



WEALTH MANAGEMENT

DIGITAL TRANSFORMATION

Valery Lepinette , ESSEC-MANNHEIM executive MBA 14

SEEKING DIGITAL EFFICIENCY

WHY?

ADDRESSING COST BASE OF CURRENT BUSINESS MODEL

UPGRADING ORGANIC GROWTH OPPORTUNITIES AND PRODUCTIVITY

MORE RELATIONSHIP BUILDING LESS ADMIN TASKS FOR ADVISORS

POSITIONING BRAND AND BUSINESS WITH NEW GENERATION OF WEALTH

RETHINK BUSINESS MODEL

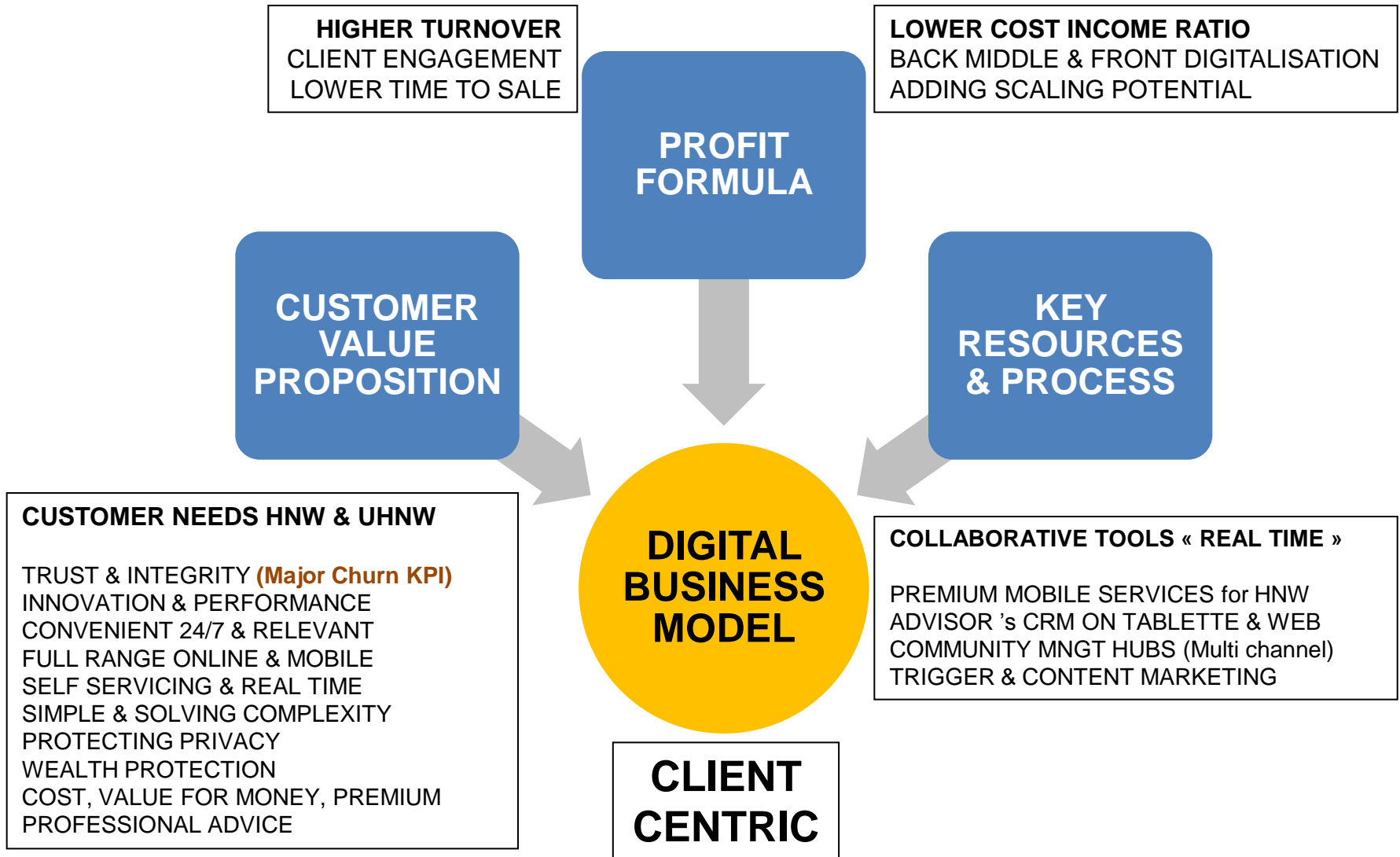
RETHINK CLIENT RELATIONS

RETHINK BUSINESS OPERATIONAL PROCESS

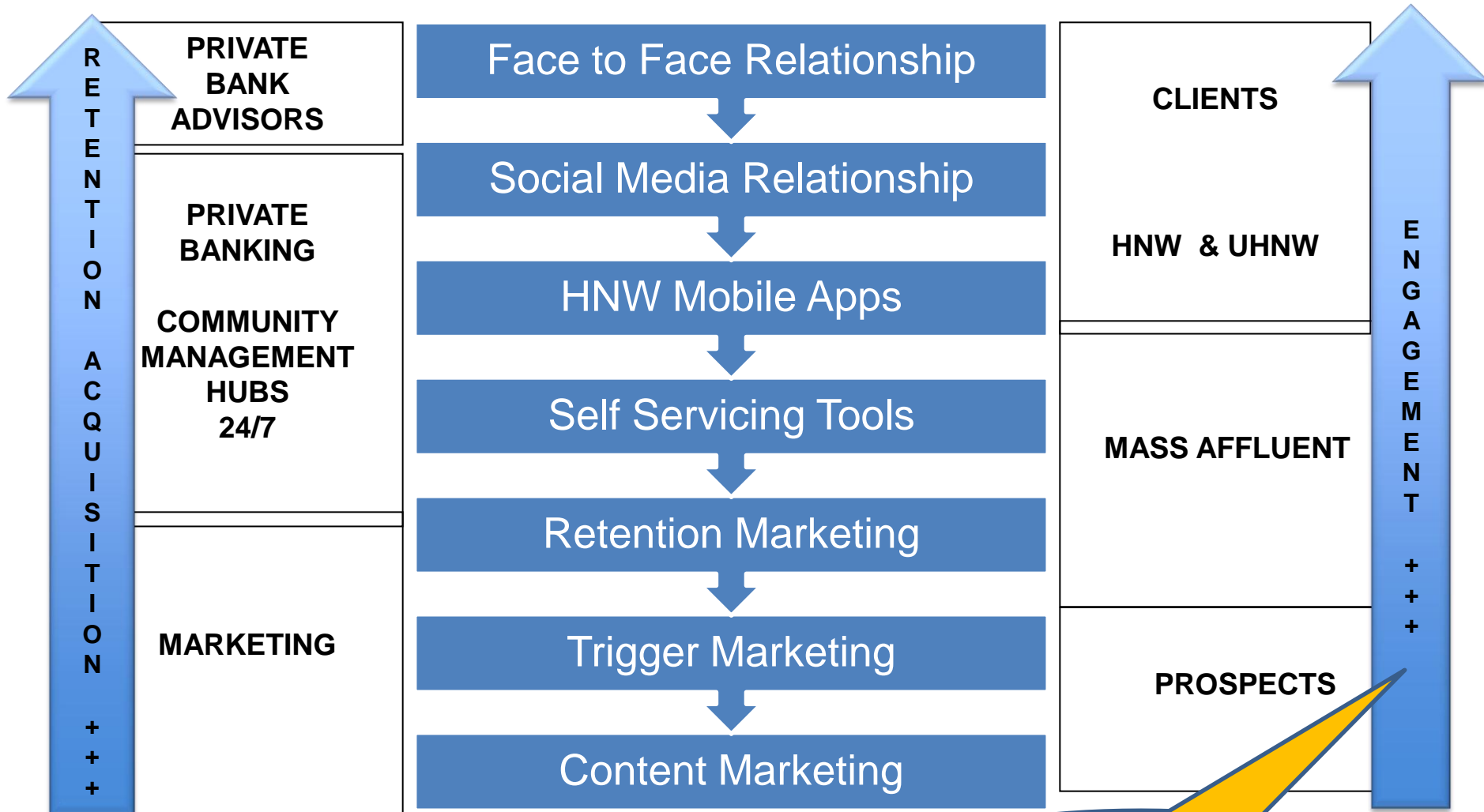
THINK BIG DATA ANALYTICS

WHERE?

