

# FINEDGE

ADVISORY ON WEALTH CREATION & FINANCIAL PLANNING

ANNUAL  
SURVEY

2014-15

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*FinEdge Advisory recently concluded its third annual customer experience survey. With close to 40% of our entire client base responding with their valuable comments, the exercise was a resounding success. This short document summarizes our key inferences from the survey.*

Summary of  
results

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## Executive Summary

In the past 12 months, FinEdge Advisory has witnessed unprecedented growth in its client base, geographical reach and assets managed. Our client base now extends to over 200 cities across the country and we have put over 12,000 clients on track to meet their important financial goals through quality financial planning *in the past year alone*.

The year 2014-15 also saw us getting recognized at multiple levels for the quality of our advice and value-add to the financial planning industry as a whole. As we embark upon this exciting growth trajectory, the organization feels it not just important but essential to go back to its clients once a year to hear their voice and gauge how we are *really* doing.

## Survey Objective

The objective of the annual survey is to test our performance on the following key parameters: **Professionalism, Domain Knowledge, Portfolio Performance, Value addition & Frequency of Interaction.**

In addition to the above, we undertook the exercise of calculating our NPS® (Net Promoter Score) for the first time this year. The Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. **It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand.** Globally, companies like American Express, GE, Apple, General Motors, HSBC, Lloyds and Johnson & Johnson consider the NPS® score to be a critical component of the overall health of their organization.

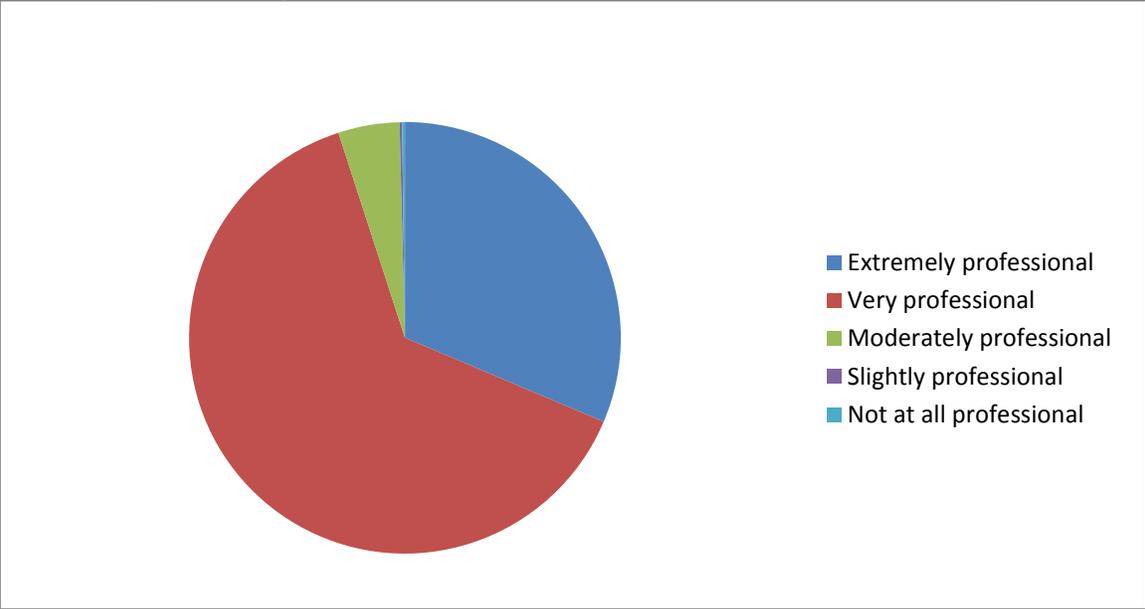
# Professionalism

Professionalism is one of the key tenets of the FinEdge way of work. Broadly speaking, “professionalism” may be defined as **the level of excellence or competence that is expected of a professional.**

Whether dealing with internal or external stakeholders, every team member at FinEdge is always expected to display high levels of professionalism and professional ethics.

