

Wealth Management Modernization through Innovation, Hyperpersonalization, and Technology-led Disruption

June 2023: Complimentary Abstract / Table of Contents



Our research offerings

This report is included in the following research program(s):

Banking and Financial Services Information Technology, Financial Services Technology (FinTech), Asset and Wealth Management

- ▶ Amazon Web Services (AWS)
- ▶ Application Services
- ▶ Artificial Intelligence (AI)
- ▶ Asset and Wealth Management
- ▶ Banking and Financial Services Business Process
- ▶ Banking and Financial Services Information Technology
- ▶ Catalyst™
- ▶ Clinical Development Technology
- ▶ Cloud and Infrastructure
- ▶ Contingent Staffing
- ▶ Contingent Workforce Management
- ▶ Customer Experience Management Services
- ▶ CX Excellence
- ▶ CXM Technology
- ▶ Cybersecurity
- ▶ Data and Analytics
- ▶ Digital Adoption Platforms
- ▶ Digital Services
- ▶ Digital Workplace
- ▶ Employee Experience Management (EXM) Platforms
- ▶ Employer of Record (EOR)
- ▶ Engineering Research and Development
- ▶ Engineering Services
- ▶ Enterprise Platform Services
- ▶ Exponential Technologies
- ▶ Finance and Accounting
- ▶ Financial Services Technology (FinTech)
- ▶ GBS Talent Excellence
- ▶ Global Business Services
- ▶ Google Cloud
- ▶ Healthcare Business Process
- ▶ Healthcare Information Technology
- ▶ HealthTech
- ▶ Human Resources
- ▶ Insurance Business Process
- ▶ Insurance Information Technology
- ▶ Insurance Technology (InsurTech)
- ▶ Insurance Third-Party Administration (TPA) Services
- ▶ Intelligent Document Processing
- ▶ Interactive Experience (IX) Services
- ▶ IT Services Excellence
- ▶ IT Services Executive Insights™
- ▶ IT Talent Excellence
- ▶ Life Sciences Business Process
- ▶ Life Sciences Commercial Technologies
- ▶ Life Sciences Information Technology
- ▶ Locations Insider™
- ▶ Marketing Services
- ▶ Market Vista™
- ▶ Microsoft Azure
- ▶ Modern Application Development (MAD)
- ▶ Mortgage Operations
- ▶ Multi-country Payroll
- ▶ Network Services and 5G
- ▶ Oracle Services
- ▶ Outsourcing Excellence
- ▶ Pricing Analytics as a Service
- ▶ Process Mining
- ▶ Process Orchestration
- ▶ Procurement and Supply Chain
- ▶ Recruitment
- ▶ Retail and CPG Information Technology
- ▶ Retirement Technologies
- ▶ Revenue Cycle Management
- ▶ Rewards and Recognition
- ▶ SAP Services
- ▶ Service Optimization Technologies
- ▶ Software Product Engineering Services
- ▶ Supply Chain Management (SCM) Services
- ▶ Sustainability Technology and Services
- ▶ Talent Genius™
- ▶ Technology Skills and Talent
- ▶ Trust and Safety
- ▶ Value and Quality Assurance (VQA)

If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at info@everestgrp.com

Learn more about our
custom research capabilities

Benchmarking

Contract assessment

Peer analysis

Market intelligence

Tracking: providers, locations,
risk, technologies

Locations: costs, skills,
sustainability, portfolios

Contents

For more information on this and other research published by Everest Group, please contact us:

Ronak Doshi, Partner

Pranati Dave, Practice Director

Kriti Gupta, Practice Director

Apoorva A, Senior Analyst

Pooja Mantri, Senior Analyst

Saumil Misra, Senior Analyst

Kriti Seth, Senior Analyst

1. Introduction and overview	5
• Research methodology	6
• Background and context of the research	7
2. Executive summary and market trends	8
• Summary of key messages	9
• Emerging market trends	10
• Shifting business priorities	11
• Evolving wealth management business model	12
3. Drivers of shift in the wealth management business model	14
• Three-fold change in the wealth management business model	15
• Mergers and acquisitions in the wealth management space	16
• Product innovation and enhancing client experience	17
• Technology disruption across the wealth management value chain	19
• Benefits of leveraging technology platforms	21
4. Partnership ecosystem	22
• Wealth management technology provider landscape	23
• Wealth management service provider landscape	25
• Geography-specific view	26
5. Market sizing and ESG	27
• Global wealth technology and IT services spend analysis	28
• ESG-based approach to investing	29

