

DIGITIZING FOR IMPACT: PUTTING THE WEALTH MANAGEMENT CLIENT AT THE CENTER OF CLIENT ONBOARDING

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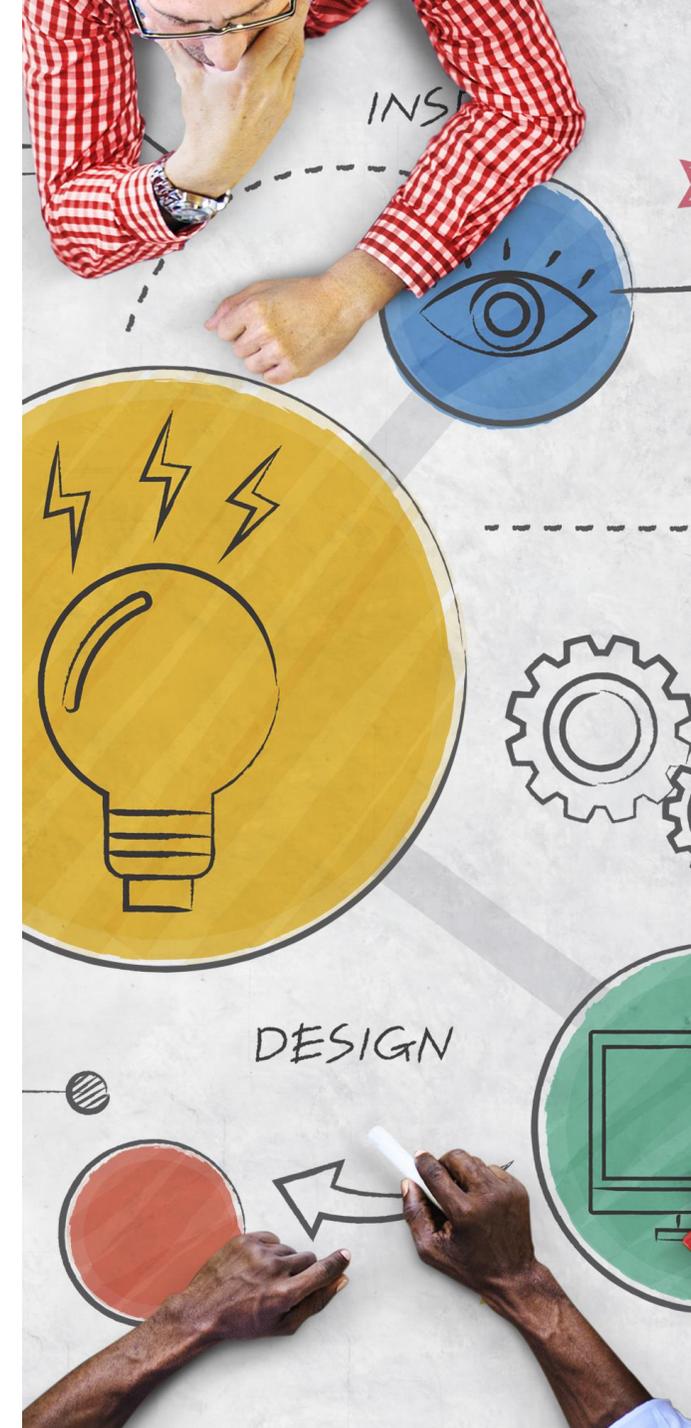


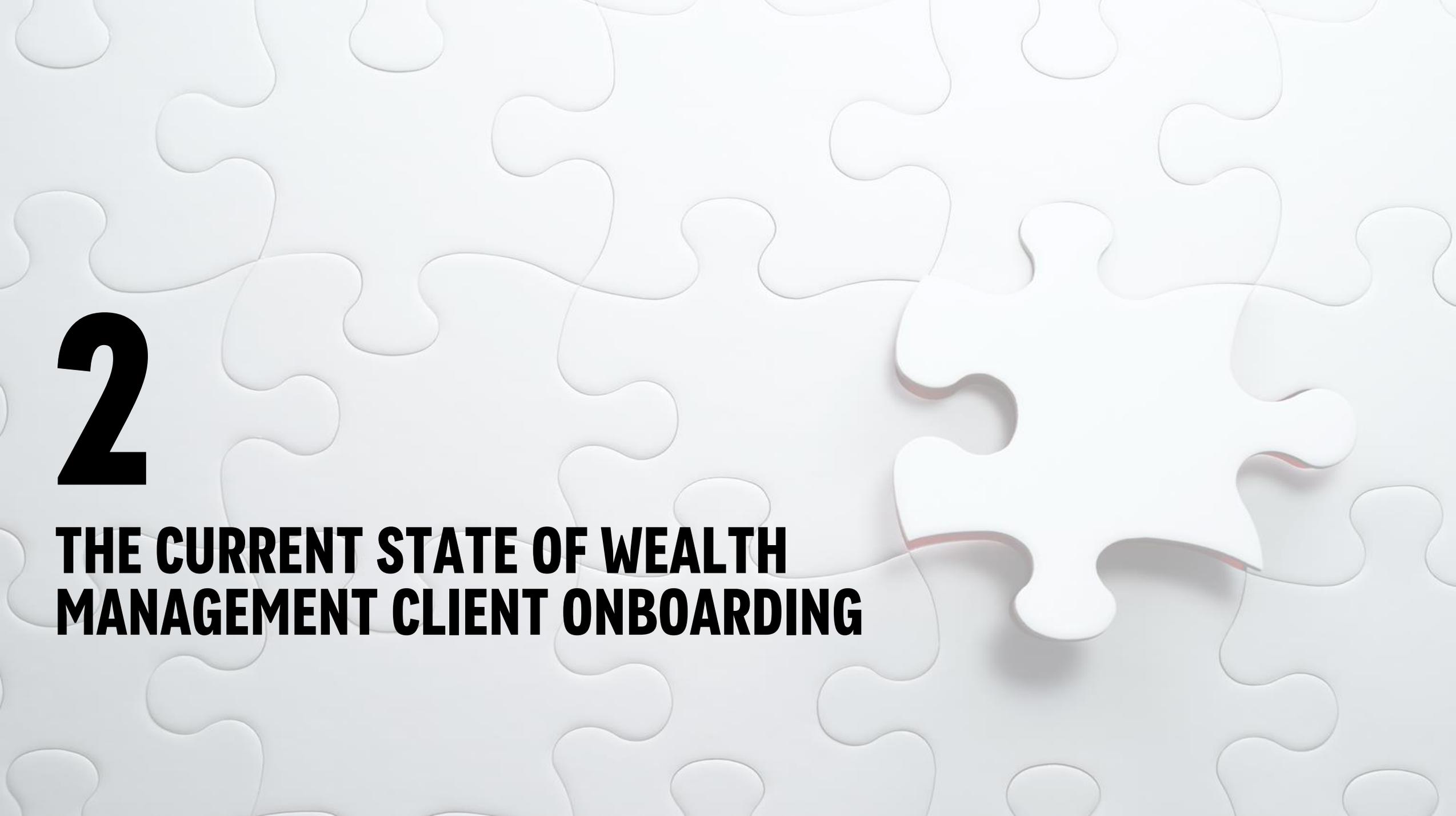
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EXECUTIVE SUMMARY

CLIENT ONBOARDING, THE FIRST MEANINGFUL INTERACTION BETWEEN AN ADVISOR AND A CLIENT, IS RIFE WITH PAIN POINTS AND PRIMED FOR INNOVATION

- Client onboarding is an umbrella term that encompasses processes from prospecting through new account opening and ongoing AML and regulatory adherence. Onboarding today remains highly manual despite client demands for increased digitization of wealth management services
- Wealth managers are just beginning to digitize their client onboarding process. Digitizing each element of the process can increase advisor efficiency, improve client satisfaction, and establish a solid foundation for a robust ongoing relationship
- Examining implementations of digital capabilities across the onboarding value chain shows the benefits of investing in technology upgrades
- Wealth managers of all stripes should examine their client onboarding process, as improved onboarding processes can lead to significant revenue upside and advisor-client satisfaction
 - Assess where you are today
 - Determine the areas of greatest leverage
 - Begin to execute tactically, while keeping the long-term strategy in mind

