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Business Owners Outlook

The Business Owner Digital Revolution:

How Changing Customer Expectations are Driving Permanent Practices

March 12, 2021

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Advisory Services®



The Business Owner Digital Revolution: How Changing Customer Expectations are Driving Permanent Practices



Aarhi Murali
Chief Customer Experience Officer,
M&T Bank

V2 Producer, Jessica:

At this time, let's begin today's webinar, The Business Owner Digital Revolution: How Changing Customer Expectations are Driving Permanent Practices. It is my pleasure to introduce your moderator, Aarhi Murali, chief customer experience officer with M&T Bank. Aarhi, you have the floor.

Aarhi Murali:

Thank you so much. Hello and welcome, everyone. I'm Aarhi Murali, chief customer experience officer for M&T Bank and Wilmington Trust. Excited to welcome and host our esteemed guests and have this conversation around our digital revolution that we're going through, changing customer expectations, and how we're adapting to that, really looking at the long term.

This is a topic that's near and dear to my heart, and I'm sure to many of yours as well, for all business owners regardless of the industry. We've all gone through changes, experienced the impacts of that through the pandemic, and we've learned from that how our customers have adapted to that, changed behaviors, and their sentiments have evolved over time, leading us to think about how to continue to meet their needs both in the short term and the long run.

I happen to be the first chief customer experience officer for M&T Bank, and I only say that because it truly shows that between M&T and Wilmington Trust the commitment, the testament that we've made to supporting our customers during changing times and meeting their needs. In some ways my job is really simple. I think about it as delivering customer-centric ways and means to make sure that we're continuing to exceed our client expectations, providing products and services during changing times, inspiring, educating and engaging teams in those ways so that we continue to support our communities that we're operating in, as well as connecting value. Connecting value to our CFO and our C suite and our CEO to how to bring all of these techniques and ways to life.

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34% of businesses shifted to a more digital based model through last year, and about 21% continue to say that they will do that, continue to do that post-pandemic.

—Arathi Murali

But as you all probably know, and as many of you would like to hear today, it's how we go about accomplishing this that can sometimes be complex. So it's really to me, as I looked at it, I thought about how can we inspire our teams, our employees, our front line, all the way to the back office to connect and bring to life around a single purpose of focusing and obsessing about customers and building teams to make these possibilities a reality so they can in turn create the best experience for customers.

Obviously, during the past year there was a tremendous increase in digital adoption by our customers borne out of necessity from the pandemic, but also there was so much inherent change in customer behavior that was already happening. A lot of it was just accelerated with the pandemic. What we found is a few things, that creating a digital seamless customer experience is more important than ever in our world right now and thinking of our world ahead, not only as a way of engaging with other spaces and communities, but also a way of conducting business. So it just becomes even more important today than it has ever been before.

And lastly, customers are expecting technology, including digital, and for businesses to adopt them so we can provide faster, seamless, and friction-free experiences for our personal and our business interactions. It's really key, I believe, to think of digital as an enabling capability, technology as an enabling capability that fits into the ecosystem and lives of our customers and communities and really thinking about doing that.

So in that same frame, we've done a ton of research, surveyed our customers and business owners across the country. Each quarter we release a Business Owner Outlook survey that really delves into the issues that we're talking about and that are most important to the business owners today. So I am really excited to welcome our three distinguished guests and panelists today to talk more about that.

So first off, I would welcome Milli Arakawa who is the CFO of EYA, a homebuilder delivering innovative urban neighborhoods. Think of life within walking distance, Milli, is how you would describe it I think, in the Greater Washington region. Secondly, I'd like to welcome our very own Alvina Lo, chief wealth strategist at Wilmington Trust, Senior Leader in the M&T Emerald Advisory Services®. Alvina is responsible for wealth planning, strategic advice, and thought leadership development for the Wealth Management division. And lastly, I would love to welcome Stephen Greer. Stephen is the owner and CEO of SONCO Worldwide, a Maryland-based distribution and service company specializing in large-scale event fencing and barricading. And we are so honored to have all three of you today to speak through our key topics here.

Stephen, welcome, and I'm going to start with you and then we'll go to Milli. Thank you for joining us today, Stephen.

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Stephen Greer

Owner & CEO, SONCO Worldwide,
Service and Distribution

Stephen Greer:

You're welcome. Good to be here.

Aarthi Murali:

So we're starting with you. And when I think about our recent business owner survey, our outlook survey that we're all here to discuss some of the key findings through stories, we found that 34% of businesses shifted to a more digital based model through last year, and about 21% continue to say that they will do that, continue to do that post pandemic. Can you share a little bit about the shift, not just from your company's perspective, but the industry that you're in as well? And what changes have the most positive impact to customers and to the business in how you see it, how you think about that, and how you think it will shape up in the future?

Stephen Greer:

Sure. Yes, I think—I'd love to say that a lot of the changes we've made have been strategic, but I think they've been really reactive and in survival mode. COVID really threw us into a loop last spring. Our businesses were considered essential, so we weren't shut down. We operate in about 10 different states, and they all had different rules. But we realized that we needed to spread out. And so we asked people who didn't need to be involved in the day-to-day work in the offices, in the warehouses, and distribution to stay home.

So the first thing we had to run out and do is buy everyone who had a desktop a laptop, and in some cases upgrade their home internet so that they could be connected and so that they could work from home. And then the next thing was, okay, so now everybody's working from home. We're not used to this. What kind of a, not necessarily a technological infrastructure, but what kind of system do we have to put in place to create collaboration and communication across our company?