**95.7% of respondents adjudged us “extremely professional” or “very professional”**

As an organization, how "professional" is FinEdge Advisory?	
Answer Options	Response Percent
Extremely professional	31.4%
Very professional	63.7%
Moderately professional	4.6%
Slightly professional	0.2%
Not at all professional	0.2%

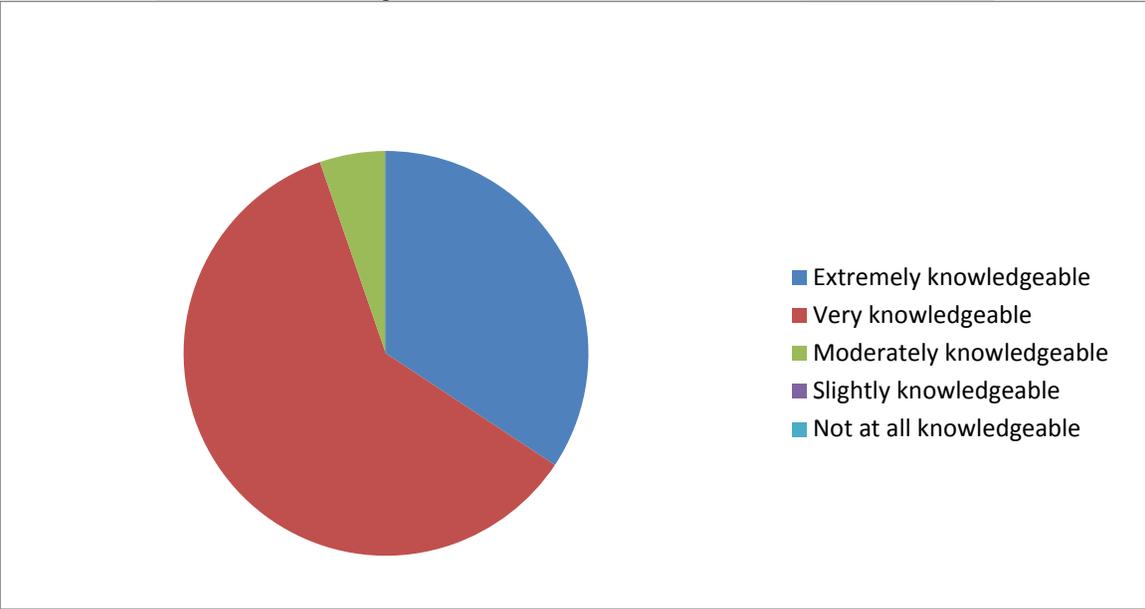


## Domain Knowledge

All our Financial Planning Managers are expected to possess the highest levels of domain knowledge – be it with respect to Financial Planning, investment products or current market trends. As an organization, our emphasis on knowledge building is underscored by the fact that all team members are put through a weekly quiz, with the scores carrying significant weightage towards their eventual growth trajectory within the organization.

**94.7% of respondents adjudged us “extremely knowledgeable” or “very professional”**

How would you rate your Financial Planning Manager in terms of domain knowledge?	
Answer Options	Response Percent
Extremely knowledgeable	34.3%
Very knowledgeable	60.4%
Moderately knowledgeable	5.3%
Slightly knowledgeable	0.0%
Not at all knowledgeable	0.0%

