

Self-Service in Wealth Management

Remaining Competitive in a Fast-Changing World



People matter, results count.

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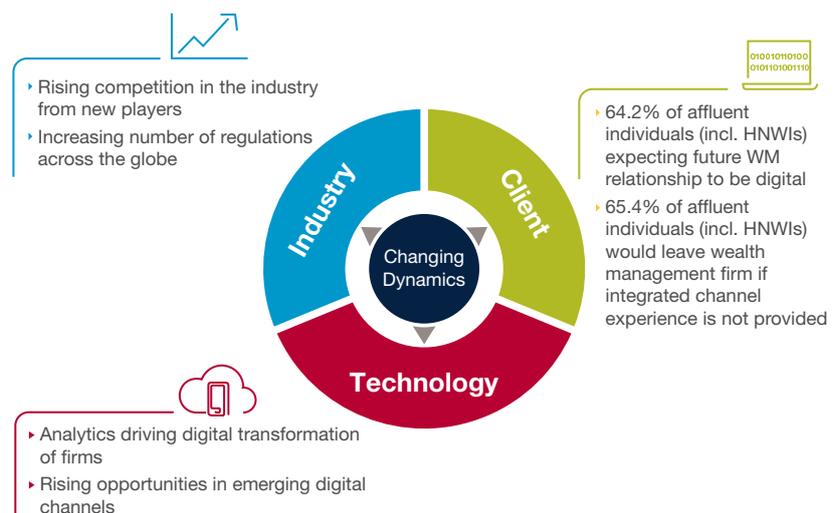
1 Introduction

In the past, self-service capabilities in wealth management have been restricted to online accessing of account information and transacting online. However, firms can offer richer features to promote a collaborative investment management experience.

Across all industries, a common global trend is the evolution of digital technology to transform the way operations are run. The transformation is also the result of increased sophistication of multiple new channels, some of which do not require any human-to-human interactions. Many industries, such as retail, are already leveraging these evolving technologies to develop processes and platforms that enable self-service capabilities to address clients' needs without the need to interact with a representative.¹ Segments of the financial services industry such as banks and brokerages have also been leveraging these platforms. However, the wealth management industry has lagged behind in general, only offering online platforms to self-directed clients.²

Technology advancements, client demand for digital services, and current industry dynamics are creating an environment conducive to the development of self-service capabilities. In the past, self-service capabilities in wealth management have been restricted to online accessing of account information and transacting online. However, firms can offer richer features to promote a collaborative investment management experience. This paper examines the need for self-service capabilities in wealth management and the importance these capabilities could have in the near future in delivering a forward-looking cross-channel client experience.

Exhibit 1: Trends Highlighting the Relevance of Self-Service in Wealth Management



Source: Capgemini Financial Services Analysis, 2014

¹ Self-service capabilities in wealth management signify services that enable clients to access products and services of their wealth management firms without the need of an advisor or any other support. HNWIs might however seek advice from their wealth managers for their wealth needs

² Self-directed clients are those who would research for products and services on their own and would not engage with wealth managers before making any investment decisions

2 Current Landscape of Self-Service in Wealth Management

With the advent of technology innovations, the development of self-service capabilities has seen a steep growth in other industries. However, its development in the wealth management industry has remained very slow. Leadership teams at many firms viewed self-service capabilities as purely online tools for self-directed clients, primarily as a means to save cost.

Nevertheless, self-service capabilities can serve a much bigger set of clients. Self-directed clients typically do not seek any advice from wealth managers and take all actions on their own. Other clients using self-service capabilities take a more collaborative approach to manage wealth actively along with a wealth manager. Further, there were different hurdles at different kinds of firms.

At retail and pure-play private banks, the traditional view of the wealth manager at the center stage of the wealth management relationship often led to a fear of disintermediation—one of the major hurdles for development of self-service capabilities. Management of these firms also lacked a strategic focus to target self-directed affluent individuals (incl. HNWIs).³ Instead they kept focusing on services that require engagement with advisors. Thus, self-service capabilities offered by these firms remained very limited. Further, difficulties in calculation of return on investments (ROI) also kept firms away from investing in innovative technologies.

Brokerage firms traditionally used self-service capabilities to support self-directed clients. However, the strategic focus to improve the user experience was missing. Complicating the situation, the complexity of business process changes and the cost of advanced technologies needed to improve the user experience was high which resulted in limited investments. Thus, the platform capabilities offered by these firms remained restricted to accessing of account information, news, market data, and the ability to transact.