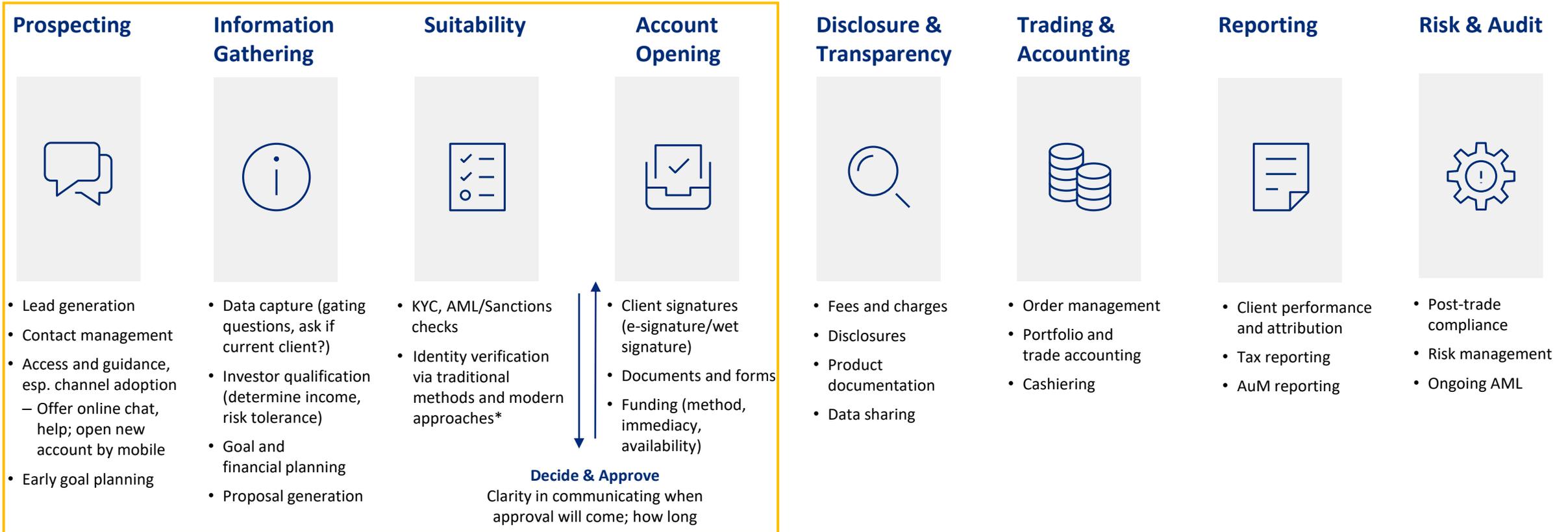




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THE CURRENT STATE OF WEALTH MANAGEMENT CLIENT ONBOARDING

“CLIENT ONBOARDING” IS AN UMBRELLA TERM THAT ENCOMPASSES PROCESSES FROM PROSPECTING THROUGH NEW ACCOUNT OPENING AND ONGOING AML AND REGULATORY ADHERENCE



Financial institutions must abide by regulatory requirements when onboarding clients, so meticulous suitability checks are critical to managing the institution’s risk exposure

For the purpose of this report, Celent will focus on prospecting, investor information gathering, suitability, and account opening as main areas of innovation. However, important to note is the tight linkage to mid-back-office functions, including disclosures & transparency, trading & accounting, reporting, and ongoing risk & audit. Cohesive integration and data flow across the entire value chain is critical.

*Traditional methods: knowledge-based authentication Modern approaches: verify authenticity of documents/validate user is the rightful owner of the document
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WEALTH MANAGERS ARE AT THE BEGINNING OF DIGITIZING THEIR CLIENT ONBOARDING PROCESS

The current state of wealth management client onboarding

Today's process: fragmented and underpinned by manual, disconnected, paper-based processes

- The technology focus has shifted from back-office improvements to front-office advisor enablement, including client onboarding
- A seemingly intuitive and straightforward process, client onboarding continues to be a challenge for clients, advisors, and employees
- The front-end has become more digital, but there is a lack of seamless data relay to the back-end
- The average lead times to onboarding clients vary between 14–22 days. There are significant redundancies (e.g., data entry (front-end through KYC) and a lack of process transparency (e.g., sign-off/approval status) in the onboarding processes

New advisor and client sentiment and expectations: a reliance on technology

- The pandemic hastened a broader shift to remote communication and digital channels, likely a step-change in advisor and client expectations post-crisis
- Clients' expectations for a personalized, digitized, and user-friendly onboarding and client journey are compounded by the client experience in adjacent industries
- Wealth managers seek a higher level of automation of services and central storage of data in the onboarding process
- Advisors and clients face limitations around ease of use due to regulatory compliance, cost, operational efficiencies, and scalability

Source: Celent, Leading Vendors in Client Onboarding



THE ONBOARDING PROCESS PRESENTS PAIN POINTS FROM INCEPTION THROUGH TO MAINTENANCE

Seeing the Bigger Picture

- One of biggest hindrances to the client onboarding process is organizations not taking a step back before embarking on new initiatives
- A wealth manager needs to understand all their processes and create an optimal workflow first, rather than tinker with individual elements of it
- Each element of the onboarding process, while discrete, is inextricably linked to other elements; they are best examined as a cohesive system
- The intergenerational wealth transfer of approximately \$50 trillion is in motion. As such, there will be more individuals looking for wealth management services in non-traditional ways (e.g., online rather than through referrals). Historical data show that wealth transfers from one generation to the next have resulted in 90% of heirs changing their advisor¹. Wealth services need to reflect this new era of client behavior

Shifting Mindsets

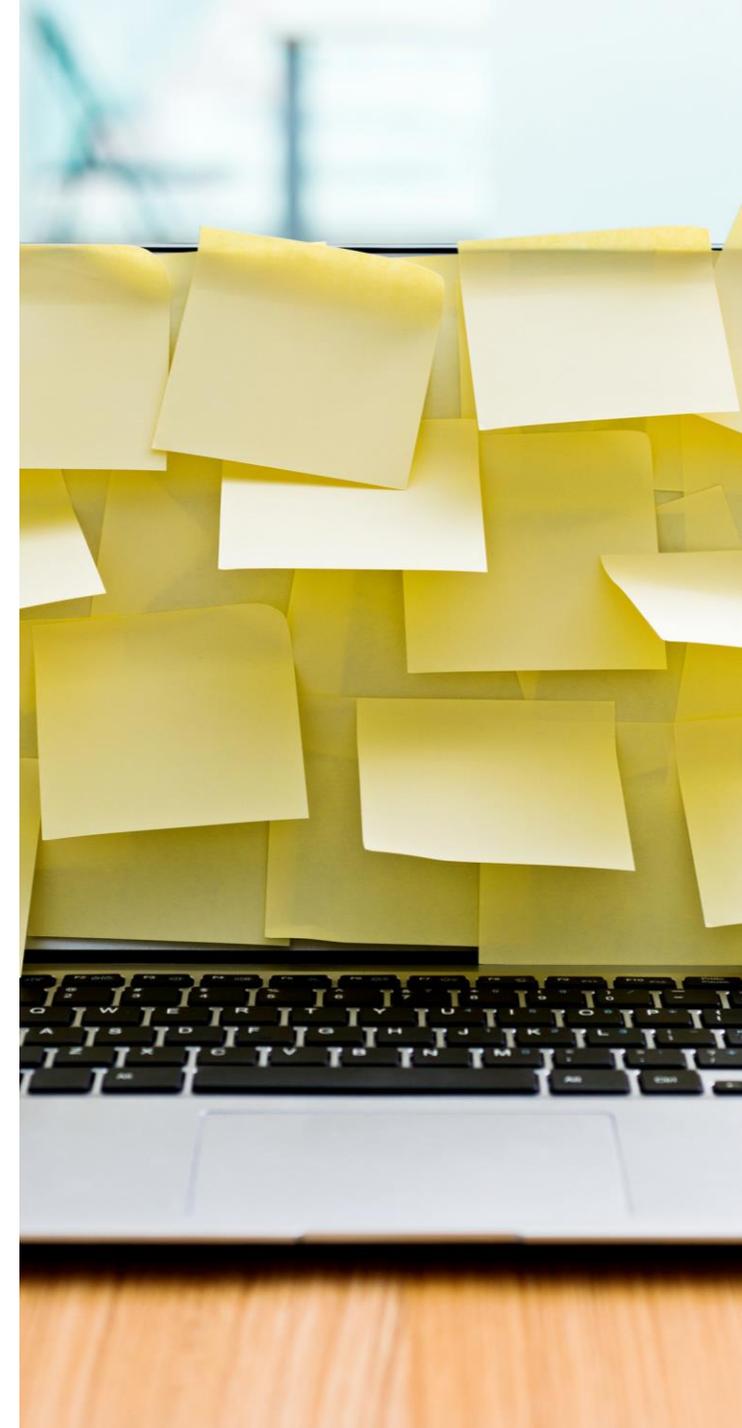
- Creating a true hybrid high-touch, high-tech solution presents challenges across the client-advisor-employee journey because digital adoption by clients and advisors is not fully embraced yet
- Clients are generally willing to do business digitally and are inclined to be involved in a digital process²
- There is a resistance to change within a wealth manager rather than a client. Mindsets such as “it's always been like this” tend to dominate, especially in certain areas of wealth management
- There is an unconscious bias of assuming client demographics might be more or less digitally inclined than they are in reality