Contents

6. Future of wealth management and key implications	30
• Summary of key implications for wealth management firms, technology providers, and service providers	31
• Implications for wealth management enterprises	32
• Implications for technology providers	33
• Implications for service providers	34
7. Appendix	35
• Glossary	36
• Research calendar	37

Background and context

Macroeconomic factors such as rising interest rates, increasing investor awareness, emerging competition due to rise of new WealthTechs and FinTechs, wealth redistribution, and emerging geographies such as APAC and MEA, and evolving regulatory environment are massively impacting the wealth management space. The wealth management business model is evolving from traditional reputation-driven business toward a technology-led advisory model in the light of changing customer expectations around hyperpersonalization and an evolving customer base. The tech-savvy millennial investors have a strong focus on innovative products such as digital assets and ESG-linked investments and they are moving toward a hybrid investment advisory model.

According to evolving client preferences, wealth management enterprises are shifting their business priorities to enable growth, achieve cost efficiencies, and drive differentiation in the market. They are looking at leveraging technologies such as AI/ML, RPA, AR/VR, and API integration to increase advisory productivity, strengthen client relationships, and accelerate expansion across geographies by developing a strong partnership ecosystem.

In this report, we discuss the emerging market trends, drivers of shift in the wealth management business model, partnership ecosystem, global wealth technology and IT services spend, and key implications for all the stakeholders in the wealth management space.

Scope of this report



Geography
Global



Industry
Banking and Financial Services
(BFS)



Report coverage
Wealth management
state of the market

Overview and abbreviated summary of key messages

In this report, we discuss the market trends, drivers of shift in the wealth management business model, partnership ecosystem, global wealth technology and IT services spend, and key implications for all the stakeholders in the wealth management space.

Some of the findings in this report, among others, are:

Market trends and shifting business priorities

- Rise in investor awareness, emergence of new competitors, and new-age millennial investors with changing expectations are driving a shift in the business priorities of wealth management firms
- Wealth management enterprises are looking at enabling growth, achieving cost efficiencies, and driving differentiation while wealth management technology providers are focusing on wealth technology stack modernization opportunities

Shift in the wealth management business model and key focus areas

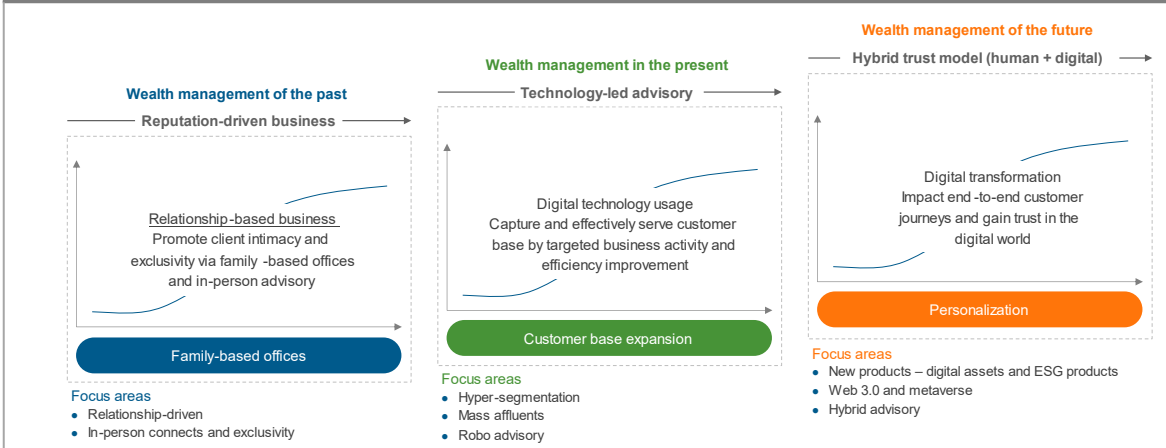
- An analysis of Everest Group view of wealth management eras and its evolution from persona to person-based personalization achieved through tech-intervention and re-imagination of business-model and customer value creation
- Enterprises are focusing on technology-driven intervention and are increasingly leveraging advanced analytics (ML, AI, NLP, and big data), automation, and hyper-personalization to bring in efficiencies and enhance client experience

