Re-imagining engagement

Evolving channel strategies to deliver on the advisory proposition

The Future of Asia Wealth Management Series 2023

accenture

Contents

Summary

↗ Most firms' AUM and revenue goals are ambitious…

Given the challenging market, operational and other constraints, the goals of wealth management firms in Asia for 2022-26 are extremely ambitious: to increase assets under management (AUM) by 1.6x and to grow revenue 1.4x, according to our research.

↗ … and they risk missing them without targeted action

Firms will struggle to attain these goals unless they focus on two key areas that improve the client experience: revamp the digital channel, including focusing on mobile delivery; and re-envision the relationship manager (RM) role to give them what they need to perform in the face of significant inefficiencies.

↗ Why focus on the client experience?

Our research shows a strong, positive correlation between client satisfaction with their primary wealth management firm's advisory offerings and the share of assets they allocate to it. We identified 37 attributes that drive increased client satisfaction—these are outlined in our Client Experience Framework (Figure 7). Most relate either to the client journey that needs to be delivered via the firm's digital channels (with mobile being essential) or to the RM—the most important person for clients at the firm.

↗ Time to overhaul digital channel capabilities…

Affluent and high-net-worth (HNW) investors who took part in our annual Asia Affluent Investor Survey say a high-quality channel experience is the most important consideration when selecting a wealth management firm—even outranking its reputation, track record, RM quality or recommendations from family and friends. Firms will hence benefit from offering a true end-to-end digital journey for clients—particularly for advisory services, which scored worst in our analysis of mobile offerings in the market, with just 43 percent digital capability coverage compared to execution, onboarding, and servicing.

↗ … and update mobile apps

When it comes to channels, investors in our survey rank the mobile app joint-first with the online banking portal. The mobile app is the most common channel clients use and is of fundamental importance to nearly all investors in our research, regardless of demographic, market, and wealth band. However, most existing mobile apps score poorly with our survey respondents due to (among other things) bad journey design, capability coverage, bugs and speed, a lack of personalization, and missing asset classes. Proactive firms need to rethink their mobile app to provide services clients want, including hybrid mobile-RM support.

↗ Under pressure: RMs are at the center of firms' growth ambitions...

RMs continue to struggle with low productivity and spend most of their time on non-revenue-generating tasks, according to our Asia Relationship Manager Survey. The root causes are mostly straightforward: their job scope is too broad, and they lack the digital tools and empowerment to meet clients' expectations.

At the same time, nearly all CXOs we interviewed in our Asia CXO Industry Benchmark Survey expect RMs to drive all new AUM growth (even in the face of a forecasted decline in projected revenue per RM of 2-3 percent Compound Annual Growth Rate (CAGR)). However, firms recognize the problem: three-quarters seek to empower RMs. But empowerment constitutes just one step in what is needed and will largely mean only that RMs can better tackle the multitude of non-revenue-generating tasks.

↗ ... but cannot deliver unless firms take a disruptive approach

We believe a more disruptive approach is needed. It would see firms redefine the RM role—which is currently not aligned to value-add—and skills needed, reassess talent sourcing (including upskilling existing staff), invest in digital enablers like a digital cockpit, accelerate leverage of technologies like automation, AI, and generative AI, and redesign the firm's wealth operating model.

Giving RMs the necessary digital tools and automating non-revenue-generating work or offloading it to other staff would fix the broken RM model; it could unlock higher loading ratios, boost productivity, and generate a potential 50 percent saving on RM costs, which usually comprise 60-70 percent of the overall cost base. It could also see an up to 20 percent rise in the client service experience (which is needed given that 40 percent of wealthy clients in our investor survey say RM service falls short), and which correlates directly to higher AUM capture.

This approach would also resolve another key pain-point for clients, RMs and other wealth management staff: the lack of useful investment content, and the inability to measure what clients use.

↗ In short, next-generation advisory remains key—and elusive

As we found last year, most firms struggle to provide a suitable next-generation advisory offering—and this has continued into 2023. They can change that by:

- Delivering an advisory proposition that is goals-led, integrated across advisory and investment management, and digital-first—with this digital approach focused on mobile delivery as the main channel.
- Tackling the broken RM model and ensuring RMs have the digital tools and skills to perform optimally.

In this way, firms can differentiate their advisory proposition to ensure it focuses on the client's goals—and in this way better grow AUM and revenues, and improve their cost-income ratios.

About the research

This report is the second annual instalment of Accenture's Asia-Pacific wealth management research program, the most comprehensive in the industry for the region.

It is based on primary research originated by Accenture, as well as the authors' expertise in relevant areas.

Notably, we added new markets to the program in 2023 (Australia and Vietnam), making it a prime source for insights into the views of investors, relationship managers, and investment professionals in Asia and the Middle East.

The research included:

Accenture's Asia Affluent Investor Survey, Q1 2023

A survey of more than 3,700 investors across 12 markets: Australia, China (mainland), China (Hong Kong SAR), India, Indonesia, Japan, Malaysia, Saudi Arabia, Singapore, Thailand, the United Arab Emirates (UAE), and Vietnam.

Forty percent of respondents were affluent (with investable assets of US$100k-1m)[1] while 60 percent fell within the high-net-worth (HNW) or ultra-HNW stratum (with household assets above US$1m). The survey was conducted in December 2022 and January 2023.

Accenture's Asia Relationship Manager Survey, Q1 2023

A survey of 655 relationship managers and investment professionals at private banks, wealth firms, retail banks, and independent financial advisors across the same 12 markets. The survey was conducted in December 2022 and January 2023.

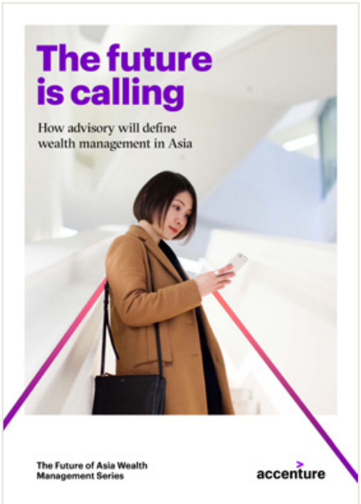
Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Accenture conducted more than 20 interviews with CXOs of wealth firms operating across Asia. Most interviewees were the operating head of the wealth business for a region or market, or the head of a key business line such as strategy or operations. A list of participating firms can be found in the Acknowledgements section of the report.

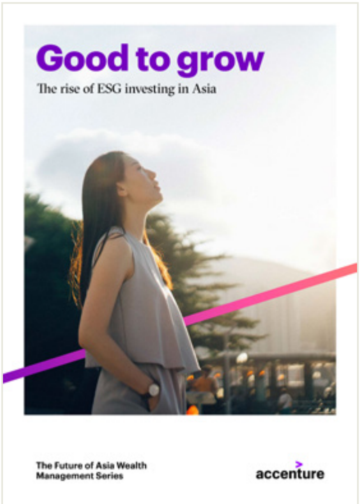
Accenture worked with Phronesis Partners to conduct the Asia Affluent Investor Survey and the Asia Relationship Manager Survey.

The previous survey reports from this program can be found here—or by clicking on the images below for the 2022 main report and the three subsidiary reports on environmental, social and governance (ESG) investing in Asia, digital assets, and empowering relationship managers.

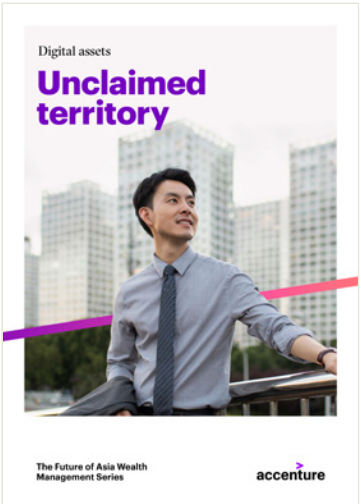
Lastly, we would like to extend a special thanks to the valued members of our advisory board, who are outlined briefly below. For more detail, please see Appendix 2.



Future of Advice (main report)



ESG Investing



Digital Assets

RM Empowerment

Accenture wealth management Asia research advisory board

Marc Van de Walle, CFA
Global Head,
Wealth Management,
Deposits and Mortgages

standard chartered

Evonne Tan
Head of Barclays Private Bank,
Singapore

BARCLAYS | Private Bank

Sacha Walker
Head of Strategy &
Business Operations APAC

Julius Bär

Alvin Lee
Head Group Wealth Management

Maybank

Bo Wu
Member of the CICC
Management Committee
Head of the Equities Department
President of CICC Wealth
Management

中金财富 CICC Wealth Management

Arnaud Tellier
Chief Executive Officer,
Asia Pacific

BNP PARIBAS WEALTH MANAGEMENT

Heline Lam
Chief of Staff Asia
Member of Asia Management
Committee

VPBANK

Win Phromphaet
Head of High-Net-Worth Division

krungsri PRIVATE BANKING

Wei Mei Tan, CFA, CA, CAIA
Managing Director
Global and Asia Head of Advisory
Global Private Banking and Wealth

HSBC Global Private Banking

Akiko Matsubara
Executive Officer,
Wealth Management Unit

MUFG Mitsubishi UFJ Financial Group

Use of Flags

Flags are used to represent the countries included in this report.
Below is a simple reference key for each country and their corresponding flag.

Singapore	China (mainland)	China (Hong Kong SAR)	Indonesia	Australia
India	Thailand	Malaysia	Japan	Vietnam

Flags denote the base location of each member.

Foreword

The growth in wealth management in Asia shows no sign of letting up, and the race to capture the growing pool of affluent and high-net-worth (HNW) investors remains wide open. Firms that can meet the advisory needs of an expanding client base by focusing on revamping their digital channels and redefining the RM role are most likely to succeed.

Since our inaugural report on wealth management in Asia was published a year ago, the opportunities and challenges faced by the region's wealth management firms have not gone away.

On the plus side, Asia is economically dynamic, and its affluent and HNW population keeps growing fast. Less positively, firms continue struggling to keep pace with what clients expect and need, even as they seek to increase assets under management (AUM) by 1.6x by 2026 and grow revenue by 1.4x—goals that they have tempered over the past 12 months given the weakening market.

However, as this report notes, those goals remain highly ambitious, and attaining them revolves predominantly around acquiring clients from competitors, retaining existing clients, and hiring large numbers of relationship managers to meet clients' needs.

As it also shows, many firms—perhaps most—may fall short of their goals unless they overhaul two key areas: their digital and mobile offerings; and what RMs provide. Tackling these is so important that they form the bulk of this year's report and can be grouped under a single banner: How to deliver a better client experience.

Doing so is crucial because, as our research shows, clients want a better experience and will gravitate towards firms that offer it. Indeed, providing a better client experience is the route to meeting that core AUM-growth goal. Our research confirms that the more satisfied the client, the greater the share of assets their primary wealth management firm captures. Firms that want to grow AUM must improve the client experience.

There is much to do, and that starts by understanding where clients are dissatisfied. When we asked this year's cohort of over 3,700 investors in our Asia Affluent Investor Survey, we identified 37 attributes around value proposition, channel, and journey. Most of these attributes are delivered via one of two categories—the firm's digital channels (particularly its mobile app, which is of utmost importance), and the RMs.

Firms underestimate the importance of the channel experience at their peril. Clients ranked the existence of a high-quality digital channel experience in first place when selecting a wealth management firm—ahead of its reputation, track record, the quality of the RM, or even the recommendations of their family and friends.

