

# The Digital Experience Review: US Investing Websites, Q4 2020

BEST PRACTICE REPORT

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**Fidelity Leads With A Breadth Of Functionality, While TD Ameritrade Delivers A Strong User Experience**

## Summary

Investment firms' websites have become hubs for their clients' investing activities and financial planning decisions. To gauge the ease and effectiveness of the experiences these websites offer, we evaluated those of nine large US investing companies. This report lays out where they excel, where they fall short, and how digital executives and their teams can learn from and improve the experiences they offer investors.

## US Investing Best Practices And Leaders

The website is the digital touchpoint of choice for the majority of customers who engage with their investment firm. According to survey data, investors prefer to access a website via a computer to conduct key activities online such as viewing portfolio holdings and account balances (41% of respondents) and analyzing portfolio performance over time (21%).

So it's no surprise that an investment firm's website strongly influences its customers' perceptions of the brand. More importantly, though, the quality of those digital experiences drives profitable growth. And because of the COVID-19 pandemic, the quality of digital experiences is even more critical for differentiation. To attract and retain self-directed investors, firms need to make it easy for their customers to complete the most common investing activities on their website.

To assess how they provide a digital experience, we reviewed the self-directed websites of nine established US investment firms for both functionality and user experience: Ally Invest, Charles Schwab, E-TRADE, Fidelity, Merrill Edge, T. Rowe Price, TD Ameritrade, Vanguard, and You Invest by JPMorgan Chase. We selected these firms as representative of the retail investment landscape in the US.

### Fidelity, Schwab, And Merrill Lead With Great Functionality But Have Middling Usability

We scored investing websites across 24 functionality criteria and 27 UX criteria. We then combined this research with our findings from unmoderated usability testing we conducted with 54 customers. Through this research, we uncovered best practices in key categories (see Figure 1). Fidelity earned the best overall score and is the leader in both digital functionality and UX. Charles Schwab and Merrill Edge, meanwhile, earned the second- and third-highest score on functionality, respectively. Specifically, we found that:

- **Fidelity is the overall digital experience leader.** Fidelity's site is the best in this evaluation in terms of both functionality and UX. Its website earned perfect scores for both transaction tools and news research and analysis capabilities. The site offers a persistent chat function, robust educational content, and goal-setting features to assist the self-directed investor. Fidelity also leads in UX quality. The firm's website

helps users accomplish tasks by providing clear search, relevant data visualization, and personalized content. Users can review holistic wealth and investment allocations graphically. The site also helps investors evaluate their retirement plans by letting them chart and simulate different scenarios.

- **Charles Schwab and Merrill Edge offer a strong feature set, too.** These firms earned the second- and third-highest score in the functionality area of our review, respectively. Charles Schwab has superior portfolio management tools such as a Monte Carlo simulation tool that allows investors to project the likelihood they'll achieve their goals based on a set of inputs. Schwab also offers filters for factors like equity and fixed income concentrations and sector diversification. The site's visual summary of account balances, its display of balances from external accounts, and its live chat also set the website apart. Meanwhile, Merrill Edge also has comprehensive performance tools, such as an asset allocator tool with current and target allocation and customized recommendations. The site offers best-in-class data visualization with extensive interactive charts.
- **TD Ameritrade leads in UX with powerful predictive search and clear navigation.** TD Ameritrade earned the second highest UX score in our review. Like Fidelity, TD Ameritrade has clear search capabilities, with predictive search that's able to discriminate between keywords and quotes and that remembers and displays recent searches. Many other firms fall short on basic search best practices — such as providing clear sample text, predictive search, and filtering. TD Ameritrade excels with clear information architecture and navigational elements. Its primary and secondary menus are consistently located and provide the user with a sense of place as the selected menu item is highlighted.

## Figure 1

### The Digital Experience Review: US Investing Websites, Q4 2020

FUNCTIONALITY	Best practice
<b>Portfolio management</b> Does the firm help the customer understand her portfolio and see a holistic financial picture?	<b>Fidelity</b> Portfolio data is visual and interactive, including charts for balance history, securities ratings, and cash available for withdrawal.
<b>Transactions</b> Can the customer easily find past transactions, create alerts and watchlists, and make trades?	<b>Merrill Edge</b> The customer can set alerts for categories such as price, earnings, ratings, research, and news.
<b>News research and analysis</b> Does the firm help the customer understand markets, securities, mutual funds, and so on?	<b>E-TRADE and Merrill Edge</b> The mutual fund screener has advanced criteria filters, and customers can save searches, compare funds, and export searches.
<b>Customer service</b> Does the firm provide customer service tools that enable her to easily receive assistance?	<b>TD Ameritrade</b> The chatbot, "Ted," lets customers play audio to hear responses and screen-share with an associate.
<b>Marketing and sales</b> Does the firm offer additional products and services and help the customer apply?	<b>Charles Schwab</b> Spotlight banners promote products that are personalized to the customer.

