



Reimagining The Next Generation
Wealth Management Customer Journey



The Context

The following is an illustration of what the idealized next generation wealth management customer journey might look like.

To inform this exercise, we have triangulated our research study, Next Generation Customer Journey in Wealth Management: High Tech or High Touch? with insight from other studies such as Capgemini, McKinsey, PwC and Forrester. We have then overlaid this with interviews with CEOs and senior executives in wealth management firms and robo-advisory services.

In picking a persona, we appreciate that Millennials are not the bread and butter for many wealth managers, as they are still in the accumulation phase of their lives. However, they are often a bellwether for behaviors and trends coming in other age groups.

At LinkedIn, we are pleased to share our insight into different custom personas and how we can support you in rethinking your wealth management customer journey.



Personas

THE
HIGH NET
WORTH
CLIENT



Meet Dana

Founder of Chesapeake Bakery. She is 35 years old and has spent the last 15 years building the \$15 million food company she started at university. She is now in the final stages of selling her company.

She has been totally focused on making this deal happen as it's a life defining moment. She is however apprehensive of what life post-exit might look like, both financially but also how it will affect other life decisions.

THE
WEALTH
MANAGEMENT
FIRM



Meet NextWealth

A full service wealth management firm. It has explicitly built its proposition to serve emerging wealth clients like Dana as by 2020, Millennials and Generation X will control \$30 trillion in investible assets¹.

They have focused on digitally enabled services as they know High Net Worth Millennials (HNWMs) have the highest demand for tech enabled wealth services (a trait they interestingly share with the HNWI's possessing \$10 million in investable assets across other age groups²). However, they also know there is a clear demand for 'human-touch' interactions at key journey stages, and have adopted an 'opti-channel' journey in response.

¹PwC 2016 Wealth Management Trends: A revolution both loud and quiet

²LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

The Next Generation Wealth Management Customer Journey



Awareness

Consideration

**Purchase &
Onboarding**

Retention

Upsell

Advocacy



Awareness



NextWealth doesn't know Dana is about to sell her business.



NextWealth doesn't know Dana is about to sell her business. To build awareness, they could run a broad brand advertising campaign in publications and media relevant to people like Dana. But it's very expensive and inefficient.

Advertising also lacks effectiveness for HNWMs, compared to any other age cohorts. Only 9% of HNWMs rate advertising as effective, whereas personal recommendation is 4x more effective in identifying a wealth manager³.

This is also because HNWMs are generally skeptical of brand reputations. Only 30% of Millennials consider the brand reputation of a wealth manager important, compared to over 60% of the 70+ generation⁴.

30% of
Millennials
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of a wealth manager

Personal recommendation
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in identifying a wealth manager

³LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?
⁴LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

Awareness

Researching Her Preference

So instead of traditional brand advertising, NextWealth opts for content first engagement approach.

To understand the topics that will resonate with prospects like Dana, they select the 'Millennial Owner Manager' custom persona on LinkedIn, and use the Trending Content toolset, along with wider social listening to highlight topics of relevance.

Using A/B testing, they have identified that the best performing content formats are opinionated, first person views and interactive tools. NextWealth has developed a series of content assets under the proposition 'Life After Exit - The Unvarnished Truth.'

Target At The Inflexion Point

NextWealth knows that the 'Awareness' and 'Consideration' phases in the traditional customer journey are becoming considerably truncated for today's customers⁵.

65% of Millennials open an investment account within one week of having thought of doing so, compared to 17% of Boomers⁶.

Rather than lengthy nurture stages, they have to ensure they are present at the inflexion point when Dana considers her future wealth needs with the most intuitive and added value customer experience.



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Social Triggers

Given that 50% of HNWMs refer to social feeds for content, compared to only 16% of high net worth investors across other age cohorts⁷, NextWealth are using Sponsored Content through LinkedIn.

As with other Millennials, Dana's media preference is mobile-first⁸. On her way to the gym at 6am, she checks in to her curated newsfeeds on LinkedIn Pulse and Flipbook for industry news and pithy personal development pointers.

Scrolling down her feed, Dana spots a short post written by an entrepreneur she respects: '5 Questions I Wished I'd Asked Before Selling My Business.'

It's a sponsored post from NextWealth, but as she is 3x more likely to respond to content from people she recognizes than brand advertising⁹, she doesn't hesitate to spend 45 seconds scanning the article.

She consumes it in the social feed rather than clicking through to a website, as NextWealth knows at this early journey stage their content will have to live in the social ecosystem.

