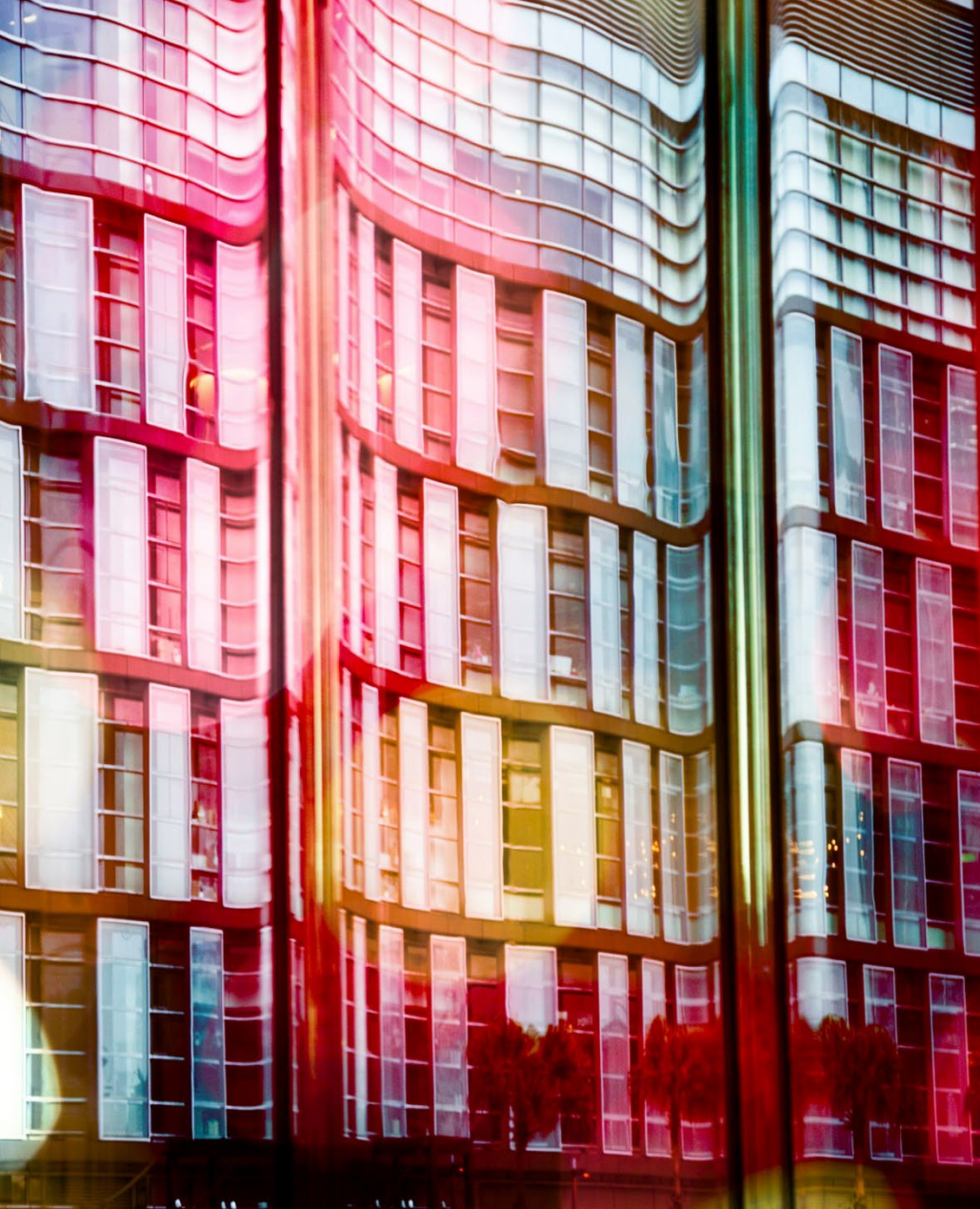# AI in Wealth Management

A Financial Advisor Study

accenture

Executive summary

Our research began with two fundamental questions surrounding artificial intelligence (AI) in wealth management:

01   Are there any disconnects between AI technology deployment and its adoption by financial advisors (FAs) and their firms?

02   Are wealth management firms aware of their FAs' perception of AI?

To answer these questions, we surveyed 500 North America-based FAs to study this in greater detail. We looked beyond automation and explored themes like the client experience, value, and industry change.

