

Technology Solutions Guide an Evolution in Wealth Management



The survey's key findings include:

- Productivity and client experience are key drivers for firms' technology decisions
- Improvements in customer and advisor onboarding are important to firms, but they need help understanding how to achieve them in the near term
- A majority of firms already use CRM solutions and most already trust them to produce a high ROI
- Most firms that use CRM software would also like to do more with it
- Integrating CRM software with technology solutions that offer real-time metrics on productivity, business growth and client service could accelerate productivity gains



The wealth management industry is undergoing an evolution, both in terms of client needs and the availability of tools that can help firms manage customer experiences more efficiently. As clients grow accustomed to the ease and flexibility that digital technology offers in other industries, they've come to expect similar conveniences when it comes to their interactions with advisors. At the same time, advisory firms want to improve customer experiences while managing cost by reducing administrative burdens and driving operational scale.

Increasingly, wealth management firms are seeking digital tools to help them tackle both emerging challenges together. These solutions have the potential to make wealth management offerings more attractive to clients seeking a more seamless and convenient experience. They could also help increase firm productivity – and profits – in 2022 and beyond.

Recently, WealthManagement.com and Informa Engage surveyed advisory firms on behalf of Salesforce to understand their use of technology tools and metrics to support their practices. They found an increasingly technologically savvy industry that is looking forward to further leveraging digital tools.



**Productivity and client experience
are key drivers for firms’
technology decisions**

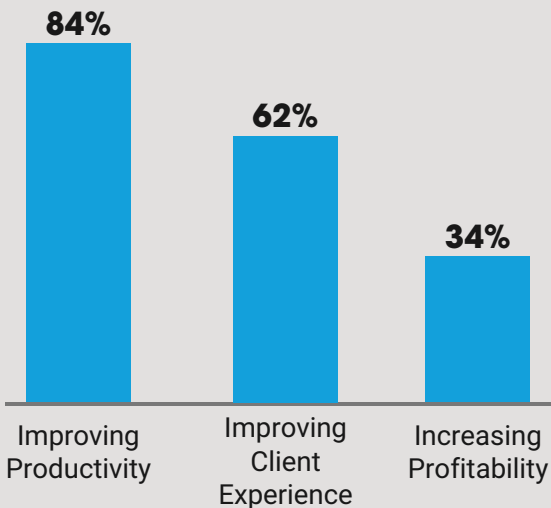
When wealth management firms evaluate their technology needs, their top consideration is productivity, followed by improving the client experience and increasing the profitability of their firms. To a certain extent, these three themes are linked: The more productive employees are, the better they serve customer needs. And a better customer experience is the key to attracting and retaining customers, increasing profitability.

“We recognize that wealth management firms are accelerating efforts to innovate and deliver a refined and unified multi-channel user experience via a common platform,”

says Michelle Feinstein, general manager and vice president in Salesforce’s Global Wealth and Asset Management Solutions and Strategy – Industries division.

Well-integrated, easily implemented solutions are critical because technology already plays a key role in supporting several aspects of wealth management practice. More than three quarters (78%) of firms report that digital tools are useful for managing risk. Most also rely on existing technology solutions for client attraction and retention (72%) as well as digital workflow automation (71%). Poorly integrated solutions can put pressure on those existing systems. “Firms need a partner that offers compelling solutions and speed to market when it comes to integration and innovation,” says Feinstein.

**Top-Two Considerations when
Evaluating Technology Needs &
New Investment Areas**



Question: What are your top-two considerations when evaluating technology needs and new areas of investment? (Select up to two.)