HIGH-TECH HIGH-TOUCH DIGITAL MODEL

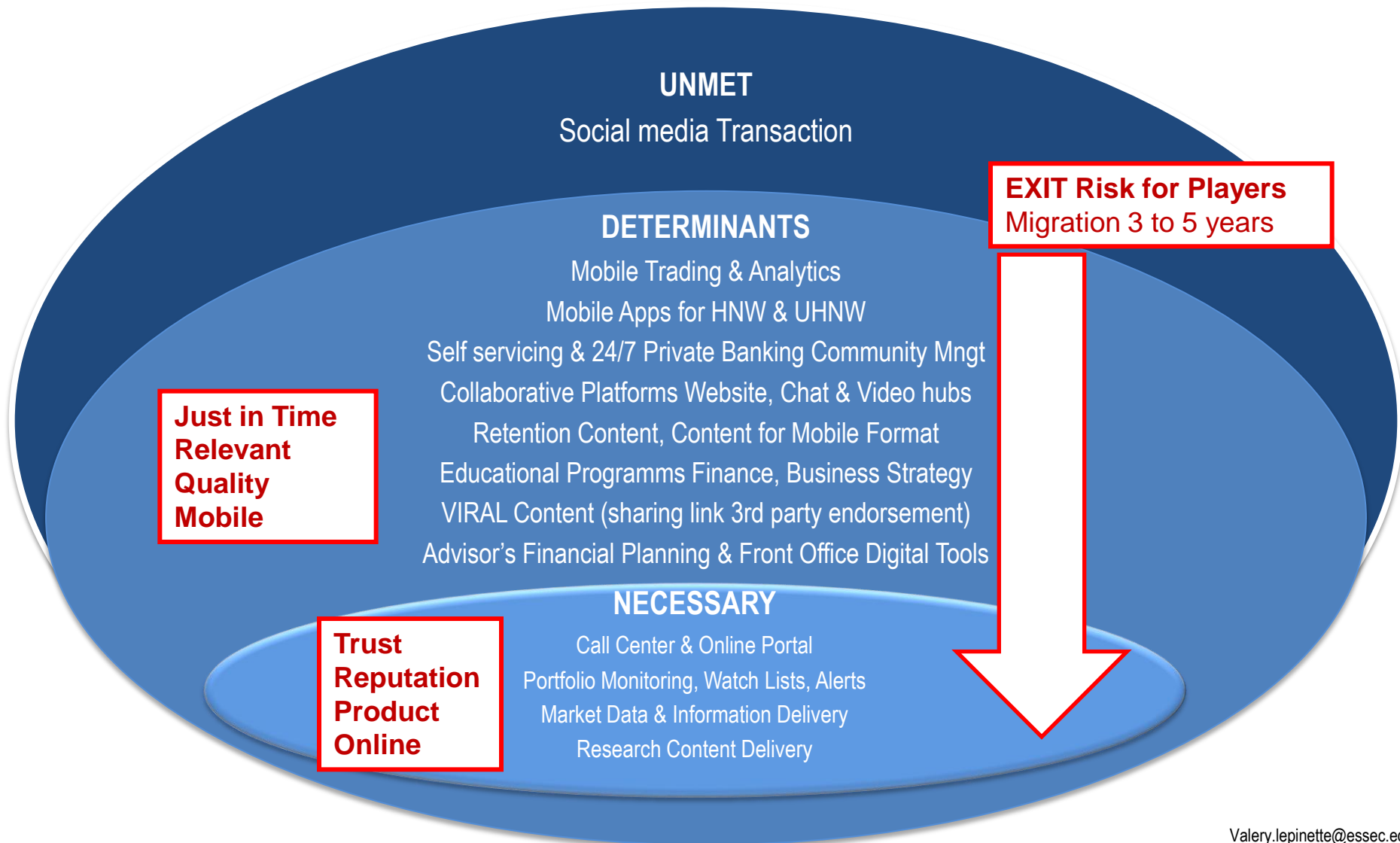


CLIENT BRAND EXPERIENCE & ENGAGEMENT



ENGAGEMENT is
+20% Turnover on
existing clients

COMPETE ON DETERMINANT NEEDS OREXIT




MOBILE APPS ANALYTICS & TRANSACTION

MOBILE APPS DETERMINANTS HNW & UHNW

No differentiation in the market

Mobile Market DATA Delivery
Mobile Portfolio Overview
Mobile Research Content

Necessary (78%)*
Necessary (65%)
Necessary (73%)



**DIFFERENTIATE
WITH PREMIUM
APPS STRATEGY
FOR HNW & UHNW**

Competitive offer relevant to customers

Mobile Portfolio Analytics
Mobile Trading Brokerage
Mobile Apps integration to social medias (Hub Strategy)

Determinant (43%)
Determinant (30%)
Determinant (40%)

*2012 clearview financial media report 78% of wealth mgnt co have the offer

47% of HNW & UHNW are on LinkedIn & Facebook, 55% for Mass Affluent, 30% of UHNW read blogs
Market data resources via Reuters self servicing tools is a solution that can be customized
Flipboard (content on mobile), Apps vendors include: Appway, Microstrategy, Polaris FT, Sungard, Advent, Avaloq, Charles River Dev, DST vision Mobile, Finantix, Kony solutions....