As a result, clients at major retail banks and private banks remained completely dependent on their wealth managers. At brokerage firms, the user experience remained substandard due to lack of advanced technology in hybrid-advice models including value-added services such as what-if analysis, portfolio back testing, and personalized recommendations using analytics.

Wealth management firms are now recognizing the fact that in today's world the client experience is one of the most important factors that can define the competitiveness of digital offerings, and are taking steps forward on this path:

- To enhance the overall experience of self-service capabilities, firms are making use of emerging digital channels such as mobile applications, social media, and video, rather than relying solely on web-based platforms.

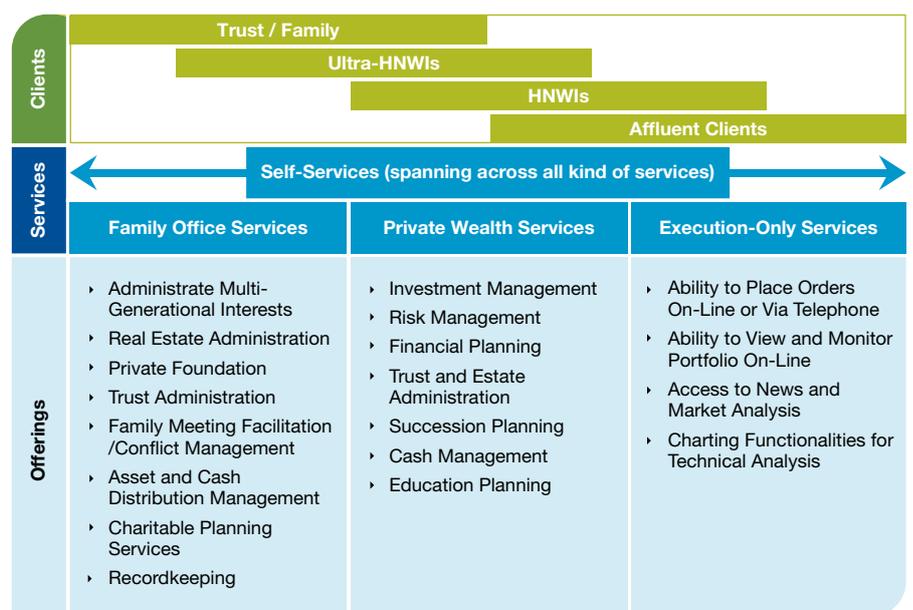


³ For the purpose of whitepaper we will be referring 'affluent clients' and 'HNWIs' as 'affluent individuals (incl. HNWIs)' who are defined as those having investable assets of \$500k or more, excluding primary residence, collectibles, consumables, and consumer durables

- The mindset of top management at these firms is shifting slowly from a heavy focus on cost-saving to putting client-specific needs at the center of the advisor-client relationship.
- Firms are expanding the capabilities of investment management and trading platforms to include advanced analytics, research, and monitoring.

Despite these steps being taken, the development pace of self-service capabilities is lagging behind the demand from HNWI's for digital interactions. Self-service has great potential across all the wealth bands and across different types of services such as family office services, private wealth services, and execution-only services. Thus, self-service could be a highly scalable client acquisition tool and that too at comparatively lower cost. Firms who are not actively implementing expanded self-service capabilities are leaving huge opportunities on the table.

Exhibit 2: Different Types of Services in Wealth Management



Source: Capgemini Financial Services Analysis, 2014



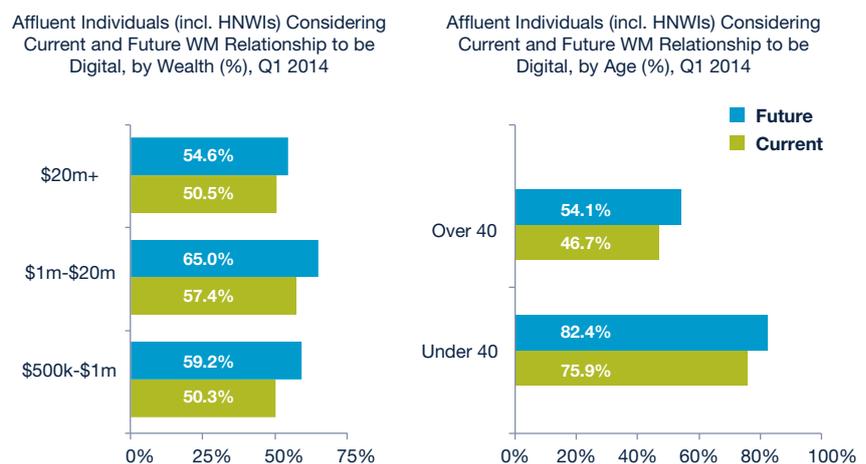
3 The Case for Self-Service in Wealth Management Firms