Key implications for stakeholders

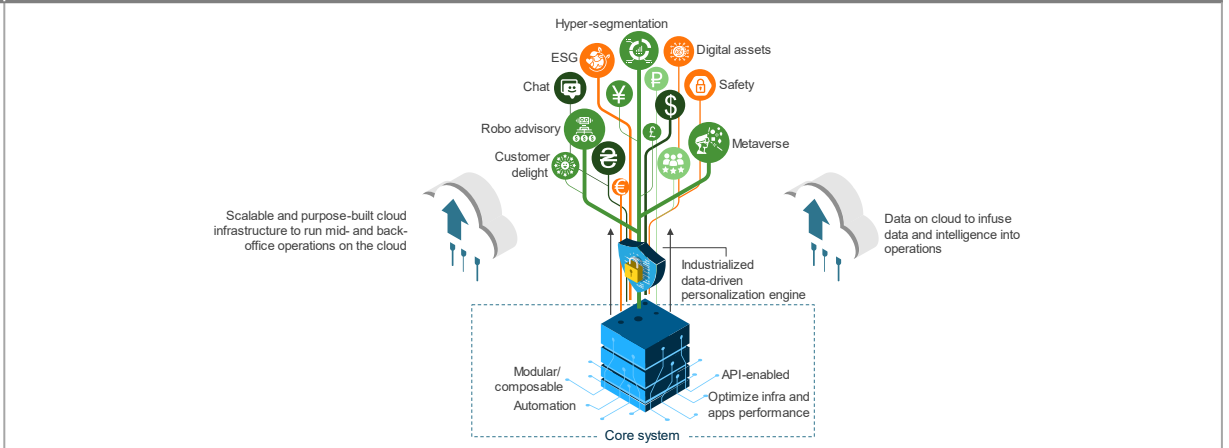
- Wealth management technology providers need to invest in platform advances, establish a partnership ecosystem, and differentiate by providing allied services to their clients
- Service providers need to develop proprietary IP, assist enterprises in their modernization journey, develop techno-functional talent, and expand the partnership ecosystem

This study offers four distinct chapters providing a deep dive into key aspects of wealth management market; below are four charts to illustrate the depth of the report

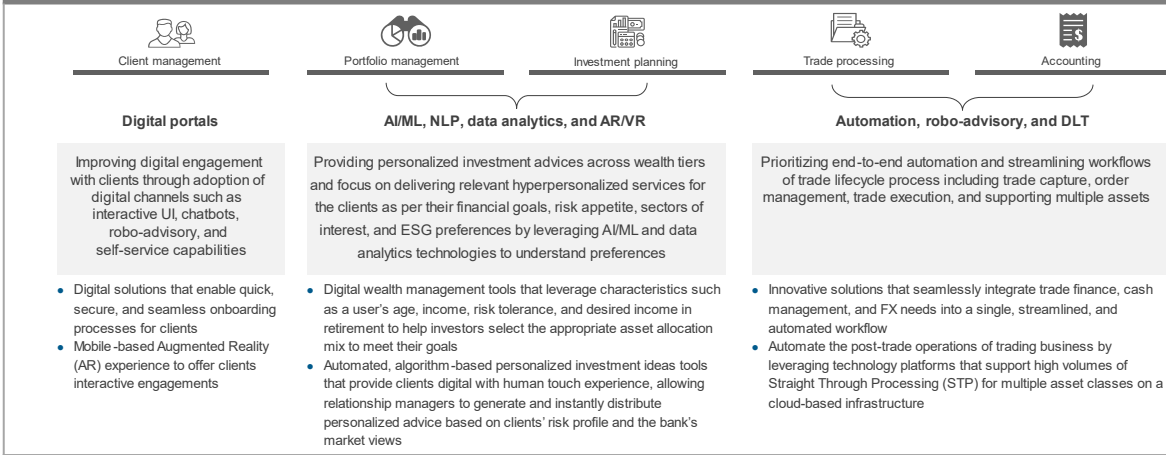
Wealth management eras - moving from persona- to person-based personalization