Adhering to Regulation

- Legislation continues to evolve, particularly with an increasingly international client base and as new asset classes emerge
- A lack of prescribed standards has led to a misinterpretation of risk assessment and has created an over-complication of the KYC, AML/Sanctions process
- The amount of data that is required of firms to capture, store, and update regularly to comply with regulation is significant and can create operational inefficiencies and risk
- Transparency and data validation across the onboarding process are critical—and largely still paper-intensive

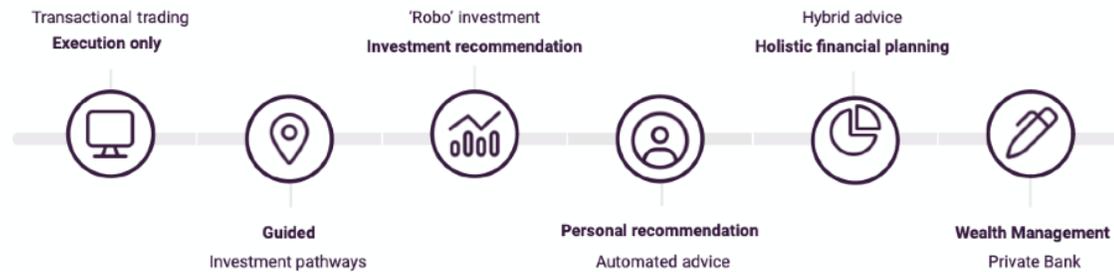
¹ Deloitte

² 2020 CX Transformation Benchmark survey NICE inContact

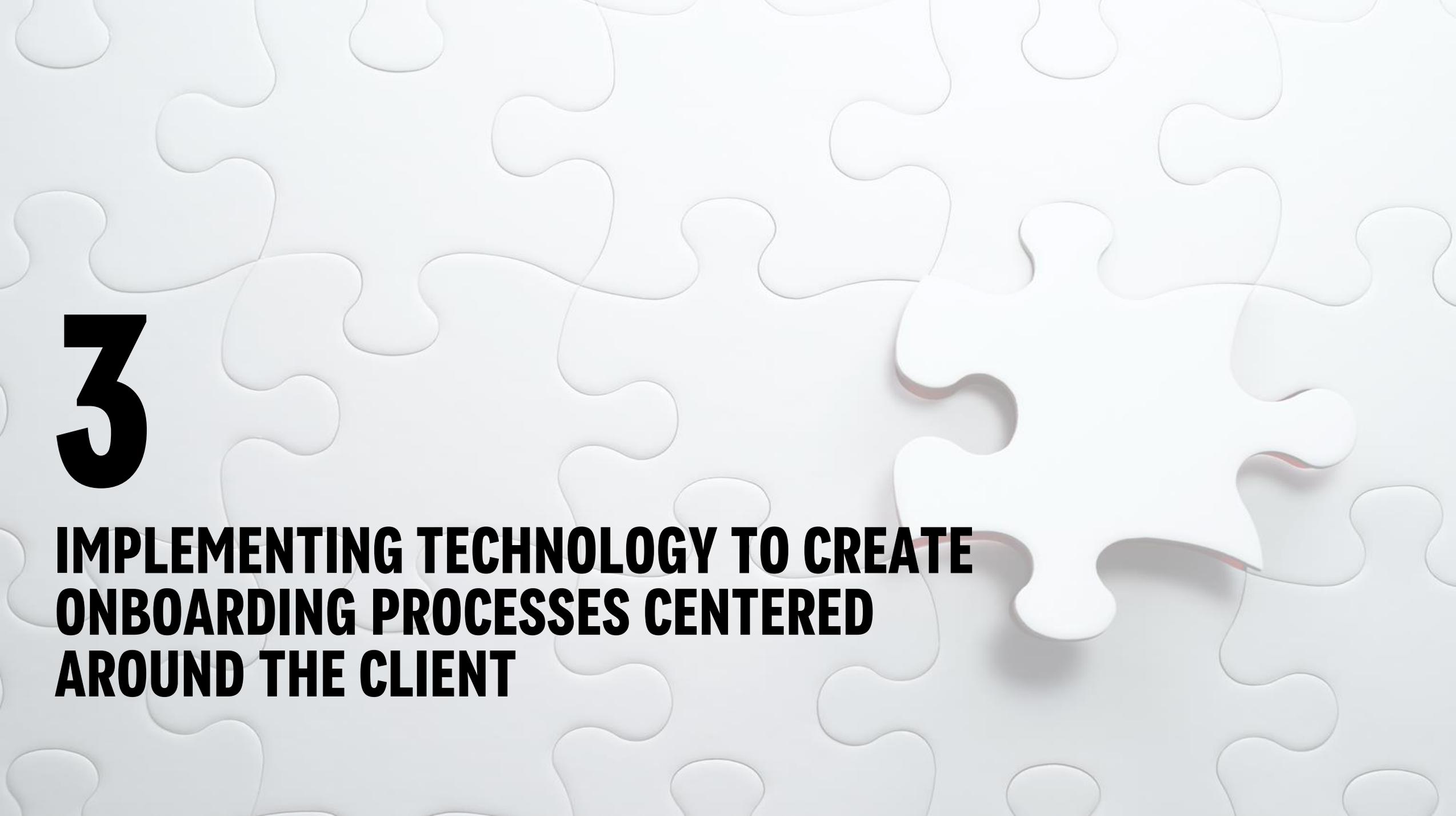


THE ONBOARDING PROCESS NEEDS TO BE FLEXIBLE IN ORDER TO ACCOMMODATE A RANGE OF CLIENTS

The continuum of “advice” propositions presents opportunities for innovation



- The onboarding experience between the extremes (execution-only and white glove private banking) will be considerably different while the “middle ground” will share some features
 - “Tra-Digital” Wealth Management, where “traditional” wealth management meets purely “digital” wealth management is a cornerstone to today’s industry, so cohesive integrations enabling flexibility between systems and modes of communications should be a focus area
 - Regardless of the client journey, organizations need to view the onboarding process from the client’s perspective rather than from their own
- Clients will determine the service they want themselves and therefore start their onboarding journey anywhere along the continuum
 - Once the full end-to-end process has been devised, then the workflow will fully support the process
 - The process therefore must be flexible enough to accommodate clients throughout their wealth management/accumulation journey, or those who want to step off at any point and use another service (such as a full wealth management client who also has some execution-only money which they use for non-advised transactions)



3

**IMPLEMENTING TECHNOLOGY TO CREATE
ONBOARDING PROCESSES CENTERED
AROUND THE CLIENT**

UPGRADES TO ONBOARDING, KYC, AND IMPLEMENTATION PROCESSES ARE MOVING FROM A COST LENS TO A FOCUS ON CLIENT EXPERIENCE AND REVENUE UPSIDE

What does this mean in practice?