NextWealth also has a twin-track content programme targeting intermediaries and sponsoring trade bodies. Dana's contact at her law firm has previously shared a 'Life Post-Exit Checklist' from NextWealth. It was minimally branded and value-added.

With these different referrals, Dana makes a mental note to put NextWealth on the list of wealth management firms she considers.

⁵ McKinsey 'Competing on Customer Decision Journeys' October 2015

⁶ Forrester Consumer Technographics US Financial Services Customer Life Cycle Survey, Q2 2016

⁷ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

⁸ TNS Global 'Connected Life' 2015

⁹ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

Consideration

Three weeks later, Dana has completed the sale of her company and her attention turns to her future wealth management needs. News of the deal has hit the trade press and Dana is soon bombarded with offers from various wealth managers. She is generally skeptical of their brand promises.

NextWealth wants to jump the queue in the consideration phase. Based on her interaction with their previous content, they send her a LinkedIn InMail with an invite to an event they have organized where a panel of experienced entrepreneurs share their experience post exit.

The relevance really matters to Dana. HNWMs rate 'understanding of my situation' as very important in the consideration phase¹⁰. LinkedIn InMail offers autofill with all her details and synchronization with her calendar. The slick experience might seem like a small detail, but NextWealth knows that two-thirds of post purchase decisions depend on the quality of digital experiences earlier in the customer journey¹¹.

It's a great event and gives Dana some unrivalled insight into what the next chapter of her life might hold. It was also a chance to meet some of the private bankers working at NextWealth.

The next day, Sunil, a NextWealth private banker, reaches out directly to Dana to connect.

Dana checks out Sunil's LinkedIn profile. Dana would weed out any wealth manager who wasn't socially active. But Dana is impressed that Sunil actively posts and comments on industry news - his authentic tone of voice and connectivity is very important to Dana¹².

It's simple for Sunil to do this as NextWealth uses Hearsay Social to provide him with a selection of pre-approved content he can use. Prospecting through social media is the most desired feature by staff at wealth management firms¹³.

Awareness

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Connectivity To Peers

Sunil next invites Dana to join a small private group of entrepreneurs in an online community who can share their experiences of life after exit.

This is a clincher for Dana. HNWMs are increasingly turning to digital networks, swapping insight and information with peers through so called 'open investment communities'. 48% of HNWMs tap into online peer-to-peer networks at least weekly to find out about investment ideas and 84% of younger HNWMs saying they expect to increase their use of such networks over the next 12 months¹⁴.

Dana is comfortable with NextWealth's broad proposition, as it is similar to others on the market. But the real added value is this deep connectivity to peers. Dana decides to move to the next stage with NextWealth.

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¹⁰ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

¹¹ McKinsey 'Competing on Customer Decision Journeys' October 2015

¹² LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

¹³ Capgemini World Wealth Report 2016

¹⁴ Capgemini World Wealth Report 2016

Purchase & Onboarding

Despite her general preference for digital, at this stage of the journey, Dana wants an in-person meeting. While HNWMs desire for an initial in-person meeting is less than other age cohorts, it is still the preferred contact preference¹⁵.

Her wealth manager Sunil uses 'shoulder to shoulder' iPad tools to sit with Dana and co-create her financial plan. To understand her holistic needs, Sunil uses psychographic modelling to explore options and behavioral finance tools to understand Dana's deeper risk profile. These tools also allow Sunil to connect Dana to other teams such as social investing, corporate finance and hedge funds.



¹⁵ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

Purchase & Onboarding

Asset Allocation and Fees

Dana is concerned about the overall fees and cost of her wealth manager (93% rate it as important¹⁶). She was initially attracted to automatic asset-allocation. She recognizes she may need more complex advice as well, but in common with her age cohort, she is happier than other age cohorts to 'unbundle' her wealth provision across multiple wealth providers¹⁷.

However, unbundling comes with added complexity. While she is keen on low cost, she values her time more than money and she is keener on a holistic view of the 'health of her wealth' including all her liabilities such as insurance, healthcare and tax planning¹⁸.

Also, NextWealth recognizes that despite Dana's stated concern about fees, price isn't the main factor. In fact, when discussing fees, Millennials are more concerned about transparency and trust. Indeed, when researching investment accounts, Generation X are as likely to look for peer review details about fees¹⁹.

So NextWealth offers a very clear and transparent fee structure with some of their low-cost robo-allocated products, whereas other services include a mixture of fee and subscription.

Open Application Program Interfaces

Given her desire for peer connectivity, NextWealth gives her access to Openfolio's²⁰ service where she can benchmark her portfolio with groups of like minded peers.