Overall, our results show that FAs are bullish on the technology and want more. The challenge for firms, however, is "smart deployment," e.g., to match the pace of innovation with the rate of adoption, use and value realized.
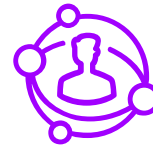
As firms recalibrate their AI strategy, we believe that it's critical to manage the FAs relationship with technology, inclusive of their perspective, use, ambition, and strategy as it relates to client engagement and day-to-day activities.
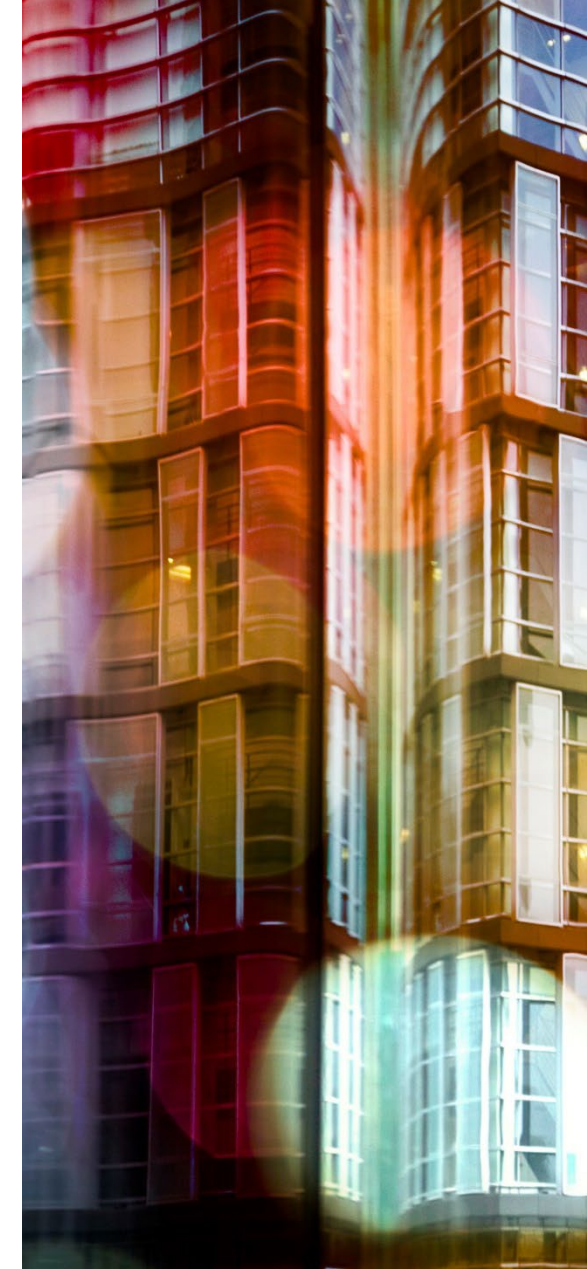
Advisors believe AI will play a major role in the future of financial advice

98%

believe AI is transforming how advice is created for, delivered to, and consumed by clients today

99%

believe AI plays a role in the future of financial advice (e.g., the role of technology to power / enhance the client-advisor relationship)

Many believe AI will have a significant impact on client-advisor relationships in the next few years

within the next 18 months

83%
believe AI will have a direct, measurable, and consistent impact on the client-advisor relationship

83%
believe AI can achieve a level of sophisticated advice and planning that will ultimately leave FAs competing with an algorithm for clients

55%
believe to a great extent that AI will have a transformative / revolutionary effect on the future of financial advice within the next 3 years

Firms are deploying and scaling AI-powered technology but have yet to meet advisor expectations

5 out of 10 advisors feel like their firms are challenged to act on their AI vision

55%
say the insights generated by AI were too complicated to use

41%
believe that AI-driven client insights were not as impactful as they would have hoped

Financial advisors are ready to adopt AI if the benefits are clear to them

87%

want to use more AI tools day-to-day and are willing to spend time to learn an AI-based process and tool if there's a clear benefit.