Improvements in customer and advisor onboarding are important to firms, but they need help understanding how to achieve them in the near term

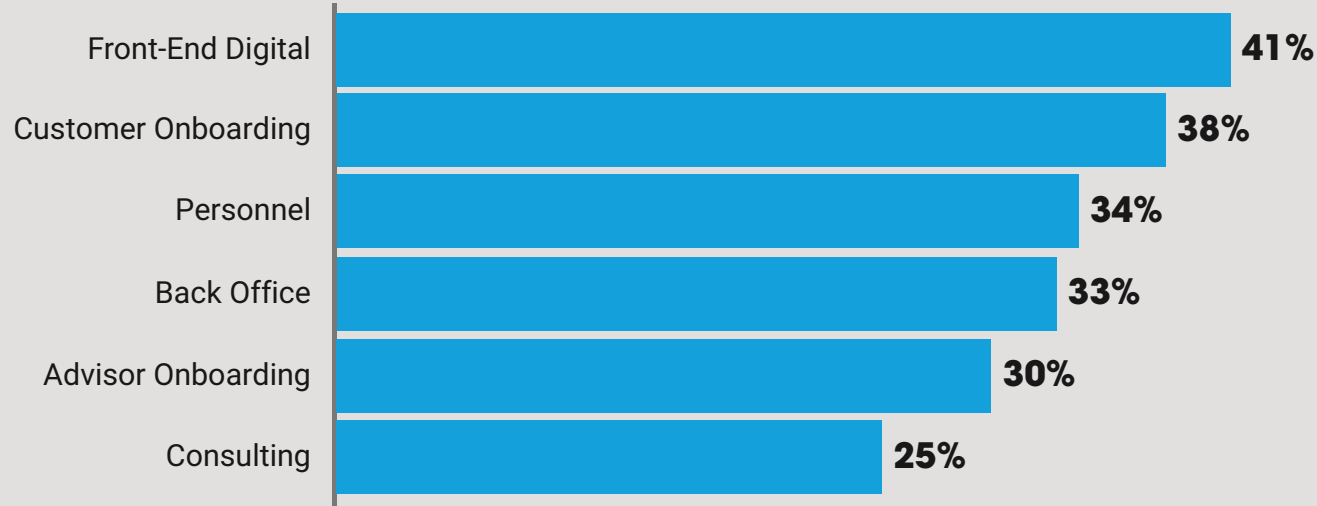
As client expectations evolve, the most attractive option for advisors is to expand their reliance on the tools they already have in place as they improve their practice. Over the next two years, firms indicate that their two highest priorities for technology investment are front-end digital tools and customer onboarding experience.

These customer-centric priorities are a natural extension of an area in which almost all firms have made significant investments already: Customer relationship management (CRM) software. “To many firms, the CRM has become the heartbeat of the tech stack and a prominent accelerator of digital transformation efforts,” says Feinstein. “They

are relying upon the platform to drive automation and optimize efficiency in the areas of onboarding, business process management, data management, and document management efforts.”