IMPROVING THE CUSTOMER EXPERIENCE

- Digitizing and creating a single portal for client-bank onboarding interactions
- Automating initial screening and pre-populating data
- Streamlining certification and signatory processes
- Automating incremental product implementation and rolling out self-service testing portals
- Introducing tools to embed in client's own workflow to enhance data capture and document review

REDUCING COSTS OF NEW AND ONGOING PROCESSES

- Aligning client hierarchies and mapping IDs at outset to reduce duplication in files
- Digitizing analogue client data
- Streamlining and rewriting KYC policies to reduce number of data fields required
- Automating key KYC process steps
- Elimination of unnecessary manual checks

CAPTURING REVENUE UPSIDE

- Expanding and mandating use of a common CRM to ensure consistent and comprehensive data capture
- Leveraging unstructured data to support data in pre-boarding as well as sales targeting efforts
- Creating a single view of client to support cross-selling and campaigns



SUCCESSFUL CLIENT ONBOARDING ACHIEVES LONGEVITY OF RELATIONSHIP, HIGH USER ENGAGEMENT, AND A LOW CHURN RATE

Connecting the “6 C’s” of how to approach client onboarding

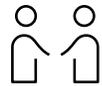
Clarity of Objectives

Realistic goals within parameters of resourcing



Culture

Attitudes and working practices



Compliance

Regulatory adherence



Connectivity

Interoperability across multiple systems and physical locations



Confidence

Doing better by the client to build trust



Continuous

Re-onboarding to accommodate for dynamic client lives



THE IMPLEMENTATION OF TECHNOLOGY ACROSS THE ONBOARDING VALUE CHAIN CAN ELEVATE ADVISORS' DIGITAL EXPERIENCE, MAKING IT EASIER FOR FIRMS TO CREATE TECHNOLOGY STACKS THAT BEST SUPPORT THEIR CLIENTS' EVOLVING NEEDS³

So, where are firms investing in their onboarding functionalities...
(non-exhaustive list)

CRM should be at the core of client onboarding

- Either embedded into an existing WM platform or in a separate module for vertical business based on existing CRM tech (e.g., Microsoft Dynamix)
- Data mapping across systems
- Targeting multiple client segments at various touch points
- Expanding across narrow-scope or nonvertically-deep CRM systems

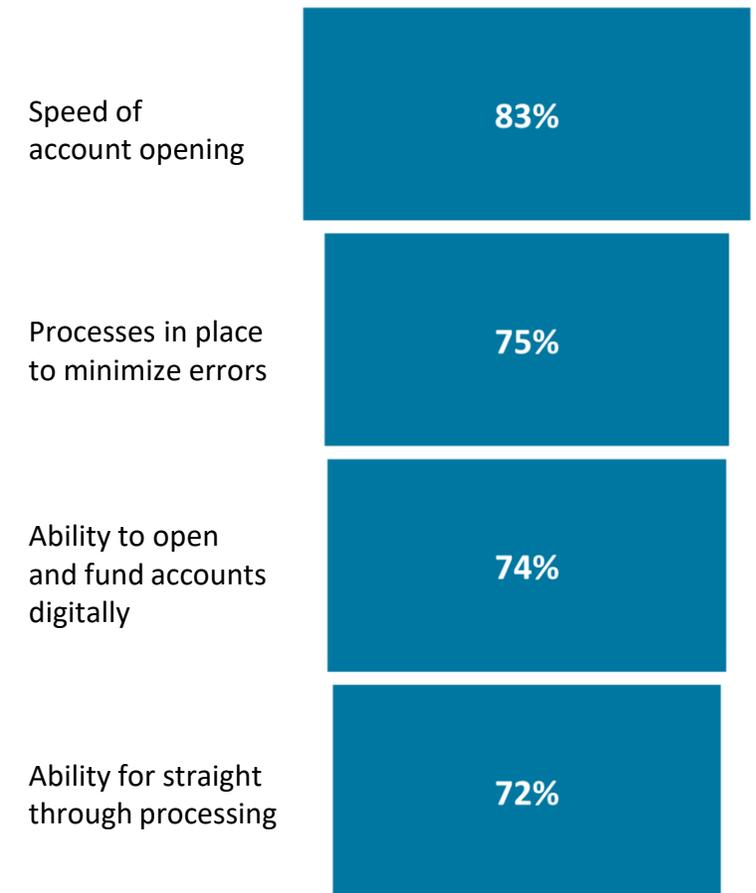
Open architectures to enable connectivity and automation

- Enabling personalization through open architecture experience where advisors and employees can discover and evaluate new fintech offerings (through open architecture marketplaces)
- Client Lifecycle Management (CLM) automation and pre-client portals mainly delivered as SaaS/cloud solutions
- API analytics, making it easier for firms to discover, evaluate, and implement integrations
- Integrate capabilities into third party engagement tools (when best-of-breed approach is utilized)
- Low-code/no-code technology that enables quick building of client-centric onboarding that spans across information capture, identification, verification, and fulfillment for multiple products and transactions

Deep functionality that provides holistic Client Lifecycle Management (CLM)

- Moving away from siloed point solutions toward a holistic data strategy and advanced data management tools to ensure a single version of the integrated truth
- Focusing on integrated solutions that provide holistic front-to-back onboarding solutions through the client lifecycle
- Firms are expanding the number of functions that can be carried out by a client, so the functionality is deeper and broader (e.g., open one product type while still having the option to self-refer to an advisor when it comes to a more complex product)

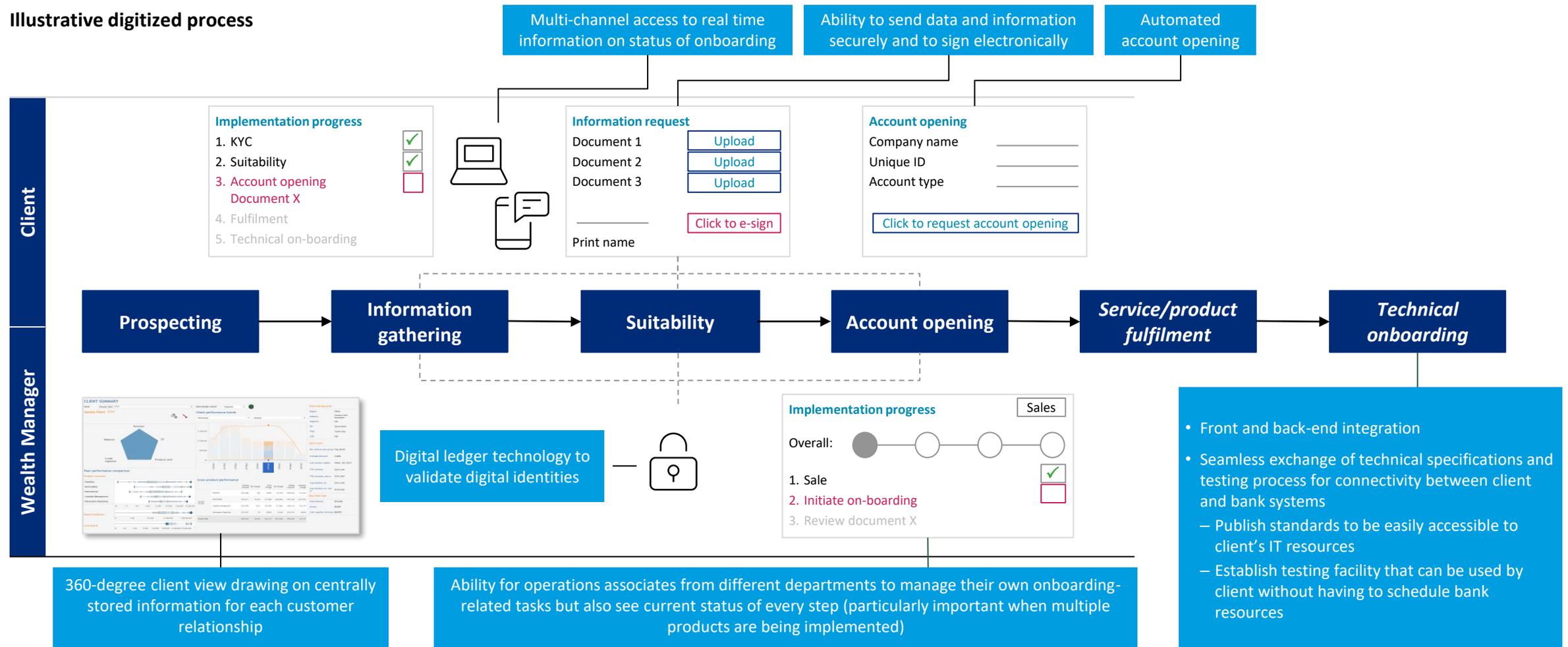
...while bearing in mind “Advisors’ top considerations when it comes to using technology platforms for account opening”?