So we put together a series of meetings. We call it—we actually branded it ourselves calling it habitual excellence, but we basically stole from a bunch of different consultants and came up with an idea. But it's basically meetings, meetings, and meetings where everybody is in a meeting every day at some point with a number of their team members, and it really fosters communication. And then once you're in meetings, they can't be wasteful meetings. So we figured out how to run meetings effectively on a digital platform. And we copied something called Level 10 meetings, which is a sort of very organized and structured way to run a meeting that's very tight on a clock, make sure it's interactive and collaborative with all of the people.

So we've got everybody now communicating, in my mind, more than they were before. Because with all of our—we have offices around the United States, and we even have an office in Hong Kong, an office in Sao Paolo, and an office in Bangalore, India. And now people are not just talking to each other, but seeing each other in these video calls. We're using Microsoft Teams, and everybody's just pinging each other all the time. I can't remember the last time I called an employee on a cell phone if I wasn't in my car or something like that, of course using hands free. But it's just a better form of communication. We all see each other. We all know each other.

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Milli Arakawa
CFO, EYA Homebuilding

And we had our Christmas party this year as a Zoom call, and we were really nervous about it. We had 150 people on this thing. And everyone said it was the best Christmas party ever because they got to see the faces of people that they'd never met before because they were in different offices. So in many ways, though it pulled some of us apart because we had desks next to each other at one point, it actually pulled the larger group closer together. And so the idea that some of these things were Band-Aids, I think they—well, I don't think, I know they've become permanent.

So the other thing we're calling it is flex, and we're saying, okay, so now if you want to work from home, you can. And you just need to talk to your boss and work out how what kind of commitments and what kind of expectations will be in place. But the company as a whole is fully supportive of working from home. And in fact, now we were recruiting and we said, well, we needed some inside sales people, some CSR people. Well, (inaudible) who lives in the mountains. And so I can now recruit from all over the United States. Doesn't really matter where they are, as long as they're talented and as long as they have a good work ethic. And they're linked on our CRM and they're linked through Microsoft Teams and they're in meetings every day. And everyone's just gotten really used to working this way and it's successful.

Aarthi Murali:

That's incredible, Stephen. I'm hearing a lot more human connections made, more interpersonal connectivity, blending of work and home and life balances in that story that you just shared. And we're doing it all through the power of digital technology. Thank you for sharing that perspective.

And Milli, I'll turn over to you with the same question. How do you see and have brought digital capabilities to life in your industry and your role?

Milli Arakawa:

Yes, thank you. So the pandemic forced us to expedite initiatives that we always knew we wanted and needed to make. And so, this move to digital has been transformational in this company only because we prioritized the need from the beginning of the pandemic in order to ensure a success of the process changes that we're making.

So when the pandemic started, we created these special task forces for each of the urgent needs within the company that needed special attention. And some of the task forces are financial, like ensuring the viability of the company. Also looking at the processes that were going to change and ensuring that I'm still mitigating the risk, and that was something that I spearheaded. We had an employee task force. Our VP of HR spearheaded the culture. And, like Stephen, we all went remote. And I know we're going to talk about culture later, but there's a task force specifically for that. The supply chain, we needed to make sure that as we built homes, that our supply chain was still intact. And then the one that really was transformational was our sales and marketing task force. COVID hit. We wanted to ensure that that was just a priority is that we kept our sales going throughout this. And so the digital shift in sales and marketing was impressive, and just hats off to our sales team.

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OWNERS PIVOT DURING THE PANDEMIC

The top three pandemic-related changes owners have implemented that they will continue into the next normal



More video conferencing



Engaging with customers more on digital platforms



Less business travel



Source: Wilmington Trust Business Owners Outlook: *Rush to Retire*, 2Q 2021.

A couple of things that they did that will carry over post COVID is just these virtual opening events. So prior to this, we always had live openings, and the attendees were the people that could make it. But now with virtual openings, we're able to increase the number of attendees 1tenfold. Like you don't physically have to get in your car, drive to the opening. Now you just go virtually, log into the Zoom account. And the differentiator that EYA did was we made it a live event. And it wasn't a pre-recorded event; it was live. The Q&A was live. The speakers were live. And so it was more human in that way.

Another thing was virtual model home tours. A lot of people were scared to go and tour a model home live. And same, we wanted to make sure our employees were safe. We didn't want to put them in a circumstance where they were unsafe. So we created virtual model home tours. We—our digital sales tools, we created more touchscreen. We enabled our customers to use option selections digitally. We created an interactive sales plan. And first and foremost, we were looking at the safety of both our customer and safety of our employees. And so we limited our onsite meetings only by appointment. Prescreened questions, protocols for COVID. We completely redesigned sales centers to highlight safety measures, both socially distanced. And we wanted to make sure our guests were comfortable.

And then we also added more. We always had an online sales consultant, but we added more resources in that respect because online's just not going away, obviously. And I think we're better for this pandemic and the processes we've put in place and all the transformation we made.

Aarthi Murali:

That's fantastic insight, Milli. Thank you. I hear a lot of innovation with technology. And the virtual tours for folks who want to do that safely is really impressive because it also allows for employees to stay safe. I love that combination of helping out customers when they need to while protecting the employees as well. Really great examples of innovation coming to bear. Thank you. Thank you for sharing those examples.

Alvina Lo, I'd like to go to you, start with you maybe for our second question, and then to Stephen and then to Milli. Alvina, one of the topics that's being widely discussed in research, I think a lot of our organizations are concerned about as well, is how do you preserve company culture and employee engagement when we are all remote? As all of us are on this call and as most of our attendees are listening and watching us right now as well, all virtual. As senior leaders for each of your respective companies, can you share some of your best practices? What's working, what's not working, and maybe some lessons learned. But how do you—what do you have to do to keep those values and goals intact? Alvina, we'll start with you.