Similarly, as a hands on entrepreneur, she wants a degree of self direction in her investment portfolio whereby she can back her investment hunches in emerging tech trends. Again, through an application program interface (API) with Motif²¹, her bundled wealth manager can offer this feature. Sunil sets it up so he can co-browse these decisions along with Dana.

NextWealth didn't have the capability to build all of this functionality in-house. However, it has set up a cloud-based hub and through open APIs, has integrated a number of the best-in-class fintech

providers at these crucial 'moments that matter' in the customer journey. Dana is happy to pay for these services on a subscription basis, after all, that's how she pays for her music, news and transport.

Social Investing

Like 40% of other HNWMs, Dana wants to invest with a social conscience²². With NextWealth she can also create a customized portfolio based on investment products and indices selected for their environmental, social and governance track records while excluding certain companies.

Onboarding Experience

The overall sign up process is slick with digital signatures and pre-completed forms. NextWealth knows it is vital to set these expectations as 40% of HNWMs would ditch their current wealth manager if they felt they weren't sufficiently digitally enabled²³.

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¹⁶ Salesforce 'Wealth Management for Connected Investors' 2015

¹⁷ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

¹⁸ PwC 2016 Wealth Management Trends: A revolution both loud and quiet

¹⁹ Forrester Consumer Technographics US Financial Services Customer Life Cycle Survey, Q2 2016

²⁰ Openfolio www.openfolio.com

²¹ Motif: www.motifinvesting.com

²² Capgemini World Wealth Report 2016

²³ Capgemini World Wealth Report 2016

Retention

38%
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are considering
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manager in the next
12 months



Loyalty

NextWealth knows they can't take Dana's loyalty for granted. 38% of the HNWMs say they are considering changing their wealth manager in the next 12 months, the highest of any age cohort²⁴.

Proactive Matters As Much As Performance

While interest in better performance is certainly a driver for change; service quality, a higher level of personal engagement and a general openness to trying new things are increasingly the catalysts for change amongst Millennials²⁵.

NextWealth knows they have to send Dana timely and provocative new ideas. Indeed, proactive contact matters more than short-term performance to HNWMs. 49% say they would leave their wealth manager if they are not being contacted in a proactive manner with good ideas and advice, while only 21% are concerned enough about short-term losses to their portfolio to shed their financial advisor²⁶.

At this relationship stage, Dana does not need to meet with Sunil. In fact, email is the preferred contact channel for HNWMs, more than face-to-face, 68% vs 43%. 21% of HNWMs prefer mobile apps, it's less than a third of the preference for email. And when asked how these preferences are changing, 70% say they prefer more digital contact²⁷.

Maintaining Funds Under Management

NextWealth offers a customized reporting interface with real-time reporting, aggregated accounts and automated sweep services between her accounts²⁸.

Given much of her interaction is 'in-app', NextWealth has also employed a behavioral economist to structure messaging within the interface. When Dana comes to take money from an investment fund to pay for a holiday, the interface highlights the tax implications of crystallizing a gain, so instead she opts to take money from a cash account.

²⁴ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

²⁵ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

²⁶ 'High Net Worth Millennials' - Spectrem Group

²⁷ LinkedIn & Greenwich Associates: Next Generation Customer Journey in Wealth Management: High Tech or High Touch?