Global wealth management firms are witnessing trends that are making the need for self-service compelling in order to remain competitive. These trends are seen across three fronts:

Client: According to the Global HNW Insights Survey 2014,⁴ more than 57% of global affluent individuals (incl. HNWIs) say that their wealth management relationship is currently conducted through digital channels, increasing to more than 64% in the next five years. Affluent clients (\$500k-\$1m) and ultra-HNWIs⁵ have an almost similar current digital demand. Within the next five years, slightly fewer ultra-HNWIs (54.6%) expect their wealth management relationship to be digital as compared to affluent clients (59.2%).

Across all age bands, affluent individuals (incl. HNWIs) expect their wealth management relationship to be digital in the future. However, 82.4% of affluent individuals (incl. HNWIs) aged under 40 expect digital wealth management interactions as compared to 54.1% of affluent individuals (incl. HNWIs) aged over 40.

Exhibit 3: Affluent Individuals (incl. HNWIs) Considering Current and Future WM Relationship to be Digital, by Wealth, by Age, Q1 2014



Note: Affluent Individuals (incl. HNWIs) are defined as those having investable assets of \$500k or more, excluding primary residence, collectibles, consumables, and consumer durables

Questions asked: "To what extent would you say that your wealth management relationship is currently conducted through digital channels?"

"In five years, to what extent would you like your wealth management relationship to be conducted through digital channels?"

Source: Capgemini, RBC Wealth Management, and Scorpio Partnership Global HNW Insights Survey 2014

4 The Capgemini, RBC Wealth Management, and Scorpio Partnership Global HNW Insights Survey was conducted over January–February, 2014

5 For survey purposes, bracket of US\$20 million and above in financial assets used as the upper wealth band. The definition of ultra-HNWI remains US\$30 million and above.

For analysis purposes, the upper survey band serves as a reliable proxy for ultra-HNWIs

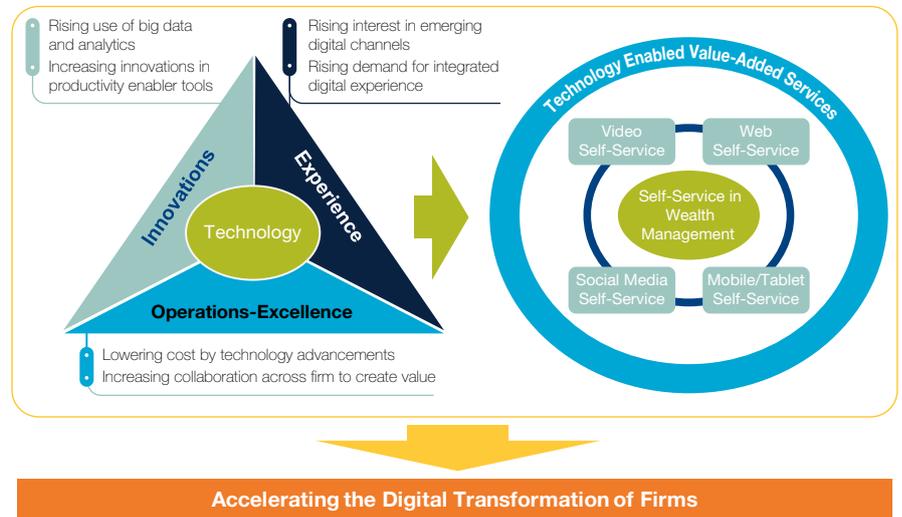
A rising use of big data and analytics to drive insights along with innovative tools to enhance productivity is being witnessed by many industries, including wealth management.

All clients can be provided self-service capabilities but the needs across wealth bands would differ. Wealthy families and ultra-HNWIs may look for self-service capabilities that are innovative and enhance the experience of working collaboratively with wealth managers (for example, video conferencing where all family members can join, even if geographically dispersed, to discuss future investments). HNWI in lower wealth bands and affluent clients (\$500k-\$1m) might demand mobile trading platforms with advanced capabilities such as risk profile analysis, real time portfolio updates, and advanced charting functionalities.⁶

Technology: A number of technology advancements are driving innovation, enhancing the user experience, and helping to achieve operations excellence. Many industries, including wealth management, are increasingly using big data and analytics, along with innovative tools to enhance productivity (see Exhibit 4).

