MasterCast

Investing in Digital to Drive Omnichannel Client Experience

Medallia

Vanguard

Clark Hoober
Investing in digital to drive omnichannel client experience
• Vanguard’s client experience evolution
• Success stories
• Getting started
OUR CORE PURPOSE

To take a stand for all investors, to treat them fairly, and to give them the best chance for investment success.
We create meaningful world-class experiences that exceed client expectations, positioning Vanguard as the trusted financial partner and industry disruptor.
We drive pillars of relevance, trust, and simplicity in client experiences through innovative and prevailing approaches:

**OUR PRINCIPLES**

- **Client Obsessed**: Everything we do is lead by, and designed for, the Client and their true needs.
- **Outcome Oriented**: We focus on positive outcomes for the Client and the Vanguard business.
- **Experiment Driven**: Everything we do is informed by testing, experimentation, and prototyping with the Client.
- **Owner’s Mindset**: We take responsibility for and ownership of the Client journey end to end.
- **Strive for Mastery**: We continuously upskill to ensure our mastery of critical Client Experience skills.
**WE HAD TO CHANGE**

<table>
<thead>
<tr>
<th>From ...</th>
<th>To ...</th>
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<tbody>
<tr>
<td>▪ <strong>Episodic investment</strong> in client experience (e.g., project based)</td>
<td>▪ <strong>Persistent journey ownership</strong> – improve, maintain, innovate</td>
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<tr>
<td>▪ <strong>Localized vision</strong> of CX across the enterprise and for different client groups</td>
<td>▪ <strong>Single, unifying vision across the enterprise</strong>, with cascading versions for different client groups</td>
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<td>▪ <strong>1st generation of agile methods</strong>, applied in IT only</td>
<td>▪ <strong>Modern agile methods</strong> applied across empowered full stack teams</td>
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<td>▪ <strong>Focus on functional needs</strong> and responsibilities</td>
<td>▪ <strong>Focus on client centered</strong>, end-to-end experiences</td>
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<td>▪ <strong>Leader-dependent decision making</strong></td>
<td>▪ <strong>Product/Journey ownership</strong> – shifts decisions to those in the labs for feature prioritization</td>
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PROGRAM STRUCTURE

JOURNEY OWNERSHIP (1)
• JOURNEY OWNER

DATA & ANALYTICS (1-2)
• MEASUREMENT ANALYST

CREATIVE (2-4)
• UX STRATEGIST
• UX DESIGNER
• WRITER

TECHNOLOGY (3-7)
• SCRUM MASTER
• TECH LEAD
• FULL STACK DEVELOPERS

SOLUTION ENGINEERING
METRICS & ACCOUNTABILITY
ANALYTICS
LAB LIFECYCLE MANAGEMENT
CHANGE & COMMUNICATIONS
BUSINESS PARTNERSHIP
PROGRAM STRUCTURE

JOURNEY OWNERSHIP DATA & ANALYTICS CREATIVE TECHNOLOGY CX ENABLEMENT

BEFORE

AFTER
We partner across multiple internal areas of our organization and external vendors to curate a holistic view of the client’s end-to-end journey.

**Thinking Holistically**

Focus groups
Interviews
Participatory design
Contextual observations
Moderated usability study (in lab or remote)
Unmoderated usability study

Concept testing
Card sorting
Online Communities

A/B testing
Channel analytics
Beta Site / Pilot region
Unmoderated usability study

Attitude
What people SAY

Qualitative
Why & How to fix

Behavior
What people DO

Quantitative
How many & how much

Surveys

Online Communities

What people DO

Participatory design
Focus groups
Interviews

Why & How to fix

Qualitative
EXPERIENCE PRINCIPLES

Relevance
We courageously ensure all efforts, experiences, and outcomes are relevant and impactful to Vanguard and our clients.

Trust
We carefully put the client first, building and earning their trust and business through informative, safe, and secure experiences.

Simplicity
We clarify, removing waste from every interaction, and creating frictionless access to advice and preference for digital touchpoints.
LAB PRIORITIZATION

**Strategic Alignment**
- What is the strategic alignment and fit?
- How does the journey align to the existing portfolio?

**Client Experience**
- What is the potential to improve the client experience?

**Economic Impact**
- What is the financial impact?
- How many clients are significantly impacted?

**Complexity**
- How clear is the opportunity?
- How difficult will it be to address the journey?
- Are we addressing policy changes?
Our teams cover different types of work in support of client experience and product development.