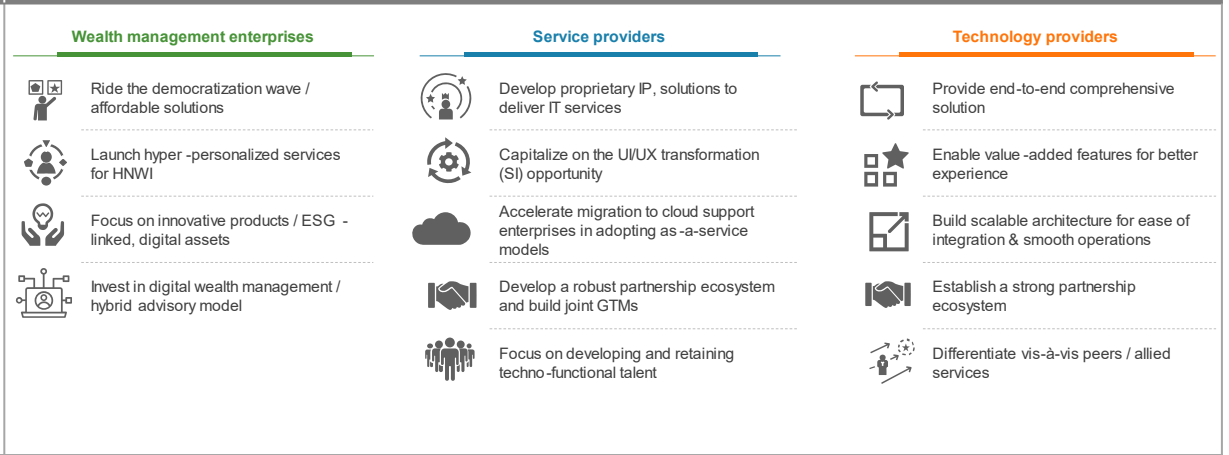
Wealth technology stack modernization opportunity



Technology-driven intervention for efficiencies and experience



Implications for enterprises, technology providers, and service providers



Research calendar

Banking and Financial Services Information Technology

Published Planned Current release

Reports title	Release date
Platform IT Services in BFS – Service Provider Compendium 2022	February 2022
Introducing the Rubik’s Cube Supplier Segmentation Approach: Navigating the Talent Crisis by Engaging Specialist IT Service Providers	June 2022
Banking IT Services State of the Market Report 2022	August 2022
Enterprise Pulse on Third-party Platforms Services in BFS: Fostering Innovation and Deriving Value During a Talent Crunch	September 2022
Future of Investment Banking – Data and Digital Driving Disruption and Disintermediation	October 2022
Wealth Management Products PEAK Matrix® Assessment 2023	November 2022
Future of Treasury – Adopting Platforms, APIs, and Cloud for Real-time and Digital Functioning	November 2022
Capital Markets Technology and IT Services – State of The Market Report	November 2022
Risk & Compliance in BFS IT Services PEAK Matrix® Assessment 2023	December 2022
Open Finance IT Services PEAK Matrix® Assessment 2023	December 2022
Wealth Management Products – Provider Compendium 2023	January 2023
Risk & Compliance in BFS IT Services – Provider Compendium 2023	January 2023
Wealth Management Modernization through Innovation, Hyperpersonalization, and Technology-led Disruption	June 2023
Decoding Data and Analytics Opportunities in Financial Services	Q2 2023
FinTech-Led Innovation in BFS – Financial Crimes & Compliance (FCC)	Q2 2023
Decoding Data and Analytics Opportunity in Financial Services	Q2 2023