Firms are also looking to leverage the rising interest in emerging digital channels such as mobile applications, social media, and video, along with providing an integrated channel experience to enhance the overall user experience. Firms are also investing in technology to achieve collaboration among business units and reduce cost.

Exhibit 4: Advancements in Technology



Source: Capgemini Financial Services Analysis, 2014

⁶ Growing More detailed, www.executive-magazine.com, September 2014

The above trends are driving the development of technology-enabled, value-added services around emerging digital channels along with traditional digital channels such as the web. These channels are being used to offer:

- Self-service capabilities such as social trading and investor communities using social media channels
- Market analysis videos, platform tutorials, and education content using video channels
- Executing transactions on the move, receiving live updates, and researching content using mobile applications

These technology advancements along with technology-enabled services are accelerating the digital transformation of firms. Self-service capabilities along with other digital capabilities can play important roles in digital transformation efforts across the firm:

- **Front-Office:** Mobility tools provide anywhere-anytime access to both clients and wealth managers, with the capability of offering instant advice to clients. Other emerging digital channels can also be leveraged by providing video conferencing facilities and making use of social media for interactions.
- **Operations:** Firms can build advanced capabilities to provide online research, portfolio planning, and portfolio tracking. Advanced analytics combined with behavioral analytics on preferred channels can guide clients towards a holistic solution.
- **Products and Services:** Self-service portals help firms understand the client's needs by applying analytics on the client's actions and behavior. Insights generated using analytics can be used to offer personalized products and services.

Another area where self-service along with technology advancements can play an important role is convergence of other players. Technology firms and investment management firms can collaborate to leverage each other's capabilities to offer advanced services. For example, firms that currently provide execution-only services can leverage technology to also provide virtual advice services.

Industry: Key industry trends include rising competition, increasing regulation and streamlining of business lines. Self-service capabilities will help to partially mitigate the challenges of rising competition, increasing regulations, and streamlining of business lines.

- **Rising Competition:** One of the major competitive threats today is the rising wave of automated advisors,⁷ sometimes called as robo-advisors. The interest in robo-advisors demands that firms provide similar capabilities or risk losing a portion of their clients along with their assets. Another trend of increased competition is among the existing players, as the continuous advancement of online platforms has put online brokers ahead in the competition from the traditional wealth management firms. Thus, traditional wealth management firms need to act fast and innovate to offer self-service capabilities in order to prevent losing the wallet share.



⁷ Automated advisors refer to online-only firms (or divisions of traditional wealth firms) who offer automated investment management based on client objective and risk tolerance at a lower fee but are not typically equipped to provide more detailed and nuanced financial planning services

Introduction of regulations such as Retail Distribution Review (RDR) in the U.K. and Future of Financial Advice Reforms (FoFA) in Australia are forcing firms to change their business models from product-based revenue to advice-based revenues.

- Increasing Regulation:** Introduction of regulations such as Retail Distribution Review (RDR) in the U.K. and Future of Financial Advice Reforms (FoFA) in Australia are forcing firms to change their business models from product-based revenue to advice-based revenues. To increase their margins, firms are no longer offering free advice and focusing on providing face-to-face advice only for wealthy clients in these regions. Pressure for similar regulations is also mounting in the U.S. and other countries. These regulations would leave out a large group of HNWI's who are looking for affordable advice. Self-service can be used to target this group of HNWI's by providing advanced capabilities using analytics such as virtual advice and personalized recommendations. For wealthy HNWI's, firms can focus on providing value-added self-service capabilities such as screen-sharing tools and mobility tools for both clients and wealth managers.
- Streamlining of Business Lines:** Firms are streamlining their operations and integrating technology systems with the objective of increasing synergies among business units. Self-service portals provide information on other business units in the system and can thus help to increase cross-selling. For example, details of lending division can be made available in a self-service portal (which a wealth management client looking for a housing loan could find helpful) along with an option to request a call back from the lending division's representative. Additionally, self-service capabilities can partially address the challenge of limited availability of skilled wealth managers that can further help in reducing cost.

