



# THE EVOLUTION OF COMMUNICATIONS IN THE WEALTH SECTOR

How insights from the Wealth Sector can  
inform Employee Share Plan communications



## ABOUT THIS STUDY

As consumers spend more time than ever in the digital world, they are demanding more from their providers when it comes to digital communications. But what does this mean for essential communications? What consumer behaviours should inform communications strategies?

This report focuses on our key discoveries for the wealth sector, including insights for Employee Share Plans drawing on our global experience in this industry.

Computershare partnered with software vendor Quadient to understand the shifts and evolution of consumer behaviour relating to essential communications and uncover the opportunities for providers.

We surveyed 5,000 consumers globally about their experience with transactional communications in the Wealth, Finance, Utilities, and Insurance sectors.

Read more about the research in our whitepaper <https://www.computershare.com/us/insights/communication-services/the-pace-of-digital-evolution>



## GENERATIONS SURVEYED

Silent Generation (1928 - 1945)

Boomers (1946 - 1964)

Gen X (1965 - 1980)

Millennials (1981 - 1995)

Gen Z (1996 - 2010)

This report offers insights into:

- How wealth consumers want to receive essential communications such as welcome packs, statements and notices
- Opportunities for providers to improve accessibility and engagement for essential communications
- How to improve essential communications for employee share plan participants

This report focuses on essential communications, those that are transactional in nature and usually highly regulated such as statements, welcome packs and notices.

# CONSUMER DIGITAL COMMUNICATION PREFERENCES

The appetite for digital communications continues to rise and providers need to up their game

Across the globe, the wealth sector falls short of meeting consumer preferences for digital communications, especially in China and Hong Kong where preferences for digital communication are very high (**68%** and **60%** respectively).

When it comes to essential communications, more than two in three (**67%**) wealth consumers would welcome digital versions of those documents currently required by law or regulation to be sent in paper format.

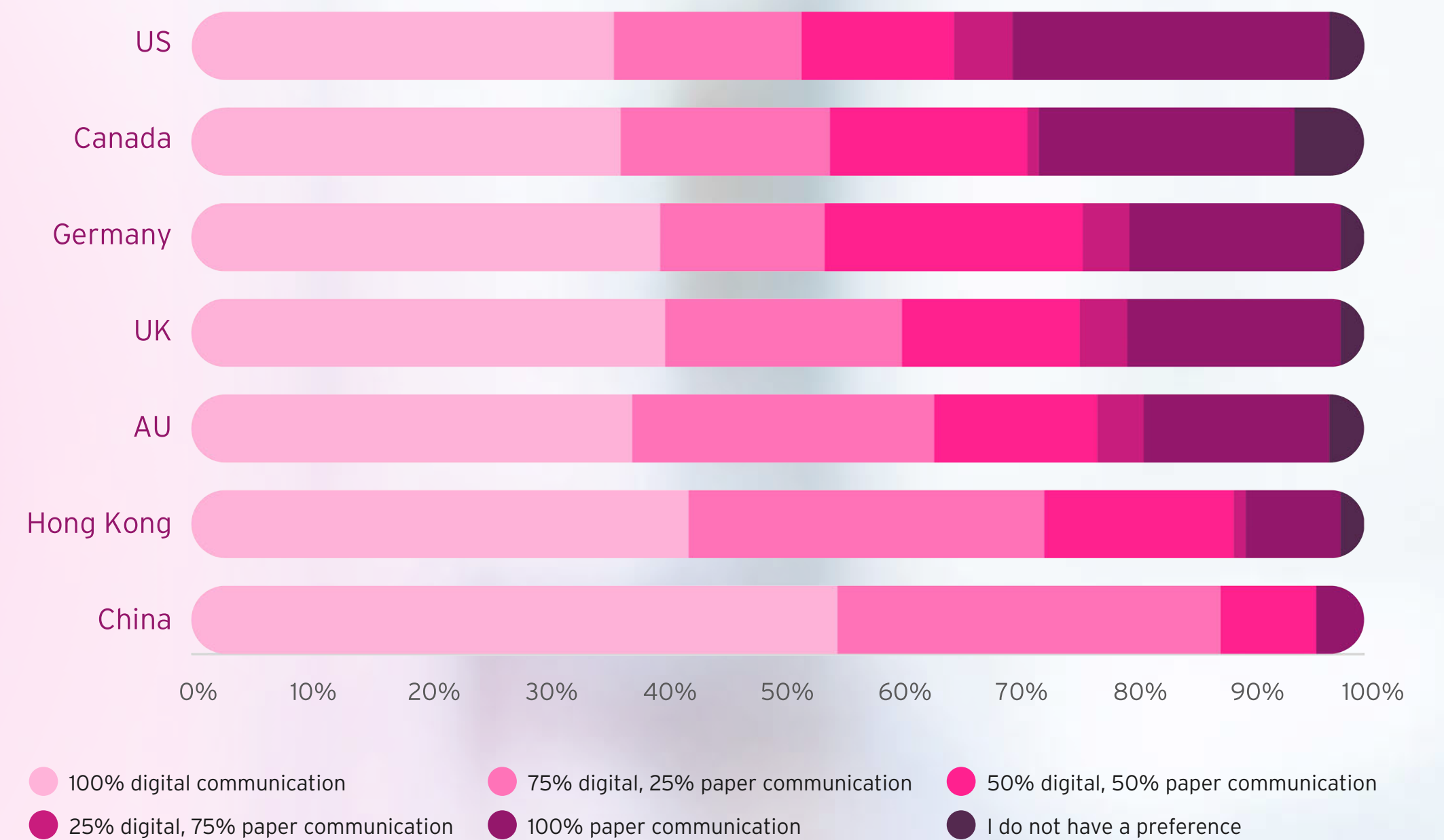
In the US, where consumers that receive essential communications in the wealth sector have to opt-in for digital communications, over a third (**36%**) state that they would prefer 100% digital communications. For the **27%** preferring to receive paper, this could be due to the fact that many individuals simply have not experienced digital communications and the benefits that they can provide. It is therefore important to highlight the benefits of digital communications.