That is a powerful reason why firms should focus on an advisory proposition that is digital-first, goals-led, and integrated across advisory and investment management. This digital approach should focus on mobile delivery as the main channel—and here, we found, firms can do much better.

In addition, firms need to focus on their RMs, who form the second core of our 2023 report. Last year, we highlighted RM's weak productivity, which is exacerbated by their spending too much time on non-revenue generating activities. This year, clients told us that the large majority of an RM's tasks add little or moderate value. This is a key reason for client dissatisfaction.

The RM model remains broken and requires a technological rethink—not least because, almost without exception, the CXOs we surveyed expect RMs, rather than digital channels, to drive AUM growth, even as our research forecasts a decline in revenue per RM of 2-3 percent CAGR to 2026. Our research shows that investors, RMs, and firms alike perceive that RMs add value only in the advisory process—yet the role RMs perform currently encompasses a far greater array of time-intensive activities.

Success requires that firms re-envision the RM role, and doing so implies taking a bold, disruptive approach—something only a minority of firms surveyed plan to do. However, disruption, rather than empowerment (which is favored by three-quarters), will likely deliver better results including unlocking far higher loading ratios, making RMs much more productive, and allowing firms to save significant budget spend.

In our view, then, wealth management firms in Asia should revamp their mobile offering and apply a disruptive approach to the RM role. While that will not be easy, it will position them for success in what remains a large, growing, and exciting wealth management market.

Finally, a word of thanks. In preparing this report, Accenture sought advice and input from an advisory board of industry leaders from across Asia. While Accenture is solely responsible for all analysis and commentary, the advisory board's guidance was tremendously valuable, and I would like to take this opportunity to thank them for their insights and wisdom.

M J Long

Matthew Long
Senior Managing Director and Global Capital Markets Lead, Accenture

1

Asia ambition

Still high, but growth targets soften as focus turns to profitability

Since the publication in mid-2022 of our first Asia wealth management report—*The future is calling: How advisory will define wealth management in Asia*—the global economy, markets, and industries have faced a daunting array of challenges, sparked by the consequences of the COVID-19 pandemic, Russia's invasion of Ukraine, the end of quantitative easing, and repeated, rapid hikes in interest rates.

The result has been market volatility, the risk of recession in key economies, worsening financial performance by firms, sinking stock markets, and rising job losses.

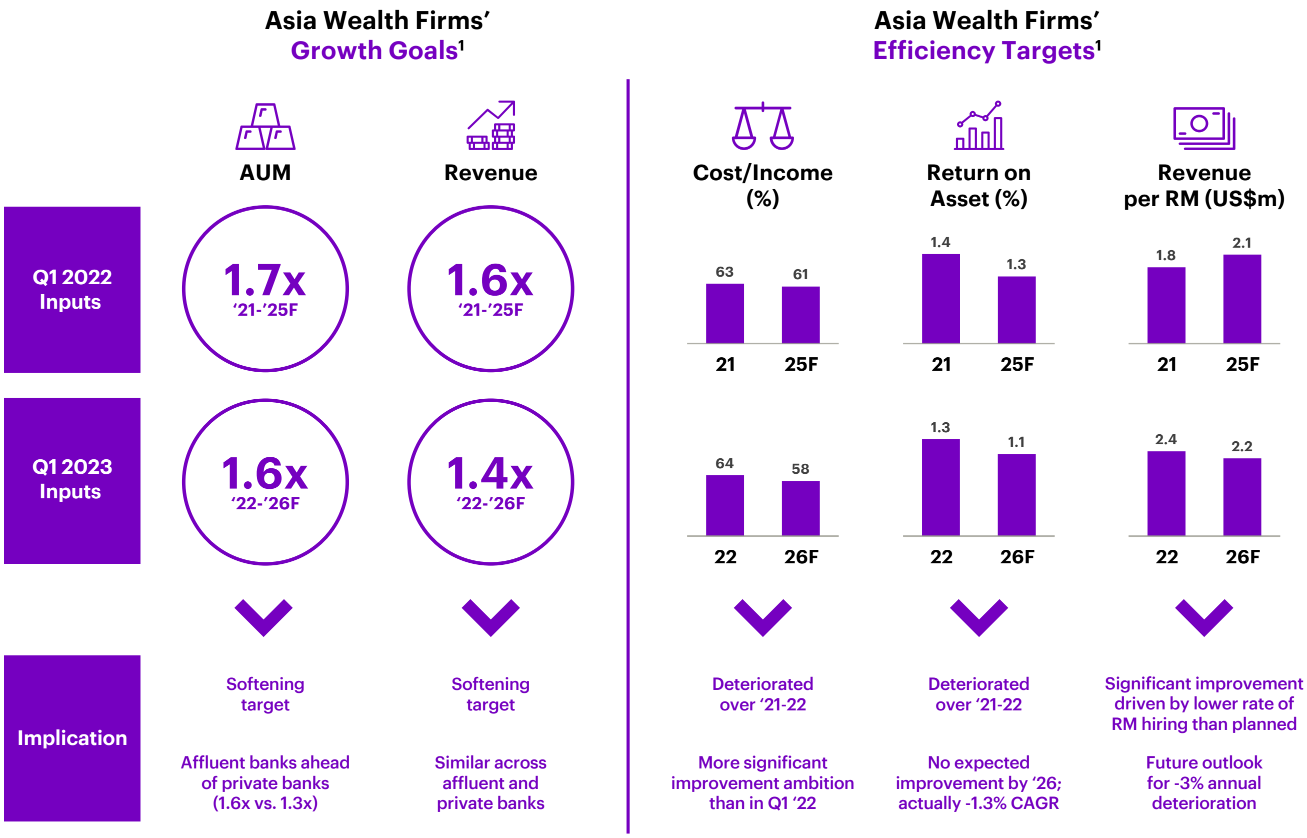
Predictably, the wealth management industry has been hit, with 2022 being one of the worst years in a century after both stocks and bonds declined;[2] typically, the two asset classes move opposite to each other, and their holdings in a portfolio are designed to create a counterbalance. Last year, that strategy did not work.

Looking ahead—and as stated in last year's report—the key for wealth management firms is to differentiate their proposition beyond simply delivering market returns, notably by delivering true next-gen advisory that focuses on realizing a client's goals rather than arbitrarily beating market benchmarks. In this way, they can improve their capture of assets under management (AUM).

> This year's report shows a direct relationship between client satisfaction with their primary bank and the share of client AUM that their bank holds. In short, the happier the client, the greater the share of AUM allocated.

This is a crucial connection, because—as we saw in last year's and this year's reports—firms have ambitious goals to grow this metric; those goals have, however, eased. Last year's report, whose survey was undertaken during a more positive environment, showed firms sought to boost AUM by 1.7x and revenue by 1.6x for 2021-25. However, they expected this dash for growth would come at the expense of improvements to efficiency and profitability (Figure 1), with the cost-income ratio barely budging and return on assets worse.

Figure 1: A tougher market has tempered ambitions—but only somewhat.



Source: Accenture Asia CXO Industry Benchmark Survey, Q1 2023

[1] One Private Bank result removed from overall results as data only exists from Q1 2023, hence figures may not align to results elsewhere in report when broken out by firm type

This year's report shows firms remain bullish. However, in the light of a weakening market, they have tempered their goals for 2022-26: They are targeting 1.6x AUM growth and 1.4x revenue growth. They also expect to be more cost efficient, and predict their cost-income ratio will improve significantly from 64 to 58 percent (though this comes off the back of a worsening ratio last year). Return on assets, though, will slide to 1.1 percent, which represents an annualized contraction of 1.3 percent by 2026.

In other words, firms' growth ambitions, though still strong, have moderated. At the same time, they are more strongly focused on profitability.

Less promising is the situation surrounding the generators of this growth: the relationship managers. As this report will show in our dedicated section on RMs, productivity remains a significant challenge; indeed, productivity threatens to deteriorate further as firms dial back their revenue ambitions, yet still seek to hire more RMs. While firms last year expected revenue per RM to climb from US$1.8m to US$2.1m in the period to 2025, they now expect a decline from last year's US$2.4m, which was driven by a lower rate of RM hiring than planned, to US$2.2m. That translates to a deterioration during the period to 2026 of 3 percent CAGR.

> If the outlook for individual firms is mixed for the coming years, however, zooming out shows there is plenty of opportunity for wealth management firms generally.

Our 2023 findings indicate that—while the immediate outlook is challenging—the underlying fundamentals of the industry are still very positive. Most notably, the size and growth of the underlying client base appears extremely robust.

To explain why, we will start with the wealth segments. Here, the Asia wealth "barbell" effect remains valid, which in turn encourages the ongoing continuum play by wealth managers:[3] Of the US$216.6trn in investor wealth in Asia, US$20.9trn—about 10 percent of the total by value—is attributable to the ultra-high-net-worth (ultra-HNW) with assets of more than US$30m, yet this segment comprises just 0.01 percent of the overall number of wealthy individuals (Figure 2).

Figure 2: Asia's "barbell" effect reinforces wealth managers' strategic approach.

Asia wealth band composition and individual wealth (US$t)[1], 2022		Segment Wealth	Individuals ('000), 2022: Number	% Total
10%	US$30M+	$20.9	118	0.01%
1%	US$20-$30M	$2.0	81	0.01%
2%	US$10-$20M	$4.0	295	0.03%
2%	US$5-$10M	$5.2	769	0.09%
10%	US$1-$5M	$21.0	11,545	1.33%
75%	US$100k-$1M	$163.5	853,862	98.52%

Source: Accenture's Market Sizing Model, Q1 2023

Asia markets include Australia, China, Hong Kong, India, Indonesia, Japan, Kazakhstan, South Korea, Malaysia, Myanmar, New Zealand, Pakistan, Philippines, Singapore, Sri Lanka, Taiwan, Thailand, Vietnam

Note: Numbers may not sum due to rounding

Our research also reveals important information about those who fall outside the ultra-HNW segment. Affluent individuals with US$100k-$1m of assets comprise by far the largest proportion—some 854m people, or nearly 99 percent of the total wealth segment available—and control 75 percent of the assets available, worth US$163.5trn. Those with US$1-$30m control the 15% that is left.

> In other words, 85 percent of the available wealth in the Asia space belongs to these two "barbell" categories—those with assets of US$100k-$1m and those with assets greater than US$30m. That is why continuing to target them makes sense.

In recent decades, the growth in the number of affluent and high-net-worth (HNW) investors in Asia has eclipsed that of peers in other regions.[4] Given Asia's relative economic strength going forward, that growth is likely to continue to 2026 and beyond.

While it is the case that the growth of wealth in Asia is taking place across all wealth bands, it is the higher end that will likely continue to deliver outsized growth compared with affluent investors.

However, as noted, there are far greater numbers of affluent investors, which means a bigger pool of potential clients. Additionally, given the challenges of scaling wealth management, affluent investors arguably have more unmet needs. That could make this space lucrative for proactive firms able to target it.

What is also clear is that successfully targeting investors in the two barbell categories—those in the ultra-HNW segment and those in the segment below US$1m—requires different approaches. Investors in the lower segments require a smart, omni-channel approach aligned to "moments of truth"; this necessitates a digital-first, and predominantly mobile, approach. Those in the ultra-HNW category greatly value mobile and a digital capability for the convenience factor; however, firms must also provide them with sophisticated RMs and other human capital.