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Alvina Lo
Chief Wealth Advisor, M&T and
Wilmington Trust Emerald Advisory
Services®

Alvina Lo:

Great. Thank you, Aarthi. That's a great question. And the notion of culture is something that is very strong and alive in Wilmington Trust/M&T Bank. I have a team that already stretches across the country. Various degrees of seniority, ranging from recent college graduates to very senior professionals who are lawyers and accountants. And during the pandemic, we actually onboarded four new employees who have actually never been into the office. I had someone on my team who went on maternity leave and came back. And so the idea of keeping the culture alive and keeping employees engaged and motivated is very much on the top of our mind.

And I think one of the most effective things we've done is to create something, a common purpose that everyone can rally against. And what is the outcome on purpose on my team? Well, it's delivering advice. Advice to our business owner clients that is actionable. And one of the things that we've heard from our customers and our clients is that the old way we used to deliver thought leadership, being printed on paper, articles, sitting in meetings and presenting is just no longer.

So what we did was we actually created something for our customers in terms of a series of podcasts called Emerald GEMS where we—everybody kind of spoke about a very timely topic that's a very short 7, 8-minute podcast. And what we did was we utilized that as a platform to get everybody engaged. So instead of the traditional folks who are the lawyers on the team who are used to writing these really long articles, that frankly has changed in terms of customer expectations. We pivoted to these podcasts, and as a result, were able to involve other people on the team that are historically not in those roles. And so I'm really happy to report that we're in our 38th episode this month, and that the vast majority of the people on the team has now authored and has spoken at one of these podcasts.

Aarthi Murali:

That's fantastic, Alvina. Thank you for sharing. Stephen, I'll turn it to you.

Stephen Greer:

Yes. Culture is obviously very important, and when you go remote, that can be a real challenge. For sure, the active meetings that we're in help bring us together as mentioned. And something I didn't mention is at the beginning of each meeting, we take five minutes to very quickly go around one by one and everybody says something about their—on a personal level or some sort of maybe shout out about somebody else. So we try to at least bring up those topics. We don't jump right into the work, if you will. That's just a small thing, but it does—I feel it makes a big difference. It sounds small, but all of a sudden everybody's smiling and laughing, telling stories about their dogs and whatnot and kids.

But the other thing that we've been doing, we introduced something that we call Pulse, which is we are very, very actively surveying and capturing data. And we ask every week a series of questions that sort of are all based on a topic. And this is done, we use a company called Qualtrics, and they are a survey company essentially focused on HR. And so we can start to gauge employee engagement,

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I think we're going to create something better. So again, I think these crises are always an opportunity to improve yourself, and sometimes it takes a little kick to get you to do some things that you might not have done in the basic path you were on.

—Stephen Greer

employee satisfaction, and we can see it by business unit, by whatever, accounting department, whatever, by department, by business. And the absolute number doesn't matter, but we can see trends. And that can tell us, hey, let's check in with these people. They seem out of touch.

And then I would say we also created a newsletter. I thought that was a great thing. It sounds, again, basic, but we try to include personal stories about what's going on with the companies. We get people to take photographs and send them in. And I actually just made a note about the podcast idea because I think that's a really great idea. Any way you can sort of try to increase the engagement. But again, back to this kind of sometimes a bad thing makes you better is I think that—I think we're ending up with trying to capture more data about our culture and understand our culture more deeply because we were afraid of losing something. And in fact, in the process of trying to protect from losing something, I think we're going to create something better. So again, I think these crises are always an opportunity to improve yourself, and sometimes it takes a little kick to get you to do some things that you might not have done in the basic path you were on.

Aarthi Murali:

Fantastic. There's some good nuggets of best practices that you've shared. We're all making notes here for the podcast. And Stephen, you shared something about almost like ice breakers in the beginning of your conversation that you've introduced. You're changing the norms where you could walk down the hallway and maybe meet someone, that's not happening. So you're replacing it with new ways that keeps the core of your culture. Love it.

Milli, welcome your perspective.

Milli Arakawa:

Yes. I think what was in the forefront of our mind for employee culture was, one, how to have fun. Two, how to increase employee engagement similar to what Stephen said. And then the need for the employees for connection and safety, both in terms of health safety, but also job security safety is something that we really needed to message. So during this time, EYA offered a wide range of activities, including virtual and small group outdoor meetups. Many of these were initiated very soon after quarantine as a way to facilitate this need for connection and support.

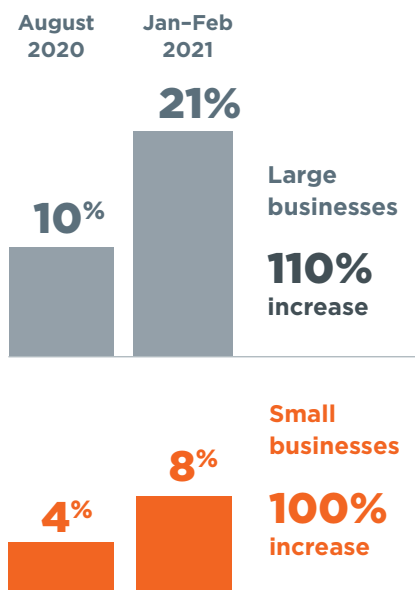
And a couple of things we did was we used Zoom, obviously, and we did a culture crew talent show. And so everyone—there was a lot of attendees actually of people just from juggling to singing to cooking, and so everyone just did their talents. We had game nights. So Among Us is a really popular game among the gamers, I guess, and so we had Among Us. We've played other games that I can't think of. And then just other virtual events.

We've had company-wide meetings, like we just needed to stress the need for communication. Like Stephen said, we just wanted people to know what's going on. And so all of these meetings have been virtual. Prior to this, we always had it live.