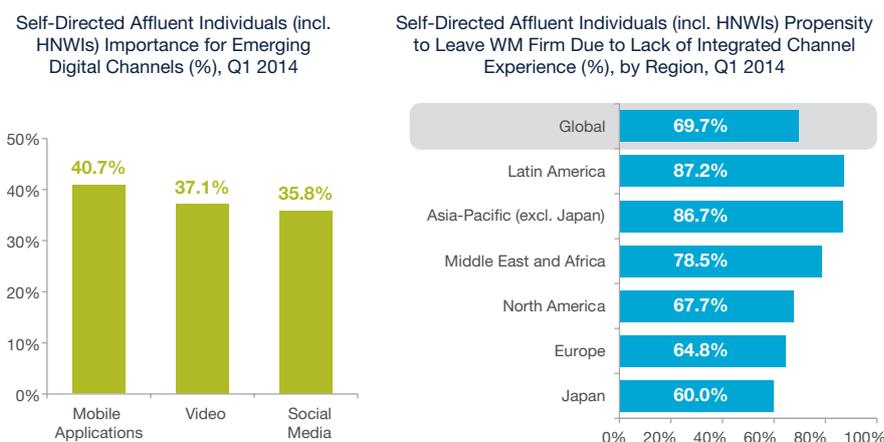


4 Needs and Preferences of HNWI's for Self-Service Capabilities

Self-service offers immense opportunities in terms of meeting the demands of HNWI's and addressing industry challenges. To take advantage of these opportunities, firms must put the resources in place to develop self-service capabilities. A good starting place is to identify the needs and preferences of the HNWI's demanding self-service. One possible way to understand the needs and preferences could be to understand the needs of self-directed HNWI's, as the self-directed HNWI's, being a sub-set of HNWI's demanding self-service, share similar basic traits (taking control and active participation).

According to data from the Global HNWI Insights Survey 2014,⁸ one of the needs of self-directed affluent individuals (incl. HNWI's) is the usage of emerging digital channels such as mobile applications, social media, and video for wealth management activities. More than one-third of self-directed affluent individuals (incl. HNWI's) indicated high importance of each of these emerging digital channels. Of the three emerging digital channels, mobile applications received the highest level of acceptance among self-directed affluent individuals (incl. HNWI's) with 40.7%, followed by 37.1% for video and 35.8% for social media (see Exhibit 5). This underscores that HNWI's have become comfortable using these new channels in their day-to-day life and want to use them to conduct their wealth management relationship.

Exhibit 5: Self-Directed Affluent Individuals (incl. HNWI's) Importance for Emerging Digital Channel and Propensity to Leave Wealth Management Firm Due to Lack of Integrated Channel, Q1 2014



Note: Affluent Individuals (incl. HNWI's) are defined as those having investable assets of \$500k or more, excluding primary residence, collectibles, consumables, and consumer durables. Importance of emerging digital channels derived from weighted average of respondents indicating importance level to difference capabilities per channel. Question asked: "If your main wealth management provider could not offer this type of integrated wealth management experience, would it prompt you to consider moving to another firm?"

Source: Capgemini, RBC Wealth Management, and Scorpio Partnership Global HNWI Insights Survey 2014

⁸ The Capgemini, RBC Wealth Management, and Scorpio Partnership Global HNWI Insights Survey was conducted over January–February, 2014

In addition, these HNWIs are also demanding their wealth management experience to be integrated across all channels (actions initiated on one channel can be finished on another) with a consistent level of service throughout. The demand can be ascertained by the fact that globally 69.7% of self-directed affluent individuals (incl. HNWIs) indicated to leave the wealth management firm in case an integrated channel experience is not provided (see Exhibit 5). This proportion was highest in Latin America where 87.2% of self-directed affluent individuals (incl. HNWIs) indicated to leave the firm followed by 86.7% in Asia-Pacific (excl. Japan). Firms need to acknowledge the high importance of self-service capabilities and must provide an integrated channel experience in order to address the attrition risk.



5 Case Studies of Firms Leveraging Self-Service

Acknowledging the changing dynamics in the wealth management industry, a few leading firms have already started offering or are in the process of providing self-service capabilities for their clients. The development of self-service capabilities at these firms is in the nascent stages and is continuously evolving. Most wealth management firms are providing self-service capabilities using website and mobile channels and gradually firms are turning to the use of analytics.

A European bank known for its online brokerage services has launched a wealth management platform specifically targeted to self-directed HNWIs. It provides a dynamic dashboard that can help clients view portfolio information along with their risk position. The platform enables clients to understand their own risk tolerance and helps them alter their portfolio investments.