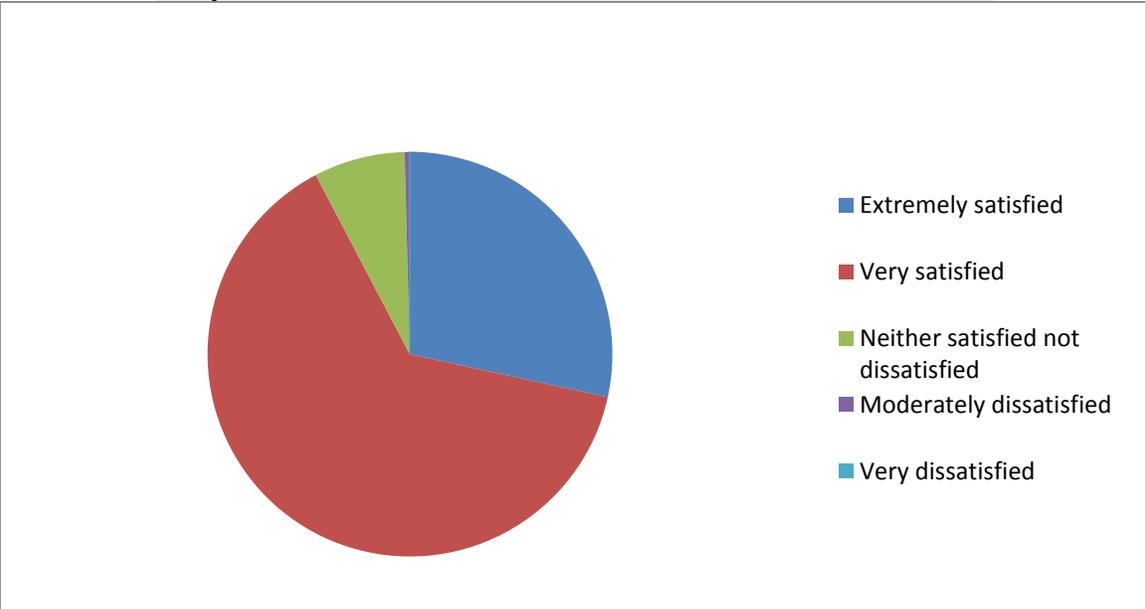


# Portfolio Performance

Our dedicated research desk strives hard to ensure that the investment product recommendations made are in line with each client’s risk profile, investment objectives and time horizon. We regularly conduct appraisals of our “product whitelist” to ensure that we are abreast of material changes in a fund strategy or key personnel, thereby ensuring that only high quality funds enter the portfolio of a FinEdge client!

This effort was affirmed by our clients this year, with a **high 92.7% of respondents stating that they were either “extremely satisfied” or “very satisfied” with the performance of their investment portfolio.** In addition, only a miniscule 0.4% of respondents stated that they were dissatisfied with their portfolio returns – an unheard of benchmark in the investment advisory space.

How satisfied are you with the performance of your portfolio with respect to your long term goals?	
Answer Options	Response Percent
Extremely satisfied	28.4%
Very satisfied	63.9%
Neither satisfied not dissatisfied	7.3%
Moderately dissatisfied	0.4%
Very dissatisfied	0.0%



## Value Addition

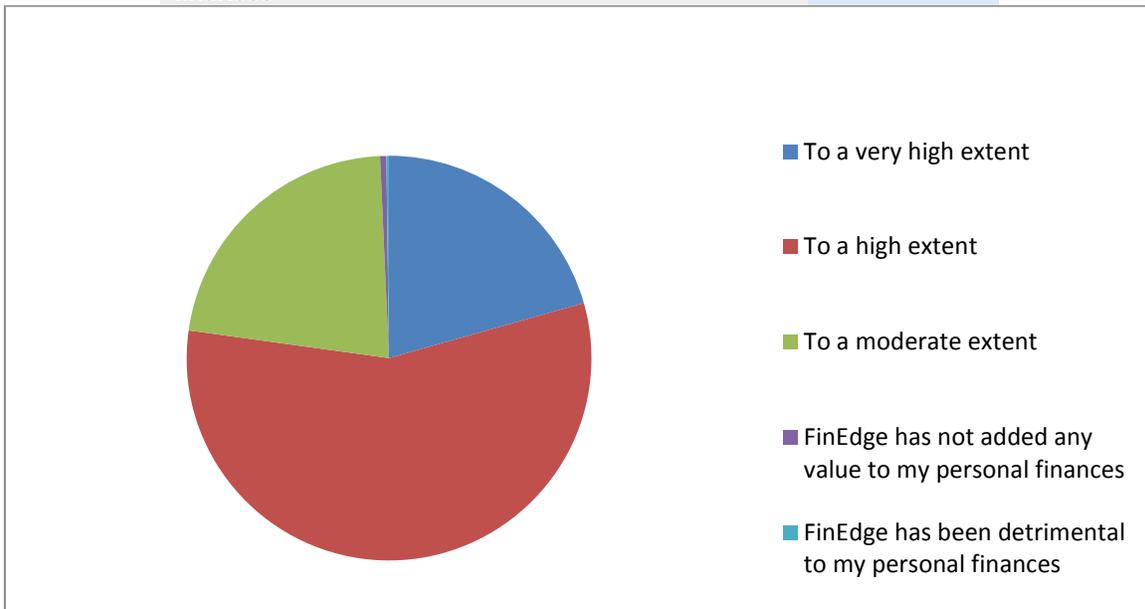
Value addition can be defined as “the enhancement added to a product or service by a company before the product is offered to customers”.

While we believe in “keeping it simple” when it comes to investment recommendations, we strive to ensure that the process creates significant incremental value for our customers. Conflict free advice, goal based financial planning, risk profiling, analysis of existing investments, FedEx® doorstep convenience, seamless document processing and holistic online portfolio access are a few of the ways in which we try to differentiate ourselves from traditional financial advisors.