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**EXIT STRATEGY:
DRAMATIC JUMP IN NUMBER
OF OWNERS LOOKING
FOR AN OFFRAMP**

Plan to retire sooner because of COVID-19



- Business owners with \$5mn+ in annual revenue
- Business owners with \$1mn to \$4.9mn in annual revenue

Source: Wilmington Trust Business Owners Outlook: *Rush to Retire*, 2Q 2021.

And this helped the communication with the field, with the sales team and able to just—everyone was able to attend. In these meetings, we provided regular updates for everyone. And then after the meeting, we would have small group breakout sessions of people who don't normally interact through work, but just to connect just interdepartmental.

We also did this thing we call the Fall Lineup. And so this was just an extension program offered by the EYA team with professional training for fun, for socializing, for virtual, for just how to lead presentations. Just different things that someone would take the lead on and just say I want to teach the employees about this. I want to teach the employees about this. I want to teach them how to put up cabinets. I want to teach them how to—just everyone has their own skill that they signed up for, and it was great. There was a lot of people signing up for these, we call it the Fall Lineup, and we're going to do it again in the spring.

And then independently, many teams have just had a few minutes, weekly call-ins, catchups. We've allowed flex work schedules, obviously, as we have different kind of life situations where you have people who have, like myself, with three kids, a husband that works. You have other ones that are—that have parents that live with them that we needed to accommodate, too. And we just made sure that we were really flexible during this time and really compassionate during this time to let them know that this is a pandemic. This is something that we're in together, and we're here for you. And we wanted to make sure everyone felt comforted during this time.

But back to Stephen's point, we are looking at meetings. As a result of this pandemic, we noticed just an influx of meetings, and just how to make those more efficient so that people are able to still do their jobs and not feel bombarded with the meetings. So yeah, it's been another way of just lessons learned that will extend beyond COVID, primarily the value of flexibility, responsiveness and innovation.

Aarthi Murali:

That's fantastic. I hear a lot of empathy-based actions made for customers, for employees and how we lean in and surround our employees and teams and our customers. We're addressing—we're hearing many different strategies on how to meet customer needs while providing empathy-based environments for our employees to thrive in. We're all in a different world right now. So, really great points.

I am happy to share that I actually know what Among Us is only because my daughter and her entire school class, they play this. And it took me a few weeks to understand what was going on there. But I think many of us now on this call might be more educated than we were with some of these newer games. Thank you for sharing that, Milli, Stephen and Alvina.

Alvina, I'm going to go back to you with this next question. So one of the more interesting findings of this quarter's research was that about 21% of the larger business owners surveyed, so over \$5 million in annual revenue, let's say, indicated

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After the pandemic took hold, the number of business owners experiencing daily worry jumped 59% and those experiencing daily stress increased 36%, according to a Gallup poll.

Source: Wilmington Trust Business Owners Outlook: *Rush to Retire*, 2Q 2021.

that they seem to be likely to sell their business and retire sooner than planned. And they feel less confident than six months ago that their business and personal assets will be well managed in their absence. What do you think is driving that? Is there an erosion of confidence? And what advice can we provide for owners in this mind space right now?

Alvina Lo:

So those are very interesting findings, indeed. In fact, since we put in the Business Owner Outlook for the last five quarters, this is the first time we're seeing that trend. Though I have to say it's not surprising, in a sense, because that matches exactly the type of conversations and the type of discussions that we're having with our business owner clients every day.

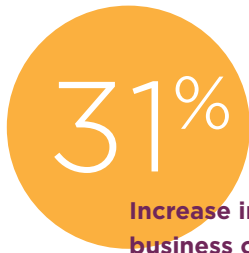
And so for example, I've been working with a business owner who is in the education development business. And last summer, she kind of was already thinking about transitioning her business and selling. That's always been on the horizon. But honestly, with everything that was going on and having to pivot her business with digital a lot of it, and there was a lot of uncertainty in regards to what's going to happen the election, it just wasn't in the forefront. And then she calls me back literally a month ago saying, "You know what? Now that I've had a little bit more time to focus and so there's a little bit more certainty, I'm ready. Let's do this." And we're hearing that over and over again with our customer base.

And I think what's contributing to this trend I would say is three things. First is business owners, I think, have a little bit more certainty and clarity right now. They've dealt with the fire drills of last year. We have a new administration. And they're kind of emerging from that cloud that was and have a little bit more room to breathe. And when you emerge from this cloud, one of the things you begin to see is the reality of having to permanently move and sometimes permanently pivot their business sometimes into the digital world, as we've been talking about. But just things are not going to be the same. The new normal is not the normal from before. And so just coming to reality with that and seeing this is what I'm going to be doing.

The second is that we're still seeing a lot in the M&A market, in the M&A business. For the right acquisition or the right merger, it's still happening. It's happening right now even with our own parent company, M&T Bank, which just announced a very big acquisition in People's United. So business owners who are looking to sell in the right place absolutely have opportunities to make that exit.

And thirdly, which I think actually is probably the most important driving factor, is that this last year has taught us what mortality means. We've been home. We've been forced to kind of rethink our lives, being home with our families. And a lot of these business owners, who are Baby Boomers who are thinking about retiring anyway are now looking around saying, wow, do I really have—do I really want to be doing this, kind of pivoting my business permanently, working 16 hours a day? Or do I want to be doing what I've been doing the last year, which is spending time with my family and my friends, however digitally, and with my grandkids? And so I think

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Increase in small-business owners who want to sell their businesses earlier than expected because of COVID 19

Source: Wilmington Trust Business Owners Outlook: *Rush to Retire, 2Q 2021*.

all of these factors kind of converge now where you have people who are thinking about an exit anyway, but they're just accelerating it.