The challenge for many wealth management firms is that—according to our Asia Affluent Investor Survey—they fall significantly short both on the mobile front and on the services that their RMs provide. Our two in-depth sections on RMs and mobile applications will highlight where firms can improve—and outline a better way forward.

2

Looking back to look ahead

Digital-led, RM-assisted advisory remains crucial for investors in Asia

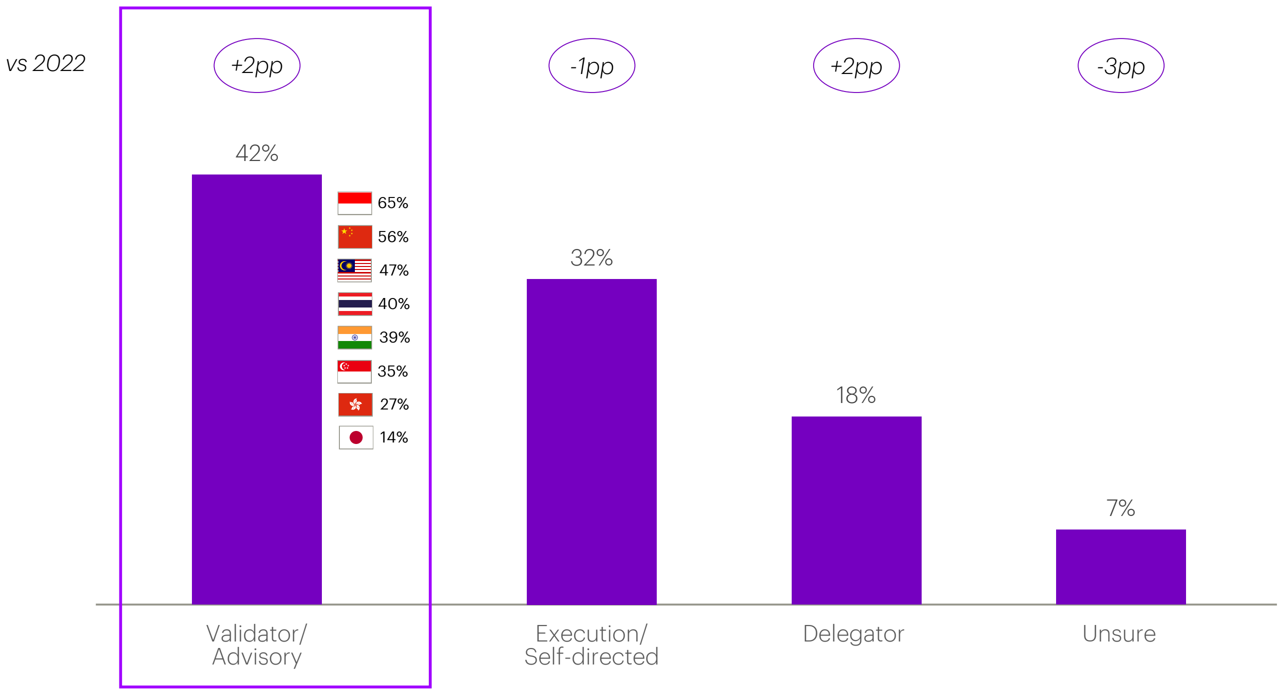
What we learned in 2022

Our conclusion in 2022 was that advisory services would define how wealth management evolves in Asia. That remains true—as do our other key findings from 2022.

The first of these was that the primary category of investors in Asia is not the self-directed, but those who seek advice—whom we refer to as **validators**. That report concluded that validators comprise 40 percent of wealth management clients in Asia—the largest segment—and wish to validate opportunities with their firm or RM even if they take the final investment decision themselves.

This dynamic held true into 2023 (Figure 3), and even saw a slight increase to 42 percent as choppier markets continued to support the need for expert advice. By comparison, only around one-third of respondents in our Asia Affluent Investor Survey fall into the execution/self-directed category, which is defined as those who prefer to act autonomously.

Figure 3: Once again, most investors in Asia are validators.



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 & Q1 2022 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: Which of these statements best describes your approach to managing your wealth?

Validator/Advisory represents: "I want to understand investment opportunities and trade-offs to validate with my RM, but I make the decision on whether to invest." Execution/Self-directed represents: "I seek out opportunities in the market and pursue them autonomously." Delegator represents: "I let the bank manage my portfolio and just need to have transparency on my performance." Unsure represents: "I am not fully comfortable investing and managing wealth, and do not yet know the best approach for me to take."

Note: Numbers may not sum due to rounding

Several other findings remained important, and some gained in relevance. One is that a **digital-first approach** that includes mobile is key (Figure 4). Another is that the **existing RM model remains broken**—plagued by time management issues, poor productivity, and a shortfall on client servicing—and requires a technological rethink. As we shall see, RMs are crucial to firms' success, which is why it is also essential to tackle the challenges that afflict them.

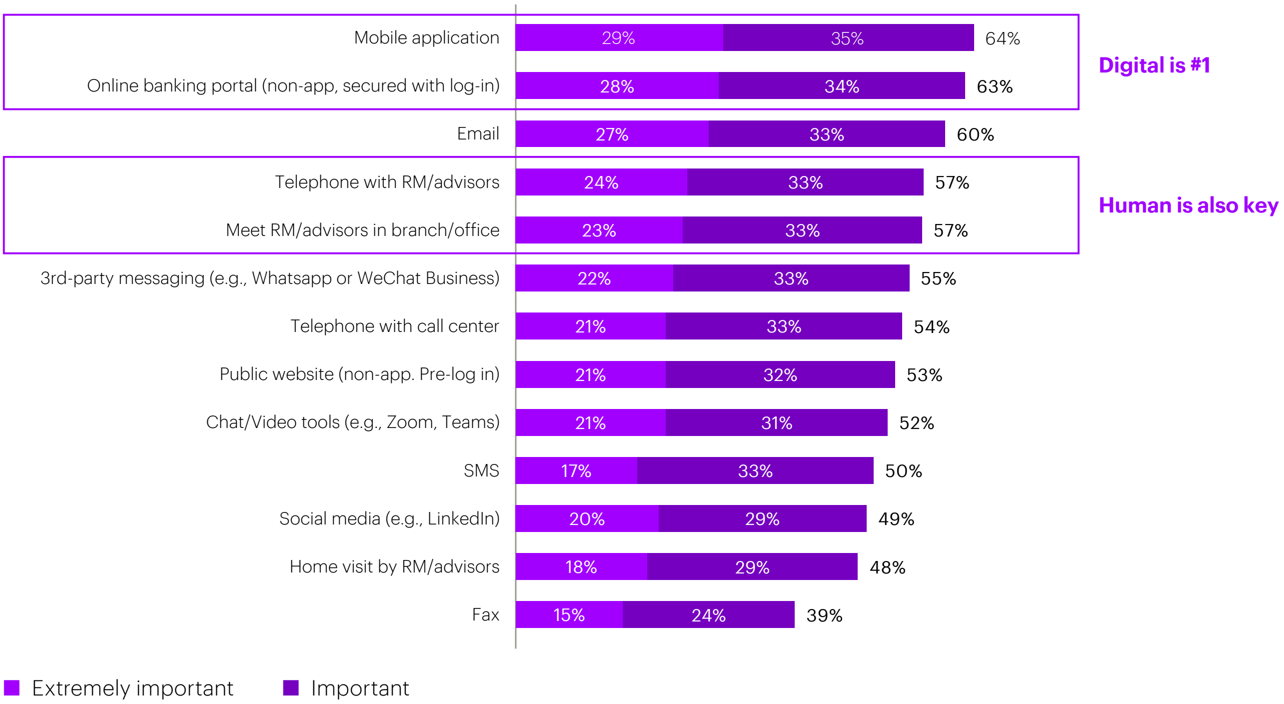
> As we shall see, RMs are crucial to firms' success, which is why it is also essential to tackle the challenges that afflict them.

The message to wealth management firms, then, stays the same:

- Deliver an advisory proposition that is goals-led, integrated across advisory and investment management, and digital-first—with this digital approach focused on mobile delivery as the main channel.
- Provide RMs with what they need to increase performance in order to reach higher revenue per RM levels.

Indeed, getting these two areas right is so fundamental to wealth management success that they constitute the bulk of this year's report.

Figure 4: Clients in Asia prioritize digital communication.



Source: Accenture's Asia Affluent Investor Survey, Q1 2022 (unless stated otherwise, findings refer to US$100K+ segment)
Question asked: Which of the following physical and digital channels currently provided by wealth management firms are important to you?

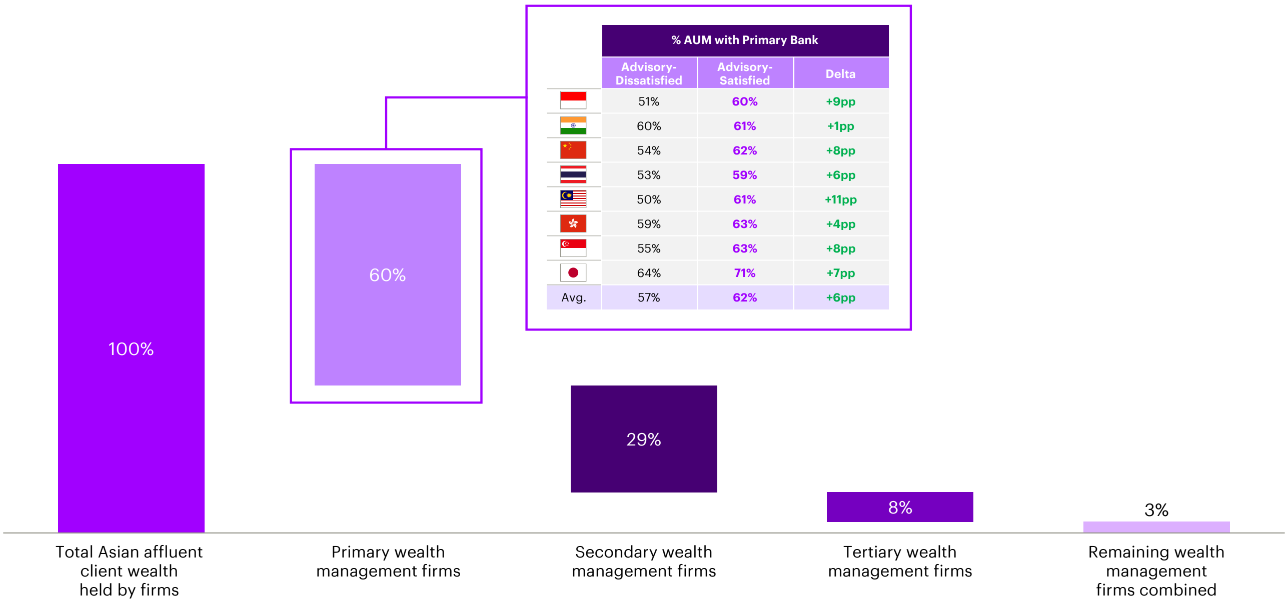
Another finding whose importance remains undimmed is that, although most clients are multi-banked, being viewed as that client's **primary bank** correlates strongly with retaining the bulk of their wealth management business. .

Last year's report concluded that the primary bank had twice as much of the client's AUM as the secondary bank, and seven times as much as the bank in third place. Customers who were satisfied with their advisory relationship held on average six percentage points more of their AUM with their primary bank than those who were dissatisfied (Figure 5).