## KEY TAKEAWAY:

Now is the time to be where your customers want you to be. Digital communications need to be intuitive, secure and easy to understand, so you can drive engagement and build loyal relationships.

## THE DEMAND FOR ESSENTIAL COMMUNICATIONS IN THE WEALTH SECTOR

The majority of consumers across regions would prefer 100% digital channels for their essential communications.



## EMPLOYEE SHARE PLANS INSIGHT

Due to the complex nature of the employer-employee relationship, some research findings are not necessarily consistent with the world of employee share plans.

In addition, with some employees being office based while others are field based, it is important to ensure that the digital solution provided is easily accessible. It needs to be easy to use and consistent on different devices, delivering a seamless user experience on all devices. Employees may want to check or transact with their employee share plan in the office, at home or on-the-go.

Our statistics bear this out. We saw over 1 million participants log onto our EquatePlus platform in the first quarter of 2022. Each participant averaged almost ten sessions on EquatePlus and three times as many on our EquateMobile app.

For companies offering employee share plans, regardless of role or language, having a solution that makes it straightforward for an employee to interact how and when they want increases participation and engagement, allowing employees to make informed decisions regarding their employee share plan.



# DEVICE PREFERENCES AND COMMUNICATION MANAGEMENT

Understand accessibility for communication success

Two years of living through the COVID-19 pandemic has fundamentally shifted how consumers access and engage with essential communications. Consumers spent more time than ever on their personal devices, and new adopters had little choice during lockdowns but to embrace digital channels.

## Which devices do consumers want to use to access essential communications?

Over half (**51%**) of wealth consumers prefer to use a desktop or laptop to receive digital essential communications, with one-third (**31%**) preferring to use a mobile phone. As the experience on mobile phones continues to improve, we expect to see device preferences move towards mobile.

As more money and resources are invested into app development to improve the user experience, apps will start to become a more popular channel for providers to send communications.

## How do they manage their digital communications?

Most respondents (**23%**) save communications to a specific inbox folder or download them to their computer/upload them to the cloud.