A. Journey Management
   End to End Journey Redesign
   - Reimagine existing journeys E2E across channels
   - Build or rebuild digital experiences in NGA
   - Measure and improve CSAT and operational KPI (e.g., completion rate, call rate)
   - Support existing experience in legacy until new architecture is in place
   - Align management within journeys to replace legacy experiences

B. New Products
   Build New Product Experiences
   - Build new experiences for key product offering or business initiatives
   - Aim at moving key indicators around growth and adoption
   - Own maintenance

C. Product Support/Enhancements
   Enhance Key Capabilities/Channels or Re-platform
   - Enhance cross cutting capabilities
   - Maintenance and production support of key existing experiences
LEGACY EXPERIENCE

Sell them
We started off thinking we need to sell clients on the idea of transitioning to a brokerage account.

NORTH STAR VISION

Tell them
They saw right through us. They didn’t like the flowery language or illustrations.

MVP EXPERIENCE

We told them
They told us, “Tell me why I need to do it, and let me know what’s going to happen.”

“It was very easy and your descriptions are very clear (kudos from a teacher!)”

6x
Increase in client adoption over 2017 efforts

86%
Client Satisfaction

STORIES OF SUCCESS
Service Adoption
STORIES OF SUCCESS
Leveraging Medallia to Drive Change

MINIMUM Viable PRODUCT
Start small
We identified top fallout points and sought to address navigation from a user’s point of view

SIGNATURE MOMENT
Test it
"I get confused with all the jargon on your site."
"I’m not sure where to look for that on my statement."

SCALE EXPERIENCE
Proven improvements
Now that we solved issues around navigation and incorrect account details, measure the collective benefit.

5x
Increase in scale over 2017 efforts

53%
Improvement in fully digital requests

"Super easy, thank you Vanguard!"
STORIES OF SUCCESS
Leveraging Medallia to Drive Change

You're all set!

Select the account type you want to open:
- Retirement (IRAs)
- General investing (individual, joint, trust)
- College savings or investing for a minor
- Small business (SEP-IRA, 401(k), SIMPLE IRA)

Confirmation # WA11865245
Your assets should arrive in approximately 7 business days. We'll send you
a firm review to approve the request.

What will you use this account for?
- Retirement (IRAs)
- General investing (individual, joint, trust)
- College savings or investing for a minor
- Small business (SEP-IRA, 401(k), SIMPLE IRA)

What's the minimum amount I can invest?

What if I don't see the account type I need?

Can I open an account for my spouse or child?

Please help us improve
Overall, how satisfied are you with your transfer experience?
1 2 3 4 5
Extremely satisfied
Not at all satisfied

How easy was this transfer process?
1 2 3 4 5
Extremely easy
Not at all easy

Please tell us the reason for your scores (Optional):

Submit Feedback

Vanguard

How can we serve you better?

It’s our goal to make the asset transfer process easy and straightforward. Please take a couple of minutes to complete our brief client satisfaction survey. Your feedback is invaluable to helping us optimize your Vanguard experience.

Thank you for your time and we look forward to receiving your feedback.

Overall, how satisfied were you with your asset transfer?

Not at all satisfied
Extremely satisfied

Sincerely,
Matt Bancher
Principal
Retail Investor Group

Please do not reply to this email as this is an unmonitored email address.

Survey Contact:
To unsubscribe from future Medallia surveys for Vanguard, please click here.
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“I want you to know that I lost my bet to my wife, I never thought anyone from Vanguard would actually call me back, I’m glad that I lost that bet to my wife and that you took time out of your day to call me.”

“I feel heard and was well served. I have always been pleased with Vanguard’s services and this call today shows that someone paid attention when the process did not go as planned and it is very kind.”

“Although the second rep that I spoke to at Vanguard was more helpful I felt like neither rep knew what to do and how to accomplish this transaction. It was a very frustrating day where I felt that Vanguard really does not want my money.”
### WHERE DO WE GO NEXT?

**It's a conversation, it's a journey!**

*What you can do at your organization...*

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<tr>
<th>Start at the top</th>
<th>Inspire with stories</th>
<th>Empower your organization</th>
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| • Ask leaders for support today  
• Cascade the message  
• Start small to solidify investment | • Start collecting stories  
• Pair with data on actual user behavior  
• Share them when the time is right | • Gather the voices representing all facets of the experience  
• Leverage data to identify trends  
• Use it to make better decisions |