

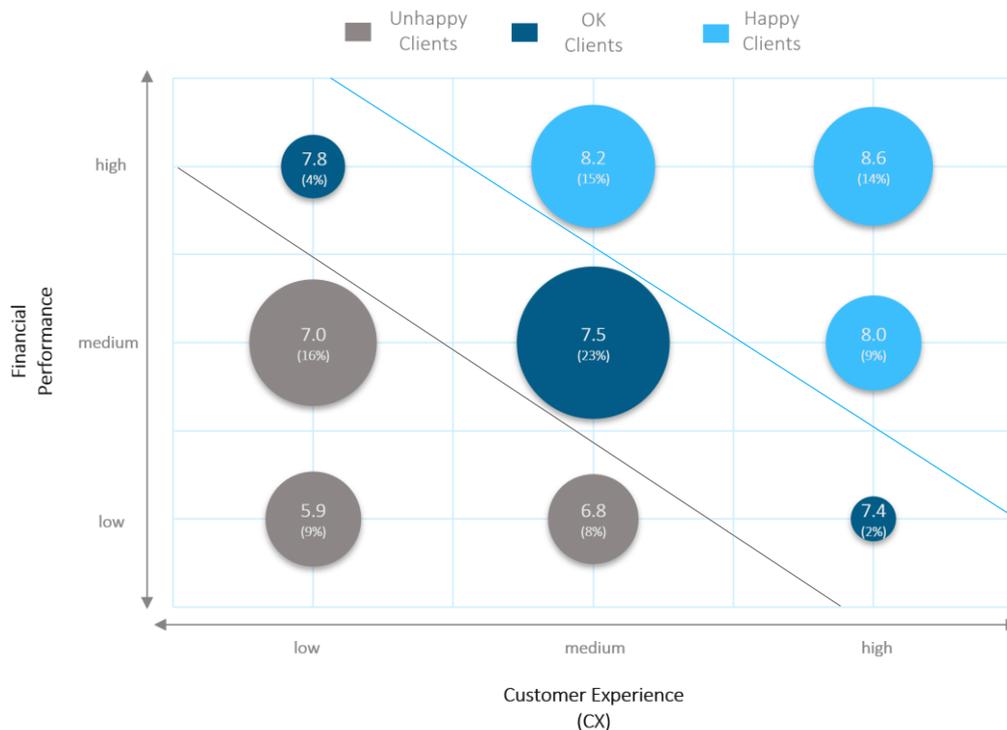


## INSTICUBE RESEARCH: New understanding of what drives satisfaction for Institutional Investors

INSTICUBE, a unique peer-group information sharing platform which collects data about asset managers from institutional investors, has today announced that Asset Managers should focus their attention on Relationship Management if they want to retain clients in times of challenging financial performance.

In a study<sup>1</sup> conducted in partnership with a leading international consulting firm, analysis of INSTICUBE'S data showed that when considering customer satisfaction, financial performance isn't everything, and actually good Customer Experience (CX) can compensate for lower returns.

The following chart illustrates the outcome of this research:



The chart shows an overall customer satisfaction rating depending on financial performance and customer experience, rating on a scale of 1 to 10 (median over the last 2 years is 7.7) and displaying share of mandates in %.

<sup>1</sup> The study is based on INSTICUBE'S data collected. Altogether, there are over 2.5mn data points about the value and service provided by over 550 asset managers from 700+ of the largest 2,000 European Institutional Investors over the past 7 years. They collate this data to provide benchmarks, ratings and risk monitoring reports for Asset Owners, and client generated insights for Asset Managers. INSTICUBE also regularly analyses the collective data they hold to produce reports on asset allocation trends and leading indicators for Institutional Markets.

When observing a sample of the most recent reports on active mandates, it became obvious that the asset owners reporting fell into three groups: ‘Happy’, ‘Ok’ and ‘Unhappy’ clients.

The findings suggest that good customer experience is a necessity to achieve best-in-class customer satisfaction, and excellent CX leads to higher customer satisfaction independent of financial performance.

In times of low financial performance however, CX perceptions are vital and can even compensate for poor returns.

But what is CX and how can it be improved?

As previously stated, Relationship Management is one of the underlying factors that has a big impact on CX. Look out for our next posts where we’ll explore this further...

Contact: Carsten G. Eckert, Managing Director of INSTICUBE GmbH at [info@INSTICUBE.com](mailto:info@INSTICUBE.com)