USER EXPERIENCE

<b>Search and navigation</b> Do navigation and search support customers in accomplishing their goals?	<b>TD Ameritrade</b> Search bar is powerful. Navigation menu is consistently located, with menu item highlighted.
<b>Content</b> Is content relevant and easy to understand? Does the site design aid comprehension?	<b>Fidelity</b> Content is relevant, with visualizations, and at times is even personalized.
<b>Progress and workflow</b> Are cues, including motion, used to orient and direct the customer forward?	<b>T. Rowe Price and E-TRADE</b> It's easy to identify which elements are interactive. Next steps are clearly explained.
<b>Error avoidance and recovery</b> Does the site help customers avoid or recover from errors? Is help easy to find and useful?	<b>JPMorgan Chase</b> Error messages appear in close proximity and suggest how to fix the problem.
<b>Privacy and trust</b> Is privacy content easy to find and consume? Does the customer see visual security cues?	<b>Ally Invest</b> Account numbers and username are masked. Privacy and security content are available.

## Follow These Investing Website Best Practices

We found best-in-class examples at each of the companies we reviewed, with Fidelity, Charles Schwab, and Merrill Edge consistently leading across different areas. Our research uncovered a range of best practices, including these five:

1. **Provide a holistic financial picture.** Forty-five percent of US online adults regularly view balances from all of their accounts in the same place. While many firms provide a consolidated view of external balances, only three of the investment firms we reviewed — Fidelity, Merrill Edge, and T. Rowe Price — offer additional aggregated money management features. Fidelity's Full View links investment accounts from other firms, including retirement accounts and credit card accounts, and allows the customer to view a spending comparison across various time frames and accounts (see Figure 2). Additionally, leading experiences allow the customer to track and analyze performance according to their goals. For example, Fidelity customers can view asset allocation against their "goal view."

"It's nice to be able to see all of my accounts rolled up into one because it gives me an idea of what I have saved. I also like that on the 'All Account' page it gives you [a] total across all of your accounts and it also gives you gain or loss across all accounts and balance history." (Fidelity customer)

"It already has common goals laid out, which is really nice because it's already there for you and you just fill in the information." (Fidelity customer)

2. **Offer personalized content and tools to help customers drive better decisions.** Merrill Edge lets customers add personal notes to holdings — for example, to document their rationale for investment decisions — and recently rolled out "investing ideas," which lets investors explore ideas in various industries of interest, showing securities relevant to that theme. Fidelity's asset allocation chart offers interactive advice that is personalized to the user's investments. For example, the advice incorporates specific information from a previous planning session and offers recommendations on what to change. Several investment firms offer interactive charts, but only a few let the customer save her chart settings to use at a later date. In addition to saving charts for later, Fidelity lets investors annotate charts (drawing lines and typing text), show certain indicators, and compare against other securities (see Figure 3). Charles Schwab and Fidelity are the only two sites we reviewed that had videos embedded in task flows, such as on the trading screen.

"The asset allocation tool is very helpful because it's a good way to see a breakdown of how much of my holdings fit into each category. Say I'm a super aggressive person, but I find my portfolio is 40% bonds ... this would be a good spot to see that breakdown and know what my target is." (Fidelity customer)

"When it comes to [companies giving their customers the ability to customize content based on their preferences], I don't need or want to manipulate anything. I would like it done for me — displayed in a way most relevant to me." (TD Ameritrade customer)

3. **Provide multiple omnichannel customer service capabilities.** Relevant to the increased importance of on-demand customer service during the COVID-19 pandemic, only Charles Schwab, Merrill Edge, and Vanguard offer a dedicated tool for customers to schedule time for a call or meeting. E-TRADE, Fidelity, and TD Ameritrade give customers the option to screen-share with an associate for support (see Figure 4). While six of the nine firms we reviewed offer chat capabilities, Fidelity's chat is persistent — letting the customer escalate to a human agent if needed. It also includes the option of audio chat. TD Ameritrade lets users "play audio" to hear their chatbot, Ted, respond.