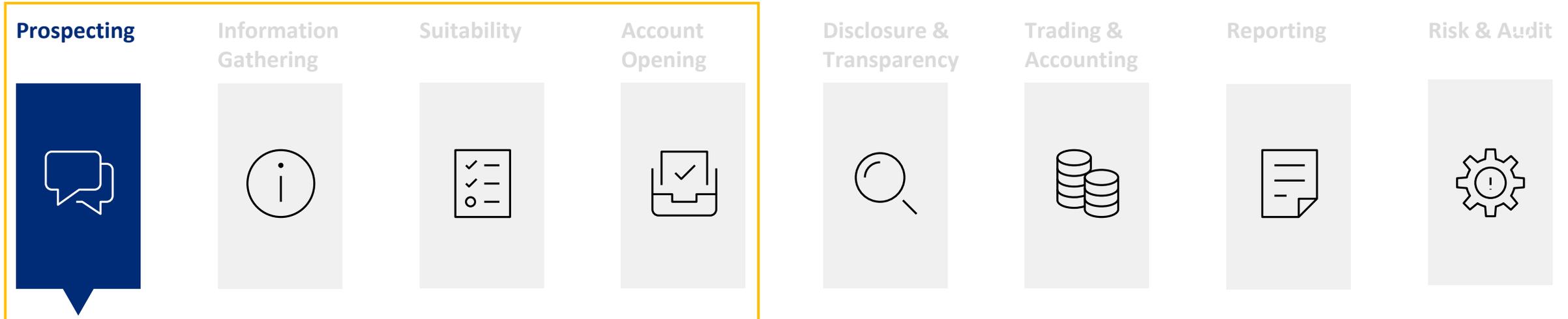
COMPREHENSIVELY DIGITIZING PROCESSES COULD SIGNIFICANTLY IMPROVE THE CLIENT EXPERIENCE

Modular components exposed in micro-services architecture

Illustrative digitized process



THE PROSPECTING FUNCTION INCLUDES LEAD GENERATION, CONTACT MANAGEMENT, CHANNEL ADOPTION (ACCESS AND GUIDANCE), AND EARLY GOAL PLANNING



Observations and examples

- Delayed time to peak and failure to leverage unstructured data in “pre-boarding” presents a missed revenue opportunity
- There is a need for a pre-client digital portal where prospects can register to receive personalized educational content and simulations
- The last-mile interaction with the client is primed for digital innovation:
 - Traditional channels/methods are still being used, resulting in slow / error-prone onboarding experiences. These include paper interactions, phone calls, emails, and in-person interactions
 - With the rise of mobile, clients prefer to interact via messaging, digital signatures, video meetings, and other digital-first tools; however, there are some immediate regulatory challenges as a result
- Innovative vendors support Relationship and Contact functions synched with their CRM; platforms’ open APIs are utilized to connect with other CRM providers. Vendors’ new dashboards offer actionable, data-driven insights to help client segmentation and identify growth opportunities
- The onboarding platform from Moxo combines workflow/digital automation capabilities (structured interactions) with collaboration capabilities (unstructured interactions), both of which are required to execute against the complex nature of wealth management services

Sample innovation*: Moxo Flow

Moxo Flow
 OneStop for Structured + Unstructured Client Interactions

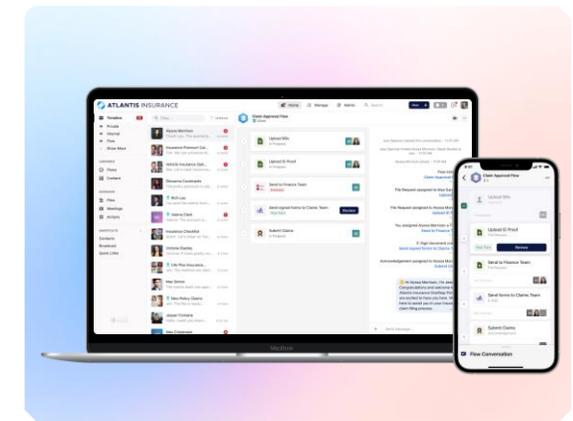
Create client workflows with structured business objects including:

- Approvals
- Tasks
- Signatures
- File requests
- Forms
- Third-party objects (DocuSign, Jumia, custom objects, etc.)
- And more...

Seamlessly blend unstructured interaction capabilities—so you never break the flow.

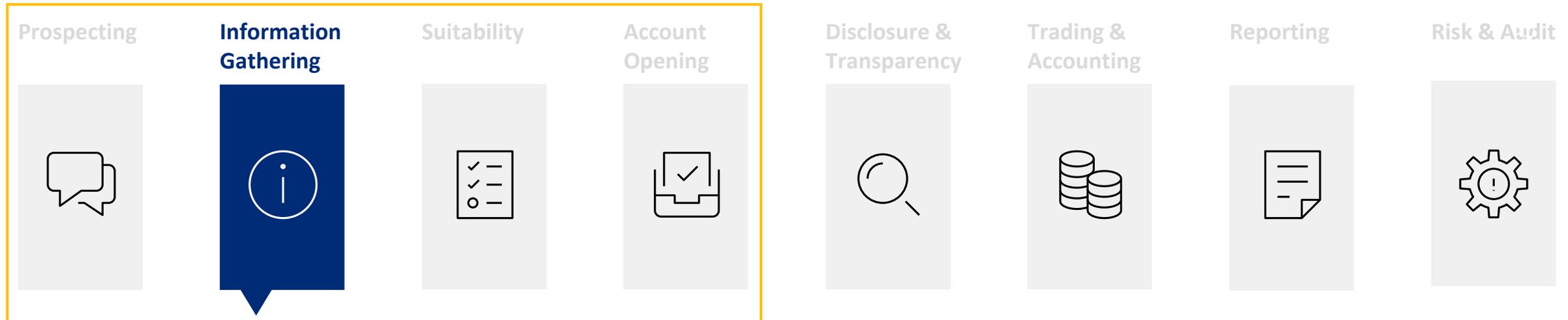
These include:

- Secure messaging
- Video meetings with screen sharing + co-browsing
- File sharing + annotations



*“Sample innovation” is one example of a novel idea backed by demonstrable evidence of success with client onboarding, as determined by Celent

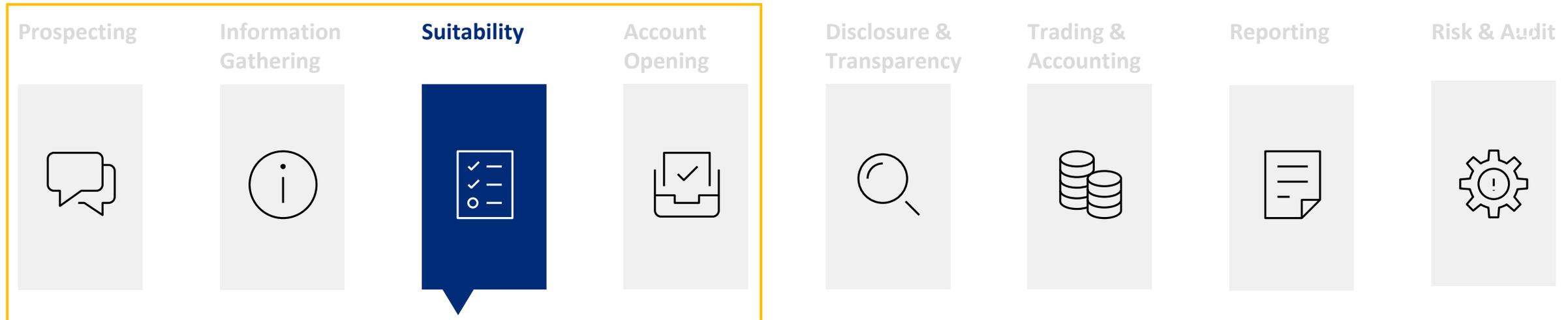
INFORMATION GATHERING FUNCTION INCLUDES DATA CAPTURE, INVESTOR QUALIFICATION, GOAL/FINANCIAL PLANNING, AND PROPOSAL GENERATION



