

Access Demand Across Consumer Touchpoints Escalating for Financial Services Providers

Ameriprise, Edward Jones and Morgan Stanley Among Top Performer Firms; Pricing Confusion Increases Nationally

(April 23, 2020, Rye, NY) – Consumer demand for access across multiple touchpoints is growing, with mobile apps making the biggest jump, according to [Hearts & Wallets](#), the data and analytics company that specializes in how consumers save, invest and seek financial advice.

The **Wants & Pricing: Competition Heats Up as Consumers Seek Multi-Channel Access and Pricing Clarity** quantitative report, which examines pricing trends and top customer wants for both firms and financial professionals, finds access-related attributes had biggest jump in importance annually. The report also designates firms that achieve top-level annual satisfaction ratings from their customers. Over 5,000 U.S. households rate their top two financial services providers on 27 attributes for 5 key service dimensions and 3 pricing dimensions. A Top Performer designation is awarded for firms (or stores) with ratings on top wants from their customers distinctly higher than customer ratings of other stores. The report also assesses consumers perception of value in relation to pricing, prices customers believe they are paying, and how well they understand how providers earn money.

Written by Hearts & Wallets subject matter experts with decades of operating experience in retail finance, consumer packaged goods and technology development, and acumen honed at the nation's finest business schools, the Wants & Pricing report is drawn from the Hearts & Wallets Investor Quantitative™ Database, recognized as the largest single dataset with over 80 million data points on consumer buying patterns from over 50,000 U.S. households.

More Access, More Mobile

For customer wants, firm touchpoints saw the biggest year-over-year increases as consumers value multiple channels. Nationally, customers place growing importance on “has good mobile apps,” up 7 percentage points. Other touchpoints are also key, as the next largest year-over-year spikes are in “quality of online tools and research,” “local branch office is easy to get to,” and “quality of internet account access.”

Of the quarter (26%) of households nationally who consider mobile apps very important, two-thirds (63%) also place high importance on local branches. Apps do not displace human interactions, as nine out of 10 (91%) of consumers who place high importance on mobile apps also say being “easily reachable by telephone” is very important.

“Omni-channel access has been growing in importance, even before the spike in COVID-19-related calls,” Laura Varas, CEO and founder of Hearts & Wallets said. “Mobile apps are an additional channel, rather than a substitute for phone or branch accessibility, and offering multiple ways to connect is even more important during this time of crisis when consumers seek reassurance.”

-more-

Multiple Access and Top Performer Firms/2

Women have higher expectations than men across all 27 attributes, including an 11-percentage point difference for “easily reachable by telephone,” cited by 55% of women vs. 47% of men.

Pricing Confusion

Customers are more confused about pricing than in prior years. Only 25% of customers have a good understanding of how their providers earn money. In nearly one third (31%) of primary and secondary firm relationships, the customer does not know how they pay for saving and investing services, up 3 percentage points in one year. Underscoring the struggle with pricing, there are no top performer firms in the perception of value dimensions this year.

E*Trade, which is being acquired by Morgan Stanley, was the sole Top Performer firm in pricing attributes, having the most customers who know how they pay and understand how the firm earns money.

“Free trade offers will ironically exacerbate consumer confusion about pricing,” Varas said.

Top Performers

Ameriprise, Edward Jones and Morgan Stanley appear frequently as Top Performers among wants rated most important in the 5 service dimensions tracked, for example:

- **“understands me and shares my values,”** – **Ameriprise*** (NYSE: AMP), **American Funds**, **Edward Jones***, **Morgan Stanley*** (NYSE: MS) and **USAA***, are Top Performers. **T. Rowe Price** (NASDAQ: TROW) is most improved year over year.
- **“unbiased, puts my interests first”**– **Ameriprise*** and **Edward Jones*** are Top Performers. **T. Rowe Price** is most improved.
- **“explains things in understandable terms”** – **Ameriprise*** and **Edward Jones*** are Top Performers. **PNC** (NYSE: PNC) is most improved.
- **“has good mobile apps”** – **Bank of America** (NYSE: BAC) is Top Performer. Ameriprise is most improved.

The ratings encompass all customer types and are weighted to national assets and age to be comparable across stores and years.

“Over the past 9 years, the Wants & Pricing Top Performers methodology has proven a useful guide to how firms perform on what customers value,” Beth Krettecoc, Hearts & Wallets subject matter expert and co-author of the report, said. “The analysis provides insight into firm competitive performance for the two most important wants in each service dimension, customer wants with the biggest year-over-year increases, and critical pricing measurements.”

*also Top Performer in 2019

Hearts&Wallets

The source for retail investor data & insights

Multiple Access and Top Performer Firms/3

Methodology

Wants & Pricing: Competition Heats Up as Consumers Seek Multi-Channel Access and Pricing Clarity analyzes pricing trends and top customer wants by importance for both firms and financial professionals. U.S. households rate their top 2 financial services providers on 27 attributes for 5 key service dimensions and 3 pricing dimensions. A Top Performer designation is awarded for firms (or stores) among the top 24 providers – leading brokers, banks and retirement platforms – with ratings from their customers on top wants that are distinctly higher than customer ratings of other stores. This annual report is part of the Investor Quantitative™ Database, which contains over 50,000 U.S. households. The latest survey wave was fielded in July 2019 and includes 5,461 households, weighted for a nationally representative sampling.

About Hearts & Wallets

Hearts & Wallets is a data and analytics firm that specializes in how consumers save, invest and seek financial advice. Leading firms use Hearts & Wallets software-as-a-service subscription and technology-enabled benchmarking to make their saving, investing and advice solutions more consumer-centric. For more information visit www.heartsandwallets.com.

Media Contact

Lynn Walters lynn@heartsandwallets.com
800-930-0966 ext. 704

Hearts & Wallets, CEO & Founder

Laura Varas laura@heartsandwallets.com
800-930-0966 ext. 700

###