"I definitely would like to utilize chat because the script is recorded and downloaded in an email for reference." (TD Ameritrade customer)

"I like the chat. I think they've been very successful over the years. Fidelity has had great customer service, and they're usually able to help me out very quickly." (Fidelity customer)

4. **Provide interactive performance tracking and data visualizations.** Vanguard's Portfolio Watch tool offers a detailed and efficient way for customers to analyze their entire portfolio in one place. It lets customers see a breakdown of their asset allocation, including non-Vanguard funds, and receive advice from Vanguard on their portfolio. There are detailed charts comparing the customer's sector allocation to the general market and "caution" ratings if something raises concern. Merrill Edge's "portfolio story" is another effective tool informing customers of their portfolio performance (see Figure 5). It is a streaming video containing a personalized report that compares the user's portfolio to the broader market and assesses whether their investments align to personal values, including ESG scores. It also includes a "portfolio briefing" that lets customers watch a short, personalized video providing a current snapshot of their portfolio.

"I'd be confident making changes [to my investment allocations] based on their recommendations ... I'm open to suggestions on what professionals would recommend, and these tools help a lot." (Merrill Edge customer)

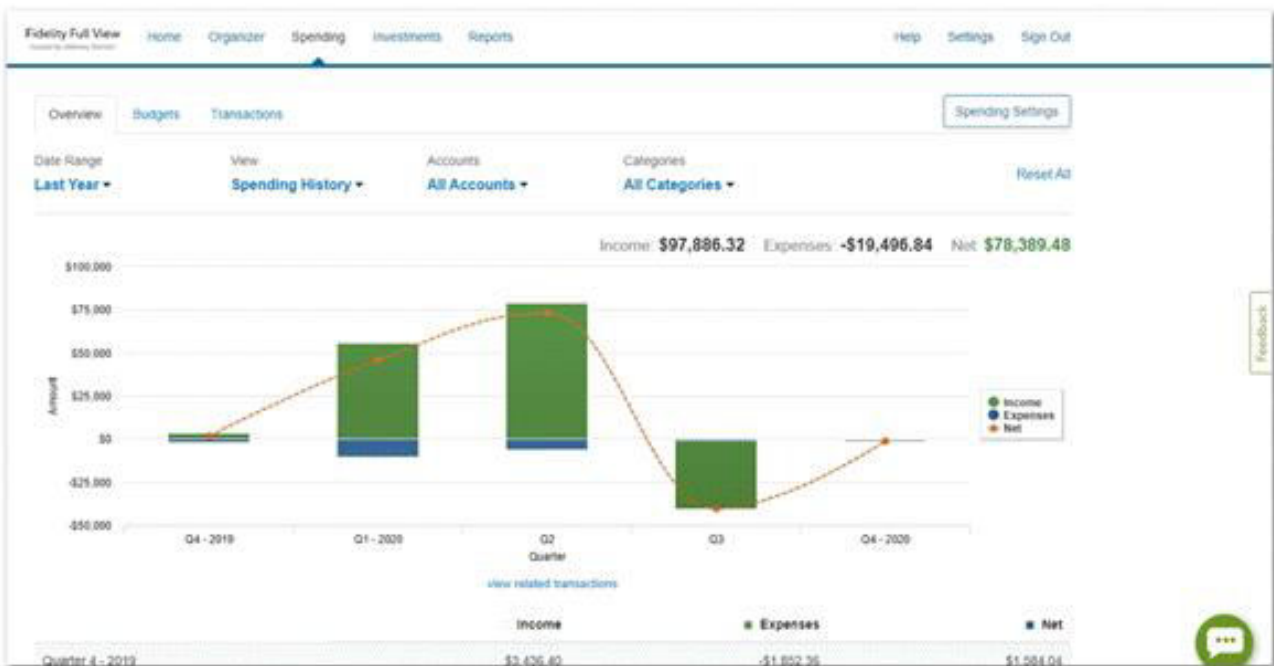
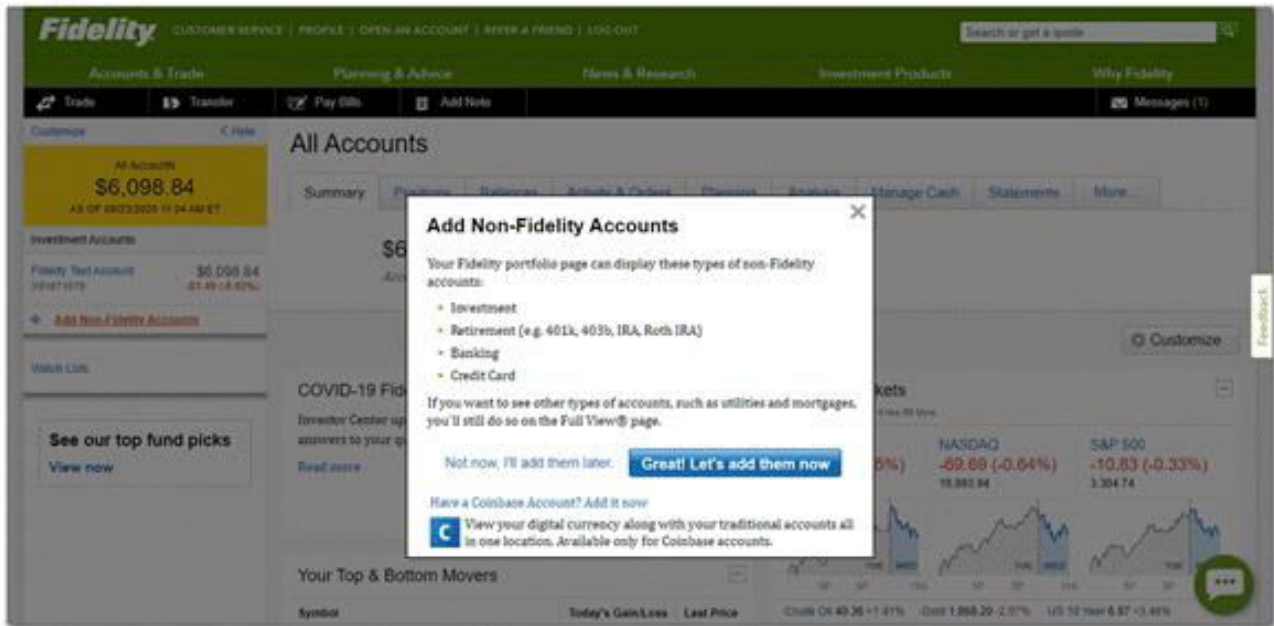
5. **Provide clarity on content available through search and filtering.** Most investing firms have separate search bars for quotes and universal search. But lack of labeling can lead to user errors on search results and interrupted workflow. Fidelity and TD Ameritrade excel at search by providing two predictive columns sorted by result type: security or site content. TD Ameritrade is the only firm that offers filtering in search where users can narrow down results by quotes, help, and videos (see Figure 6). Additionally, Fidelity offers advanced filtering capabilities for mutual funds, such as by risk, and offers "fund picks from Fidelity," a list of funds that meet Fidelity's selection criteria. Fidelity differentiates itself by offering a "socially responsible" mutual fund filter for sustainable investments.

