



escalent

VOLUME 11 | June 5, 2020

Financial Services COVID-19 Market Research Perspectives

Ongoing coverage of COVID-19's impacts

Everything is digital these days, so now the conversation is about how to get digital right.

Escalent recognizes the vital importance of digital transformation to the financial services space to the extent that we acquired Javelin Strategy & Research to propel our expertise forward in the digital aspects of banking, fraud & security, lending and payments.

In this volume, we showcase some of Javelin's digital banking work. We share complimentary findings on digital communications from recent Cogent Syndicated studies. And we offer a few insider perspectives on video conferencing.

IN CASE YOU MISSED IT

- **Blog**
[What if the Thing That Has Changed Is You?](#)
- **New Report**
[Retirement Planscape](#)



We've got you covered.

What to do:

- 1** Step Up to Meet The Customer Service Surge
- 2** See How Advisor-Investor Communication Is Changing
- 3** Improve Your Own Video Conferences

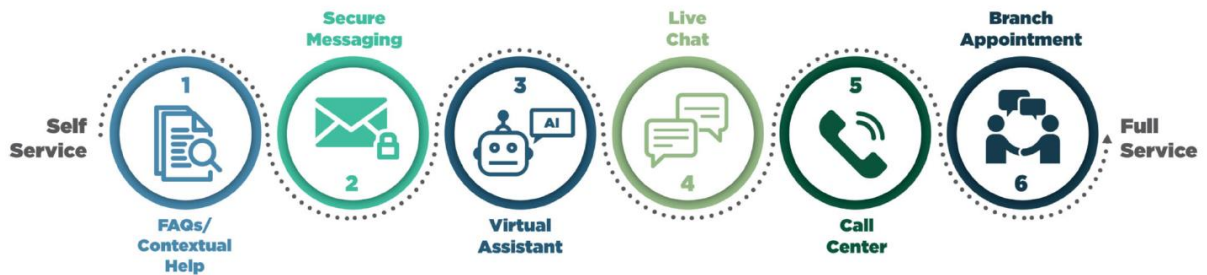
Digital Channels Must Meet the Surge in Customer Service

“The “new normal” is driving customers to digital channels in record numbers. Long call-center wait times and a lack of real-time messaging options will test consumers’ patience and, ultimately, loyalty. A balance of technology and high-touch is critical to address anxiety and urgent needs. Banks must offer a continuum of service options to lift confidence in digital channels and help reduce call volumes.”

– Emmett Higdon, Director, Digital Banking, Javelin Strategy & Research



Best Practice Banks Offer Customers a Full Continuum of Service



75%

Digital banking consumers who prefer speaking with a person to resolve customer service issues.

42%

Consumers who feel all of their customer service needs can be met through digital banking.

40%

Consumers who believe digital channels provide convenient customer service options.

COVID-19 Servicing Challenges and Opportunities

- **A lack of face-to-face interactions** challenges banks to personalize digital responses and deliver assistance remotely in an intuitive and interactive way, like messaging apps Facebook Messenger, iMessage and WhatsApp.
- **Lengthy call center response times** may be mitigated by prescriptive messaging solutions and mobile apps. Chats deliver quick and simple answers, while secure messaging and co-browsing can address deeper sales and service inquiries.
- **Customers new to digital channels** need greater direction and handholding for a successful start. Onboarding resources must map common customer needs to digital capabilities to set expectations and expose the breadth of available functionality.

Source: Javelin Strategy & Research, 2020

About Us

Javelin Strategy & Research, a business unit of Escalent, helps clients make informed decisions in a digital financial world.

Visit javelinstrategy.com to learn more.