²⁸ Capgemini World Wealth Report 2016

Upsell

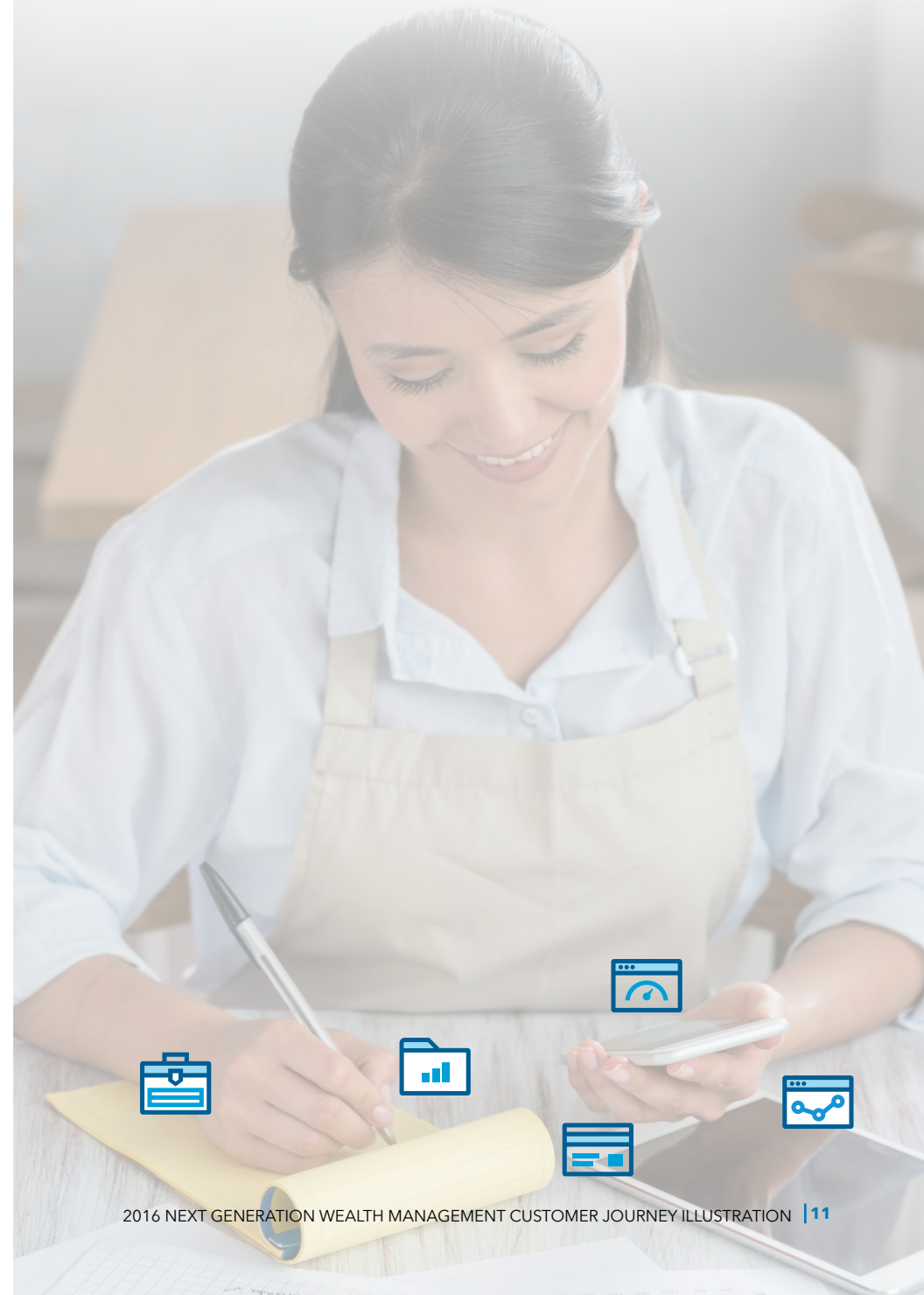
While much of the current industry focus is on digital engagement at the start of the customer journey, it has perhaps a more important role to play in deepening existing relationships. 87% for HNWMs say digital maturity is very or somewhat significant in their decision to increase assets with their wealth management firm over the next 24 months²⁹.

Dana has a host of other holistic wealth needs that NextWealth could offer support with. However, as the gatekeeper, Sunil is reluctant to upsell to Dana at this stage of the relationship as he wants to be seen as a trusted advisor, not a salesman.

However, through tracking her interactions with content on her personal digital hub, as well as data modelling to reveal propensity scores, Sunil is able to proactively determine what other service lines might be of greatest relevance to her.

After agreement with Dana, Sunil sets up a web conference where he brings together a number of experts from different product teams in NextWealth, including the corporate finance team to discuss how they can provide funding for Dana's potential next venture. For Dana, it doesn't feel like sales, but a natural extension of her existing relationship.

²⁹ Capgemini, World Wealth Report 2016



Advocacy

She is now a firm advocate for NextWealth. She is happy to share her experiences of 'life after exit' and contribute to their content program.

NextWealth is able to use Sales Navigator from LinkedIn to amplify this content to Dana's peer network. In doing so, it fuels the cycle of engagement that will attract the next HNWM into their network.



How LinkedIn Can Help You Rethink Your Customer Journeys

At LinkedIn Marketing Solutions: Financial Services we aim to partner with financial brands to help them rethink their customer journeys. We can do this through:

Our Platform

Offering scale as well as granularity to provide deep insight into your clients and their life journeys.

Marketing Solutions

Driving deeper engagement with personalized, compelling and 'always on' content matched to each stage of your customer's journey.

Get in touch through the contact details below to find out more about how LinkedIn Marketing Solutions: Financial Services can help you rethink your own organization's customer journey and connect you to the audiences and issues that matter most.

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