**This was reflected in the fact that a high percentage (99.3%) of our clients feel that FinEdge has added value to their personal finances in some way, with 77.2% opining that the value addition has been to a “very high” or “high” extent.**

### To what extent has FinEdge added value to your personal finances?

Answer Options	Response Percent
To a very high extent	20.6%
To a high extent	56.6%
To a moderate extent	22.1%
FinEdge has not added any value to my personal finances	0.5%
FinEdge has been detrimental to my personal finances	0.2%

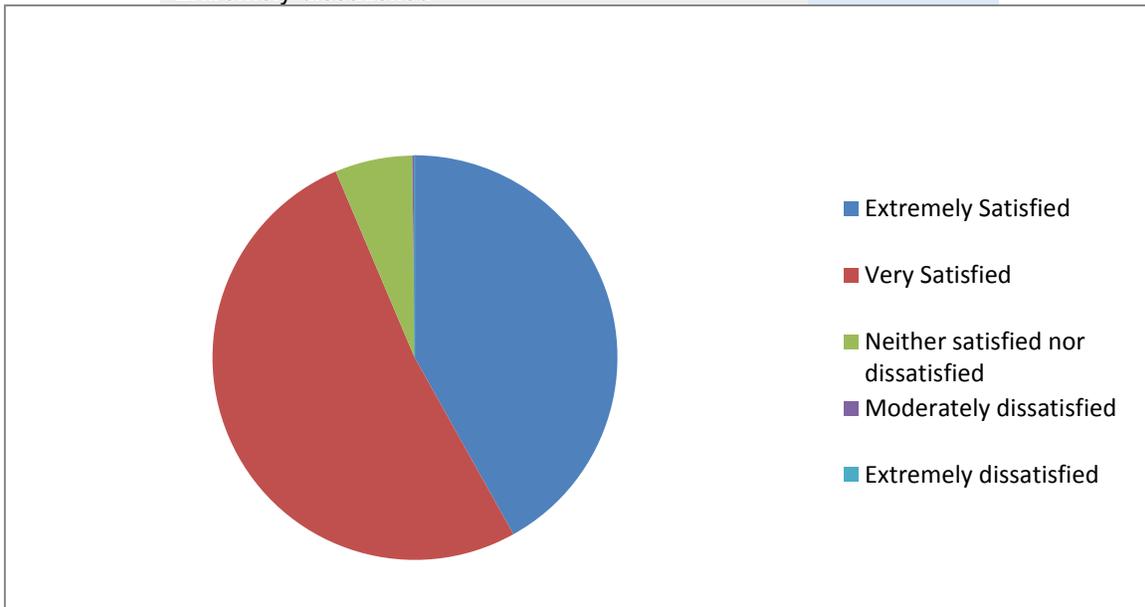


## Frequency of Interaction

In the end, Financial Planning is a fruitless exercise without the all-important “human touch”! Realizing this very early on, we have stipulated that every Financial Planning Manager needs to touch base with every one of their clients once a month as part of a tracked & managed CRM exercise. Over the past year, many of our clients have proactively written in, appreciating the fact that our team makes a special effort to reach out to them and stay in regular touch, much unlike many other Advisors, who are more “transactional” in nature.

At FinEdge, we believe that keeping in touch with our clients is our No. 1 business priority. This was quite clearly underscored in the fact that **93.7% of our clients are either “extremely satisfied” or “very satisfied” with their frequency of interaction with their Financial Planning Manager.** We will strive to improve this 10 near 100% by next year.