And in terms of your question, Aarthi, about what kind of advice I would give, and this is the advice we give to all of our customers and clients, is have a plan. I know it sounds so simple, but that's reality. Because the transition is happening. It could be a voluntary transition, meaning that the business owner is selling their business at the way they want at the timeframe they want, or they're transitioning their business to their kids, the next generation. But sometimes transitions are involuntary. We get sick, become disabled, we die. And even, frankly, because of changing customer experience. So I just think that in a year where so much of this is out of our control, I just really urge our business owner customers to take back control and get into the driver seat and put a plan in place for that transition that is going to happen.

Aarthi Murali:

Thank you, Alvina. I took that headline feedback of have a plan, make a plan. It sounds simple, but it's really, really important. So hopefully we all took that away loud and clear.

For our last discussion and dialogue here, it's really about customer feedback and employee feedback. And Stephen, you started to talk about that in terms of getting regular employee feedback into your perspective and being able to really look at that and get it down to where it's coming from and who it's coming from. So I'll get us going with this. But we here with M&T and Wilmington Trust are really looking at what are the most real-time perspectives and ways we can stay in touch with our changing customer sentiment, but our employee feedback as well, because there is a strong belief that the two are correlated. And the two need to be healthy to create an overall healthy, vibrant experience, economy, and an ecosystem to allow for businesses to thrive and for the employees to thrive as well.

So one of the examples that I might feature is our lab called End Your Week With the Customer. We bring in real live customer scenarios, experiences, good opportunities, troublesome, all of those into a virtual space and allow for colleagues across the bank to connect in, watch them, learn from them. And it doesn't stop there. We actually move from there into a live solution lab, and people in those teams where these feedback areas are coming from or themes are coming from are actively working to resolve to allow for a full 360 listen, learn, act and adapt approach to all of our customer sentiment.

And I know, Stephen, you started talking about that. So maybe I'll lean to you next and get your insights more about getting customer and employee feedback and why that's so important.

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I like the saying,
**stop selling
and start helping.**

—Stephen Greer

Stephen Greer:

Yes. I spoke about the employee side, and I would say that if you care about your employees, you ask them a lot of questions and you want to know how they're feeling, and you're adapting your model around that. And I think the same goes for customers. I like the saying, stop selling and start helping. In order to help and to have a good relationship, you have to ask a lot of questions.

First of all, we're using our CRM. Again, investment in technology this year has been a huge theme, and we just continued with that. And so really actively using our CRM and keeping track of notes of what people are saying and what people are thinking and how people are reacting and trying to capture that data and react to it. Also again, surveys. Trying to reach out more and more to customers and saying, asking various questions, and trying to engage with them, hopefully not in an annoying way, but in a way that captures data that helps us tailor our products and services to their needs.

So again, I think that we're all kind of in a new experimental stage of how this is going to roll out, and we're all getting bombarded in some way by outreach from people viewing us as a customer. But we're trying to feel our way through and find the most appropriate way to gather capture data from our customers so that we can, again, tailor our offerings to meet their needs.

Also the thing I'm seeing is the way—like sales people couldn't go visit customers. So that was a really new thing. Sales people sort of said, well, I guess we have to stop. And you realize, no, people also need to buy. And so how do buyers and sellers get together if they can't go meet? And I think more and more you're going to see, interestingly I think as a trend, is just a lot less of the travel, more time on the phone, using technologies to connect with people. And then using travel more in a sort of celebratory way to bond relationships and less in a kind of cold call way, because I think that's been replaced with a lot of other ways to go about it.

Aarthi Murali:

That's incredible, Stephen. Thank you for sharing that. I love the stop selling, let's start helping and actually using customer feedback as a way to stay in touch when travel is limited or our environment is changed at the moment. Great insights. Milli, how do you feel and how do you see that unfold in your space?

Milli Arakawa:

Yes. So, just two different questions here, I think. One is from the customer perspective. We're constantly looking at our emails. We look at open rates, click rates. We churn top-performing subject lines, messaging. We do a lot of web analytics, and so we're gathering trends, looking at tools like Hotjar and usertesting.com to get quantitative and qualitative data to inform design trends, redesign talk. And then we also, our sales people, they're probably our best feedback is because they're always talking to our customers. So they're collecting lots of data and user preference details through phone, through in-person conversations that they're

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Continue to innovate, to listen, and to pivot. And make baby steps. We're all learning.

—Alvina Lo

entering into our CRM, providing detailed notes about that, and then we're just listening through that.

And then post closing, post settlement with the homeowner, we take a survey with Woodland O'Brien. We engage an independent firm to take the survey for us so that there's no bias and it can be real. And we're just making sure that those are—though not all of them will be actionable, but we're trying to keep our willingness to refer metric above 97% through the survey. So that's what we're doing a customer perspective.

From an employee perspective, we're always taking surveys. And so one example of this is that we're trying to implement our work-from-home policy as we go back to work. And before we created a policy and just made some overarching policy for all employees, we created a survey and we wanted to hear what they had to say and understand what they need as we return to work and how we can adopt our policies to how this remote or kind of hybrid is going to look.

And so I think first and foremost, we're just trying to listen and innovate based on what we hear as these are unprecedented times and we want to make sure that we're making the best decisions that we can.

Aarthi Murali:

Make sure to listen and innovate. Thank you, Milli. Alvina, I know how closely in touch you are with clients and your teams are. Love for you to wrap this section up.

Alvina Lo:

Yes. I think that, echoing some of the sentiments that's been shared by Stephen and Milli, I think it's just the continue to innovate, to listen, and to pivot. And make baby steps. We're all learning. As quickly as things change, just when you think you kind of know what's going on and something else will happen. And I think it's just learning not to be very settled with what you've been doing and just having that open mindset, having that growth mindset to take in every single idea.