"Everything is here; there's nothing that I feel is missing. I think they've done a really great job ... I've been able to find everything I need to find quickly. Overall, I'm impressed." (TD Ameritrade customer)

## Figure 2

### Fidelity Provides A Holistic Financial Picture





Source: Fidelity

Figure 3

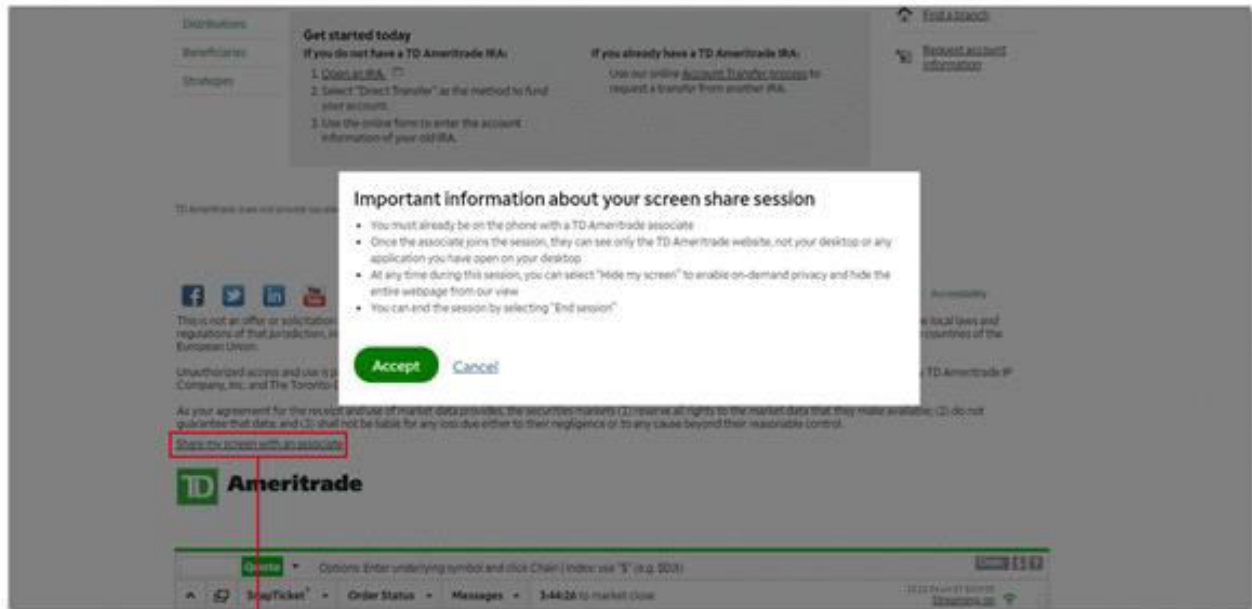
## Fidelity Offers Personalized Content And Tools To Help Customers Drive Better Decisions



