Lucidworks

Transform the Financial Advisor Experience With AI

Lucidworks powers a platform that makes financial advisors more productive–and profitable.

Wealth management is a critical pillar of the financial services world. For one global firm, advisory is the fastest growing business of its wealth management division and comprises roughly half the revenue for the multibillion-dollar company.

That growth is built on a franchise network of financial advisors (FAs) offering services that are increasingly personalized, versus the straight-to-consumer robo-advisors that competitors employ. Succeeding with the franchise model means the satisfaction of the FAs is crucial to getting and maintaining clients for the firm. Internal analysis has shown that if an FA leaves the investment bank, 80-90% of their customers will follow them to their new firm within nine months.

Determine the Next Best Action

Internal statistics also showed that the average financial advisor manages relationships for 2,000 clients, all of whom expect personalized service and attention. To give each client the best possible service and advice, that means the advisor has to review an individual client's risk profile in order to determine the next, most-appropriate activity for the customer, i.e. what products and services the FA should offer the customer for their continued financial success.

Determining the next best action is not easy and requires extensive research. For example, a new trade agreement in a particular industry or region might affect a given portfolio, and understanding how that can affect a particular customer requires assembling opinions and advice from several different data sources.

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Further, the next best action is not always about suggesting a trade; it's a catalyst for interactions and touchpoints. Remembering a person's birthday, a child's graduation, a preferred type of wine, are all ways an FA can use the system to have a conversation.

Eliminate Pivoting Between Different Screens, Different Search Mechanisms

Switching between multiple systems and multiple screens is *de rigueur* for the financial advisor. An employee survey surfaced that one of the largest areas of dissatisfaction for FAs was using

the in-house research system. The application was maddeningly slow, and while more than 250 pieces of investment research are produced and uploaded daily to the system, most FAs have time to familiarize themselves with only 15-20 documents. It was impossible to sift through all the materials, contextualize them, and figure out which was most relevant for each of their 2,000 customers.

Search is central to a financial advisor's workflow and is used to transition into other investment, trading, or service workflows. Because of the variety of semi-structured data (investment, financial, and research reports, policy documents, etc.) and structured data (portfolio profile, transactions, customer master, etc.), two different search applications were employed.

An enterprise search deployment powered by HP's Autonomy allowed search across PDFs, Word docs, PowerPoint decks, and other unstructured documents and data. Unfortunately, due to the way search was weighted, top results were rarely relevant and often stale and out of date.

A second search application, served by database calls, was used for structured content. Less of a search application and more a front end to a lookup-driven database query, this system had none of the features of a modern search app like autocomplete, query history, suggestions, synonyms, or spellcheck. This app was also very limited in its search scope, not allowing wildcard searches. If a user wanted to search a client by last name, they couldn't just enter in the first few letters and an asterisk, they had to type the complete name, exactly as it appears in the database to get any records to return for the query. Users were very frustrated by the lack of features.

Finally, the firm had no systematic way to increase and measure the impact of digital and human interactions with the customers, no way to deliver compliance-approved marketing efficiently, and overall, no way to increase the standard of care and attention provided to the customer.

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Better Prioritize Research, Distill Information Into Single View

The first step to addressing the needs of the financial advisors was to unify all research and financial information into one search platform. Because of the disparate nature of the data, advisors needed to search and access — financial reporting as well as text, charts, and images — a NoSQL platform was required. The data platform was architected using a schema-driven approach, and decoupled the UI platform transformation from the re-platforming of the back-end operational infrastructure.

Lucidworks enables the indexing of all data of the various types and running combined queries across both structured and unstructured content. A view of all the data is then assembled in one screen, simplifying workflows. A complete history of user interactions is also displayed for each customer. User behavior signals like queries, clicks, and views are fed back into relevancy algorithms, which resulted in a greater than 2.5x improvement in search result relevancy.

> *Lucidworks provided not just the search capability, but the ability to take queries, clicks, views, and other signals and pipe them back into the relevancy algorithms, enabling greater than a 2.5x improvement in relevancy of search results.*

Once all the data was available in unified search, Lucidworks built a personalization engine. The engine learned the likes and dislikes of each FA by virtue of what he clicked to access and read and what he did not. If he skipped all the items on the first page of results, the engine learned that none of those pieces of collateral were relevant and would take that into account the next time that query was run.

The next step was to fine-tune this personalization to each of the financial advisors' clients. The Lucidworks personalization engine was integrated across all end-user channels including CRM (salesforce.com) and content repositories with services endpoints. With this method, the FAs helped train the engine to understand the likes and dislikes of each individual customer.

Align Portfolio With Book of Business Analytics

The final hurdle was to improve reporting to the FAs on their books of business. The previous analytics tools were built with Teradata, but the firm had outgrown the system and suffered several setbacks. Queries were becoming slow and timing out, the user interface was confusing and clunky, and the backend could not handle the demands of the users so any updates or changes to the functionality of the app led to IT headaches and long lead times.

Lucidworks re-architected the reporting application to not just address these issues, but also to add features that significantly raised the bar for analytics.

The new application is highly-scalable, low-latency (~250 ms), robust, and highly personalized, enabling rich discovery, facets, and statistics across hundreds of relevant data points, all fitting seamlessly in the advisors' workflows. The end-user feedback was outstanding and saw more than triple the time spent using the application.

Yield Real Answers With Natural Language Questions

The unified search solution's AI and machine learning capabilities have also expanded to include asking the system questions in plain English. A user can ask, "Who are all my clients who own Amazon, with position value greater than $1 million?" and the system will cull the research and data to determine the best answer.

AI-powered applications aren't going to replace the financial advisor franchise model any time soon, but it makes each FA more productive and empowered, resulting in better customer satisfaction, enduring customer loyalty, and higher revenues.

Get Started >

Lucidworks has been there and done that. We can help you navigate trends as well as architect and deploy a solution that is scalable, relevant, and future-proof. If you are wondering where to start, contact us at **lucidworks.com/contact** or give us a call at 415-329-6515.