I think also the other thing is understanding that whether it's your employee or your customers, that there is various needs. So historically, in a big corporation like ours, you kind of always look to the managers to kind of give you the feedback of what's happening with the team. But I think nowadays, you can't really do that anymore. So I personally almost have a board of directors for more junior people on the team. I say you can reach out and constantly get feedback so that you can understand everybody's perspective.

Aarthi Murali:

That's fantastic. More new techniques, best practices. We heard a lot of them today. So Alvina, Milli, and Stephen, thank you for your very candid responses and amazing best practices that regardless of industry or team structure, that we can all take away and apply.

Continued

There's no fine line anymore between work and life. They're all blending together. And something that I stress all the time is take time off. You need to unplug for a week.

—Milli Arakawa

So I would—I think we have a few minutes to make sure that we get into our Q&A here, which I've been keeping an eye on here, by the way, as we've been having these conversations. And I did notice that we covered some of them just organically through these conversations. But we should go ahead and cover some very interesting questions that have come through. And I want to start with this one first, and Milli and Stephen, maybe we could start with you. How do we make sure that our employees aren't burnt out or we detect they're on the path to burnout? And how do we think about adapting quickly to those situations?

Milli Arakawa:

I can take that.

Aarthi Murali:

Yep.

Milli Arakawa:

Okay. So that's something of a huge concern to us as well is we're noticing through this pandemic, no one's taking their vacation time. And that's—there's no—your work is constantly there. You work at home, you live at home. The kids go to bed, you're then on the computer. And I've seen that just in my team alone is that I'm forcing people. And we've been looking at their vacation accrual. It's like no one's taking any time.

And so one of the things is just take time off. We're reinforcing that at every company meeting is you need to take time off, unplug, get away from your computer. Enjoy the day outside. It starts from the top. If you are setting this example, then your employees will feel more comfortable also doing that. But I think that's huge for us is there's no fine line anymore between work and life. They're all blending together. And something that I stress all the time is take time off. You need to unplug for a week.

Aarthi Muralli:

Very well said, Milli. Stephen any additional—go ahead.

Stephen Greer:

Sure. That's actually helpful, because as you asked the question, I thought, I think that is a real risk and concern. I think we have been going—I said to someone the other day that I feel like the year has flown by and I aged, too. I think that this has been a very intense year. And though we feel freed by the lack of commute and we feel empowered by the connectivity of the technology, we're also a little bit enslaved by it. And as a business owner, I need to make sure that our people aren't feeling that way.

And as I said, we have a lot of meetings. And I do say that it's incredibly important to me that people leave the meeting feeling like they really got something done and they were satisfied. We actually rate our meetings anonymously so people can say that was a stinker. And hopefully that would again be the quality of the experience of

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**BUSINESS OWNERS WITH
CONFIDENCE THEIR ASSETS
WILL BE WELL-MANAGED
IN THEIR ABSENCE DROPS
SHARPLY**



March 2020



August 2020



Jan-Feb 2021

Source: Wilmington Trust Business Owners
Outlook: *Rush to Retire*, 2Q 2021.

work, but I don't have an answer to the absolute risk of burnout. And I think I do take onboard those comments. I think it's important for people to use their vacations. Though a lot of them will say, well, I can't go anywhere and I'm already at home, so just taking a day off and sitting at home.

But I think one thing we do talk about at our HR, we have a theme every quarter for our company, and actually the theme for our first quarter of this year was mental health. And we distributed articles and things because we thought, well, people are feeling isolated. So we do recognize that and try to draw attention to it. But I would certainly—I'll take away from that that I want to encourage people to go do some activity, even if it isn't taking a trip somewhere and take some vacation. It's a good point.

Aarthi Murali:

Take your vacation, for sure. I've certainly got one coming up in a couple weeks, and have full intention of keeping it and sticking to that schedule.

So staying with the theme of employees and our current work environment, I want to ask one more question, which has picked up actually a good theme here, multiple questions on the same line. So I'll paraphrase it a little bit around how do you think about the second half of this year? And looking at our potential for vaccines getting rolled out, et cetera, how do you think about what would it look like? What might it look like for employees to come back into your offices and how to welcome them and get them set up for success? Stephen, since we ended with you, maybe I'll start with you and then go to Milli and Alvina on this one.

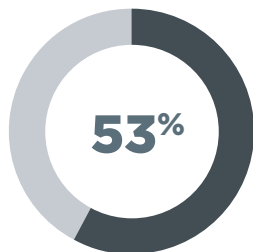
Stephen Greer:

Yes. We are still in a full flex status, so people can come and go. We ask them to follow the hygiene protocols and the masking and all of the protocols that we've put in place to protect people, social distancing, et cetera. But we haven't announced yet when we're going to be going back, but we do plan to—these words just sound funny to me—go back. But it's like, go where?

Really, I think it's going to be an optional thing for people to carve out the way they want to work within our company. And I think we hope that's going to be something that helps us attract talent because we can say, how do you want to work? What's your kid's school schedule? What's your husband do, and how do you want to make this work best for you? I think we'll have to hear. Because there are some people who just say, god, I really do want to come in and be in the office all the time, and that's great. But you might go to the office -- sometimes I do that. I've driven to the office, gone into a conference room and gotten on a Teams meeting with a bunch of people who are at home. And you're like, why did I do that? Obviously I had some other things to do. But it'll be an interesting transition. And I don't have it fully baked yet, but we are definitely going to be flexible about the way people go about it.

Continued

Overall, 53% of owners are seeing a benefit from technology, including nearly 60% of owners of small businesses.