Observations and examples

- Ideally, the client has a seamless journey and data is captured in the downstream systems efficiently—and critically, the requirements of compliance are fully met. There is also an increasing need for a flexible client journey on fully execution-only, through hybrid to full wealth management
- Most advisor portals lack a 360-degree client view for holistic servicing. At the information-gathering level, evolving investor portals from a simple one-way data display for customers to collect information into a two-way data and document exchange facility
- An integrated help experience that will provide seamless connectivity across virtual assistant and chat for improved resolution time is a coveted feature, as is the ability to prefill account data from an advisor’s CRM or planning tool, to reduce the need for manual data-entry
- Leading vendors have a secure, fully-branded experience that enables secure messaging, digital collaboration, digital verification of an account opening, e-consent.
- Their platforms have a live data link between their digital fact find (which is completed by the client in the digital portal) and the client entry itself in the CRM. This is not document exchange but live data being passed across, updating the relevant fields in real time so the adviser always has up-to-date information to review and report on. Clients can follow the onboarding process with appropriate “step out” points

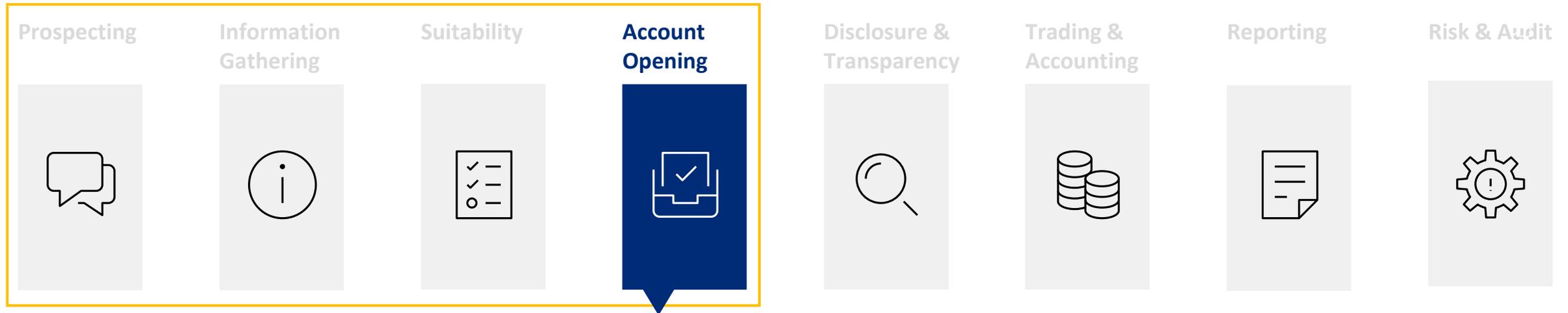
THE SUITABILITY FUNCTION INCLUDES KYC/AML CHECKS AND IDENTITY VERIFICATION



Observations and examples

- The KYC, AML/Sanctions, and Suitability process is ideally supported by digital automation. The KYC and risk profiling and suitability analysis process can happen as self-service or in collaboration with an advisory team with support of client interaction tools like screen sharing, co-browsing, etc. There is an expectation that tech can revolutionize onboarding journeys and workflows: ID, KYC, and AML data will be electronically extracted without the need for form completion or document upload
- Integrations are critical, specifically at the AML/KYC function. This is especially true of international banks where regulation is varied across geographies. A strong platform carries data through from the previous stage supplemented by advisor input, then the platform performs all the KYC checks and sends alerts on outstanding items, allowing delegation of tasks among advisory team members
- Leading vendors' platforms create more of an event-based experience for advisors where the data is brought into their system rather than going through a swivel/silo system approach, then piecing it all together. Data that is collected during client onboarding process is leveraged and built upon while collecting investment objectives and risk tolerances. This, in turn, is leveraged and built upon when gathering financial planning information - maximum efficiency, and with cybercrime widespread and increasing, secure digital identity wallets is instrumental
- Similar information is requested by the financial institution multiple times, increasing the amount of paperwork required, so innovation around portals specific to KYC/Suitability, where clients can collaborate with advisors during KYC/account opening and suitability reviews is important

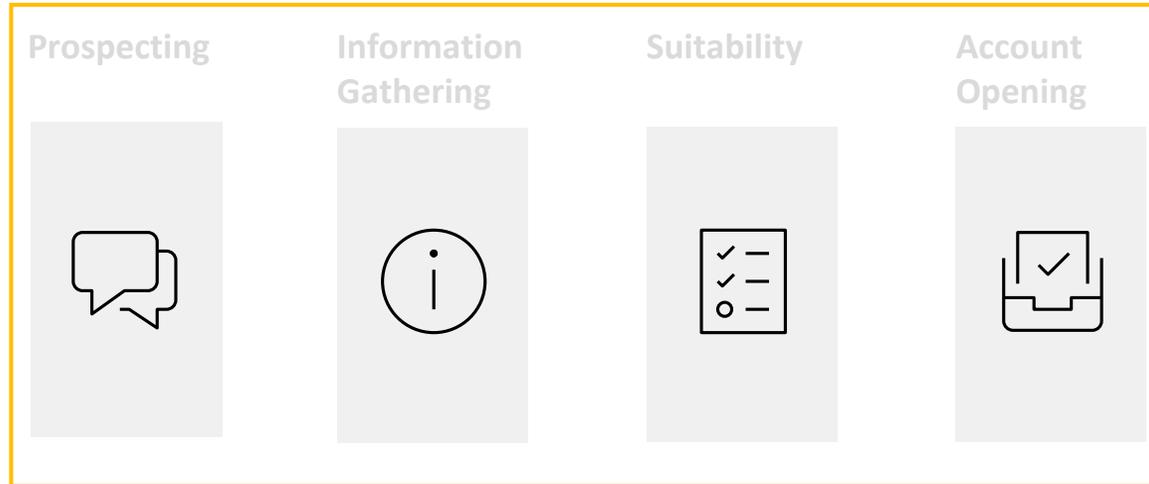
THE ACCOUNT OPENING FUNCTION INCLUDES CLIENT SIGNATURES, DOCUMENTS AND FORMS, AND FUNDING



Observations and examples

- There is a lack of visibility into internal processes and an inability to plan resources (e.g., coordinating with internal IT teams)
- Arguably, the most paperwork lies between the initial recommendation and the opening of the new account; this is an area that is primed for digital innovation. This is partly because of the size of the data collection exercise. It is also the single biggest ID&V paper requirement (copies of passport, driving license, national ID card, etc.) and paper production by the wealth manager (proposal, quotation, etc.). Digitizing this process is of great importance down the road
- Multi-account opening that bundles all accounts into one “household” view to streamline processes and proprietary paperwork. This also includes the ability to designate authorized agents during account opening to eliminate steps typically processed post-opening
- The aspiration for client onboarding is to enter data once and only once. Vendors map and normalize all client data into a single location, unifying data from disparate and complex sources and creating actionable insights. The information the advisor looks at is the same underlying data that the client sees, whether on their computers, or mobile devices

DIGITAL CAPABILITIES CAN HELP KEEP THE CLIENT AT THE CENTER OF THE ONBOARDING PROCESS AS ORGANIZATIONS REWRITE THEIR COMPLIANCE AND TRADING FUNCTIONS



Disclosure & Transparency



Trading & Accounting



Reporting



Risk & Audit



- The **Disclosure & Transparency** function includes fees and charges disclosures, product documentation, and data sharing
 - Transparency, clarity, and speed are critical. Clients will receive an increasing number of documents, ideally in digital form, and more frequently due to more regulations. One click to consent rather than an intensive review is coveted; compliance workflows need to be aligned with a smooth client/advisor journey
- The **Trading & Accounting** function includes order management, portfolio and trade accounting, and cashing
 - New enhancements in this space include fully digital account opening and transfer of assets (TOA) registrations for most account types, including managed and non-managed accounts; multi-TOA funding, supporting up to three transfers per new account
- The **Reporting** function includes client performance and attribution, tax reporting, and AuM reporting
 - There is a lack of process and system integration, resulting in disjointed experiences and missed analytics opportunities
 - Regulation and regulatory change are a constant and this often sits uneasily alongside the ease of completing a particular function. How can the process for a client be made as easy as possible while simultaneously maintaining high standards of regulatory adherence?
 - Fidelity's Wealhscape Reporting is a redesigned report landing page with new filters and editing features to further customize reports leveraged by both advisors and end-investors
 - Rich analytics dashboards pre-packed with a vast library of standard reports allow custom reporting with granular views of client data
- The **Risk & Audit** function includes post-trade compliance, risk management, and ongoing AML
 - There is a high cost of onboarding due to multiplying compliance burdens, excessive number of client files
 - Robust up-front data validation to ensure submissions remain in good order
 - Automatic "nudges" to remind clients which have incomplete client journeys