Communicating During the Pandemic: Advisors

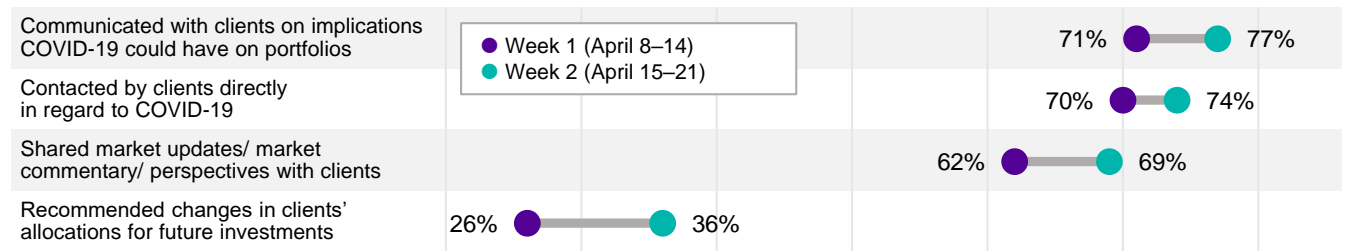
“The pandemic is dramatically impacting how advisors and investors interact. With in-person meetings rare, at best, phone and digital mediums are vital. As we all get more comfortable with tech out of necessity, the pandemic may accelerate changes in how advisors conduct business. E-signatures, mobile apps for account access, phone consults, working from home (vs in-office) and online account opening could be part of advisors’ new normal.”

– Linda York, SVP, Financial Services, Cogent Syndicated



Communication Actions as a Result of COVID-19

Throughout April, advisor-client communication was on the rise.



43%

More than four in ten advisors are now contacted by their individual clients on a daily or weekly basis regarding COVID-19.

43%

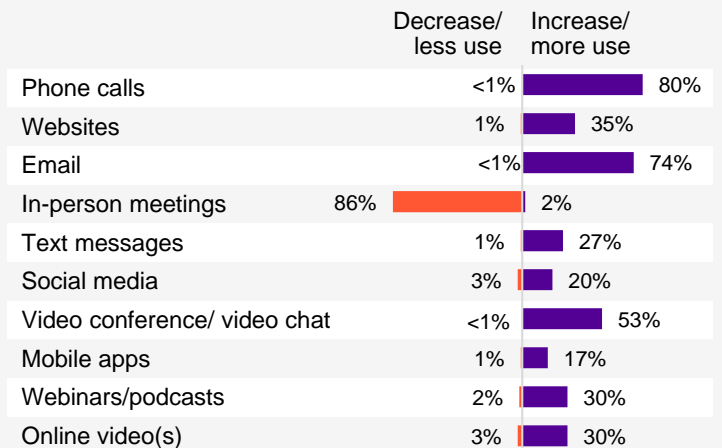
Yet, the same proportion of advisors report their clients are only contacting them as needed, seemingly business as usual.

How this communication is happening is changing dramatically as a result of COVID-19 and social distancing. Phone calls, emails, video conferencing and all things digital are replacing in-person meetings, conferences and events.

Communication Methods

Advisor use of video conferencing significantly increased from week 1 to week 2, but not everyone is jumping on board. More than four in ten (43%) advisors with 20+ years of experience are not using it compared with just 10% of advisors with less than 10 years tenure. That said, if a client wanted to have a meeting through video conference or video chat, 50% of advisors—despite their tenure—say they would be comfortable with the tech.

Source: Cogent Syndicated. Cogent Beat™ Advisor. 2020.



Communicating During the Pandemic: Investors

We saw a significant increase in the percent of affluent investors who spoke with their financial advisor as a result of COVID-19 in April. So, we dug into the investor/advisor relationship.

Frequency Preferences

There are important differences by generation.



More than one-third of investors want daily or weekly contact with their advisor.



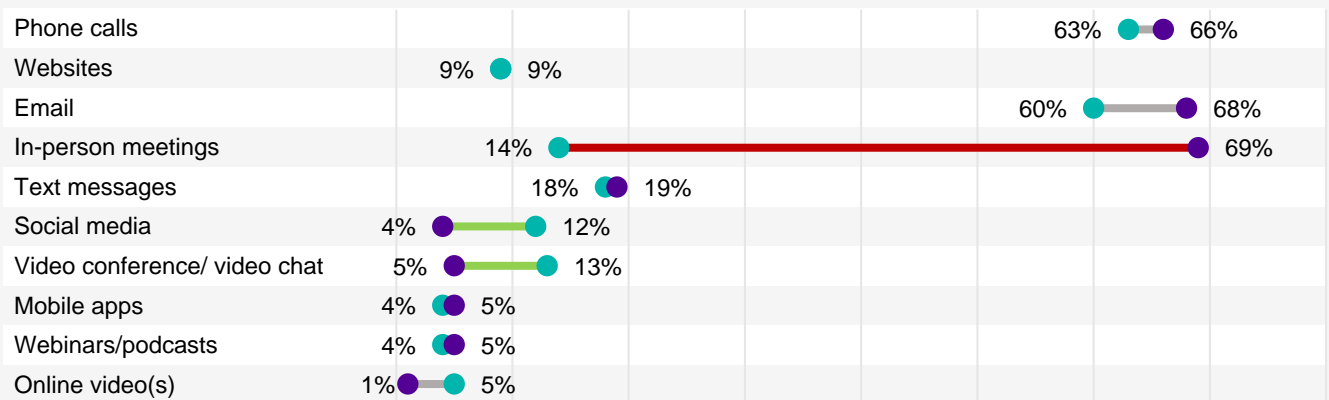
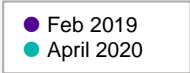
More than half of Silent Gen investors prefer quarterly contact—even in the midst of the pandemic.