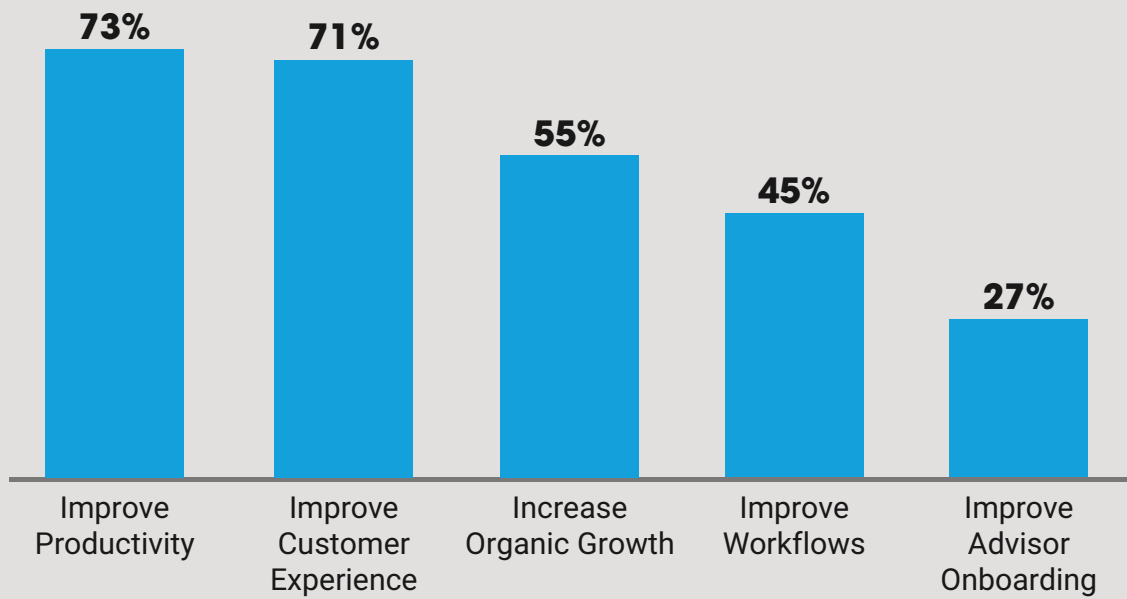
Firms that turn their attention to enhancing their CRM systems to address some of these underserved areas stand to benefit from productivity gains in a busy and volatile new year. The value of advisor onboarding, in particular, can be remarkably high. The sooner new advisors come on board, the sooner the firm can benefit from their service, along with the clients whose assets they bring under management. Adding these types of capabilities to existing mission-critical technologies like a firm’s CRM platform can be a particularly efficient approach. Building on an existing CRM platform eliminates the possibility that a new technology solution will limit the utility of a key part of the business – or worse, render it incompatible.

Planned Areas of Investment – Next Two Years



Question: In which of the following areas do you plan to invest in the next two years. (Select all that apply.)

Top Business Objectives for 2022



Question: From a business perspective, what are your firm's top three objectives for 2022? (Select up to three.)



A majority of firms already use CRM solutions and most already trust them to produce a high ROI

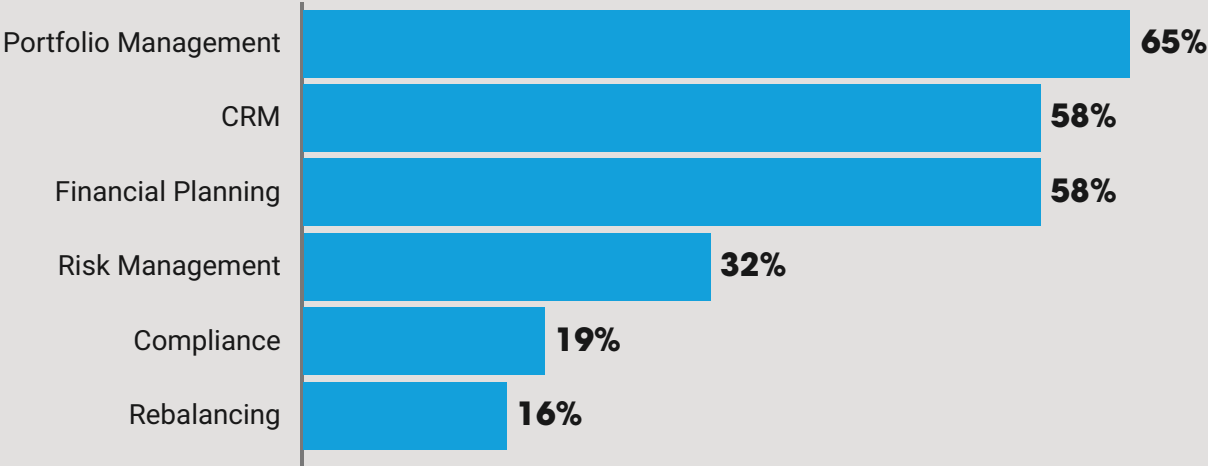
It’s difficult to overstate the importance CRM technology for wealth management firms. “The CRM is now the platform to unite all teams around the customer,” observes Feinstein. Almost three quarters (71%) of firms already use CRM software, and all but a small percentage of the remaining firms are considering using it within the next 18 months.