> In short, delivering a strong advisory proposition links directly to higher capture of AUM.

All of this is important because, as last year's report highlighted, wealth management firms in Asia have lofty ambitions for growth, which few will meet unless they act. Broadly, those growth goals revolve around acquiring the large number of clients who are looking to move from rivals (while retaining existing clients), and hiring far more RMs to meet those clients' needs.

Figure 5: Advisory is key to being considered a client's primary bank.



	% AUM with Primary Bank		
	Advisory-Dissatisfied	Advisory-Satisfied	Delta
	51%	60%	+9pp
	60%	61%	+1pp
	54%	62%	+8pp
	53%	59%	+6pp
	50%	61%	+11pp
	59%	63%	+4pp
	55%	63%	+8pp
	64%	71%	+7pp
Avg.	57%	62%	+6pp

Source: Accenture Asia Affluent Investor Survey, Q1 2022 (unless stated otherwise, findings refer to US$100K+ segment). Based on responses to three questions:

Of your total investable assets, what proportion of that is held at or managed by wealth management firms?

Of the amount of wealth held at or managed by wealth management firms, how is this allocated across the different wealth management firms you work with?

Call-out box refers to respondents indicating satisfied with: How would you score your satisfaction with the different advisory services that you have received from your primary wealth management firm (financial planning and advisory services)?

What we learned in 2023

While there are numerous areas of continuity between this year's and last year's reports, perhaps the most significant is this: Creating a compelling client experience is crucial for wealth management firms looking to retain their existing business and grow new business.

> Indeed, this year's research shows that clients want a better experience and are more likely to gravitate toward firms that offer this—and that this translates directly into greater AUM, the grail for wealth management firms.
>
> The question for firms is how to deliver this better client experience?

That starts by seeing where they fall short. While that differs firm-by-firm, our research shows where wealth managers most commonly struggle.

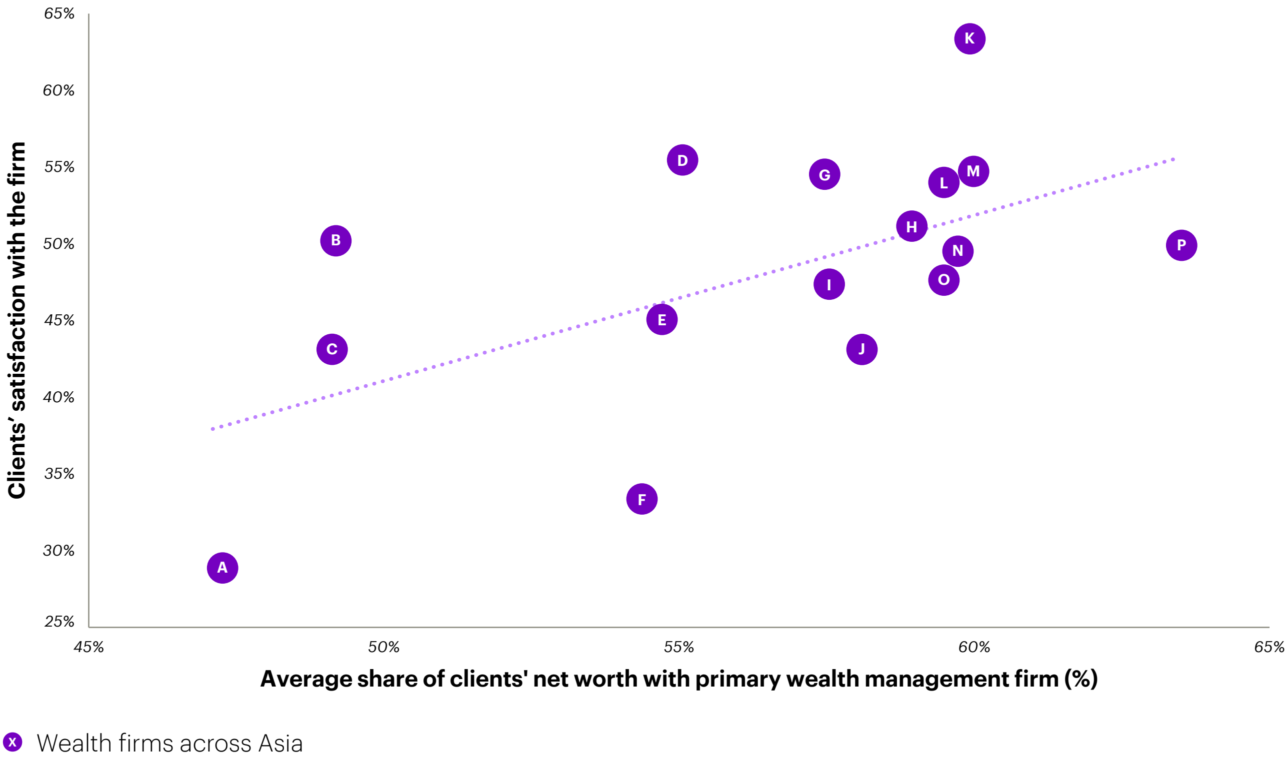
We mapped clients' satisfaction with their wealth management firm against the average share of those clients' net worth that they hold with their primary wealth manager. Figure 6 shows the results: it maps the client experience on the y-axis (this is the percentage of clients who expressed how satisfied they were with their firm) with the average share of clients' net worth with their primary wealth management firm on the x-axis.

The graphic shows a clear correlation: the more satisfied the clients, the greater the share of assets captured by their primary wealth management firm.

Although this follows what one would logically expect, this is the first time, to our knowledge, that this relationship has been mapped in this way. What follows is to ask what drives this client satisfaction, which will in turn lead firms to understand where they are falling short.

Figure 6: More-satisfied clients results in higher AUM.

Relationship between firm satisfaction and client wealth capture



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked (Y-axis): How satisfied are you with your primary wealth management firm?

Question asked (X-axis): How are your assets allocated across the different wealth management firms you work with?

(Figures based on respondents selecting a score of 6 & 7 on a 1-7 scale)

Sample size: A (14), B (16), C (42), D (139), E (15), F (24), G (117), H (184), I (17), J (42), K (30), L (234), M (234), N (63), O (174), P (73)

Total Enterprise Reinvention (TER)—an outline

Wealth management firms need to reinvent themselves—or, at least, key aspects of themselves. Accenture's Total Enterprise Reinvention approach is useful here. It centers firms around a strong digital core, and helps to drive growth and optimize operations.

Those aspects are outlined on the Total Enterprise Reinvention's connected wheel (Figure TER1), which operates under the premise that today, in every function, technology plus new ways of working can create new value, and that advancements in technology are likely to see that value constantly evolve.[5]

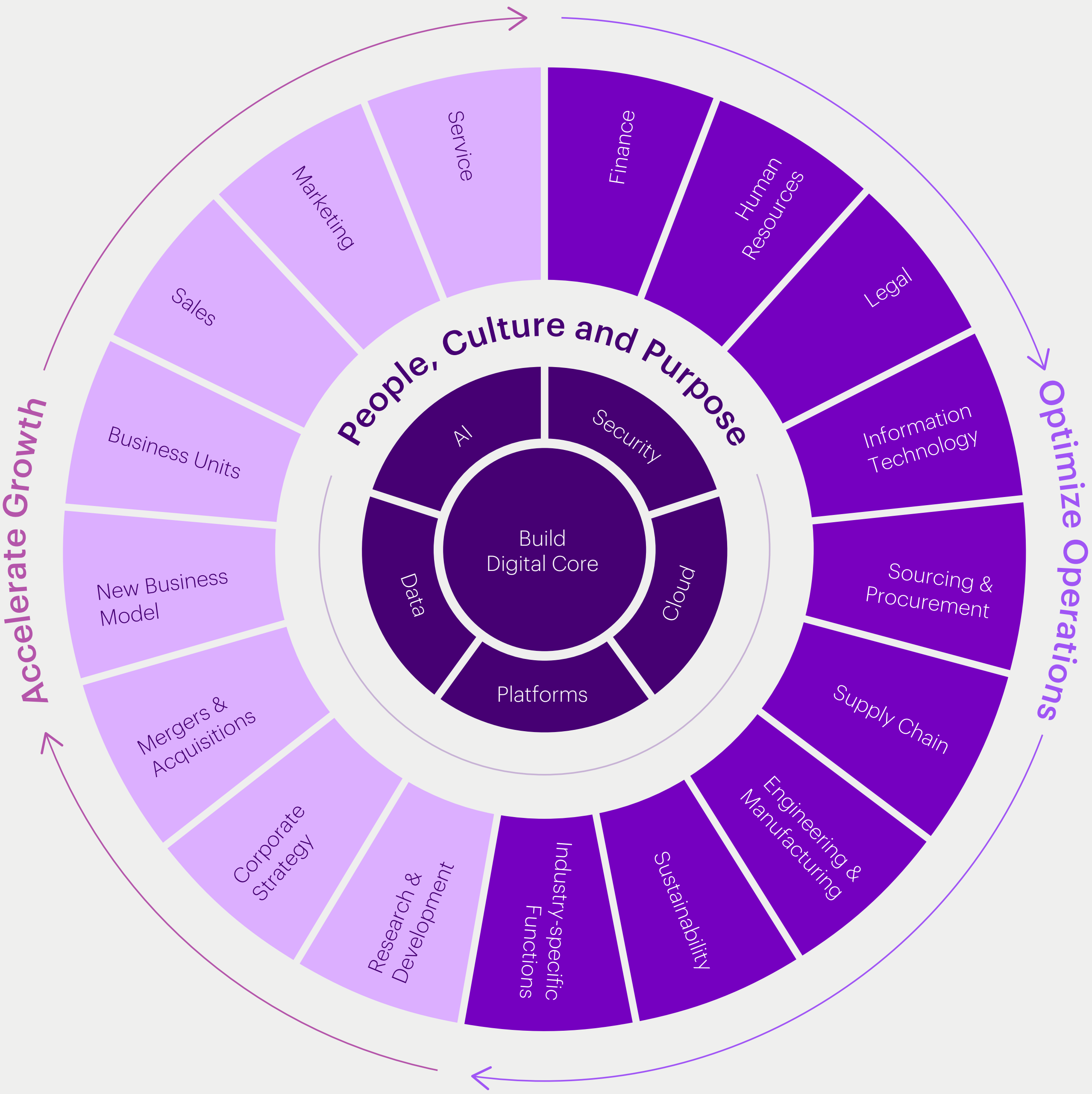
Appendix 1 of this report explains in much more detail how wealth management firms can apply Total Enterprise Reinvention to best effect. Briefly, though, firms will likely find it optimal to focus on two of the six key characteristics:

- **Characteristic 2:** The **digital core**—which leverages AI, the cloud, and data via interoperable systems across the enterprise—becomes a primary source of competitive advantage.
- **Characteristic 4: Talent strategy** and people-impact are central to reinvention, with change management a core competency.

Characteristic 2 covers the need to build a digital core (which, importantly, reinvents the client experience and assists RMs to deliver what they want), while the fourth largely applies to changing the RM framework that most firms employ.

As Appendix 1 shows, succeeding in both areas is crucial for wealth management firms looking to meet their growth goals.

Figure TER1: Accenture's Total Enterprise Reinvention Wheel.



Source: Accenture

Delighting the client

When we investigated further the factors that drive increased client satisfaction (the y-axis percentages in Figure 6), we identified 37 attributes around value proposition, channel, and journey that matter.