However, we see that the benefits are not always so clear to them given **37%** believe adopting AI won't solve a business problem of theirs or save them any more comparable time.
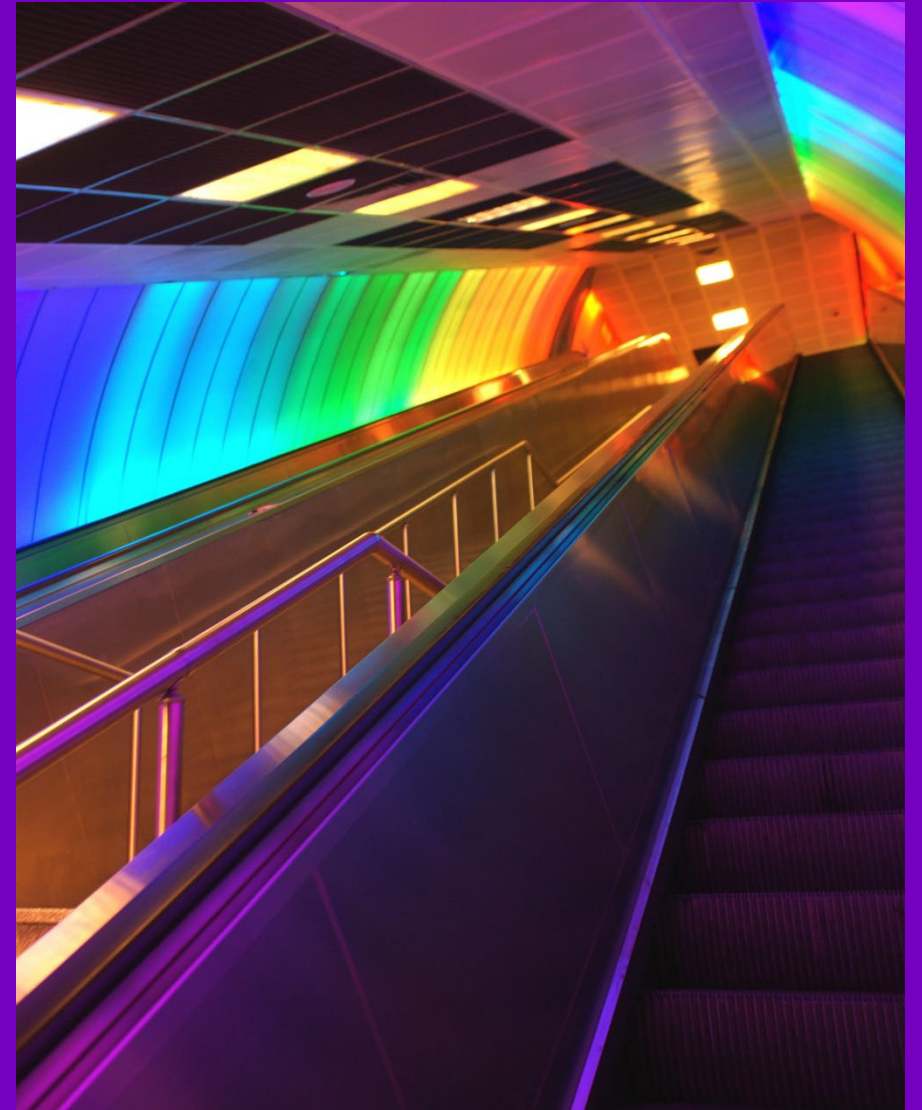
FAs are bullish on AI tools that make them more insightful and / or save them time

More than 8 out of 10:

believe that AI-powered notifications of client life events in real-time would be one of its clearest and measurable benefits

prefer to use AI tools to automate time-consuming and manual tasks

believe AI's greatest benefit is translating the clients' data into actionable insight for their benefit

Over 9 out of 10 advisors believe AI can help grow their book of business organically by more than 20%
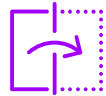
Over 1 in 5 advisors believe AI can help most to **segment clients** to further understand **acquisition**, **growth**, and **retention goals**

Advisors also believe AI can help **identify proactive cross-selling opportunities**

How firms could maximize their AI investment and value

Focus on seeing a single use case or program through to the end

64% of advisors strongly agree or agree their firm is taking on too many pilots at once in its push to adopt AI

Ensure firm's priorities align with where advisors find high value

As end-users, advisors need to see real value in the AI tool as adoption requires a high amount of change and effort

Continued support from management is needed to ensure success of AI programs

Management needs to set the tone at the top and ensure the internal capacity, funding, and dedication are sufficient to meet AI goals

Contacts

Scott Reddel
Managing Director –
Wealth Management Lead,
North America
in

Kimberly Richards
Managing Director –
Strategy, Banking and Capital
Markets
in

Keri Smith
Managing Director –
Applied Intelligence Lead,
Banking and Capital Markets
in

Kevin Yang
Senior Manager –
Strategy, Banking and Capital
Markets
in

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About Accenture

Accenture is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, we offer Strategy and Consulting, Song, Technology and Operations services — all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Our 699,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities.
Visit us at www.accenture.com/wealthmanagement

Disclaimer

Survey overview

Context and approach

At the start of 2022, Accenture conducted field research across the United States and Canada to interview 500 licensed Financial Advisors (FAs) from Wealth Managers, Nationwide Banks, Boutique Private Banks, Insurance Wealth Managers, Regional Banks, RIAs, and Independent RIAs to gain a deeper understanding of FAs' interaction with and attitude towards AI.

