IBM Client Insight for Wealth Management

Powered by IBM Cloud Pak for Data

Highlights

• Creates dynamic, behavior-based client segments
• Detects and predicts life and financial events
• Predicts client attrition
• Integrates easily with proprietary applications and dashboards

Challenges

The wealth management industry is undergoing significant changes. Business models are shifting from commission-based to fee-based, and goals-based planning aids and intuitive digital tools are now a minimum requirement from both clients and advisors. In addition, a broad spectrum of disruptors is posing a challenge to the industry. Wealth management firms now need to overcome multiple challenges to meet their clients’ increasing demand for more personalization. At the same time, they must provide the advanced tools needed by advisors to better service their clients, scale their businesses and capture the next generation of wealth.

As more advisors retire from the industry and the next generation of advisors joins it, the need to quickly provide new advisors with advanced technology to augment their expertise is imperative. Furthermore, transitioning from a commission-based transactional approach to a fee-based advisory model now requires advisors to deliver a more holistic approach based on goals — requiring a deeper understanding of a client’s needs.
Determining how to deliver this experience is one of the most immediate and strategic questions facing wealth management firms. Advisors must better understand client needs, expectations and goals to provide a valuable, personalized service.

**Solution description**

Both seasoned and new financial advisors require analytics and cognitive tools to gather deep client insights. These insights can assist in understanding each individual client and their financial goals to offer tailored products and services and deliver a better and differentiated wealth management experience.

The IBM® Client Insight for Wealth Management Powered by IBM Cloud Pak™ for Data solution can effectively predict, personalize and address the changing needs of the current and next generation of clients. The solution accomplishes these functions by using a new era of advanced analytics and cognitive computing.

It empowers users by:

1. Segmenting clients by their behaviors
2. Predicting life and financial events
3. Predicting client attrition

**Advanced client segmentation helps tailor better offers**

Client Insight for Wealth Management generates advanced client segmentation based on each client’s behavioral profile and transactions. Advisors will no longer have to segment their clients by arbitrary asset ranges, for example under $500,000, $1 million to $2 million, and so forth. Using machine-learning capabilities, Client Insight for Wealth Management can identify the unique segments in an advisor’s book of business. With this knowledge, financial advisors can manage their clients in a more personalized manner on a day-to-day basis, knowing when to call to offer reassurance or tailoring more appealing offers.

**Client attrition model helps improve client retention**

Financial advisors spend countless years growing relationships only to see their efforts lost because of unexpected attrition. When advisors apply analytics to review data on all of a client’s interactions with the firm, typically a pattern will emerge to provide them with advance warning that the client is preparing to reduce business in favor of another firm. Advisors can then be informed of supporting evidence and suggested remedial actions to retain the relationship.
Life event detection and prediction to proactively service a client’s needs

Clients increasingly expect that advisors will anticipate their needs. With the life event detection and prediction capabilities of Client Insight for Wealth Management, financial advisors are able to gain a deeper look into the lives of clients. As a result, they can proactively service their clients’ financial needs, reaching out at the right time with the right advice or offer.

Product Details

The solution comes with a pre-built data model, sample data, pre-built analytics with machine learning models and sample UI/Dashboard to see the results. You may aggregate various data sources using IBM Db2, data virtualization or other open source third-party providers across a hybrid cloud environment. It can be set up in as little as 8 to 12 weeks. Furthermore, all these insights can be delivered seamlessly using the API on your existing dashboards.

Conclusion

Client Insight for Wealth Management delivers advanced behavior-based client segmentation to financial advisors. It creates a comprehensive view of the client by integrating multiple data sources inside the organization. It also helps them use this data to provide a fact-driven approach to personalized, holistic advice. In addition, it leverages advanced analytics and cognitive computing to deliver the actionable insights that financial advisors increasingly expect, allowing them to better anticipate client needs and build client engagement.
Why IBM?

IBM Analytics offers one of the world’s deepest and broadest platforms with domain and industry solutions that deliver new value to businesses, governments and individuals. For more information about how IBM Analytics helps transform financial services industries and professions with data, visit ibm.com/analytics.

For more information

To learn more about Client Insight for Wealth Management, please contact your IBM or Business Partner representative or visit:
http://ibm.biz/client-insight-wealth-mgmt

For more information about how IBM Cloud Pak for Data helps transform financial services industries and professions with data, visit:

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Solution Brief

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