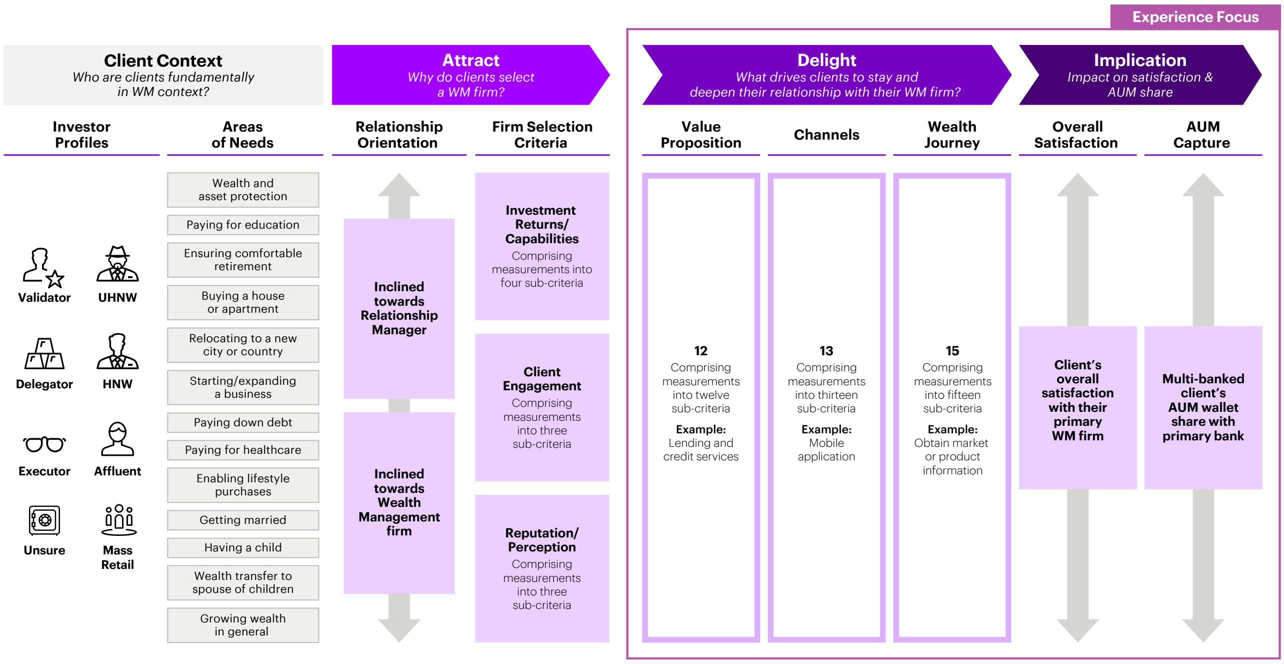
When it comes to those 37 attributes, the bulk fall into one of two categories: the extent of the firm's digital channels (not least their mobile offering), and the perceived quality of its RMs (Figure 7).

As our Client Experience Framework lays out, these are the two most important factors that firms should focus on to delight their clients. In this way they will encourage them to stay and will deepen their relationships with those clients—which in turn will drive increased capture of AUM.

For many wealth management firms, creating a great client experience starts by providing what is missing today. Our research shows this is the firm's digital and mobile offerings and what its RMs provide. It is no coincidence that most firms fall short in these two areas. Firms looking to learn more about these 37 attributes, including their performance by market, segment, demographic, and across competitor wealth firms, can do so by leveraging our proprietorial **Wealth Insights Navigator**, which is outlined in Section 6 of this report.

In the next section, we will assess firms' digital channels—including, importantly, how to improve their mobile channel, which investors tell us is of utmost importance. The subsequent section will dig deeper into the RM role and show how to reimagine and reinvent this fundamental area of the wealth management operation.

Figure 7: Accenture's Client Experience Framework: What attracts clients and what delights them.



Source: Accenture Analysis, 2023

3

Mobile Apps

Unloved and falling short

One of the two core findings from this year's survey is that wealth management firms in Asia need to get the end-to-end mobile experience right for clients. Crucially, this does not mean simply having a mobile app; it means ensuring that the app's functionality, design, and features, including the asset classes that clients can access, are fully considered.

Why emphasize this? Because many firms offer a mobile app, yet satisfaction with those apps is low according to the findings from our Asia Affluent Investor Survey.

> Clients want their mobile app to perform a range of tasks that those apps are not designed to do—for instance, facilitating onboarding and providing advisory services online.

At the same time, clients say there are many functions their mobile app does offer that are not relevant or useful, or that do not work as they should.

As we shall show, one of the biggest gaps is around asset classes—and specifically around the tasks that clients wish to be able to perform in terms of equities, foreign exchange, and digital assets, to name three. Most mobile apps support just a few asset classes. Firms need to widen that pool.

Clients also complain about poorly designed mobile apps, with obstacles that undermine their experience such as bugs, a lack of back-end support, and a dearth of personalization. Additionally, there are numerous innovative features that clients would like to see on their mobile app. Finally, there is a direct link between mobile apps and RMs—with clients describing specific areas they wish their mobile app offered in terms of hybrid mobile-RM support.

Mobile: The crucial channel

When we asked clients in ten Asian markets to rank the importance of 13 channels, a mobile app came in second place, effectively on an equal footing with the online banking portal (Figure 8).

In five markets (China, Hong Kong, Indonesia, Vietnam, and Thailand), mobile was even ranked first; it came second in four others (including India and Malaysia, where in both cases it just missed the top spot).

Figure 8: Channel battles: The mobile app versus the rest.

Clients' importance towards a list of channels

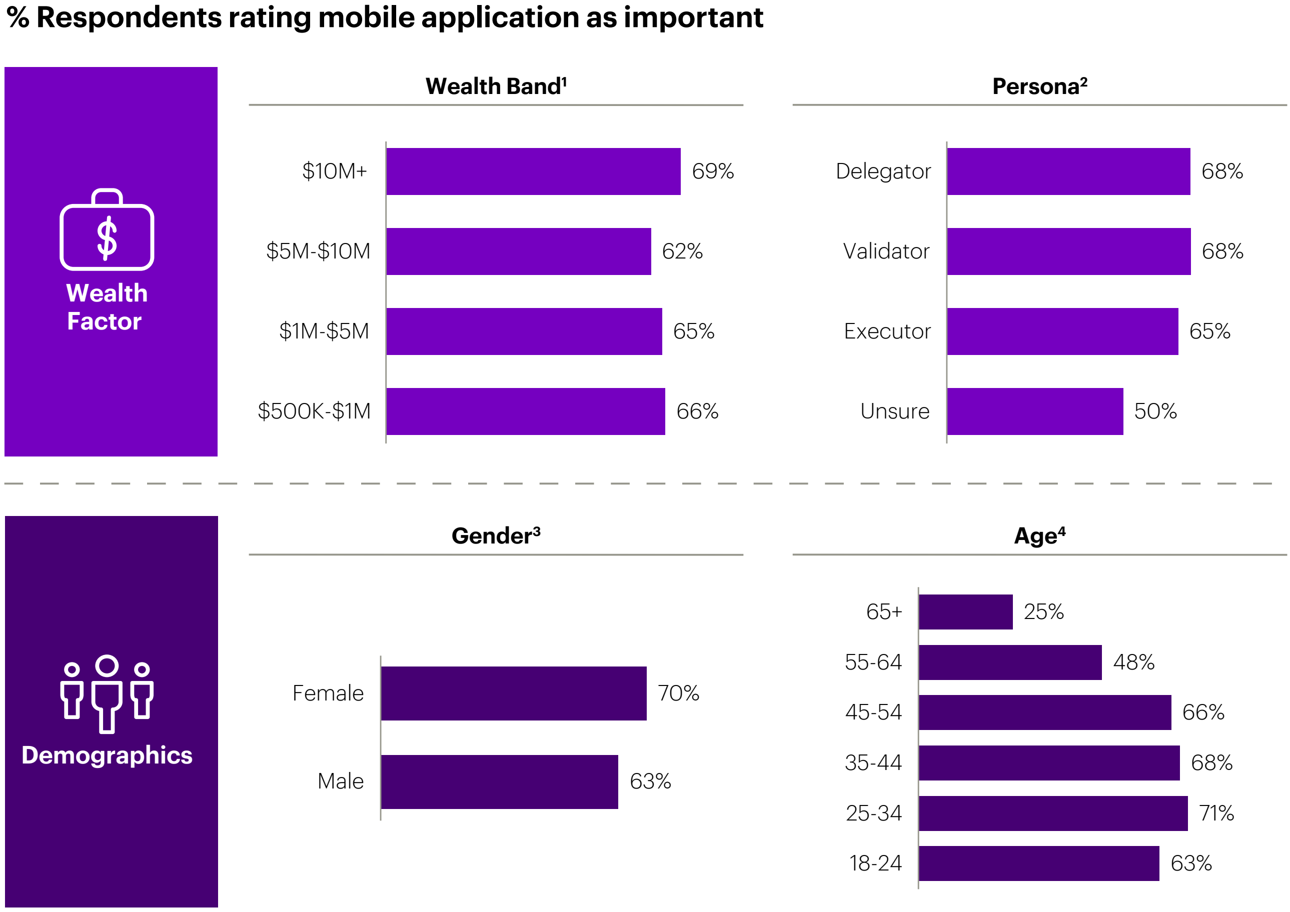
	Overall										
Online banking portal	**67%**	**63%**	**60%**	**82%**	**79%**	**38%**	**73%**	**64%**	70%	**72%**	**55%**
Mobile application	**66%**	**64%**	**63%**	**82%**	**85%**	**33%**	**73%**	**57%**	**75%**	**77%**	31%
Email	**62%**	50%	53%	**83%**	**81%**	24%	70%	**56%**	**73%**	64%	**60%**
Telephone with RM/advisors	61%	**60%**	**55%**	77%	74%	17%	**71%**	53%	67%	**72%**	**40%**
Telephone with call center	58%	49%	49%	77%	77%	22%	68%	48%	**75%**	67%	33%
Meet RM/advisors in branch/office	58%	58%	51%	77%	73%	18%	65%	46%	66%	71%	36%
Public website	56%	51%	45%	76%	73%	27%	68%	49%	68%	61%	31%
3rd-party messaging	56%	57%	47%	73%	78%	23%	59%	49%	66%	65%	16%
Chat/video tools	50%	52%	36%	73%	63%	18%	55%	42%	61%	58%	23%
Social media	50%	54%	38%	75%	63%	18%	53%	41%	63%	58%	16%
SMS	49%	50%	48%	67%	41%	22%	51%	47%	60%	56%	34%
Home visit by RM/advisors	44%	44%	36%	56%	52%	26%	42%	43%	55%	55%	22%
Fax	35%	38%	30%	50%	36%	10%	39%	32%	45%	35%	11%

#1 by rank   #2 by rank   #3 by rank

Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: Which of the following physical and digital channels currently provided by wealth management firms are important for you? (Figures based on respondents selecting a score of 6 & 7 on a 1-7 scale)

Figure 9: A mobile app is important for (nearly) everyone.



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

[1] Question asked: Roughly how much are your assets worth?

[2] Question asked: Which of these statements best describes your approach to managing your wealth?

[3] Question asked: Do you identify as...?