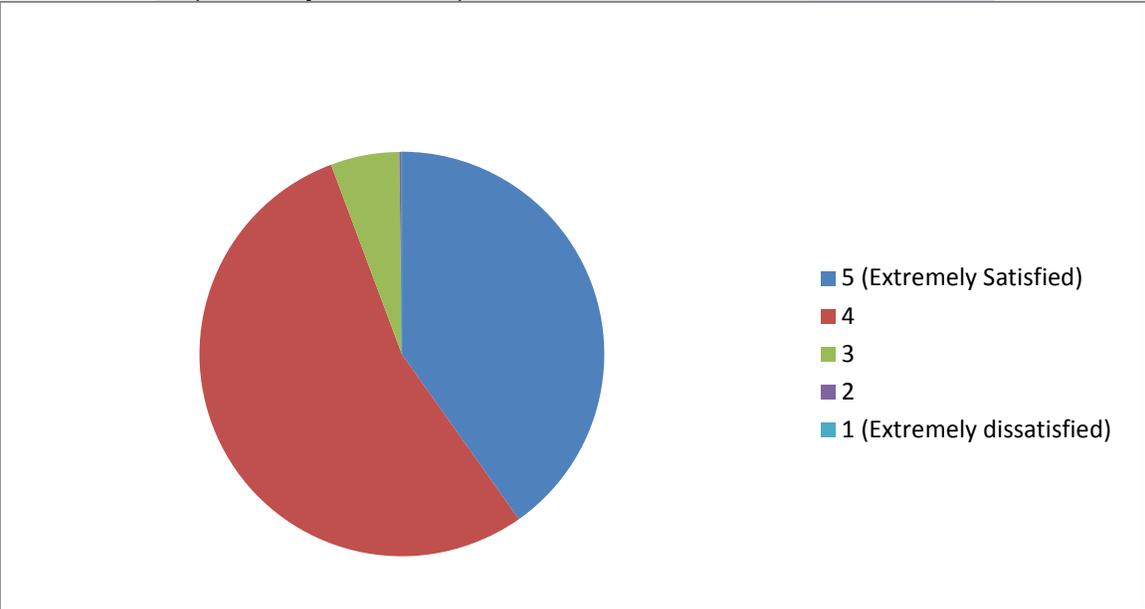
How satisfied are you with the frequency of interaction with your Financial Planning Manager?	
Answer Options	Response Percent
Extremely Satisfied	41.9%
Very Satisfied	51.7%
Neither satisfied nor dissatisfied	6.2%
Moderately dissatisfied	0.2%
Extremely dissatisfied	0.0%



# Overall Satisfaction

In this broad question, we asked our clients to rate their “overall satisfaction” with FinEdge Advisory. **94.3% of our clients responded with scores of 5(Extremely Satisfied) or 4.**

How would you rate your overall satisfaction with the Services of FinEdge Advisory?	
Answer Options	Response Percent
5 (Extremely Satisfied)	40.2%
4	54.1%
3	5.5%
2	0.2%
1 (Extremely dissatisfied)	0.0%



## NPS ® (Net Promoter Score)

FinEdge NPS® (Net Promoter Score) for 2014-15: **40**

Industry Benchmark^ across 20,265 similar organizations: **28**

### Latest published NPS® of other financial services institutions/banks:

American Express<sup>##</sup>: **36**

Morgan Stanley Wealth Management<sup>##</sup>: **28<sup>##</sup>**

Standard Chartered Bank (Global) <sup>##</sup>: **25<sup>#</sup>**

HSBC<sup>##</sup>: **-13**

Higher Net Promoter Scores tend to indicate a healthier business, while lower Net Promoter Scores can be an early warning to dig deeper into potential customer satisfaction and loyalty issues. Net Promoter scores are often averaging quite low. Fred Reichheld, in his calculation of 400 companies across 28 industries (HBR article “The One Number You Need to Grow”), found that the median Net Promoter score was just **16**.

We were pleased to learn that our NPS for all clients who have spent at least 6 months or more with us is a high score of **40**. While this is good news, we do not plan to use this as a benchmark, but rather as a base to build upon.

How likely is it that you would recommend FinEdge Advisory to a friend or colleague?



<sup>^</sup>data made available on [www.surveymonkey.com](http://www.surveymonkey.com)

<sup>#</sup>[http://www.standardchartered.com/sustainability-review-09/en/our\\_contributions/responsible\\_selling\\_and\\_marketing/voice\\_of\\_customer.html](http://www.standardchartered.com/sustainability-review-09/en/our_contributions/responsible_selling_and_marketing/voice_of_customer.html)

<sup>##</sup><http://www.researchscape.com/business/netpromoter-survey>

## In Conclusion

The annual survey is our sincere endeavor is to extract valuable inferences which will help improve our overall service proposition to our clients. Even for parameters which carry high scores, we look for ways and means to boost them in the upcoming 12 months. In addition, we also try to isolate any unlikely service related issues that may have cropped up, so we can work on speedy resolutions for the same.

In the end, knowing that the same parameters will be measured once again a year later helps keep us on our toes! In the words of Aristotle: **“We are what we repeatedly do. Excellence, therefore, is an act, not a habit”**

Thank you for taking time out to read this report. We hope you found it useful.

**Questions? Comments? Please write to us at [servicedesk@finedge.in](mailto:servicedesk@finedge.in) or dial in at 011-4955 4900. We'd be delighted to hear from you!**

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