Source: Fidelity

Figure 4

## TD Ameritrade Provides Multiple Omnichannel Customer Service Capabilities

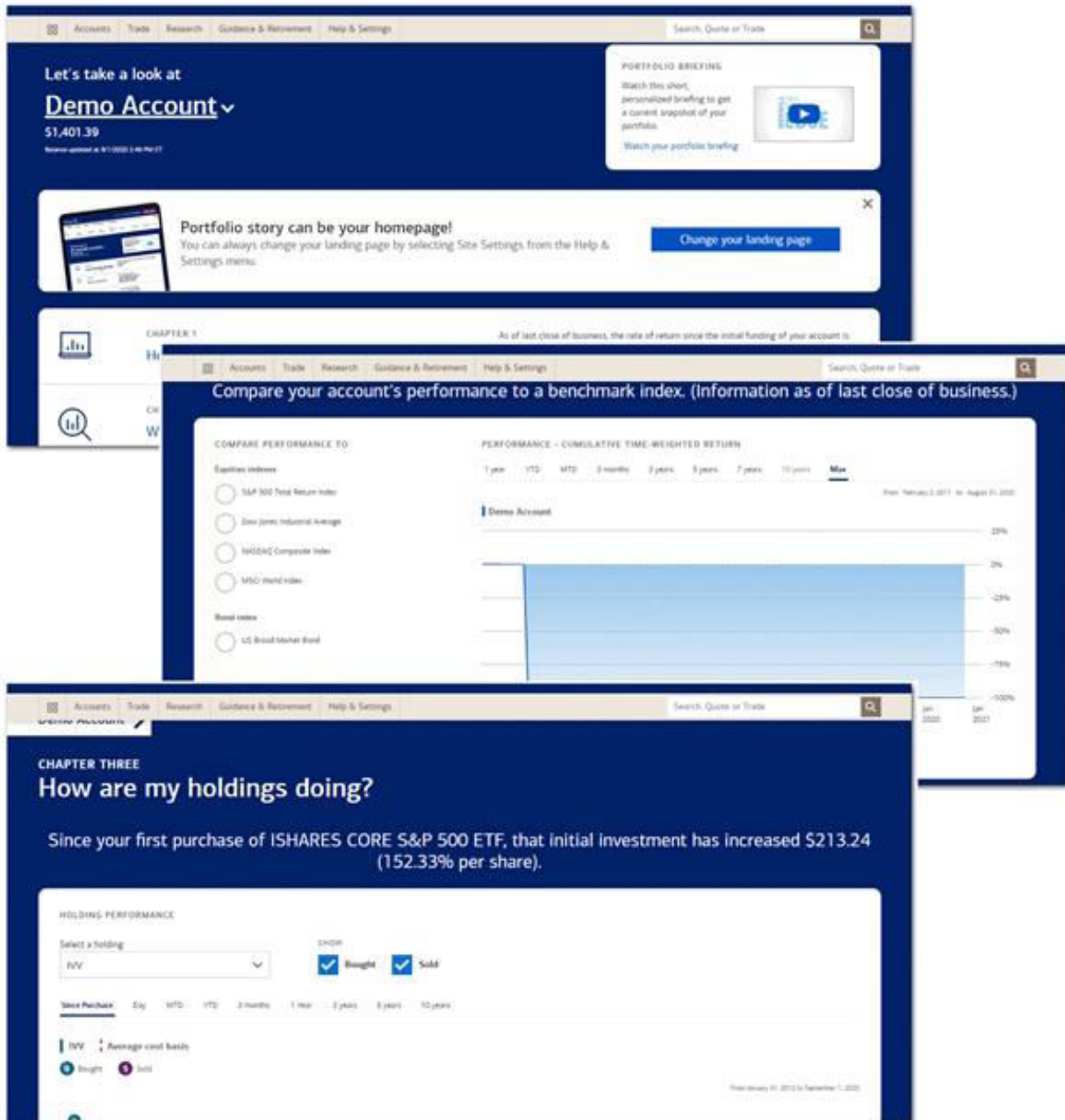


Screen-share capability is embedded in task flows, such