[4] Question asked: How old are you?

Simply put, a mobile app is a fundamental requirement for most wealth management clients in Asia, and this importance cuts across demographics and wealth: 69 percent of the wealthiest investors and 70 percent of female investors ranked it as important, for instance (Figure 9). The only significant drop-off was for investors aged 65+, for whom just one-quarter ranked it as important.

While the strength of these findings might surprise some wealth management firms, it is fair to say that many others—universal and private—know full-well the relevance and importance of their mobile app. (Figure 10, 11.)

Figure 10: Universal banks senior executives on mobile importance.

Bo Wu
Member of the CICC Management Committee
Head of the Equities Department
President of CICC Wealth Management

"Mobile will increase in importance for two primary reasons: to improve the client experience and to enhance the efficiency of RMs. On the latter, it's important to have integration between the desktop RM tools and the mobile application, so the RMs can build on desktop which is more convenient, but then disseminate content and ideas via mobile channels."

Wei Mei Tan, CFA, CA, CAIA
Managing Director
Global and Asia Head of Advisory
HSBC Global Private Banking and Wealth

"Mobile is crucial to our wealth management proposition. We are working hard to put a bank in our clients' pockets and build intuitive digital journeys that span the entire client lifecycle, from account opening and trading to advisory and portfolio management. But we also believe that offering an omni-channel capability is crucial. Clients should be able to start their journey with a relationship manager and then execute on mobile seamlessly, if they so choose."

Win Phromphaet
Head of High-Net-Worth Division

"Mobile and internet banking are the two channels we will invest the most in from a transformation perspective in the coming years. In the Thai market where we operate, we see the strongest demand for mobile wealth management coming from the younger generation, with older clients still preferring to speak to an RM in many cases."

Alvin Lee
Head Group
Wealth Management

"Our number one investment focus from a channel perspective is internet banking, followed closely behind by mobile application. Our online strategy is to be browser-first and mobile-second. We are investing to help clients with three themes: Access and view of the portfolio, transaction capabilities, and digital advisory."

Source: Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Figure 11: Private banks senior executives on mobile importance.

Arnaud Tellier
Chief Executive Officer,
Asia Pacific

BNP PARIBAS WEALTH MANAGEMENT

"Our business remains human-led, but strongly supported by powerful digital services in order to bring the best of the firm and the RM to our clients. A large part of that strategy also involves being Mobile-first, in providing solutions to clients and RMs to engage seamlessly and effortlessly in a mobile-enabled world. A notable example is that we are seeing a significant rise of online transactions being performed through Business WhatsApp, a compliant capability we launched in 2022, which provides a very convenient solution to clients and saves RMs a great deal of time."

Sacha Walker
Head of Strategy & Business
Operations APAC

Julius Bär

"We have just kicked off our new three-year strategic cycle, built around focus, scale and innovate. Within this construct, digital wealth management is a major focus for the Bank. We recognize the importance of client content distribution channels encompassing social media, podcasts and eBanking as well as client engagement channels such as WhatsApp and WeChat for communication and order taking. As such, we have allocated significant investment and emphases towards each of these platforms."

Heline Lam
Chief of Staff Asia
Member of Asia Management
Committee

VP BANK

"It is critical that we fully recognize digital change brings about enhancements to the industry and not a replacement of people. Digital change is here to stay; we must adapt and evolve to remain relevant to our clients and in the industry."

Evonne Tan
Head of Barclays Private Bank,
Singapore

BARCLAYS | Private Bank

"While we are very much RM-led in our proposition, I do see mobile as important for three core areas: execution given this is a commoditized area once the upfront advice has been given, viewing the portfolio outside of planned reviews, and handling communications, especially related to standard compliance matters such as where a new document needs to be provided."

Source: Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Transformation budgets: Ambition runs up against cuts

Despite the proactive approaches of some universal and private banks, we found budget constraints mean many firms are struggling to improve their mobile and broader digital offerings. Around half say in our Asia CXO Benchmark Survey that their budget for 2023 for transformation has not increased over last year; the rest are having to deal with budget cuts of up to 50 percent. In short, firms have less to invest on transformation, which means what they do spend must be carefully targeted.

Additionally, the reduced transformation budget must accommodate a range of initiatives—not just digitally transforming their client-facing channels.

> Priorities include a mix of back- and middle-office tasks like data consolidation, data analytics, and core bank modernization, with other parts of the budget focused on front-office tasks like asset tokenization, infrastructure to support the new market structure, and the build-out of managed solutions.

With so much competition for reduced budgets, the predictable result is that many firms have not yet managed to provide a true end-to-end digital journey for their clients. That shows in the variance of their digital capability coverage across the markets we assessed by comparing wealth firms' mobile offerings, and raises the questions: Where are they strongest, and where are the main gaps?

We found **execution**, at 95 percent coverage, had the strongest level of coverage across banks and fintech wealth management firms. This was expected, given that execution offers the most direct link to revenue, is a core part of the wealth management journey, and is an aspect on which RMs already spend significant time, and so is ripe for efficiency improvements.

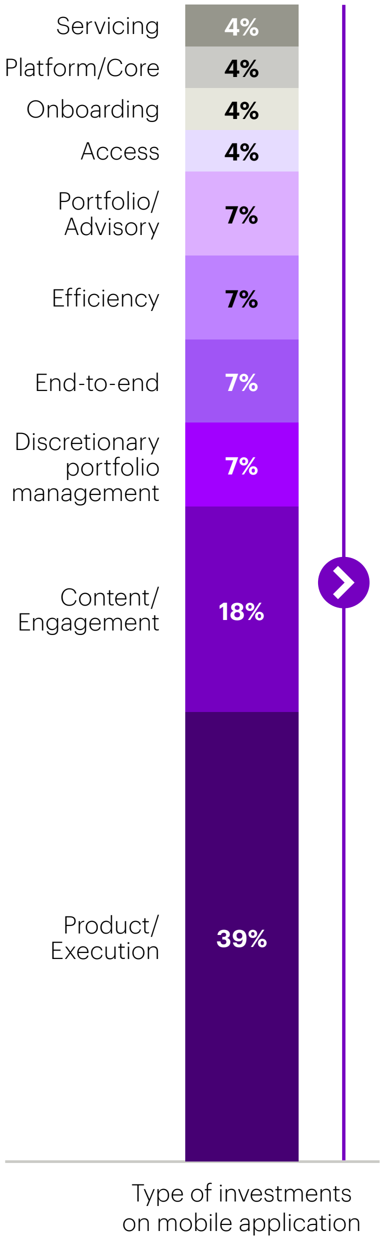
Advisory, on the other hand, had just 43 percent full coverage—the lowest level. This is because firms often lack the necessary processes at a digital level, and consequently rely on physical channels to deliver this crucial service. Indeed, many of the digital apps that firms do offer provide only partial portfolio views, research, and analytics, while few can give full recommendations or complete coverage of goals-based investing.

Between these extremes lie:

- **Onboarding**, where nearly two-thirds of banks and fintechs have full coverage (though the nature of their clientele means few private banks offer full digital onboarding), while another 14 percent have partial coverage.
- **Servicing**, where all have either full (57 percent) or partial (43 percent) coverage. When it comes to servicing, customer support is done typically by calling a phone number rather than being accessible directly via the app.

As a result of the gaps in mobile applications and the lack of budget available to close them, mobile initiatives appear tactical—wealth management firms are far more focused on investments in product/execution and content/engagement than they are on areas like portfolio/advisory or discretionary portfolio management (Figure 12).

Figure 12: Limited budgets mean firms are focused on closing gaps in a tactical way.



	Examples of initiatives embarked upon
Servicing	• Payments capability
Platform/Core	• Consolidating underlying product platforms with a single view for digital execution
Onboarding	• Digital wealth onboarding journey improvements
Access	• Single access point to the multiple underlying apps across bank subsidiaries
Portofolio/Advisory	• Wealth analytics such as portfolio insights, research provision
Efficiency	• Digital document-signing capability • Client self-service model for commoditized functions
End-to-end	• New advisory solutions • Expansion of advisory platform, currently focused on portfolio overview, trading, and news, into client communications and document-sharing
Discretionary portfolio management	• Launching of digital DPM solutions
Content/ Engagement	• Chat system being integrated with trading capability (can trade directly or use WeChat or WhatsApp to execute) and for updating and sharing documents • Improved consent formats e.g., increased video with bite-size content and more frequency • Personalized content dissemination • Content improvement, such as video channel in WeChat,improved research quality, investor education available on mobile
Product/ Execution	• Funds platform revamp, either by rolling out in new markets or adding product types • Adding individual product types online, e.g., structured products (including pay outs, counterparty quotes, and execution), alternative investments, derivatives, and FX products to existing shelf (includes equities, ETFs, funds), offshore securities

Source: Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

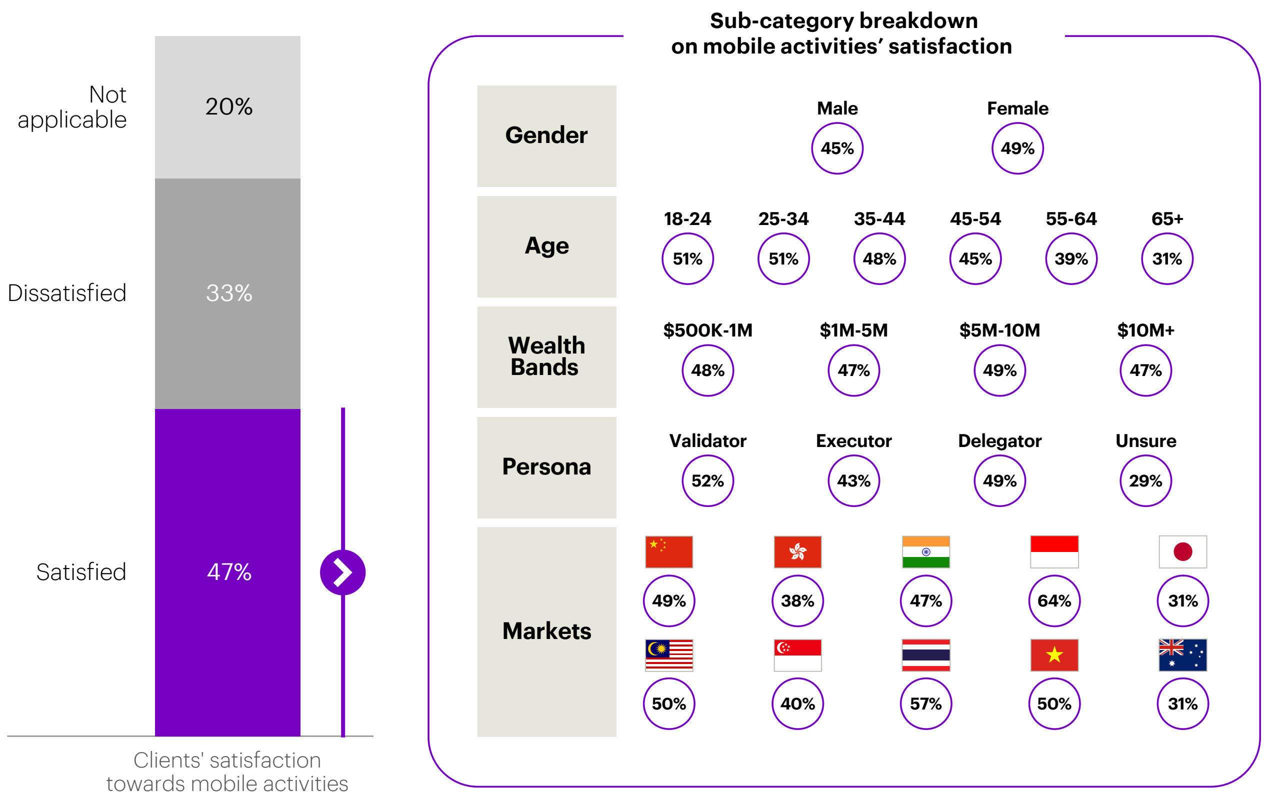
Question asked: What mobile wealth management initiatives have you launched, or have planned?