RISK ASSESSMENT, INCLUDING KYC AND AML/SANCTIONS, IS AN INSTRUMENTAL COMPONENT TO THE ONBOARDING PROCESS (1/2): CAPABILITIES ASSESSMENT

The Oliver Wyman 2021 Global KYC Benchmarking Survey asked survey participants to evaluate their level of progress and the expected productivity uplift on a series of capabilities that we have identified as having potential for **enhancing KYC efficiency and customer experience**

Area	Capability	Description
Enhanced customer experience	Digital customer portal	Online portal that allows data / document submission, KYC progress tracking, ability to contact sales representatives with queries
	Holistic customer view	Connected related customer profiles across parent / subsidiaries legal entities to provide a holistic customer view across the Company, reducing risk of requesting same KYC data /documents multiple times
Streamlined case management	Integrated knowledge management system	Connected content platform that integrates procedural / job aids / checklist / FAQ guidance with the internal case management tool, allowing internal users (KYC officers) to access to the relevant contextual information associated to certain KYC case fields
	Chatbots and digital assistants	Contextual information for KYC officers leveraging rule-based and/or machine learning solutions
Input treatment and processing	Automated data scraping	Automated document analysis / scanning of input documents, such as third-party sources and emailed /uploaded data to pre-fill out of certain KYC case fields
	Natural language generation	Automated generation of summary reports using information inputted into KYC case fields and/or primary sources
	Client information aggregation	Client data is automatically ingested from the digital portal into the workflow
	External data ingestion via aggregator	Automated aggregation for external sources into a data repository that can pull data fields into the case management system on an automated basis
Advanced risk-based solutions	Intelligent client risk segmentation	Risk rating assigned based on a non-deterministic methodology, leveraging a machine learning approach that leverages historical data
	Dynamic risk rating engine	Same as above as well as automatically refreshed risk rating based on transaction monitoring data, client data, and external data sources
	Perpetual / dynamic KYC platform	Leveraging a dynamic risk rating engine, automated KYC file updates and/or customer contact based on trigger system

Source: Oliver Wyman 2021 Global KYC Benchmarking results

© CELENT The sample includes data from a broad set of banks, including wealth managers and private banks, combining >16 TN USD in assets, and covers all major geographies and business divisions to provide a representative picture

RISK ASSESSMENT, INCLUDING KYC AND AML/SANCTIONS, IS AN INSTRUMENTAL COMPONENT TO THE ONBOARDING PROCESS (2/2): KEY TRENDS ACROSS CAPABILITIES

Observations based on participants answers to expected productivity uplifts and buy vs. build execution model

Identified potential

Area	Capability	Observations	Identified potential			
			Low to Moderate	Moderate to high	High	Very high
Enhanced customer experience	Digital customer portal	<ul style="list-style-type: none"> • High potential identified; with most participants expecting productivity uplift of 10-40% • Most participants have opted for mixing internal and third-party vendor development; none of them have opted for a third-party-only solution 				
	Holistic customer view	<ul style="list-style-type: none"> • Low to moderate potential identified from a productivity standpoint; with most participants expecting productivity uplift of up to 10%, although this solution is deemed relevant as a risk control • Most participants have opted for an internal solution; some of them have opted for a hybrid solution 				
Streamlined case management	Integrated knowledge management system	<ul style="list-style-type: none"> • Moderate to high potential identified; expecting productivity uplift of 10-25% • Most participants have opted for an internal solution 				
	Chatbots and digital assistants	<ul style="list-style-type: none"> • These three AI solutions are, generally, in early stages 				
Input treatment and processing	Automated data scraping	<ul style="list-style-type: none"> • Mixed opinions on potential; although automated data scraping is seen as having high potential across participants in pilot / proof of concept phases 				
	Natural language generation	<ul style="list-style-type: none"> • Participants developing these solutions are opting for internal development, despite existence of vended solutions 				
	Client information aggregation	<ul style="list-style-type: none"> • High potential identified; with most participants expecting productivity uplift of 10-40% • Participants show a combination of all execution models (in-house, vendor, and mixed) 				
	External data ingestion via aggregator	<ul style="list-style-type: none"> • Very high potential identified, with some participants expecting an increase of productivity above 40% • Range of participants shows a combination of all potential execution models (in-house, vendor, and mixed) 				
Advanced risk-based solutions	Intelligent client risk segmentation	<ul style="list-style-type: none"> • Early stages; mixed opinions on potential • Successful players integrate this solution into the client onboarding platform • Participants in development or implementation have opted for an internal or mixed solution (i.e., none of them opting for a vended-only solution) 				
	Dynamic risk rating engine	<ul style="list-style-type: none"> • Moderate to high potential identified; expecting productivity uplift of 10-25% 				
	Perpetual / dynamic KYC platform	<ul style="list-style-type: none"> • High potential identified; with most participants expecting productivity uplift of 10-40% 				



4

PUTTING IT ALL TOGETHER: SAMPLE CASE STUDIES

EMPOWERING ADVISORS TO DELIVER DEEPER ADVISOR-CLIENT COLLABORATION THROUGH REIMAGINED WORKSPACES, ONBOARDING CAPABILITIES, AND AUTOMATED PROCESSES

Best Practice Examples

Connecting clients and advisors more effectively and enabling seamless collaboration	Empowering the advisor with relevant client information to augment the client experience	Streamlining the data gathering and preparation process
<p>Merrill Lynch</p>  <ul style="list-style-type: none"> Merrill-launched COBE (Collaborative Onboarding Experience) is an end-to-end digital account opening platform that enables Merrill financial advisors to collaborate digitally with their clients to open multiple accounts in a single, guided workflow Digital Wealth Overview (DWO) makes financial summaries more engaging. Rather than reviewing pages of financial reporting and analysis, over 800,000 clients enrolled in MyMerrill and the Merrill Lynch Investment Advisory Program (IAP) can receive a brief personalized and interactive video presentation showing their full financial picture Merrill Advisor Match is a new research-based, digital platform for connecting investors seeking financial advice with an advisor 	<p>Morgan Stanley</p>  <ul style="list-style-type: none"> iAdvisor enables advisors to efficiently access key client information before meetings, seamlessly access essential resources during meetings, and easily take common actions after meetings to improve workflow and better serve their clients The use of AI and NLP alongside key integration capabilities were foundational to its success 	<p>Alliance Bernstein</p>  <ul style="list-style-type: none"> The Automated Client Review Book Service is a tool that automates the production and distribution of presentation materials customized to each client meeting. The tool integrates a proprietary reporting platform with third party vendors to read an advisor's calendar and automatically prepare and share the customized materials in advance of any client meeting New chatbot, Sanford, utilizes NLP and AI to search data and provide internal users with instant access to key information regarding alternative investment products. The bot is aimed at increasing user efficiency in obtaining key information related to AB funds

Comments

- Wealth managers are rewriting platforms and processes to achieve advisor and client efficiency and satisfaction
- Partnerships—internal and external—are critical to creating modernized products and services that mirror the client experience in adjacent industries
- APIs, data-agnostic technology stacks, or even DLT in its early stages are tools to facilitate the consolidation, sharing, and aggregation of data across the enterprise

WEALTH MANAGERS ARE INVESTING IN REMOTE COLLABORATION AND ID VERIFICATION CAPABILITIES

FIs are prioritizing remote client communication tools

- **Overview:** Minimization of face-to-face interactions has prompted FIs to devise innovative strategies aimed at replicating the client-advisor experience. Document management and digital signature capabilities help advisors efficiently transfer information
 - BBVA has developed a video chat tool that allows clients to open an account remotely
 - The platform confirms the client's identity and facilitates digital signatures required for documents