as when user is opening a new account.

Source: TD Ameritrade

Figure 5

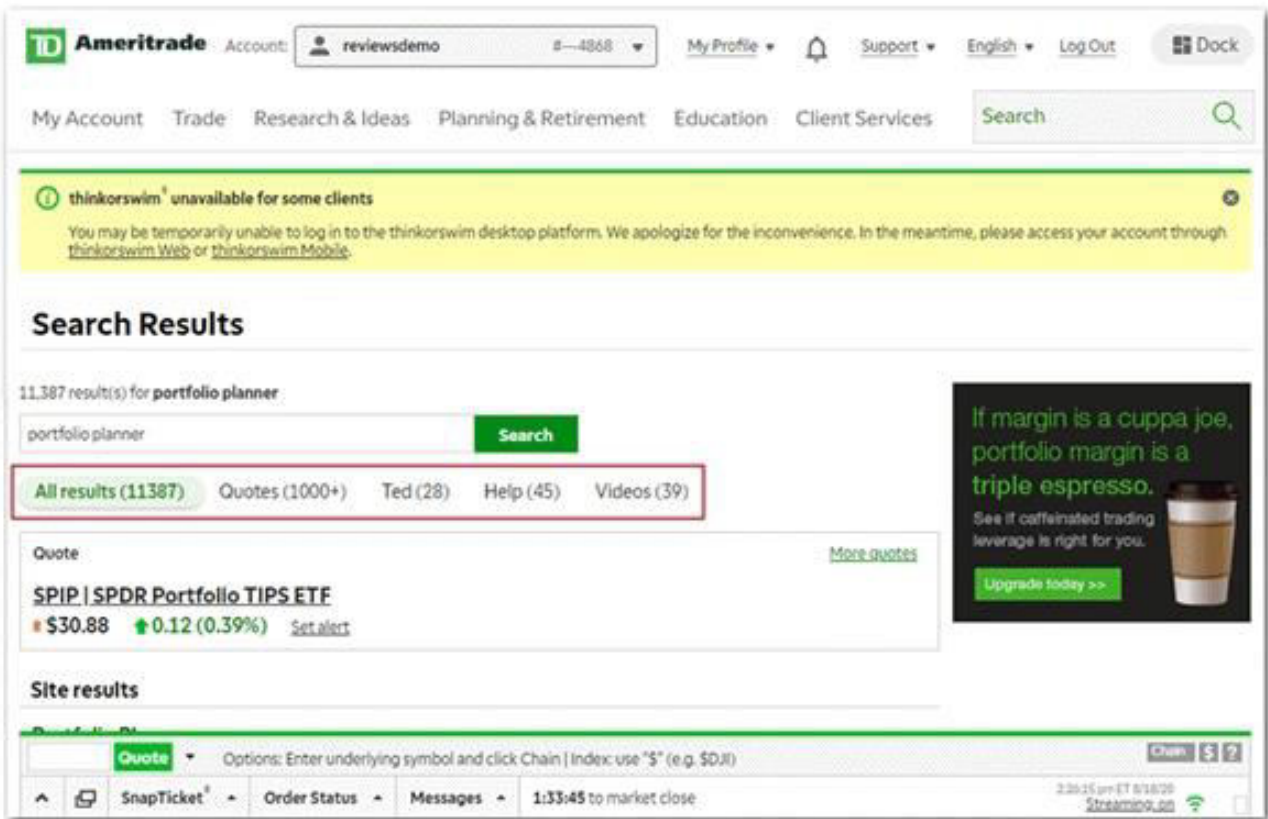
## Merrill Edge Provides Interactive Performance Tracking And Data Visualizations