Specifically, we looked across the following three areas:

1. The FAs' level of familiarity with AI and their firm's AI initiatives or readiness to adopt more AI-based tools

2. The greatest challenges FAs face today and the value AI-based tools could bring to mitigate some of those challenges

3. The priority AI use-cases for FA activities (e.g., business development, investment management)

The data provides a holistic view of the sentiment towards AI from advisors across a host of players differing by size, revenue, advisor model and type of firm.
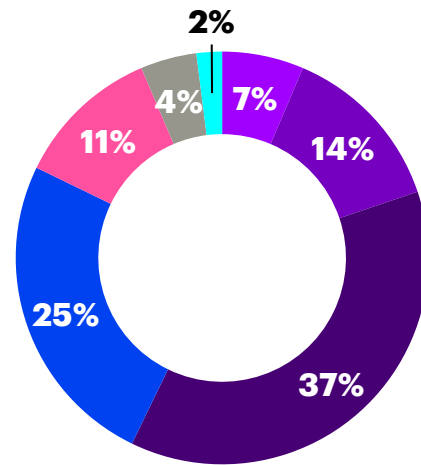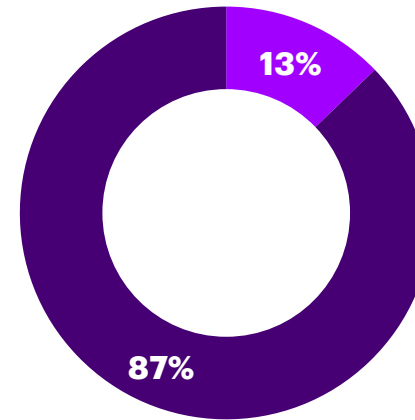
Survey respondents

Industry

- 43%
- 8%
- 13%
- 20%
- 16%
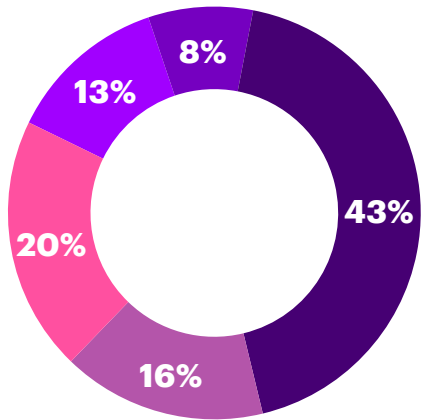
Legend:
- Wirehouse + Private Bank
- Retail Brokerage
- Bank Brokerage
- Independent
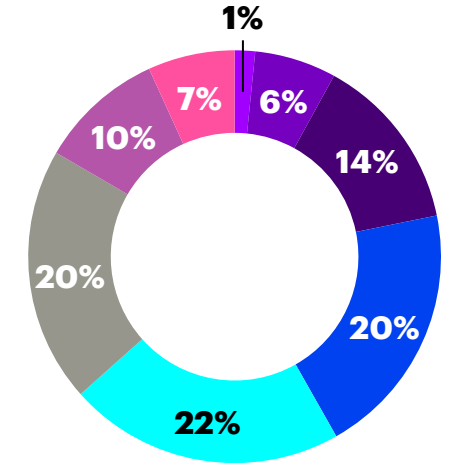- Insurance Wealth Manager

Households Under Management

- 2%
- 7%
- 14%
- 37%
- 25%
- 11%
- 4%

Legend:
- 1-50
- 51-100
- 101-150
- 151-200
- 201-250
- 251-300
- >300

Location

- 13%
- 87%

Legend:
- Canada
- USA

Asset Under Management

- 1%
- 6%
- 14%
- 20%
- 22%
- 20%
- 10%
- 7%

Legend:
- <$10 mn
- $10 mn - $50 mn
- $51 mn - $250 mn
- $25 mn - $500 mn
- $501 mn - $750 mn
- $751 mn - $999 mn
- $1 bn - $10 bn
- >$10 bn