More than one-third of Gen Xers want weekly contact with their advisor during these uncertain times.

Method Preferences

About a year ago, we asked investors about their advisor interactions. Comparing those responses to the preferences investors cite today, the biggest drop is in the desire for in-person meetings. But there is a modest uptick in social media and video conferencing. The popularity of phone calls and emails remains strong, suggesting business practices may not need to change as drastically as one might think.



Source: Cogent Syndicated. Cogent Beat™ Investor. 2020.

The Next Gen Advisor

Changes that were already underway in the advisory business are accelerating amidst the backdrop of the COVID-19 pandemic. This new report will provide insight into the shifting role of financial advisors and identify opportunities for firms to adjust service models to better meet the needs of younger advisors and their clients. Qualitative interviews and quantitative survey data will be used to uncover how advisors are adjusting to a volatile market environment and compare generational advisor support needs and communication preferences.



For more info on subscribing to this or other Cogent Syndicated reports, [contact us](#).



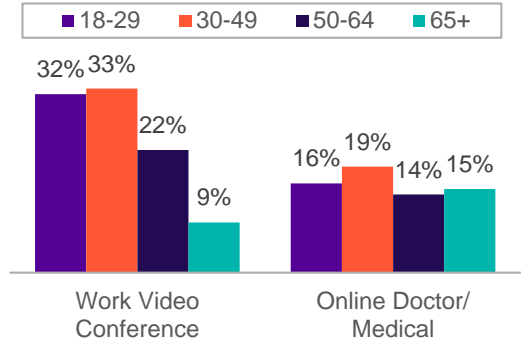
Video Conferencing Is Here to Stay

Liz Wagner, Director, Health Insurance & Systems

In [Volume 6](#), I spoke to how video conferencing in the form of telehealth is here to stay. But, increasing levels of video conferencing will also continue elsewhere.

Whether for work, school, or social connection, a record number of individuals have downloaded at least one of these programs over the past two months. Around one-third of US adults (depending on the age range) are using video conferencing for work. With many companies reporting tremendous success and productivity with a remote workforce, and that it will be quite some time before everyone is comfortable gathering in an office again, we can definitely expect video conferencing to become not just a presence in healthcare, but part of our new normal.

Share of adults using digital communication for...



CLICK TO WATCH THE VIDEO

We have all heard horror stories about video conferences. I'm not the only one who has had frustrating experiences, and not just from technical glitches. Video conference fatigue is a reality and it strikes for many reasons. However, you can combat it! My [recent blog](#) outlines suggestions for making the most of your video calls, starting with a key question: "Is video even necessary?" Try a few and see if your meetings are more productive and your video conference fatigue decreased.

Take Heart: Video Conferencing Is Improving

Nancy Arter, Senior Vice President, Tech & Telecom



We, as users, can only do so much. But, have faith! Video conferencing tech is getting better.

As the industry moves to a cloud-based model, new companies are entering the market to make interfaces more intuitive, options more broad and the ability to set-up and engage with others more pleasant. Zoom is a great example. [Zoom has grown](#) from 10 million in December 2019 to 300 million users in April 2020. The reason (in addition to the pandemic) is simple—Zoom has made it easy and inexpensive for everyone, which is a home-run in both good times and bad. During the pandemic, video conferencing companies are the lifeline that businesses and families are using to connect. Look for even more options in the future as this market is [expected to grow](#) at a compounded rate of 8.4% between now and 2027.

We've got you covered!

Our financial service research experts are committed to bringing you the data and insights you need to more effectively run your business. Let's continue our strategic partnership to keep research moving forward in a time when the financial services sector needs it more than ever.

Meet just a few of our financial service research experts:



Talk to us.

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About Escalent

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