Source: Merrill Edge

Figure 6

## TD Ameritrade Provides Clarity On Content Available Through Search And Filtering



Source: TD Ameritrade

## Recommendations

## Make Informed, Confident Investing Accessible And Frictionless

As innovative wealth management firms improve feature sets and interaction designs, they are offering better service to customers. To win, serve, and retain customers, digital experience leaders at investment management firms should:

- **Stop assuming that customers understand how to navigate the website.** Digital teams know their own website inside and out — as they should — but their customers don't. Website users often don't know exactly which features are available, how to find them, or how to use them. And if a feature is not findable or is too hard to use, it might as well not exist. For example, customers might not realize account aggregation or advanced securities screening is available unless you tell or show them. Digital teams should partner with their UX counterparts to gather and combine insights from user interviews, usability testing, interaction analysis, keyword search analysis, and call center records to understand what questions customers have, then address them in the content and help.
- **Evolve the roadmap and design to be responsive to customers' changing needs.** A dynamic roadmap and rigorous design practice can also help in another key way: making your website usable and valuable to all the types of customers you serve. To ensure that all customers can be successful, investment firms need to spot and address accessibility issues before they contaminate the website. How? By expanding who they recruit when conducting research such as usability testing — to include customers of different abilities, ages, and cultural backgrounds and asking more questions during design critiques, like "Who might we be leaving out if we design it this way?" followed by "And what are we going to do about that?" Another benefit of an inclusive and accessible website is the ability to reach underserved markets, such as people with disabilities and the rapidly growing aging population.
- **Make incremental changes and continuously measure their effects.** Each digital team has long-term goals for renovating a website: a new design, more interactive content, or replacing old features. But in the shorter term, don't waste budget and time on perfecting a solution without exposing it frequently to users. More releases don't always make for a better site, but they do lower the stakes and give you the feedback you need to course-correct. In short, test and learn — on the

condition that each release meets a high-quality bar so that, in your efforts to disrupt your competitors, you don't disrupt your customers instead.

- **Tap into positive emotions to elevate the experience and customers' loyalty.** The best investing experiences don't just meet customer needs through strong features and an easy-to-use website. Streamline task flows to respect customers' time, apply user-centered design methods to nail how you communicate about security and privacy, and focus on how you help customers achieve what they value in life (such as impact investing) by designing for customer values and long-term financial goals.

## Supplemental Material

### The Digital Experience Review Methodology

The digital functionality and user experience reviews of the nine US investment sites were conducted between August 10, 2020 and October 16, 2020. We used multiple devices to access the sites. We scored the sites across 24 functionality and 27 user experience criteria using a heuristic evaluation based on defined personas and scenarios.

### Persona And Scenarios

Brian is a 45-year-old affluent, married professional who is a self-directed investor (someone who wants to find and research his own investments). The company he works for recently promoted him and relocated his family to a new city. He uses both his desktop PC and smartphone app to view his investment management accounts but prefers using his desktop to actively manage his investments, as it's easier to view information on the desktop PC before making decisions.

We used three customer scenarios:

1. **Review holistic view of wealth and goals.** Brian is a visual person and prefers to see his holdings and financial picture graphically when he logs in. When he logs in, he wants to see a holistic view of his wealth across all his accounts (including held- away assets) and his current progress toward his goal of retiring by age 60,

and he also wants to add a new financial goal of paying off his mortgage in 10 years.

- 2. Review investment allocation and gather advice on what to change.** Brian read that diversifying his portfolio is a good idea, so he logs in to see his current investment allocation and gather whatever advice he can on what he should change. After logging in, he looks at his investment allocation, reviews portfolio charts, views personalized recommendations, and checks other features to understand what to change.
- 3. Contact customer service.** While executing a trade, he has a question and would like to speak to a live customer service agent. While reaching customer service via the site, he has the choice to select audio, video, and live chat and decides to choose video conference so that the agent can co-browse the site with him to resolve his question.