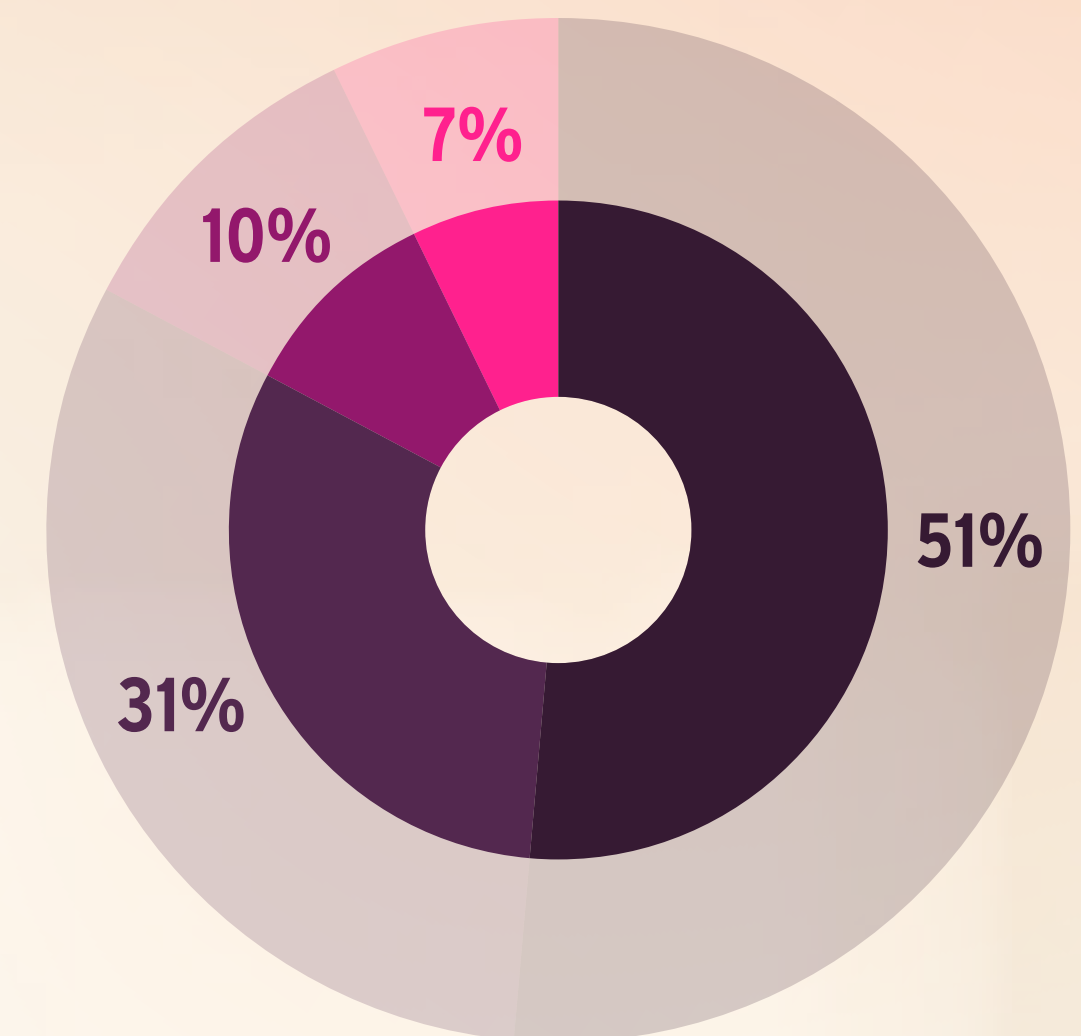
**41%** of respondents always read attachments from their wealth management provider, with Boomers the most likely to at **48%**.

**60%** of wealth consumers prefer to receive digital communications via email, compared to **35%** via an app.

Digital natives (Gen Z and Millennials) are more likely than Gen X and Boomers to check information in the attachment, PDF, or link matches the email summary.

## KEY TAKEAWAYS:

The way people manage digital communications varies and opens the door for providers to improve the customer experience. Providers have an opportunity to shift more consumers to email communications as an environmentally friendly option. By making it easy for consumers to log in to online portals to access their essential communications on demand, rather than printing and saving attachments.



## DEVICE PREFERENCE

- PC/Laptop
- Mobile Device
- Tablet
- No Preference

## EMPLOYEE SHARE PLANS INSIGHT

While the vast majority of wealth respondents in all regions prefer to use a PC/laptop to receive digital communications, this is not the only preferred communication method for employee share plans.

Computershare's EquateMobile app has seen year-on-year growth since 2018 increasing to 34% of active users in 2021.

