

GOAL-BASED INVESTING FOR WEALTH MANAGEMENT

Personalizing the investment experience

Investors take center stage and demand an intuitive experience to demonstrate how portfolios are tailored to meet their personal goals.

Goal-based investing enhances the digital transformation strategy (Robo technology) that allows firms to own the investor engagement.

50% GREATER PROBABILITY of achieving financial objectives compared to traditional Wealth Management approach.¹

How does Goal-Based Investing ENHANCE YOUR BUSINESS MODEL?

CHIEF INVESTMENT OFFICER BESPOKE PORTFOLIO MANAGEMENT

ISSUE: Strategic asset allocation must become personalized, reflecting clients' ambitions, fears, and investment horizon.

SOLUTION: IBM portfolio construction framework (Mark-to-Future) allows segmentation of portfolios and clientele according to personalized investment ideas.



HEAD OF ADVISORY CONNECT WITH INVESTORS

66% of heirs dismiss their parents' financial advisor²

ISSUE: Advisory approach must align with requirements of younger, digitally-savvy investors.

SOLUTION: Analyze demographic data matching clients' personal traits and risk tolerance with suitable investments.



COMPLIANCE OFFICER MANAGE COSTS

68% of firms expect compliance budgets to increase³

ISSUE: Need to transition from product-oriented to transparent client-centric approach.

SOLUTION: Goal-based investing realigns the firm's incentives with clients' interests, helps to increase transparency and reduce attrition.



HEAD OF DIGITAL INNOVATION STAY AHEAD

ISSUE: FinTech (Robo-Advisors) are disrupting traditional banking.

SOLUTION: A scalable API ecosystem personalizes investment analytics across multiple channels, segments, products and asset classes.



FINANCIAL ADVISOR SERVE MORE CLIENTS

20% more time spent on investor relationships than on client acquisition and prospecting.⁴

ISSUE: Need for higher margin services and a need to increase the investor/advisor ratio.

SOLUTION: Intuitive visualization provides clarity and context to investment decisions over the life-cycle.



So, what does this all mean for THE SMART INVESTOR?

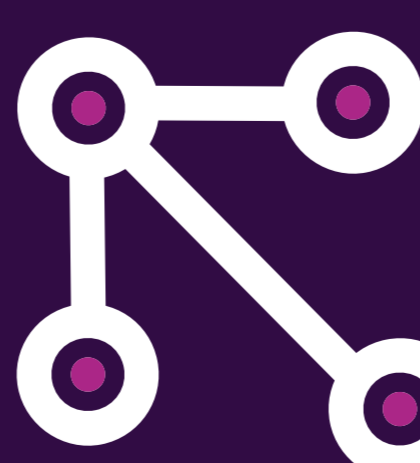
A successful investment experience is provided through a **deeper digital engagement**.

Over \$30 trillion

will be passed down to younger generations in the next 30 to 40 years.⁵

HELP ACHIEVE THEIR GOALS AND YOURS WITH ONE SOLUTION IBM GOAL-BASED INVESTING.

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1 EDHEC Risk Institute, in Research Sponsored by Merrill Lynch
downloaded from www.edhec.edu Publication EDHEC_Publication_Comprehensive_Investment_Framework.pdf
2 Corporate Insight February survey
investmentsnews.com/article/20150713/FEATURE/150719999/the-great-wealth-transfer-is-coming-putting-advisers-at-risk
3 Thomson Reuters 2015 Cost of Compliance Survey
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4 AJTE:RIA Technology Integration: The True Opportunity Cost of Inefficiency (2011)
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5 Accenture: The Greater Wealth Transfer
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