Note: Numbers may not sum due to rounding

Tactical focus means gaps remain

While wealth management firms should be applauded for tackling deficiencies in their mobile offerings, their tactical focus is contributing to gaps in the client experience. Indeed, Our Affluent Investor Survey found significant room for improvement: Just 47% of clients are satisfied with their firm's mobile app, with that finding holding broadly true across demographics and markets (Figure 13).

Figure 13: Client satisfaction with their firm's mobile application.



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

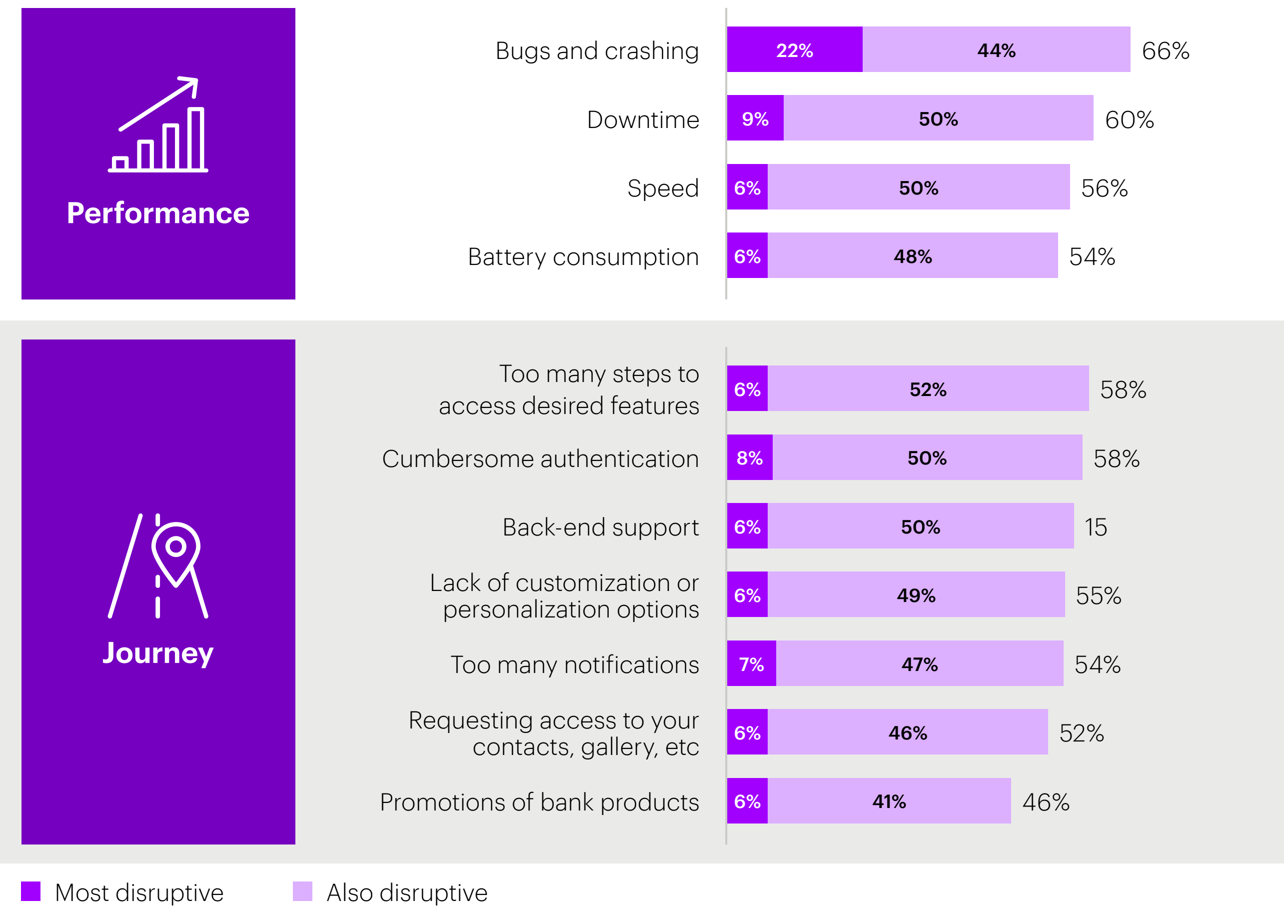
Question asked: For a series of activities within the wealth management journey, we would like to know the extent to which you consider it important that you are able to perform the activity via the mobile application, as well as how satisfied you are with being able to complete these activities via mobile application.Series of activities: (1) create my account (2) share/update personal info (3) secure my account (4) define my goals/needs (5) view/manage my portfolio (6) access market research (7) access investment recommendations (8) track my performance (9) execute my investment transactions (10) track my executed transactions (11) seek support on requests/issues (12) fund my investments (13) schedule meetings/appointments (14) receive notifications (15) upload/retrieve my documents

That raises the question: Where are mobile apps going wrong? We found two core impediments to clients' mobile experience:

- **Performance:** This has a severe impact on the client experience. Areas we considered included app speed, whether it crashed frequently, whether it had bugs, and whether downtime was limited and communicated in advance.
- **Journey:** This has a high impact on the client experience. Areas we considered included whether the app provides a seamless user experience, whether it is an all-in-one offering with integrated features, whether it can be customized, and whether log-in is secure yet seamless.

The main performance issues were bugs and crashing, followed by downtime, while the key journey issues were too many steps to access the desired features, as well as cumbersome authentication and a lack of back-end support (Figure 14). Also problematic is that more than half of respondents found the mobile app wanted to access personal information on their phone, which breaks the journey and, for some, may raise concerns with privacy.

Figure 14: Crashes, bugs, too many steps: Why clients are unhappy with mobile applications.



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: Which of these issues are most disruptive to your experience using a mobile application for wealth management?

Note: Figures may not sum due to rounding

This array of shortcomings significantly compounds several journey issues that span the end-to-end client experience—including onboarding, advisory, execution, and servicing (Figure 15).

Figure 15: Examples of common mobile journey pain-points.

1 Onboarding

- **Multiple channels of onboarding** are required for different usages (which requires syncing of client profile)
- **Facial recognition and dip chip issue** (for select markets) impacted client's onboarding experience
- **Redundant and long onboarding processes** resulted in client dropping off

2 Advisory

- **Fragmentation of channel and applications** for different asset classes
- **Limited asset class and product coverage**
- **Insufficient portfolio consolidation coverage** to grant client a full portfolio view
- **Issue with market data and information** (i.e., disparate market data in app)

3 Execution

- **Lack of financial literacy in client's execution journey**
- **Numerous manual processes across execution journey** (i.e., manual reconciliation)
- **Issues with big-ticket investments and settlement method** (i.e., credit card or direct debit payment)

4 Servicing

- **Changes to client info are not synced and reflected** across all the digital channels
- **Delays in handling client's service request** due to various factors
- **Gaps in client reporting** resulting in an incomplete view of client's performance
- **Transactions cannot be cancelled** via online channel, require manual workaround

General pain-points across all domains and client journey

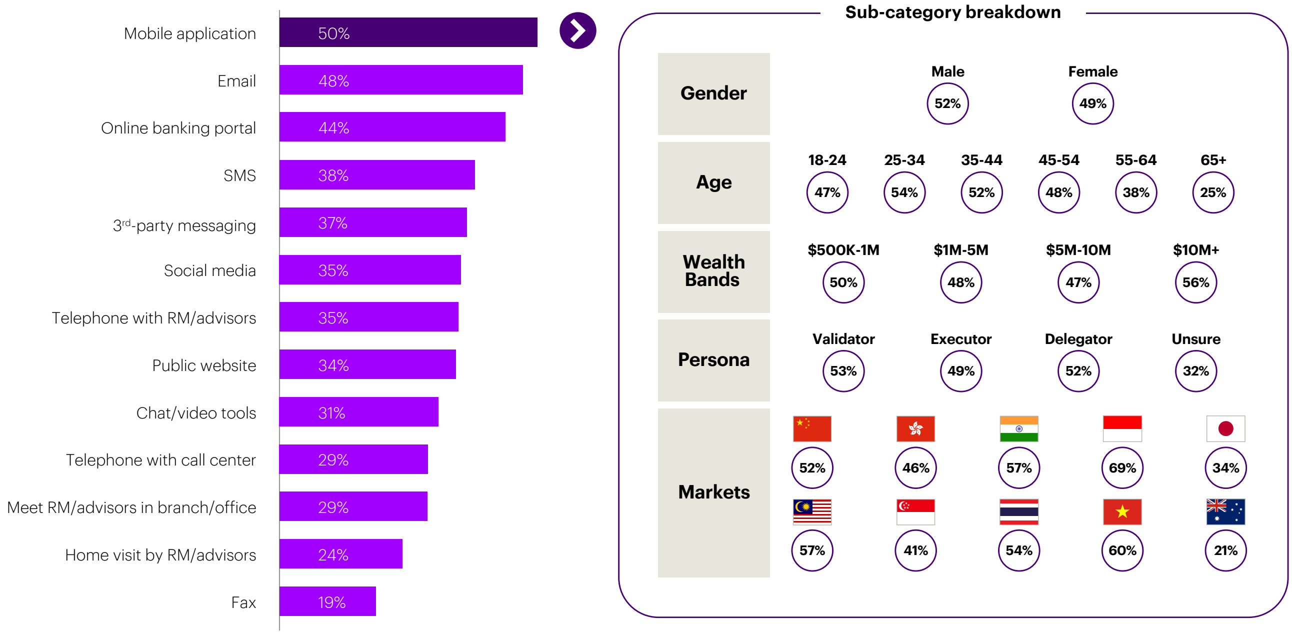
- **Digital channel fragmentation**; multiple apps and channels are created for different usages
- **Overlapping services across different channels** creating confusion for the clients
- **Gap in asset-class coverage and information** to provide client a full portfolio view
- **Manual intervention and processes are still required** for multiple activities

Source: Accenture Analysis, 2023

Clients' frustrations are compounded because—as our research found—the mobile application is the most common channel they use, which creates significant friction. Half of respondents used their mobile application in the previous three months, with that percentage holding broadly true for all demographics, markets, and wealth bands (Figure 16). Australia and Japan were the sole outliers: just 21 percent and 34 percent respectively used their mobile application in that time.

Figure 16: Poor mobile experience is compounded by its high frequency of use.

List of channels ranked by usage frequency of last three months



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: When did you last use the mentioned physical and digital channels of services from your primary wealth management firm?

Mapping out the mobile blueprint

Given the importance of mobile, which has emerged as a fundamental channel for wealth management firms in nearly every market in our survey, firms should focus on improving delivery through this channel—and doing so even while managing the challenge of shrinking budgets.