Another leading brokerage firm, based in U.S., has offered an online platform that leverages analytics to make behavior and preferences-based suggestions. The platform has advanced capabilities for researching using several tools integrated in a single window. By applying analytics to market data, client preferences, and historical performance, it has the inbuilt capability to highlight relevant trends that can be used to identify and filter investment selection options across various asset classes.

A leading multinational bank's wealth management division provides numerous self-service capabilities and is continuously evolving these services to enhance the client's experience. One of the services on offer includes an advanced portfolio snapshot and real-time information on the go. Clients can set preferences on their accounts and get real-time alerts on price movements. They can also receive a portfolio narrative snapshot (like an analyst commentary) with respect to market, benchmark, or historical performances of similar portfolios. Another example of the service is an online document vault which can be accessed from any device. The service can also set up reminders for key deadlines (for making payments or renewal of policy) and keep a virtual quasi-notarized copy of important documents (such as passport or driver's license). The bank has also implemented a biometric solution which uses voice authentication while on the call. This means a client has one less step to do before getting into a call with the bank's representative.

Several firms consider self-service capabilities vital for their success and are investing to revamp their whole strategy in order to build a business that is ready for the next generation of affluent individuals (incl. HNWIs). Below are three case studies that showcase illustrative solutions being built by firms with a focus on self-service capabilities.



Exhibit 6: Self-Service Capabilities Usage - Case Study 1

Revamping Direct-to-Consumer Strategy

A leading global bank performed a rigorous analysis of its business and the industry in order to develop a long-term plan to become the “go-to wealth manager”. The bank is implementing a single offering for execution-only direct investments and financial planning. This work includes developing digital channels and decommissioning old platforms

Source: Capgemini Financial Services Analysis, 2014

A leading global bank recently launched a multi-year transformation program to revamp their direct-to-consumer strategy. The program was focused on building existing strengths, becoming competitive in the areas where they can win, and simplifying operations. The bank’s objective was to fully serve affluent clients, re-engineer execution-only processes, improve propositions and product capabilities, provide value-added services throughout life-planning, and replace legacy platforms with an end-to-end consolidated solution that significantly reduces the cost-to-income ratio.

To achieve these objectives, the bank underwent a rigorous analysis of its business and the industry to identify key segments and respective propositions for the development of a long-term plan, and to initiate the transformation into becoming the “Go-To wealth manager” across under-served segments of their focus. The bank is taking a number of steps, starting with the implementation of a single offering for execution-only direct investments with life planning advice and self-service financial planning tools/utilities. The next step would be developing proposition, processes, and best of breed digital channels to empower self-directed investors. Finally, the third step would be consolidating all legacy self-directed investment clients to migrate them into the new processes and proposition supported self-service platform (with the possibility of future use of this platform as hybrid-advice platform for the HNWIs).

While undergoing the transformation through these steps, the bank would be building a solution that is highly scalable and ‘future-proofed’. Building such solution would help the bank to reduce cost-to-income ratio, increase operational efficiencies and revenue opportunities, and increase self-service capabilities to make it ready for next generation of tech-savvy HNWIs for driving future growth.



Exhibit 7: Self-Service Capabilities Usage - Case Study 2

Firms are embarking on a multi-year transformation initiative within their wealth management business to provide best in class productivity tools and capabilities to financial advisors for improved client face-time.

Improving Wealth Manager's Productivity

Many firms are implementing a one-stop advisor workstation to drive improved productivity. The workstation integrates all processes and tools used by financial advisors and support staff under one physical container (workstation). The aim is to provide productivity-enabling tools and widgets along with single sign on, password keeper, and relationship management, all accessible by mobility devices.

Source: Capgemini Financial Services Analysis, 2014

Multiple firms are developing solutions for financial advisors to improve productivity. These firms are embarking on multi-year transformation initiatives to provide the most effective productivity tools and capabilities to financial advisors. The common objectives of these firms are to optimize process efficiencies through automation, provide superior prospect/client management, and improve the financial advisor's satisfaction.

Several wealth management firms are in the process of implementing a one-stop-shop advisor workstation to drive a productivity strategy linked to variety of ROIs.

The typical solution enables improved efficiency and productivity by integrating all the processes and tools used by financial advisor and support-staff under one physical container (workstation). It also creates greater revenue opportunities and enhances the client service experience through improved client-face time.

The platform allows firms to introduce forward-looking productivity enabling tools and widgets without losing some of the basic high-value features such as single sign on, password-keeper, and the relationship management dashboard (all accessible on mobility devices).



