



INFOSYS INSIGHTS: DIGITAL EXPERIENCES EARN RETIREMENT DOLLARS

Abstract

Data suggests that the battle for retirement plan dollars will be won by those firms who are nailing digital experiences for participants. Yet, few are doing so.

Firms with a modern digital agenda are helping clients navigate their way to not only better experiences, but better outcomes for their clients and their business.

Infosys Insights: Digital Experiences Earn Retirement Dollars

Martha King, Infosys Retirement Services Center of Excellence

A recent study by J.D. Power suggests that the battle for retirement plan dollars will be won by those firms who are nailing digital experiences for participants. Yet, few are doing so.

Participants Want More

When it comes to digital experiences, utilization and satisfaction in retirement services are rising. Mobile apps, in particular, have shown substantial increases in adoption, with nearly half of all participants having downloaded their retirement plan's app. What's more, satisfaction showed correlation with additional investment – the happier participants are with their user experience, the more dollars they tend to put into their plan.

However, digital experiences in retirement service are improving at a pace that falls behind other areas of financial services, leaving many plan participants desiring more from their provider. J.D. Power found that only 38% of retirement plan participants gave their plans high marks for digital capabilities.

This isn't surprising, given the history of underinvestment in technology modernization in the retirement industry. Infosys survey data from 2021 suggested that 80% of record-keepers were operating on custom-built legacy systems. While we've seen improvement since then, many of the firms we talk to today still feel that their services are weighed down by technological limitations that make it hard to adapt to market trends, build positive customer experiences, and run the business efficiently. 70% of respondents from providers we surveyed said the complexity of their IT infrastructure was a significant challenge.

An Industry Eager to Act

The good news is that the industry is eager to act – nearly 90% of retirement services providers we surveyed said they are positive about the industry's ability to transform. And, with the democratization of data and computer power we've seen over the

last decade, retirement services firms are primed to leverage new technologies, like AI and ML, to improve experiences, strengthen resiliency, and boost innovation.¹

However, modernization projects can be complex and there's no one-size-fits-all solution, so many are slow to get started.

Developing A Digital Agenda

Firms investing in a modern digital agenda that satisfies users will continue to pull away from those who are not, and the J.D. Power Study's "Overall Customer Satisfaction Index Ranking" certainly shows some leaders and laggards in the space.

Among those we work with at Infosys that are getting it right, we see them using technology to improve the experience to win over plan sponsors, intermediaries, and participants alike by:

- Prioritizing the delivery of the best user experiences possible with personalized, human-centric interactions and seamless journeys.
- Leveraging data to enable timely, contextual interactions with AI-led insights and personalized recommendations.
- Reinforcing trust with advanced technology stability, availability and resilience that improve end-client satisfaction.
- Indirectly, firms are also investing business operations transformation to reduce cost and optimize productivity, freeing up capital to be reinvested in the plan sponsor and participant experience.

Committing to a 360-degree, customer-centric, modernization agenda is a significant, costly undertaking. While the potential is vast, it is also fraught with risk if taken on without a clear understanding of all it entails. Retirement service businesses are a tangled web of interconnected people, processes, and technology, all which must be addressed to truly transform and modernize the experience.

1. Infosys Data+AI Radar, 2023



Firms need technology partners with deep expertise in those complexities to get that transformation programs successfully over the finish line. Many IT partner firms lack either retirement-specific industry expertise or the breadth to take on all aspects of such a transformation. They're neither prepared to help leaders make the highly nuanced business case for tech transformation in retirement services, nor to execute on it if given the chance.

Which is why [Infosys](#) has been so successful in this space. Our expertise in retirement technology transformation is unparalleled,

with our team comprising thousands of career retirement service and technology experts dedicated to partnering with retirement providers and the broader industry ecosystem to help clients stay ahead of the continuously evolving needs and challenges of the industry.

We come from the retirement industry, so we understand it. We bring together a unique combination of domain expertise and technology capabilities to help our clients navigate their way to not only better experiences, but better outcomes for their clients and their business.



About the Author



Martha King

Martha King is the Chief Client Officer at Infosys, as well as the Executive Vice President and Head of Infosys' US Region and Retirement Services Center of Excellence. She is responsible for navigating the next AI-first, client-centric technology frontier in financial services to enable better outcomes for millions of retirement savers. Under Martha's leadership, Infosys is committed to helping solve industry-wide challenges as the strategic technology partner of choice for firms operating in the retirement space, aiding more and more retirement savers in achieving their goals.

Prior to joining Infosys, Ms. King served as Managing Director at Vanguard, one of the world's largest investment management firms. There, she oversaw the firm's Institutional Investor Group, which serves nearly five million retirement plan participants and 1,500 plan sponsors. Prior to that, she served as Managing Director and founder of Vanguard's Financial Advisor Services division, which now oversees more than \$2 trillion in assets.

Ms. King currently serves as member of the board of two wholly owned subsidiary companies of Infosys Limited: EdgeVerve Systems Limited, a global leader in AI and Automation; and Infosys BPM Limited, which provides end-to-end outsourcing services for Infosys clients across the globe. She is also a Trustee of the Infosys Foundation, USA.

Ms. King earned a B.S. from Bloomsburg University of Pennsylvania. She has completed the Advanced Management Program at the Wharton School of the University of Pennsylvania.

About Infosys Retirement Services

Our Retirement Center of Excellence is here to help your team better serve your clients, from plan sponsors, advisors, consultants, and TPAs to the individuals saving for retirement. We bring the best of Infosys together to help you develop a technology and operations agenda that will unlock value and set the stage for years of growth.

Visit our [website](#) to learn more.

For more information, contact askus@infosys.com



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