Note: [Click](#) to see a list of all our published Banking and Financial Services Information Technology reports



Everest Group is a leading research firm helping business leaders make confident decisions. We guide clients through today's market challenges and strengthen their strategies by applying contextualized problem-solving to their unique situations. This drives maximized operational and financial performance and transformative experiences. Our deep expertise and tenacious research focused on technology, business processes, and engineering through the lenses of talent, sustainability, and sourcing delivers precise and action-oriented guidance. Find further details and in-depth content at www.everestgrp.com.

Stay connected

Dallas (Headquarters)
info@everestgrp.com
+1-214-451-3000

Bangalore
india@everestgrp.com
+91-80-61463500

Delhi
india@everestgrp.com
+91-124-496-1000

London
unitedkingdom@everestgrp.com
+44-207-129-1318

Toronto
canada@everestgrp.com
+1-647-557-3475

This document is for informational purposes only, and it is being provided "as is" and "as available" without any warranty of any kind, including any warranties of completeness, adequacy, or fitness for a particular purpose. Everest Group is not a legal or investment adviser; the contents of this document should not be construed as legal, tax, or investment advice. This document should not be used as a substitute for consultation with professional advisors, and Everest Group disclaims liability for any actions or decisions not to act that are taken as a result of any material in this publication.

Website
everestgrp.com

Social Media
 @EverestGroup
 @Everest Group
 @Everest Group
 @Everest Group

Blog
everestgrp.com/blog

NOTICE AND DISCLAIMERS

IMPORTANT INFORMATION. PLEASE REVIEW THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THROUGH YOUR ACCESS, YOU AGREE TO EVEREST GROUP'S TERMS OF USE.

Everest Group's Terms of Use, available at www.everestgrp.com/terms-of-use/, is hereby incorporated by reference as if fully reproduced herein. Parts of these terms are pasted below for convenience; please refer to the link above for the full version of the Terms of Use.

Everest Group is not registered as an investment adviser or research analyst with the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority (FINRA), or any state or foreign securities regulatory authority. For the avoidance of doubt, Everest Group is not providing any advice concerning securities as defined by the law or any regulatory entity or an analysis of equity securities as defined by the law or any regulatory entity.

All Everest Group Products and/or Services are for informational purposes only and are provided "as is" without any warranty of any kind. You understand and expressly agree that you assume the entire risk as to your use and any reliance upon any Product or Service. Everest Group is not a legal, tax, financial, or investment advisor, and nothing provided by Everest Group is legal, tax, financial, or investment advice. Nothing Everest Group provides is an offer to sell or a solicitation of an offer to purchase any securities or instruments from any entity. Nothing from Everest Group may be used or relied upon in evaluating the merits of any investment. Do not base any investment decisions, in whole or part, on anything provided by Everest Group.

Products and/or Services represent research opinions or viewpoints, not representations or statements of fact. Accessing, using, or receiving a grant of access to an Everest Group Product and/or Service does not constitute any recommendation by Everest Group that recipient (1) take any action or refrain from taking any action or (2) enter into a particular transaction. Nothing from Everest Group will be relied upon or interpreted as a promise or representation as to past, present, or future performance of a business or a market. The information contained in any Everest Group Product and/or Service is as of the date prepared, and Everest Group has no duty or obligation to update or revise the information or documentation. Everest Group may have obtained information that appears in its Products and/or Services from the parties mentioned therein, public sources, or third-party sources, including information related to financials, estimates, and/or forecasts. Everest Group has not audited such information and assumes no responsibility for independently verifying such information as Everest Group has relied on such information being complete and accurate in all respects. Note, companies mentioned in Products and/or Services may be customers of Everest Group or have interacted with Everest Group in some other way, including, without limitation, participating in Everest Group research activities.