With an engaging and easy to use mobile application, consumers can use this platform to check balances and vesting points and make small transactions. As the app experience improves, users become more confident using the app and they will be more likely to use the app for larger and more significant transactions.

Delivering communications via an app provides the quick and convenient access to updates that consumers crave.



# IMPROVING COMPREHENSION REDUCES COST-TO-SERVE

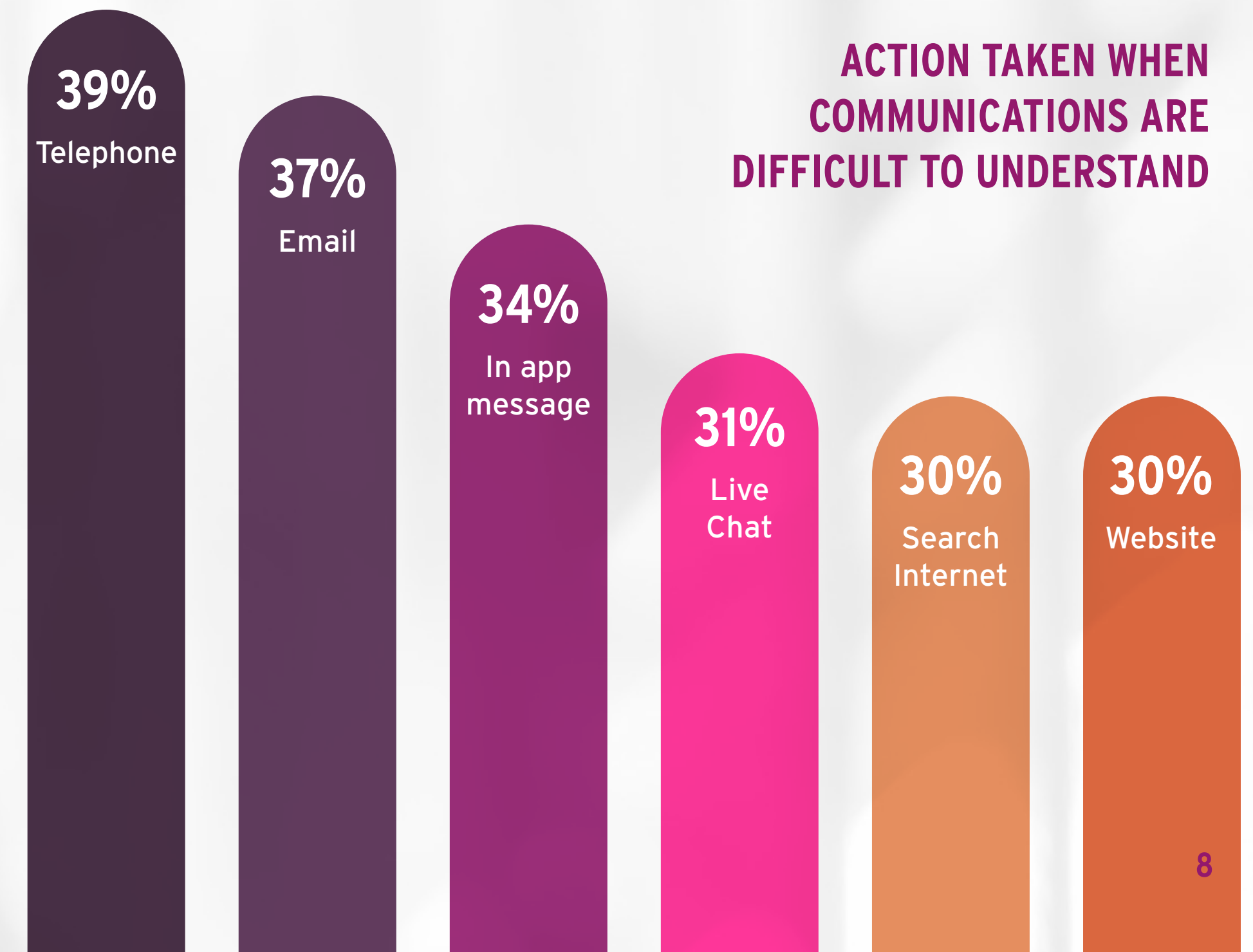
Managing cost-to-serve is high on the agenda for businesses that deal with large volumes of consumers and manage essential communications. This is where comprehension is key.