Exhibit 8: Self Service Capabilities Usage - Case Study 3

Developing Multiple Value-Adding Tools

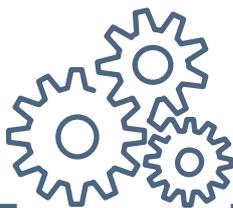
Multiple firms are developing value-added tools to offer self-service capabilities. Examples include tools that enable clients to see a wealth manager's online status, virtual assistant tools to resolve queries, and screen sharing tools for more effective communication. All of these tools are being developed with the aim to enhance the wealth management relationship.

Source: Capgemini Financial Services Analysis, 2014

A number of wealth management firms and product vendors are currently developing multiple value-adding tools. The sole objective of these tools is to create value for clients by offering self-service capabilities.

One such tool enables clients to view their wealth manager's availability status online and chat via instant messengers or video conferencing irrespective of the device. Another tool provides a virtual assistant that can learn from interactions and provide answers to queries based on personal client scenarios. Features such as these would enable hybrid-advice capabilities for clients who prefer to manage their portfolio themselves, but still have the ability to connect with someone for any clarifications throughout the investment management lifecycle.

Other tools being built are designed to improve the client's collaboration along with facilitating effective communication. For example, what-if analysis tools can enable clients to explore the impact of various investment options on the portfolio before actual asset allocation. This information can be simultaneously seen by the wealth manager and client using screen-sharing tools that provide a similar view irrespective of the device.



6 The Way Forward

In the near future, a client's journey might mostly use digital channels across all stages. Self-service will play an important role in enhancing the client's experience by creating "wow" moments across the investment lifecycle.

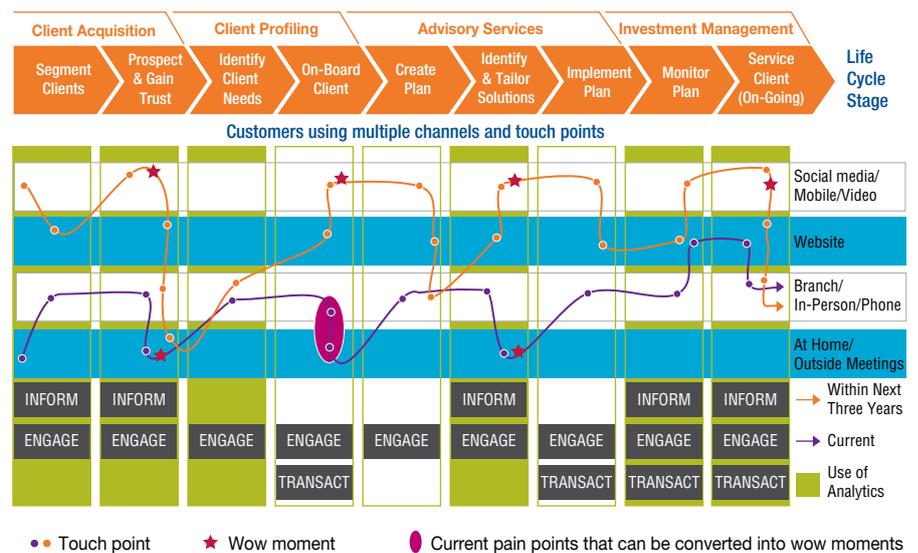
Self-service is all about enhancing the client's experience and achieving operational excellence. While achieving operational excellence is an internal benefit, enhancing the client's experience goes a long way towards building trust and gaining client confidence. As more and more firms continue with this development, self-service capabilities will become a must-have to win clients. The sooner firms start developing self-service capabilities the better.

The value chain, which starts with client acquisition and goes on to investment management, requires multiple interactions between a client and a wealth manager (see Exhibit 9). Currently these interactions are mostly face-to-face and digital channels are used during the final stage of investment management.

In the near future firms can expect the client's journey to increasingly involve digital channels across all stages. Self-service capabilities will play an important role in enhancing the client's experience. Digital channels and self-service capabilities will also help increase the number of touch points at each stage of the wealth management value chain. Wealth managers will be able to better gain their clients' trust and confidence and create a "wow" moment for all types and bands of clients.

Pain points can also be transformed using self-service. Currently the process of on-boarding requires client to be physically present and involves a lot of documentation. Self-service capabilities such as document uploading and digital signatures can enable anywhere-anytime access, which can turn a previously painful process into a "wow" moment.

Exhibit 9: Example Future State Cross-Channel Client Journey in Wealth Management



Note: Situation is representative and would vary across HNWIs in different wealth and age bands.
Source: Capgemini Financial Services Analysis, 2014; World Wealth Report 2014, Capgemini and RBC Wealth Management.

