (CRM) or financial planning tool, and advisors can launch the visual engagement session with a single mouse-click.

For instance, advisors can offer new clients a "guided tour" of the financial planning tool to help them conquer the learning curve and become confident and happy users (with fewer support calls).

To increase advisor efficiency and meet compliance requirements, the visual engagement tool automatically logs sessions into the client record, contributing to a 360-degree view of the client.

A better digital experience can help advisors achieve their objectives to:

- Deepen the connection between advisor and client through trust and empathy
- Empower clients to make better, more confident financial decisions
- Increase the number of completed transactions
- Increase portfolio asset value, share of wallet, and lifetime customer value

6 questions to ask when selecting a visual engagement tool

Visual engagement makes human-to-human connections in the digital world more efficient, more compelling, and more emotionally satisfying.

But not every visual engagement tool delivers an exceptional client experience. The following are a list of questions to ask a potential visual engagement technology provider:

1. *Can you support a consistent advisor-client collaborative experience across all platforms and devices including website, chat, browser app, hybrid mobile, and native mobile?*
2. *Does your solution integrate with my CRM, investment management, and financial planning platforms?*

Visual engagement is more than replacing physical delivery with digital investment management. Visual engagement makes human-to-human connections in the digital world more efficient, more compelling, and more emotionally satisfying.

3. Can advisors instantly initiate a sharing session with a single click and no download? Do you accomplish this using APIs or pre-built integration?
4. Does your solution allow you to switch easily from "view mode" (advisor can see the screen of the client and offer guidance) to "show mode" (advisor can show the client a demo, presentation, or prospectus)?
5. Is your solution engineered to comply with strict enterprise data security and privacy requirements for investment management companies? Do you have prior experience passing a rigorous financial services InfoSec review?
6. Do we need to upgrade or swap out our call center technology, chat technology, chatbot/AI technology, CRM, or any other infrastructure system? Or can we easily embed your visual engagement technology with our existing best-of-breed or legacy systems and apps already deployed?

What does visual engagement look like?

Recorded on the main stage at Finovate 2019, view this video of a financial advisor using Glance to engage with a client, give him a guided tour of the investment management app, present a prospectus, and help him open an investment account.



[Click here to learn more](#)

Your clients may not be sitting across the desk from you, but with visual engagement, they don't have to be. You can still deliver financial information and empathetic advice and shepherd transactions through completion.

Can visual engagement co-exist with your enterprise security and privacy policies?

Here are 6 features a visual engagement solution must have if you hope to clear an InfoSec review.

1. No proxy servers

Proxy servers can expose you and your customers to “man-in-the-middle” security attacks, so make sure the visual engagement solution you select does not ever use proxy servers.

2. Mask customer PII from the eyes of your agents

Your visual engagement solution should allow you to identify fields that contain customer PII (Personally Identifiable Information) — social security numbers, for example — and mask them from the agent’s view.

3. TLS with 256-bit encryption

To secure data in transit, use Transport Layer Security with the 256-bit key Advanced Encryption Standard (ISO/IEC 18033-3).

4. Don’t store transmitted data

If data transmitted during sharing sessions is never stored or “at rest” it minimizes your exposure to data privacy and security policy breaches.

A properly engineered visual engagement solution introduces virtually zero data security or privacy risk to your organization and should easily pass an InfoSec review.



5. Provider should not use or sell session data for advertising

Make sure your visual engagement provider has an un-ambiguous policy against collecting and selling data for advertising purposes.

6. Support for enterprise-class SSO

Make sure your visual engagement provider supports SAML/SSO, so that your enterprise Single Sign On (SSO) manages the secure authentication of provisioned agents.

Is a chatbot part of my visual engagement solution?

Many financial services organizations are deploying chatbots as part of their digital engagement strategy. Chatbots are programmed to impersonate humans using robotic algorithms to answer customer questions and connect customers to help documents.

Rather than create a human-to-human connection with your customers, chatbots remove humans from the equation.

Here’s the problem: research shows that 43% of customers prefer to speak to a human and 24% say that chatbots aren’t friendly enough.⁸

Chatbots are not part of your visual engagement solution... but visual engagement can work together with chatbots to create great digital engagement. For example, give customers an escalation path for high-touch human engagement when the chatbot cannot effectively solve their problem.

⁸ <https://www.drift.com/wp-content/uploads/2018/01/2018-state-of-chatbots-report.pdf>

About Glance

Glance Networks transforms the customer experience by enabling visual engagement for today's enterprise. We are one of the world's simplest, most reliable, and secure solutions that empower companies to see, show, and share anything online, creating a frictionless path to great experiences in sales, support, and service. The result of Glance visual engagement technology is improved customer satisfaction, long-term customer loyalty, higher service center efficiency, and increased revenue growth. Glance partners include Salesforce, ServiceNow, Moxie, and Docutech. For more information, please go to www.glance.net.