Trends show that when consumers globally do not understand communications from their provider, their first response is to phone the call centre. Four of the top six preferred methods of contact are human-focused and require staff to spend valuable time researching and resolving queries. This increases the cost to serve customers.

## KEY TAKEAWAYS:

To reduce call centre volumes and call length, providers should consider conducting regular reviews of essential communications to ensure messaging is clear, consistent, and easy to understand. Ambiguous communications may result in customer churn before other indicators can be measured - something which can be avoided by proactively reviewing and testing the clarity of communications.

## 4 OF THE TOP 6 PREFERRED METHODS OF CONTACT ARE HUMAN-FOCUSED



## ACTION TAKEN WHEN COMMUNICATIONS ARE DIFFICULT TO UNDERSTAND





IMPROVING COMPREHENSION REDUCES COST-TO-SERVE

## EMPLOYEE SHARE PLANS INSIGHT

If your aim is to increase employee share plan engagement, clearer and more interesting communication is the vital first step. Content must be accessible and easily understood by all participants - regardless of their education, age or financial literacy position.

Create concise content that makes it easy to digest complex information.

### SOME OF THE CHANNELS AVAILABLE INCLUDE:

**EMAIL:** Create interesting emails that direct employees to click through to supplementary materials for more detailed information.

**MICROSITES:** Develop a web page that employees can click through to from your share plan emails and investigate at their own pace.

**VIDEO:** Use informative videos in emails, on microsites or other communication channels to support your participants and allow complex information to be explained in a simple format.

# THE LINK BETWEEN EMOTIONS AND CHURN

Maintaining and reviewing communications can improve trust and loyalty

If you want your customers to trust you, you need to be deserving of their trust. The key is transparency, clarity and authenticity in your communications.

Failure to deliver easy to understand content can cause consumer frustration, confusion, and stress, which can lead to customer churn.

Over half (**58%**) of wealth consumers said they were very likely or extremely likely to switch providers if they constantly received communications that were difficult to understand.

When consumers consistently receive unclear communications, they expressed frustration, confusion, stress, and annoyance as their most common reactions.

Gen Z, Millennials and Gen X are more likely to feel 'confused' (**31%**) compared to Boomers who are more likely to feel 'frustrated' (**32%**), and Silent Gen who are equally 'confused', 'annoyed' and 'frustrated' (**28%**).

Gen Z (**47%**), Millennials (**66%**) and Gen X (**51%**) are more likely to switch providers than Boomers (**36%**) and Silent Gen (**22%**).

## KEY TAKEAWAYS:

A positive experience, especially for Gen X and younger demographics, will help build brand loyalty and go a long way to protecting your brand, especially because consumers are exposed to social media and online reviews daily.

This is made more important with the looming inter-generational shift in the market. Younger investors will inherit family wealth and will expect digital capability equal to other areas of their life. The risk for companies that fail to deliver on digital strategy is that younger investors will walk away from legacy relationships and choose a firm that gives them the digital experience they want.