In fact, most advisors already understand that a sophisticated and well-managed CRM system can produce tangible value for their firms. When it comes to their technology investments, survey respondents report that

they have experienced the greatest returns on investments in portfolio management (65%), CRM (58%), and financial planning (58%) systems.

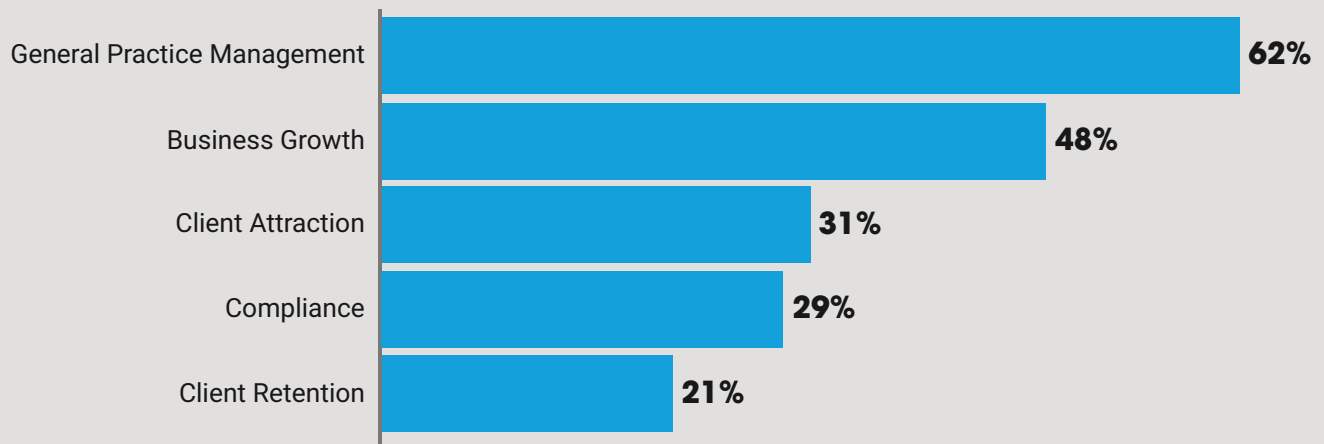
And the more they use their CRM platform, the better firms understand its value: 71% of existing CRM users believe it delivers a greater return than other technology tools. A good deal of that value comes from the way a customer focus drives all elements of the business into alignment organically. “The Customer 360 brings sales, service, marketing, commerce, IT and analytics together through digital workflows that power a modern way of working,” says Feinstein.

Technology Solutions with Greatest ROI



Question: Which of the following types of technology solutions do you believe have delivered the highest levels of return on investment for your firm? (Select all that apply.)

Where would you like more support from your CRM software?



Question: In what areas would you like more support from your CRM software? (Select all that apply.)

Most firms that use CRM software would also like to do more with it

Although firms are now well-familiar with CRM software and existing users understand its value across a range of applications, these tools still offer a great deal of untapped potential to firms that look for ways to unlock it. Currently, most primarily use their CRM tools to strengthen existing client relationships (70%), and manage their practice (58%).

However, with relationships and productivity as key focuses for the wealth management industry moving forward, firms can further leverage this tried-and-tested tool to best position them to achieve their 2022 goals. “At Salesforce, we see the CRM as a powerful platform that wealth management firms can leverage to enhance experiences for advisors, the middle office and clients,” says Feinstein.

Indeed, many firms see opportunities to link their CRM platforms to general practice management applications, business growth and compliance, in addition to improving client attraction and retention.

“Instead of just using CRM to track leads or manage contacts, firms are using it to modernize their data strategies, incorporate AI and analytics, streamline advisor and client onboarding experiences, simplify workflow and task management and enhance collaboration,” Feinstein says. A majority of firms report they would like to expand

their CRM applications into streamlining automation and workflow processing for middle office (59%) as well as predictive insights (51%).