Credit Suisse launches completely digital onboarding process

- Introduced Online Relationship Onboarding (ORO)
- Video authentication, digital contract generation and electronic signature capabilities enable remote onboarding within ~15 minutes



HSBC develops frictionless doc transfer tool

- Clients can securely authorize transactions and sign docs via email



Clients can securely authorize transactions and sign docs via email

- Clients can validate identity through a selfie



Firms are employing biometric authentication capabilities for remote client ID verification

- **Overview:** In an effort to create a secure and frictionless user experience, firms have unveiled additional security measures. Passive and active liveness testing allow clients to provide and validate information remotely
 - An estimated 50% of users abandon the digital onboarding process owing to the complex nature associated with security authentication
 - 66% of clients say they prefer biometric authentication tools over the use of traditional passwords

Wells Fargo pilots eye print authentication

- Makes the client sign-in process easier and more secure



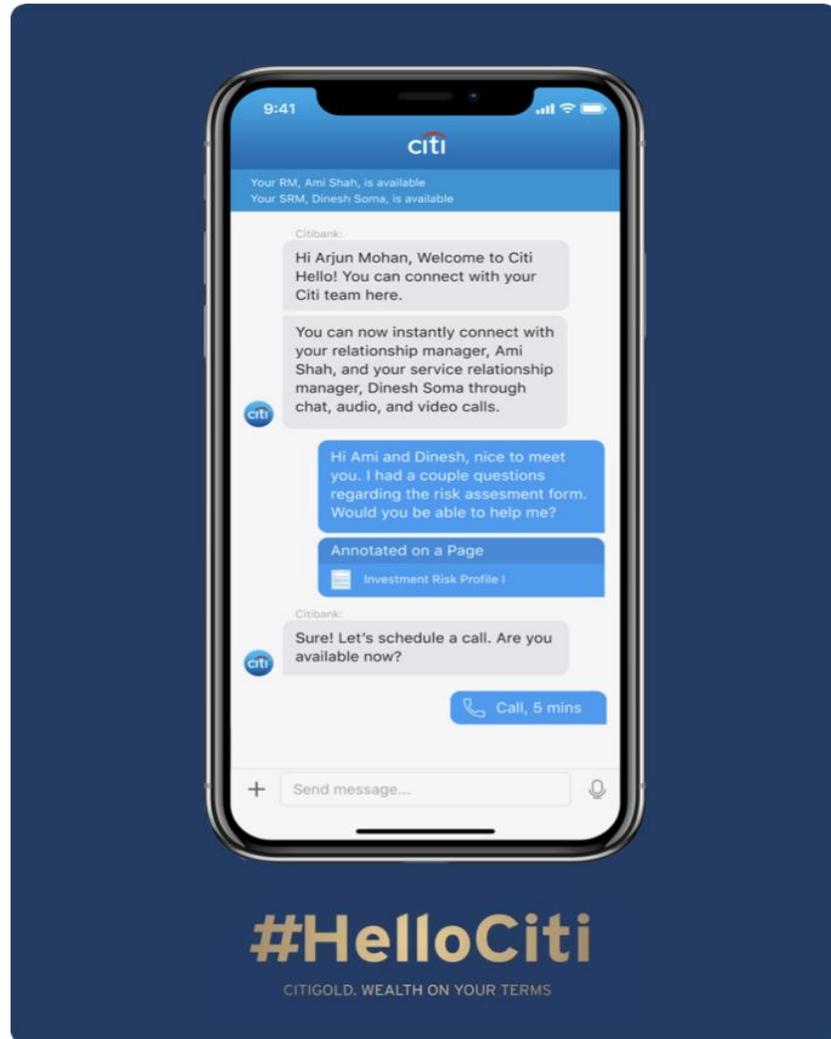
BNP implements biometric authentication

- Clients can validate information through image recognition



Source: Celent analysis, Finextra, Visa
Related research: [Wealth Management Client Onboarding Platforms](#)

MOXO HELPS POWER ONE-STOP DIGITAL EXPERIENCES BY STREAMLINING AND MANAGING CLIENT INTERACTION PROCESSES



Source: Moxo



3x Increase on Transactions

With Citi Hello, Citi experienced a 3x increase in transactions, per relationship manager, per month.

10%+ Net Promoter Score

The bank-wide qualitative goal of NPS, the percentage of customers likely to recommend Citibank, rose by 10%.

3.5x New Clients

The Citi Wealth Management practice has experienced 3.5x customer growth over 3 years.

Increased Time Efficiency

Prior to the interactive digital experience offered by Citi Hello, RMs were able to conduct only two meetings a day.



5

CREATING A DIGITAL ONBOARDING PROCESS

A STRONG CLIENT ONBOARDING PROCESS IS SIMULTANEOUSLY ROBUST AND FLEXIBLE

Key elements to consider

- **Enable holistic Client Lifecycle Management (CLM) and personalized client journeys**
 - Above all, firms must address client onboarding as providing true CLM and CRM to clients and advisors alike—not siloed point solutions
 - The process needs to be redesigned in a compliant, efficient, and engaging way, instead of trying to simply digitize paper forms. This demands the use of design-led thinking with behavioral science
 - Personalized user journeys depending on personas can help transform the onboarding journey into a positive client experience
 - Client-facing tools introduced during onboarding should seamlessly transition into ongoing client servicing
 - A client can start an onboarding journey, but still have exit points along the way should they wish to consult with a human advisor
- **Partnering with experts and true platform providers is crucial to wealth managers improving the onboarding process for their clients**
 - Incorporating third party systems in the onboarding process to perform certain specialist functions has an important role to play toward improving client onboarding, but is in its infancy
- **While not new, organizations should focus on implementing various sub-portals to facilitate client-advisor engagement:**
 - Investment-themed selection cards
 - AI-driven, peer-based recommendations
 - High-touch, high-tech: robo-advice augmented with human reviews
 - Interactive, goal-based financial planning scenarios
 - Narrative-based story building
 - Collaborative visualizations
 - Self-learning modules
 - Pre-client portal (create engaged prospects using behavioral science and provide a digital experience from the very start of the relationship)
 - Smart Advisor (drive advisor education with AI algorithms that provide next best actions and insights)
 - Total net worth reporting
- **Adoption of any platform should be diligently vetted through real usage/feedback at a small scale (from both advisor and client side) before expanding to full deployment**

IMPROVED ONBOARDING PROCESSES CAN LEAD TO SIGNIFICANT REVENUE UPSIDE AND ADVISOR-CLIENT SATISFACTION

- Standardization of client onboarding is on the wish list for many organizations; however, they will need to address the customization aspect of how advisors want to work with their clients by developing modular components that can be seamlessly integrated
- Firms must assess where and how to provide value to the client as many products are commoditized; the client experience, including the onboarding process, is a key differentiator
- Firms should address the advisor attrition issue; nextgen advisors seek sophisticated desktops/workspaces that are scalable, robust, and flexible
- Friction between ease of use and regulation will continue to exist. Regulation dictates the amount of data required, which often hinders ease of use. Audit trail functionalities are noted. Future ease will rely on more integrations, e.g., ID&V, open banking, address checkers, and document scanning
- Best-in-class solutions will blend digital automation with capabilities that enhance trust/relationship building, as this will always remain the centerpiece of wealth management experiences
- Improved onboarding processes can lead to significant revenue upside through client targeting, faster onboarding, lower attrition of clients through the onboarding process and improved cross-sell, and cost reductions through de-duplication and simplification
- Personas-based solutions that support collaboration between different stakeholders of the onboarding and customer lifecycle processes (client, advisor, help-desk, compliance, etc.) in a digital omni-channel, omni-device environment
- Cybersecurity measures particularly around client authentication and document transfer will become increasingly critical





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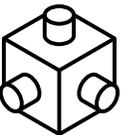
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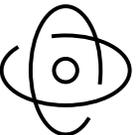
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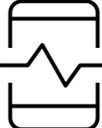
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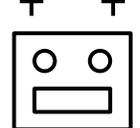
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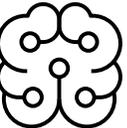
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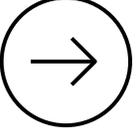
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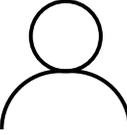
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