CUSTOMER SATISFACTION KPI's

**BRAND
EMOTIONAL LINK**

KPI's

TRUST & INTEGRITY (**no 1 for churn**)
PROTECTING PRIVACY & WEALTH
INNOVATION & PERFORMANCE (no1 bis)
SIMPLE & SOLVING COMPLEXITY (no2)
PROFESSIONAL ADVICE
CONVENIENT 24/7 & RELEVANT (no3)
FULL RANGE ONLINE & MOBILE
SELF SERVICING & REAL TIME
COST, VALUE FOR MONEY, PREMIUM (no4)

BRAND & REPUTATION PERCEPTION

- Trigger & Content Marketing Strategy
- Quality & Relevant information **NO OVERSOLLICITATION**
- Social Media & Communication Strategy

SOLVING COMPLEXITY

- Mobile Apps Strategy
- Collaborative Platforms organizing expert advice
- Professional advice easy access 24/7

CONVENIENT RELEVANT VALUE

- 24/7 access
- Private Banking community Management Hubs
- Big Data tools
- Face to Face Advisors
- 82% of client prefer electronic communication



Privacy/Confidentiality <-> Data Security/Trust of Business Model Design

Managing PARADOX <-> Privacy/Confidentiality versus Brand Visibility

BRAND EMOTIONAL LINK

DIGITAL CAN HELP TO
DELIVER ON QUALITY &
RELEVANCY TO CATCH UP
ON OTHER LUXURY BRANDS

LUXURY BRAND LOVE INDEX

- Luxury cars 88% (BMW, Jaguar, Audi)
- Luxury retail 86% (Rolex, Cartier, Burbury)
- Luxury travel 82% (Singapore Airline, 4seasons)
- Banks 71% (St Chartered, UBS, HSBC, Citi, Amex)

BUY DECISION INFLUENCE FOR HNW >USD4mn*

- Previous experience with brand 7.4/10
- News articles 7.2/10
- Website 7.1/10
- Ratings and reviews 7.1/10
- Online Market Place 6.9/10
- Search Engines 6.8/10
- Social Networking 6.7/10
- Blog Posts 6.2/10