CRM software is a foundational means of support for firms’ existing practices, but it is also an integral part of their expansion plans for the future. Even the vast majority (84%) of those firms that are considering adopting other technology applications in 2022 expect their CRM to be able to integrate with those solutions.

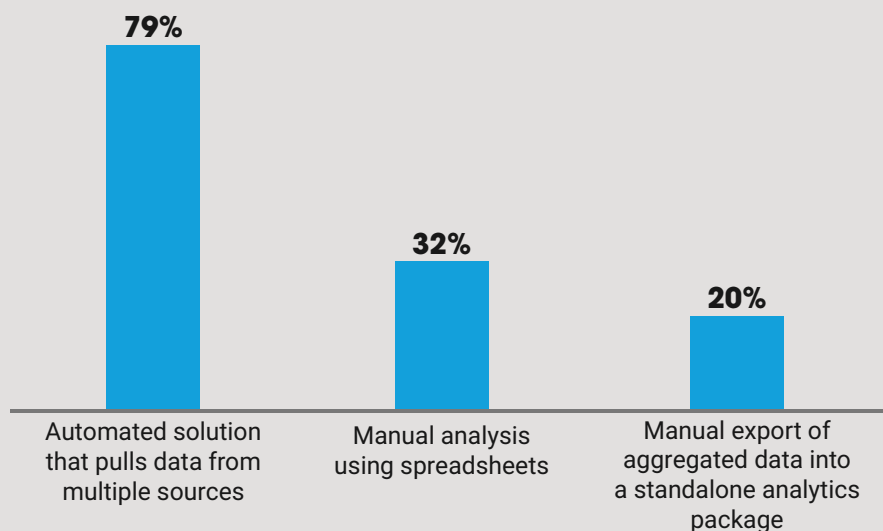
Integrating CRM software with technology solutions that offer real-time metrics on productivity, business growth and client service could accelerate productivity gains

As firms seek to leverage technology solutions to meet their 2022 business objectives, collecting real-time metrics has become a high priority. Real-time performance data can provide another valuable resource to help firms improve everyday management, productivity, and back-office function – and tackle the bigger picture of overall client satisfaction as well.

Most respondents with access to real-time data currently obtain it via an automated, third-party marketing platform while about a third manually import data from an application. Better integrations with their existing (and trusted) CRM tools could help bring this valuable resource within closer reach.



Means of Measuring Internal Business Performance



Question: How does your firm measure internal business performance? (Select all that apply.)

Firms with access to real-time metrics can unlock new ways to measure their performance. More than seven out of 10 firms consider real-time data on revenue per client to be the most useful real-time metric they could have. Real-time performance indicators for assets under management revenue per producing advisor are also a high priority for many clients.

“One of the biggest challenges for most firms is having a fragmented user experience and having to swivel-chair to many different platforms to input data, share data, and generate useful reports,” says Feinstein. “At Salesforce we tap into the power of more connected data and AI together to automate manual processes, study trends in activity and deliver insights and next best actions as well as offer enhanced levels of personalization.”

Access to these types of real-time data can help firms make administrative and back-office tasks more efficient. That process, in turn, can substantially increase the bottom line, as resources freed from administrative tasks can redouble their efforts to deliver high-touch, high-quality customer service.

By integrating as many of these functions as possible with their existing technology via enhancements to critical systems like the CRM, wealth managers can chart an efficient path to improved productivity and better customer support. These enhancements, in turn, can lead directly to more satisfied clients, more assets under management and enhanced revenues.

OVERVIEW: Methodology, data collection and analysis by WealthManagement.com and Informa Engage. This research is exclusively sponsored by Salesforce. Data collected October 19 through October 28, 2021. Methodology conforms to accepted marketing research methods, practices and procedures.

METHODOLOGY: On October 19, 2021, Informa Engage emailed invitations to participate in an online survey to users of WealthManagement.com. By October 28, 2021, Informa Engage had received 443 completed surveys.

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