Use of analytics is another area self-service capabilities can enhance. Currently, usage is minimal, but with advancements in technology analytics can play an important role in further enhancing the experience. Wealth managers will be able to better segment their clients and understand the client’s needs more fully. It will also help wealth managers identify solutions based on client’s needs, behavior, and risk profile. Further, analytics can enable systems to learn from on-going interactions and thus help provide an intelligent self-service experience.

The shift in the overall wealth management value chain is imminent, and mirrors what is happening in other industries. The retail industry for example has been transformed with the advent of self-service. To enhance the customer experience, retailers have deployed self-service checkout systems that help to reduce customers’ waiting time. Further, in order to maximize operating efficiencies, automatic store replenishment systems have been developed that help reduce inventory costs. Also, e-retailing has been available for a long time in many markets. The growing use of analytics to offer personalized recommendations is the latest trend in the industry.

As firms continue this shift, the result will be a collaborative model where clients can better interact with their wealth managers and actively participate in the whole investment management process . This shift will happen in a three-stage process (see Exhibit 10):

Exhibit 10: Example Lifecycle for Self-Service in Wealth Management

	Stage 1	Stage 2	Stage 3
Client Actions	<ul style="list-style-type: none"> ▸ Demands to manage investments themselves with an experience that fits lifestyle 	<ul style="list-style-type: none"> ▸ Gains confidence and uses on-demand advisory services and on-demand portfolio narrative 	<ul style="list-style-type: none"> ▸ Collaborate with advisors for asset allocations, “what if” scenarios, and analyze future projections
Firm Actions	<ul style="list-style-type: none"> ▸ Identify client’s needs and enable self-service with tools that also use behavioural analytics to enhance client’s experience 	<ul style="list-style-type: none"> ▸ Build tools to enable personalized recommendations with anything-any where-anytime capability in order to increase competitiveness 	<ul style="list-style-type: none"> ▸ Provide productivity enabler tools such as screen sharing along with integrated systems among business units to enable cross-selling
Benefits for Firm	<ul style="list-style-type: none"> ▸ Expand reach to the clients demanding self-service capabilities 	<ul style="list-style-type: none"> ▸ Increase revenues from self-service ▸ Gain client’s confidence ▸ Remain competitive ▸ Increase scale of business 	<ul style="list-style-type: none"> ▸ Maximize leverage of skilled advisors ▸ Reduce cost-to-serve ▸ Increase synergies among business units

Source: Capgemini Financial Services Analysis, 2014



Stage 1: During the initial stage, clients will demand self-service capabilities that suit their lifestyle and allow them to manage their investments themselves. Firms, at this stage, should identify clients’ needs and provide tools to enable self-service capabilities. Firms should also build tools that make use of behavioral analytics to enhance the experience of self-service. By providing self-service capabilities, firms would be able to expand their reach to the clients demanding self-service.

Self-service capabilities will not replace the existing client-advisor relationship. These services will co-exist and will help firms to reap various benefits.

Stage 2: As time passes, the client's confidence in the firm will start increasing and eventually result in a preliminary hybrid-advice phase. During this phase the client reaches out to their wealth managers for on-demand advisory services such as risk-return analysis and on-demand portfolio narrative. Wealth managers will need to make the most of this opportunity to gain client confidence. Firms, at this stage, must develop tools that empower wealth managers to make personalized recommendations using analytics with anything-anywhere-anytime capability. By expanding self-service capabilities to wealth managers and providing advanced capabilities to clients, firms will be able to increase revenues, gain client confidence, remain competitive, and increase the scale of business.

Stage 3: The final stage will see clients getting more involved with wealth managers, resulting in a collaborative and sophisticated hybrid-advice model. A client, after identifying investment options, will work with a wealth manager to analyze the effects on their portfolio and risk profile. The wealth manager will perform a what-if analysis and future projections to provide an in-depth analysis of the investment options. Firms, at this stage, should provide productivity-enabler tools such as screen sharing along with video conferencing, eSignature, and voice authentication. Firms should also build integrated systems across their business units to enable cross-selling. By providing advanced integrated systems, firms will be able to maximize the utilization of skilled wealth managers, reduce cost-to-serve, and increase synergies among business units.

Self-service capabilities will not replace the existing client-advisor relationship. Rather, these services will co-exist and will help firms to reap various benefits ranging from increased assets under management to reduced operating costs.



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