HIGH TECH – HIGH TOUCH LUXURY

INSPIRE **BRAND LOVE**

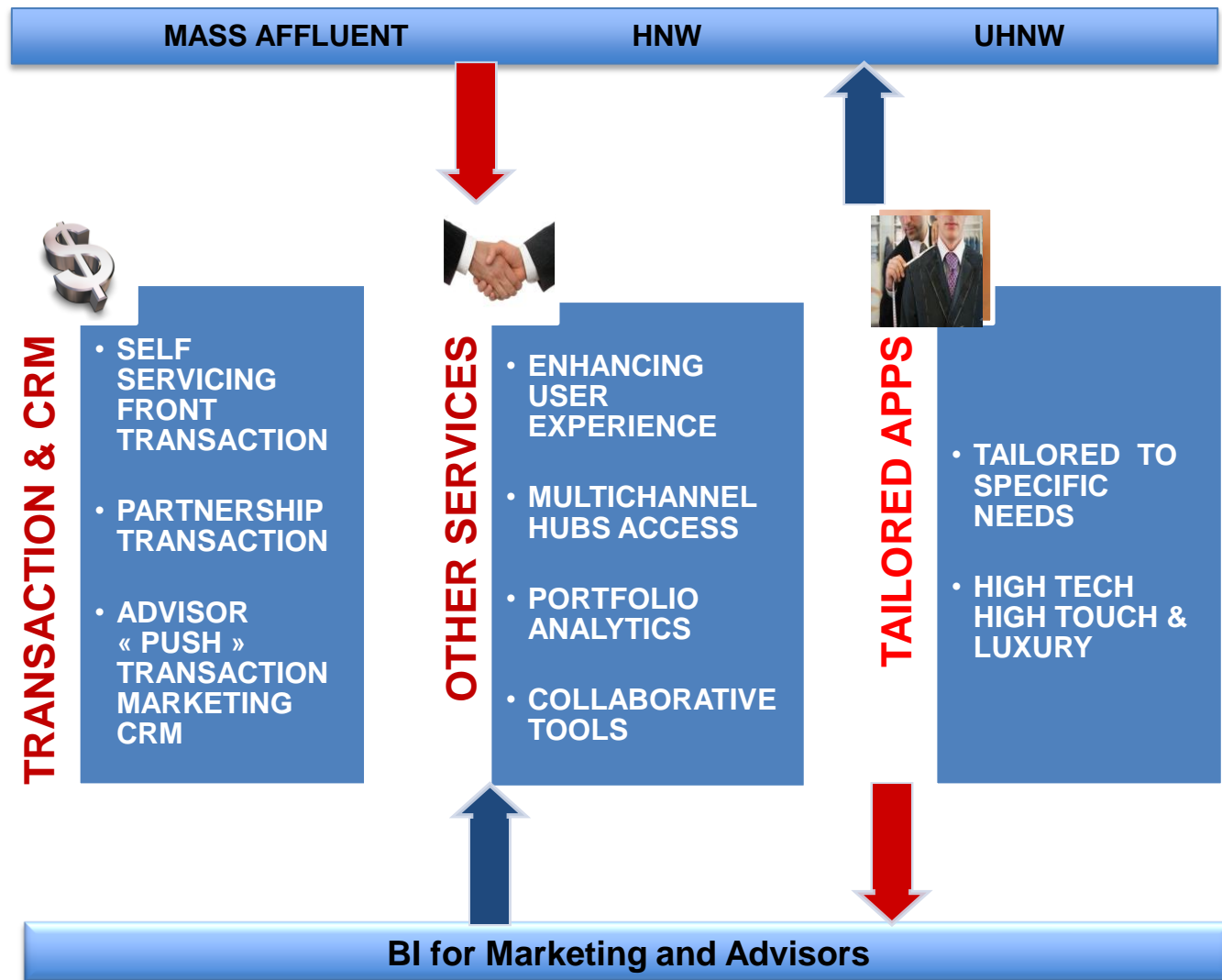
DEVELOPP **DIGITAL IDENTITY**

DEVELOPP **DIGITAL MARKETING**

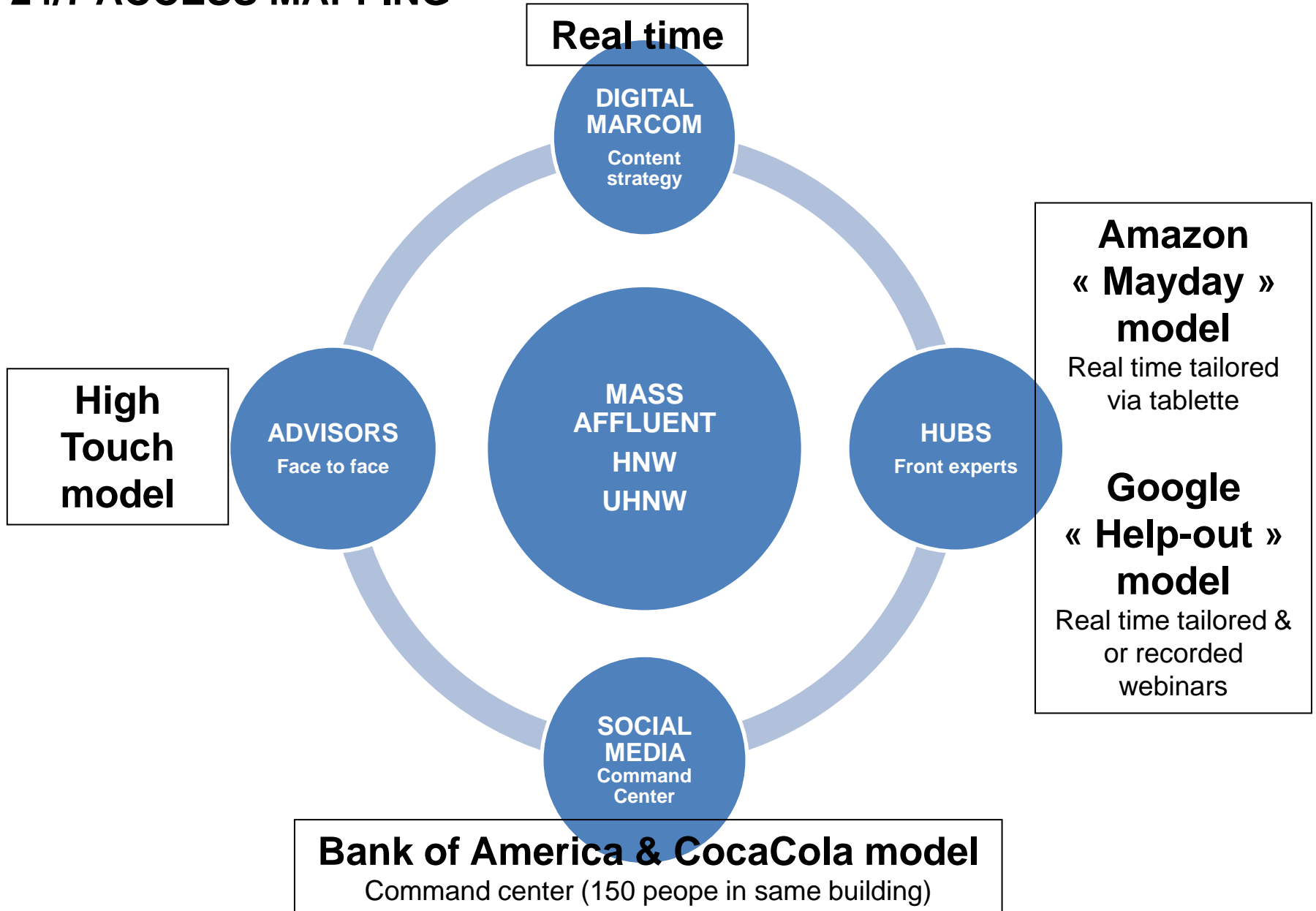
KEY **CLIENT BRAND EXPERIENCE**

* UHNW & HNW in Asia & US (less in EU) more influenced by digital channels than other clients, according to FutureWealth report 2013

CRM & Business Intelligence Apps




24/7 ACCESS MAPPING



APPENDIX 1 – Wealth Management industry trends


Commission fee based model under pressure
Advice fee based model is the focus
Scalability is becoming important



MIFID FACTA & RDR in UK increasing compliance cost and consolidation of actors
US Model integration of Bank + Broker



Singapore HKG are central to HNW business
More UHNW opt for Family office set up
Succession Planning important in emerging countries



Experienced Advisors are a scarce resource
HNW surveys show more self decision tools needed

60% of Chinese HNW self manage or opt for family

APPENDIX 2- Wealth Mngt industry trends

Mobile Apps standard emerging as HTML5
Increased usage of Social Media Platforms



Increased spending on financial planning tools for advisors.
Contact management / Lead generation / Contract / Front Office systems / Financial Planning / Portfolio monitoring management /