# 58%

OF CONSUMERS WOULD SWITCH PROVIDER IF THEY CONSISTENTLY RECEIVED COMMUNICATIONS THAT WERE DIFFICULT TO UNDERSTAND

# 60%

OF CONSUMERS STATE THAT CLARITY OF COMMUNICATIONS FROM THEIR PROVIDER MAKES THEM TRUST THEM MORE

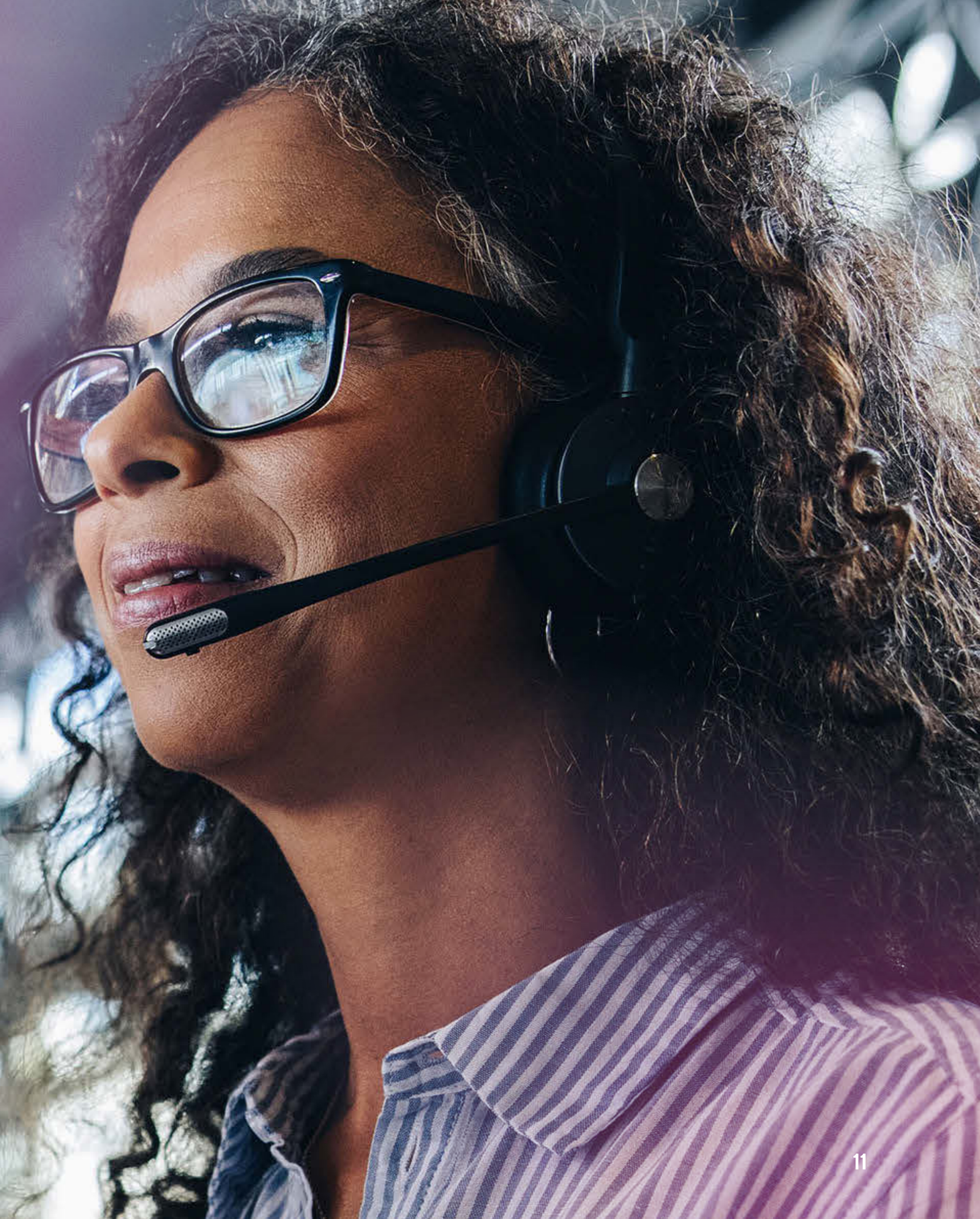
## EMPLOYEE SHARE PLANS INSIGHT

Employees need to trust and understand the share plans and benefits being offered by their employer. Being transparent through all stages of the lifecycle is key to building and retaining this trust.

Using appropriate branding for company share plan communications can help employees better relate to the brand ethos and feel an emotional connection, which helps build loyalty.

Whilst communications play a significant role, it is important that the employee journey to obtain information is easy, reducing the frustration often experienced by digital natives.

Even though employees cannot switch providers for their share plan, poor communication can still negatively impact their engagement levels and prevent them from becoming brand advocates.



# ARE YOUR EMPLOYEE SHARE PLAN COMMUNICATIONS MAKING AN IMPACT?

As digital adoption continues to increase, companies need to ensure their digital experiences are easy. Employees will select the channels that they prefer so companies still need to ensure they can deliver omnichannel, to suit employees requirements and preferences.

Focus on delivering employees the experience they desire. True omnichannel communications will allow employees to interact with you in their preferred way and enhance their customer journey.

By engaging with a partner who understands global, cultural and industry variables, your organisation can achieve its goals by delivering best-in-class communications that inspire loyalty and drive participation.

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