



ENHANCING INVESTOR/ADVISER COMMUNICATIONS

Financial Advising needs and solutions: Investors demand better and more personal services from Financial Advisers. Affluent investors require more attention. Low asset investors require services at lower costs. New technology integrates personal access to Adviser with easier and more satisfactory automated self-service by speech and telephone. New technology can support the following services:

- Immediately recognize Investor caller, based on caller voice. Then connect to Adviser and if unavailable arrange call back. Also provide self-service portfolio and market information while waiting to speak to Adviser.
- Alert Investor by call of events affecting portfolio
- Answer frequently asked questions relating to portfolio
- Evaluate long term impact of changes in investments
- Send Investor requested documents by fax, email or mail

Add personal low cost Investor/Adviser channel: Surveys show that Financial Firms' customers clamor for live contact with Advisers, to answer questions, review strategy or react to current events. Currently, Advisers can respond to only a fraction of their more affluent customers, leaving the majority with little advice. Financial Firms have reacted to this demand by reducing cost of advising somewhat; for example T. Rowe Price, Vanguard and Schwab have been offering one time portfolio strategy analysis and advising for \$500 - \$2,000.

The time for Financial Advising is reduced by automation of phases in the advising process. Approaching and informing a customer can be automated. Discussion and negotiation require live contact with Adviser. Final transaction closing can be performed automatically.

The new technology offers more individualized attention to both affluent and low asset customers. It is estimated to triple the number of customers being served by an Adviser and reduce the cost to \$200 - \$1,000. This will include an annual live review of portfolio strategy and a number of shorter live contacts over the year. Such an offering can attract mass low-asset customers. It can serve the surging market of low-asset investors (estimated at 25 M customers with \$6T assets) who cannot afford current costs of advising.

Speech Channel Add-on To existing business practices: Financial Firms have in place web systems and processes for existing business. An important feature of WebForPhone service is its simplicity in automatically generating interfacing with existing website systems. The WebForPhone Platform essentially is an intelligent translator between customer voice communication by telephone and the terminal keyboard like communications with the Firm's website server. WebForPhone translates client utterances on the phone into effective clicks on a website with EXACTLY the same results. Different channel, exactly the same behavior. This is what allows rapid installation and reduced need to test and manage changes to the environment.



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In addition the WebForPhone Platform connects, calls-back or schedules, voice telephone exchanges between customers and live Financial Advisers.

State-of-the-art speech recognition has advanced greatly. It can recognize very large vocabulary used in Finance, such as categories and names of securities. It does away with menus or pressing keys. The caller/callee can “say anything” of what he/she wants.

Furthermore, the Financial Firm’s systems can monitor the customer portfolio and alert the customer individually by email or voice telephone of events affecting the portfolio and offer to consult the Adviser. The Firm can utilize the same compliant processes presently in practice in contacting customers.

Customer Satisfaction: The service is offered to customers and Financial Advisers based on their selection to use it. Trial offerings have indicated that majority of customers and of broker opt-in to try the service.

Cost: These are ball park estimates:

Setup costs: estimated at \$30,000. This is basically the cost for installation. WebForPhone is offering development on Try-Before-Buy basis, meaning subject to accepting the service. There is no risk to the Financial Firm in the set-up.

Usage costs: These costs are based on call-minutes/month. They range from 20 cents/call-minute for very low monthly traffic to 5 cent/minute for 5 million call-minutes/months.

Value Delivered:

- (a) Demonstrating that number of customers per Financial Adviser can triple, with high customer satisfaction, and the costs can be reduced to \$200- \$1,000 or .35% of asset.
- (b) An operational scalable capability to support new services.
- (c) A basis for large build up of service offerings by Financial Firm.