Believe they have benefited from increased digital investment

Aarthi Murali:

Thank you. Milli?

Milli Arakawa:

Yes. It's something that's on the cusp of what we're looking at right now. So like I said, we just sent out a survey of just what does return to work look for you guys or for the company. And honestly, the people I talked to, I was kind of nervous that no one's going to want to go back. This is nice. You wake up, you go back. But it's interesting. There are a lot of people who are missing the human connection, the collaboration, just the camaraderie of being on a team, going to work and not—it's not going to look the same. It's not going to be five days a week you're back in the office at your desk. It's going to be flexible. And that's something that I'm excited about is that we've learned how to work hybrid. And so we are looking at this, and I'm excited to see what happens.

Aarthi Murali:

Excellent. Alvina.

Alvina Lo:

So we actually in the bank, M&T had just recently announced some very intentional and thoughtful phasing plan to gradually have—bring the employees back into the office at major centers, but yet safe enough that we can socially distance and practice all the safety protocols. And so I think what's key is that as senior leaders of an organization, we have to be very careful about our tone and the shadow that we cast, whether intentionally or sometimes unintentionally. And no one has this all figured out. Things can change very quickly. And I think that it's important that although we might not know exactly what it is, it's important to convey the feeling that whatever it might be, it doesn't matter because we've got your back. We care and we are very thoughtful about it, and to be as transparent about it as possible.

And from an economic standpoint, because you also asked what's business going to be like, I think that we are very constructive here at Wilmington Trust onto the economy outlook for the second half of the year. Given the coming of the vaccines, things are opening up, with the stimulus package that literally just passed this week, we are extremely—we are constructive as to the growth of the economy, and we do think that it is going to bounce back at the later half of the year. That said, though, we do expect some short-term volatility in the markets. And so we just tell our business owner clients, our investor, stay focused, stay focused on the long term, and we're going to ride this out.

Aarthi Murali:

That's very insightful, Alvina. Thank you. And I certainly heard a little bit of there is no going back to the normal. There is just what is the new normal going to look like and caring for employees and making sure that we do this the right way. Stephen, I loved your point around connecting it back to talent and the ability to expand and even find greater talent pools than previously possible. Very insightful. Thank you all for that comment.

Continued

**OWNERS' TOP FOUR AREAS
FOR INCREASED DIGITAL
INVESTMENT**



**E-commerce
capabilities**



**Technology
equipment/
infrastructure**



Social media



**Digital
advertising**

Source: Wilmington Trust Business Owners
Outlook: *Rush to Retire*, 2Q 2021.

I'd like to pivot a little bit in the few minutes that we have here. Same, similar, or I should say similar themes, but from a customer perspective. So the question that's come around is really great and it's around do you believe, Milli, Stephen, and Alvina—and Milli, I'll start with you first—do you believe that our customer behavior around digital experience and how we are offering products to them, is that going to stick or is that going to change? I think you talked about those virtual tours as an example. Do you see that continuing, or how do you see that playing out post-pandemic?

Milli Arakawa:

Yes, I definitely see it's going to stick. It's been successful for us as an organization. Not only have we invested time, but we've also invested infrastructure, IT infrastructure, and it works. We were able to achieve the sales or the customer success by doing it this way, and I don't see it going away at all. It's great. Technology is great.

Aarathi Murali:

Very true. Stephen.

Stephen Greer:

Yes, I agree. And I think Amazon and everybody sent us on a—certainly for us being a distributor of products and things of that nature, but they already started that wheel spinning. And I think in the last year, it just started spinning even faster. And as I said, sales people didn't have the chance to go visit people in person. Well, I think buyers are also sitting back and saying, I don't really need these people in my office all the time disrupting me. What I really want is ease of transaction. And actually, somebody said earlier in this podcast friction free, and that's something we actually use when we say friction-free transaction is our goal. And so more self-service, more, what do you call it, ecommerce type of platforms, mobile apps. So we're investing in any and all technologies that make it just an easier experience for our customers to self-serve and for us to serve them if they want our help. But yes, I think that's here to stay and accelerating from B2C into B2B.

Aarathi Murali:

Love it. Alvina.

Alvina Lo:

Absolutely. 100% agree that it's going to stick. The reality is that our clients and customers, they've had their own learnings in the last year. They've come to expect different things, and their own behavior has changed. And none of that is going away. The norm has been redefined.

So I'll end with a perfect example. Before the pandemic, we here in Private Wealth, just by sheer kind of demographics, typically work with clients who are older, who have accumulated wealth. And before, you would be crazy to think that you can get somebody who is kind of like a grandma or grandpa age to get onto a Zoom or Webex where you could show your investment outlooks and have those kind

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This added focus on technology may be hampering older business owners. According to a study from AARP, while technology adoption is up, older Americans are slower and less likely to utilize newer solutions. This leaves them at a disadvantage over younger people adapting more rapidly to technological advancements.

of meetings. Well, guess what? They all do it now because they have to do that to see their grandkids. And as a result, they're very comfortable getting on with their advisors doing the same thing. And I don't think that's going to go away. So I do think it's here to stay.

Aarthi Murali:

It sounds like we're saving customers in all of your industries, saving them time. I think, Stephen, you talked about less friction. Milli, you talked about the success, the customer success you've had. So clearly rooted in real live stories and examples of how this is working for customers, and will continue to, because there's benefit all around from doing that. So fantastic insights. Love it.

Alvina, I'm going to go to you. There is a specific question coming out for you here in the chat. How do you advise clients, and we talked a little bit about this earlier around looking to sell their businesses and what was shared in the outlook data. This is a little bit of a side adjacent question. How do you advise clients who want to sell their businesses, especially if their kids do not want to acquire that as next in line? They would like to maybe go do something else. So tricky question, but I'm sure you have this right up your sleeve.

