



Get relevant or get ignored

Why Wealth Management firms should make the shift to one-to-one engagement.

You don't need a data scientist to sense the change happening right now. With mounting pressure to increase revenue and wallet share, investment managers are seeking new ways of achieving the hyper-personalized experiences consumers demand. As digital channels and AI become mainstream, traditional segment-based marketing campaigns are not driving the demand needed to compete in the marketplace. Everything that's not personalized and perfectly timed falls flat with clients.

Breaking through and capturing your clients' attention requires a powerful solution that helps you drive real value and deeper client connections simultaneously.



99 out of 100 clients aren't paying attention

Campaign responses are down. Click-through rates are embarrassing. And many firms can't even connect with existing clients – much less find new ones – without hemorrhaging time, budgets, and reputation.

In a sector with more than 5000 unique marketing solutions,¹ the average campaign response rate is still less than 1%.² That means on average, 99% of the messages we send are largely irrelevant.

Wealth management firms are eager to innovate, but as clients become more difficult to engage, it can be challenging to know which of the myriad solutions will help you achieve your CLV and acquisition goals. Traditional campaigns built for product-pushes cannot deliver the contextual messages that will result in value and deeper connections.

It's time to radically shift the way you engage

Break out of the segment-based monotony with Pega's artificial intelligence-powered Customer Decision Hub to deliver relevant, contextual next best actions to every client, across all channels.

Meaningful contextual interactions should happen instantly - and that's what Pega helps you do. Clients are spoiled by their digital experiences in other markets, and firms are challenged to add value every time they engage, instead of falling back to product pushes. This is a big ask because it requires firms to calculate and anticipate a next best action for every client touchpoint.

3 ways wealth management firms can engage customers across channels

How does Customer Decision Hub analyze every interaction to deliver a contextual message?

1

Proactive Service Offers

Customer Decision Hub empowers firms and the client-facing teams within them to proactively identify customers who will need service and automatically trigger outreach. **It analyzes each individual client's profile and current context in the moment** - while an interaction is still taking place. It then calculates the right approach for that specific person while balancing their needs and the organization's goals.

2

Customer Retention and Loyalty

Using Customer Decision Hub, **wealth management firms can trigger value-add messages that resonate and build loyalty on a daily basis**. The power of arbitrating allows firms to target niche investment populations with ease while maintaining brand reputation within their larger client base.

3

Upsell and Cross-Sell Opportunities

With the Customer Decision Hub, firms leverage real-time decisioning to **identify in-market customers, then trigger a contextual offer automatically... without having to wait for a campaign**. The software uses propensity modeling to score hundreds of offers and deliver the "Next Best Action," all within 100 milliseconds.

¹ Chief Marketing Technologist Blog, Scott Brinker (2017), <http://chiefmartec.com/2017/05/marketing-technologylandscape-supergraphic-2017/>

² Direct Marketing Association, 2017 Response Rate Report (2017) <https://thedma.org/marketing-insights/responserate-report/>

How to make it real (and get real results)

Implementing a next-best-action approach requires wealth management firms to make three significant changes.

A one-to-one customer approach:

Shift from traditional one-to-many segmentation to a model where decisions are made for each individual client – instead of folding them into segments, where their unique needs are overshadowed by the priorities of the firm and push-driven campaigns.

A centralized decision authority:

Stop channel and product-driven targeting and use a single "brain" to govern engagement across products, channels, and business units, based on what the customer needs are and what's best for the organization as a whole.

Always-on engagement:

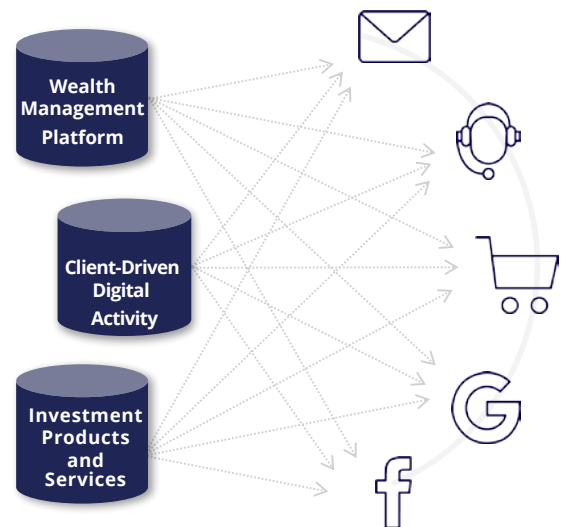
Move away from scheduled push campaigns and large batches to an always-on model that never stops or starts. Instead, it continuously engages clients during calculated "moments of need," regardless of the channel.

These changes can seem impossible, mainly because businesses aren't naturally set up that way. This kind of transformation doesn't happen overnight; instead, it's an organizational evolution that has to happen channel by channel, and case by case. That way you can progressively produce ROI, and steadily earn the right to take on more.

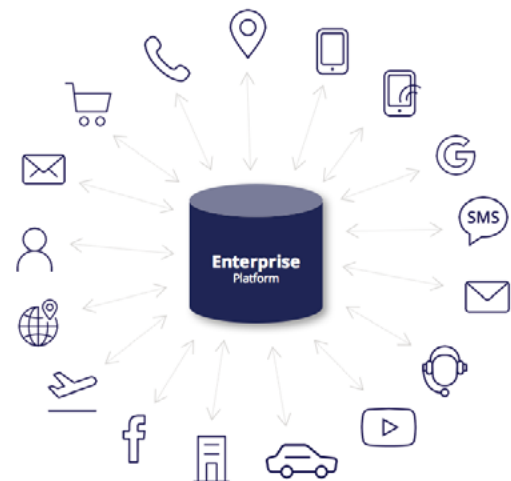
Despite the challenges, organizations invest because they see the potential value, including:

- **\$150M lift in revenue (per 10M customers)**
- **6X response / conversion rates**
- **10% Increase in client retention**
- **10-40 point increase in Net Promoter Score (NPS)**
- **3-5x return on investment**

Decentralized strategy



Centralized strategy



Real one-to-one engagement requires holistic thinking, not segmentation by product or channel.

Who's getting it right?

Industry leaders are already embracing this approach, with dramatic results.

The **Royal Bank of Scotland** uses its "Always-On Customer Brain" to optimize 4 billion customer interactions per year. They've seen a 6X increase in response and a 10-1 ROI.

Commonwealth Bank of Australia uses "Next Best Conversations" to provide great experiences for customers in 18 channels. They've seen a 10x increase in leads and a 3x increase in conversion.

Coutts uses the power of Customer Decision Hub to drive a 23% increase in campaign response rate, resulting in 177m in incremental new business in the first three months.

Don't be left behind.

To learn more about how wealth management firms can use next best action to recalibrate their client relationships – including a proven formula for success – **download our whitepaper.**