Middle and Back office reporting, Portfolio administration, workflow management, compliance and risk management / Document management



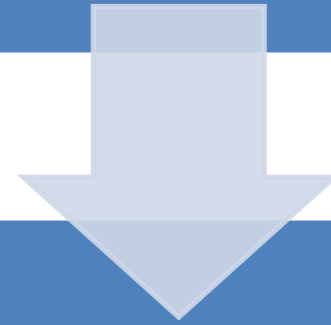
Closed social Media Communities are developing along side greater client segmentation (Asset Base, Profession, Domicile, Source of Wealth...)

APPENDIX 3 – Social Media usual traps

TOO HIGH EXPECTATIONS

Social Media is a Relationship Management Tool

Social Media is not yet another Distribution Channel



RISK OVERSTATED

Compliance issues on Social Media (FINRA) are limited to:

Data storage of communication by employees

Investment advice conversations to be avoided

Enforce training programs for employees

Enforce written governance and policies

References

- US Wealth Management Survey 2013 **BOOZ&CO**
- Trends in the Global Wealth Management Industry 2012 **CAP GEMINI**
- Mobile Apps in Wealth MANAGEMENT 2013 **MyPrivateBanking**
- Reaching Out To The High Net Worth 2012 Clearciew Financial Media & Coutts
- Reinventing Your Business Modell 2008 **HBR & Mc Kinsey**
- Articles & ppts from **Finextra.com, MyPrivateBanking.com, Slideshare**
- FutureWealth report 2013 **SEI, Scorpio partnership & Standard Chartered**

Contact

Valery LEPINETTE

Valery.lepinette@essec.edu

Mobile (33) 06 43 33 78 91

Linkedin <http://lnkd.in/dm7Euum>

Website <http://valerylepinette.wordpress.com/>