IBM Client Insight for Wealth Management

Powered by IBM Cloud Pak for Data

Challenges

The wealth management industry is undergoing significant change. 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.

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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

4. Identifying affinity to a given offer or campaign

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.

Learn how it works >

See the business impact >
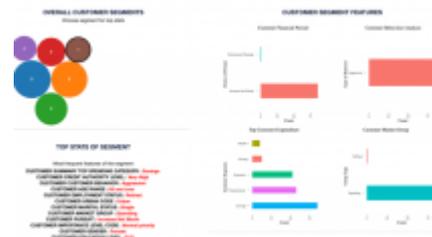
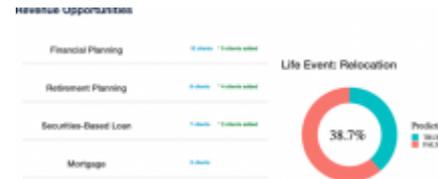*Client segmentation screenshot*

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.

Learn how it works >

See the business impact >

Life event detection and prediction screenshot

Client attrition screenshot

Life event detection and prediction 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.

Learn how it works >

See the business impact >

Offer affinity pinpoints new business opportunities and provides increased personalization

For financial advisors to offer solutions tailored to clients' financial needs, they need to understand their propensity toward various products. Client Insight for Wealth Management delivers a product propensity model to do just that. Understand the personality of the client and find the best approach for each client's needs based on their propensity to various financial solutions.

Learn how it works >

See the business impact >

Offer affinity screenshot

Product Details

The solution comes with a pre-built data

model, sample data, pre-built analytics with machine learning models and a 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 multicloud 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 and 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.

Find the right use case to tackle your business needs.

Our industry accelerators are designed with your pain points in mind. These specific use cases provide you with a set of assets including sample data, models and documentation that help address your common business issues while expediting your time to value. Leverage Data Science and AI Elite's Industry Accelerators to kick-start your project.

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Find your data science use case >

Why IBM?

There is no AI without IA (Information Architecture). Many organizations can't start their journey to AI because 80% of their data is locked in silos and not business ready. IBM helps thousands of enterprises put AI to work by unlocking the value of their data, delivering the right set of skills for your team and building trust and transparency into AI.

Learn how IBM Analytics helps transform financial services industries and professions with data.

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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: https://www.ibm.com/products/cloud-pak-for-data

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