

WORLD WEALTH REPORT 2020



management industry is in uncharted waters.



wealth growth

The wealth



How should

Regional monetary policy accommodation and tech sector performance optimism drove growth

North America

topped traditional

leader Asia-Pacific

United States more than 67% of global **Japan** HNWI¹ population growth Germany China North America

HNWI Population and Wealth Growth 1%



Asia-Pacific HNWI

Population and Wealth Growth

Еигоре

HNWI Population and Wealth Growth 9%

Cash/cash equivalents Fixed income **Equity** allocation allocation allocation

25%



30%





17%

And further accelerates Rising demand for Higher client expectations sustainable investing with advisory fees 33% of HNWIs are uncomfortable with their Environmental, social and governance (ESG)

fees

Plan investment strategies

for life events such as

• Wealth transfer from older to younger

• Young investors entering HNWI segment

risks and climate change as key focus areas

49% of younger ultra-HNWIs² are interested

55% of HNWIs consider environmental

fund investing is on the rise

in sustainable investing

performance and service-based fees over asset-based fees



Leverage technologies such as AI, ML and analytics to provide

hyper-personalized offerings

Customized and interactive client reporting

A top reason for HNWIs considering a switch

to a new firm in 2019 was high fees

HNWIs are looking for investment

• Portfolios with tailored advice

Accurate risk profiles

To stay strong in uncertain times, firms need



generations

through wealth creation

on critical touchpoints in the client journey



Opportunities exist for firms to improve personalized information/services touchpoints

Wealth

management firm

12%

29% Receiving value-added services 11% 11% 29% Receiving educational market information

Who would do a better job?

Personalized updates about new products/services

Nearly 90% of HNWIs younger than 40

are willing to adopt BigTech offerings

Firms should focus on 3 client journey stages

where HNWIs report lowest customer experience.

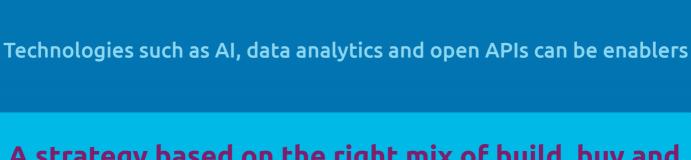
...and HNWIs have high hopes of BigTech³

that are most vulnerable to BigTech



Client acquisition

29%



competitive advantage in uncertain times



A strategy based on the right mix of build, buy and partner approaches within an Open X⁴ ecosystem can help wealth management firms boost

Client advisory

3. BigTechs are technology giants that dominate their respective sectors such as Amazon,

Footnotes

- 1. High Net Worth Individuals (HNWIs) have investable assets of USD1 million or more, excluding primary residence, collectibles, consumables, and consumer durables 2. Ultra-HNWIs are those with USD30 million or more
- Ant Financial, Apple, Facebook, Google, and Tencent 4. Open X represents an enhanced approach to open banking characterized by a seamless **eX**change of data and resources to **eX**pedite product innovation for excellent customer **eX**perience

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