Alvina Lo:

Yes. And I would just reiterate what I said before: have a plan. Basically, if you're thinking about selling your business, you don't just think unilaterally in silos. I'm selling my business, I'm trying to get the best price possible and that's it, and then I'll deal with the rest later. That is absolutely the wrong way to think about it. In fact, statistics have shown that people who sell their business almost immediately regret it because they don't know what to do with themselves afterwards and kind of regret it.

So what I always tell clients is think of a plan, but your plan isn't just selling your business. Your plan is about, well, what does that mean in terms of your family? Have you had that conversations with your kids about what that means? Have you had a conversation with your employees? Have you had a conversation with some of the stakeholders in your community as to what that means?

And there are obviously a lot of tax planning strategies that our team can help. And we're actually in a very—this is a little bit of an aside, but we're actually in a very favorable tax environment right now to do some significant estate planning with businesses. So pre-transaction planning is important.

So again, I would just say have a plan, but that plan cannot be siloed and one dimensional. That really needs to involve your entire ecosystem and your entire community.

Aarthi Murali:

Have a plan. Again, I think Alvina's mentioned that multiple times. I'm sorry, Stephen, was there a comment there?

Stephen Greer:

Yes, I just did because I just wanted to give our company a little bit of a plug because we've bought three businesses from retiring baby boomers. And the thing that we—price is critically important, but you've brought up the bigger picture as well, which is your employees as well and the people who got you to where you got. And I think the questions to ask of a potential buyer as well is what's your employee turnover? What's your culture? Who am I handing off my legacy and my employees to? And that's something that we feel very strongly about.

One of the companies we bought was founded in 1966. The other one 1976. We have a number of employees who've been working for our company for 30 to 40 years, even though I've only owned the business for five, because we've been able to be the kind of company that can buy a privately owned family business and maintain culture and develop culture versus, say, private equity that's more how can I make a quick buck out of this. So I think looking at who you're selling to is also an important part of the factor, unless you only care about the dollar bottom line.

Aarthi Murali:

Fantastic exchange. Alvina and Stephen, thanks for that dynamic answer to that question, and hopefully we answered the question for the individual who asked that. There are a few more questions along the same lines that I'm going to try to combine them. Another one, Alvina and team here as well. So back to the business outlook report, Alvina, and looking at the data that was shared, do we see that more people are retiring? Again, delving into why we're seeing that, are more people retiring because of the amount of money required to digitize? So from an investment perspective, is it a really uphill battle that we're looking at, and is it becoming a secret sauce to success? At the same time, is that a little bit of an impediment that's maybe triggering some of the early retirement? Alvina, we'll start with you.

Alvina Lo:

So, I think that is a factor and perhaps a factor that's kind of tipped people over. So like I said, a lot of our clients are the Baby Boomer generation who started the business and were thinking about it already. So the extra cost—and cost not just dollars, but mental cost—and the human capital needed I think is kind of tipping the scale a little bit. I wouldn't say that it is the only driver. We certainly do have a lot of clients who have embraced this, especially depending on what sector they're in and where they are in the nature of the business.

I would say that what our data does show is that those who are in bigger, I would say like bigger medium size business, those who are generating \$5 million-plus revenue a year, are more accelerated in terms of their timelines to want to exit as opposed to those that were generating less than that. And I think what that tells us is that, frankly, a reality of where people are. If you have been generating that kind of wealth and that kind of money, you could probably afford to sell. And you're not in like crisis mode, like trying to figure out, oh god, what's next? You're beyond kind of the wealth building phase. So that's what I would attribute to the data.

**U.S. companies
have spent an additional**

\$15 billion
**per week
on technology
to respond to
the pandemic,
per a recent
[Harvey Nash/
KPMG survey.](#)**

Aarathi Murali:

That's very helpful, Alvina. Thank you. Welcome any comments from Milli or Stephen. I'm going to pause for a second.

Stephen Greer:

I don't really have anything to add to that.

Aarathi Murali:

Okay. Perfect. Perfect. So we are coming up to the top of the hour here. So I just want to maybe call out a few themes that we heard loud and clear from our esteemed panel here. Alvina said multiple times, plan, plan, and have a plan, and think about a plan. I got a thumbs up from Alvina.

When we think about people, I think Stephen talked a lot about even thinking about the people and culture with an acquisition. But when you think about your employees, how do you bring that to life and keep a pulse on that and make sure that that's really well thought out and connected that to talent.

Milli, you talked a lot about digital and innovation and how using and building that technology can help connect the value of customers to the value of your organization through platforms and infrastructure that can be really, really amazing.

And what I heard loud and clear from all three of you was empathy. Empathy for your employees, looking at customer needs outside-in, empathy-based products, services, and experiences. And even in the new normal, meaning post-pandemic, not going back to the old, but building on what we've built and how do we create that environment for a very successful and thriving business.

So I just want to wholeheartedly thank the three of you for an amazingly inspiring and exciting conversation. I think there were incredible best practices shared. And thank all of you listeners and viewers for listening and tuning into the webinar. Hopefully you found this incredibly helpful, insightful. And more to come with the Business Owner Outlook report that will be shared with everyone as well, which is rich with powerful information and insights.

So with that, Jessica, I think I'm turning it back to you.

Jessica:

Great. Thank you so much, Aarathi, and thanks to all of our speakers today. This does conclude our webinar, The Business Owner Digital Revolution: How Changing Customer Expectations are Driving Permanent Practices. In just a moment, once we close the webinar here, you will see a survey pop up on your screen. We would greatly appreciate your feedback.

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