"As the world continues to transform into a digital-enabled economy, wealth firms, as with the financial services industry in general, must ensure that they deliver a compelling mobile experience," says Paul Ng, Managing Director, Southeast Asia Financial Services Client Group Lead, Accenture.

"Many times, getting the so-called little things right is most critical, whether that be seamless onboarding, digital trade execution, or simply viewing the portfolio—and having the app actually work well without outages and crashes," he says. "Once the foundation is in place, innovation can then set firms apart from their peers."

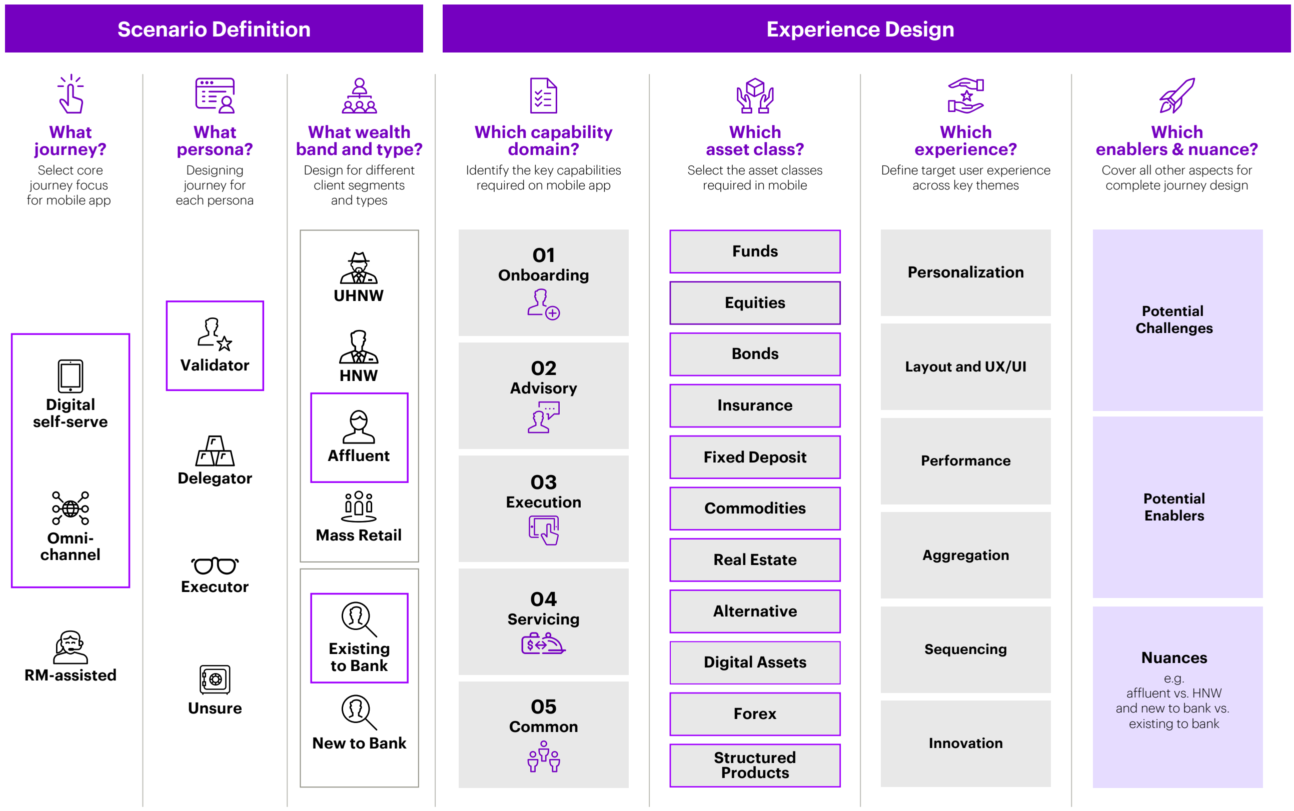
When determining how to make matters better, Accenture's Mobile Wealth Excellence Framework (Figure 17) could be useful in mapping out the route to creating a compelling mobile app.

The first step is to define the three scenario elements: Identify the core journey focus (digital self-serve, omni-channel or RM-assisted); determine the persona being targeted (validators, delegators, executors or those who are unsure); and work out which wealth bands the app is for (ultra-HNW, HNW, affluent and/or mass retail, and whether it is for existing or new clients).

"As the world continues to transform into a digital-enabled economy, wealth firms, as with the financial services industry in general, must ensure that they deliver a compelling mobile experience. Many times, getting the so-called little things right is most critical, whether that be seamless onboarding, digital trade execution, or simply viewing the portfolio—and having the app actually work well without outages and crashes. Once the foundation is in place, innovation can then set firms apart from their peers."

Paul Ng
Managing Director,
Southeast Asia Financial Services Client Group Lead,
Accenture

Figure 17: Mapping the mobile route with Accenture's Mobile Wealth Excellence Framework.



Selected focus areas for illustrative purposes based on inherent complexity

Source: Accenture Analysis, 2023

Once these scenario elements have been defined, firms should tackle the end-to-end journey design by answering five questions:

- What **capabilities** are needed in the app journey? Our view is that it should be end-to-end—onboarding, advisory, execution, servicing, common—while recognizing that the greatest room for differentiation is in advisory.
- What **asset classes** should the app support? There is no "right" approach, but differentiation requires that firms offer multiple asset classes to meet investors' demands.
- Where do **offline omni-channel journeys intersect**? It is essential to identify the "moments of truth"—those activities that have a significant impact on a client's decision to perform an action—that drive adoption, conversion, deepening or retention, and ensure hybrid channel pathways are available where necessary.
- What **experience principles** should be embedded in design? The user experience is critical to user adoption, so firms should consider aspects like personalization, UX/UI (user experience/user interface), performance, innovative features, aggregation, and sequencing.
- What **enablers and nuances** are required to complete the journey design? While a core design is helpful, different clients have different needs (HNW versus affluent, for example, or existing versus new clients).

As Andrew Vo, Managing Director, Southeast Asia Strategy & Consulting Lead, Accenture, says, "there is no one-size-fits-all or silver bullet for success in the mobile experience".

"While we have articulated a strong blueprint for mobile excellence, it can only serve as a guide. It is therefore imperative that each wealth management firm apply the blueprint while taking into consideration their unique value proposition," Mr. Vo says.

"Given that human channels such as RMs remain critical in wealth management, finding the right hybrid journeys linking offline and online is a significant untapped area of potential for firms," he says.

"There is no one-size-fits-all or silver bullet for success in the mobile experience. While we have articulated a strong blueprint for mobile excellence, it can only serve as a guide. It is therefore imperative that each wealth management firm apply the blueprint while taking into consideration their unique value proposition. Given that human channels such as RMs remain critical in wealth management, finding the right hybrid journeys linking offline and online is a significant untapped area of potential for firms."

Andrew Vo
Managing Director,
Southeast Asia Strategy &
Consulting Lead, Accenture

That is echoed by Ramesh Rajandran, Managing Director, SEA Financial Services Lead, Accenture Song.

“Hybrid journeys are critical, yet many firms have yet to find a frictionless model,” he says. “Having a successful blueprint or guiding principles for cross-channel experiences is necessary given the need to consider or prioritize various factors such as capability, asset class, omni-channel, experience principles, and differences across segment and client type,” Mr. Rajandran notes.

With that said, it is time to dive deeper into the following five aspects of the mobile app: capabilities, asset classes, linkages to hybrid/omni-channels, the experience principles that should be designed in, and the nuances needed.

“Hybrid journeys are critical, yet many firms have yet to find a frictionless model. Having a successful blueprint or guiding principles for cross-channel experiences is necessary given the need to consider or prioritize various factors such as capability, asset class, omni-channel, experience principles, and differences across segment and client type.”

Ramesh Rajandran
Managing Director,
SEA Financial Services Lead,
Accenture Song

Deep-dive 1:

The capabilities needed to differentiate the offering

Understanding the capabilities needed starts by recognizing where clients are unhappy. We found sizeable gaps across all four pillars of the journey in our investor research—though the most sizeable are in onboarding and advisory where the gap is consistently above 30 percentage points (Figure 18).

Figure 18: Mind the gap: What clients say their app is missing.

		Importance	Satisfaction	Gap
Onboarding	Secure my account	83%	47%	-36pp
	Share and update my personal info	79%	42%	-37pp
	Create my account	76%	40%	-36pp
Advisory	Access market research	83%	51%	-32pp
	View and manage my portfolio	82%	47%	-34pp
	Track my performance	80%	43%	-37pp
	Define my goals and needs	79%	44%	-35pp
	Access investment recommendations	79%	41%	-38pp
Execution	Execute my investment transactions	85%	61%	-24pp
	Track my executed transactions	81%	49%	-32pp
Servicing	Fund my investments	80%	52%	-27pp
	Receive notifications and alerts	79%	52%	-27pp
	Seek support on requests & issues	79%	44%	-35pp
	Upload and retrieve my documents	76%	43%	-33pp
	Schedule meetings & appointments	74%	45%	-29pp

Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: For a series of activities within the wealth management journey, we would like to know the extent to which you consider it important that you are able to perform the activity via the mobile application, as well as how satisfied you are with being able to complete these activities via mobile application.

(Figures based on respondents selecting a score of 6 & 7 on a 1-7 scale)

Note: Figures may not sum due to rounding

> The solution is for firms to focus on aspects that are critical to have in the app journey to realize the best client experience.

For the five pillars, this means:

- **Onboard:** Simplify the process and make it fully digital. This sees firms remove the online journey breakage and conversion barriers, which moves them closer to fintechs' all-digital approach.
- **Advisory:** Focus on the basics, then innovate. This means establishing personalized journeys (which clients want, and which other industries already offer) with the emphasis on accurate information, providing detailed communication, offering holistic and customizable portfolios, and creating dynamic goals. Over time, firms can add innovations to further differentiate themselves.
- **Execute:** The customer experience is more important than features, so firms should ensure an unbroken customer experience. The watchwords are: simplicity, fully digital, secure, automated.
- **Service/Common:** The app must be user-friendly and able to manage issues smoothly. This means ensuring baseline functionalities do not cause friction, that it is personalized, and that it incorporates smart issue-handling by routing quickly via an omni-channel. This is a major area of friction, and failing to get it right brings significant risk of attrition.

Deep-dive 2:

What asset classes should the app support?

Our research found a fundamental misalignment between what customers want in terms of asset coverage on their app and what firms provide today (Figure 19). In Asia, around 75 percent of assets are not available on the app—and this is when considering them from an execution viewpoint only. Indeed, being able to construct and manage a portfolio from an end-to-end advisory perspective across all asset classes is likely to exacerbate the gap.

Figure 19: Asset class mismatch: What clients want (demand) versus what firms offer (supply).

	Demand			Supply
Asset class	**Asset allocation[1]**	**Mobile demand[2]**	**Est. derived mobile demand**	**Supported in existing bank apps**
Equity	23%	High 83%	**19%**	✓ (partial = 50%)
Real estate	23%	Mid 50%	**12%**	✓ (partial = 25%)
Cash/cash equivalents	16%	Mid 57%	**9%**	✓
Fixed income	10%	High 72%	**7%**	✓ (partial = 25%)
Private equity/venture capital	6%	High 70%	**4%**	✗
Digital assets	6%	High 73%	**4%**	✗
Commodities	5%	Mid 55%	**3%**	✓ (partial = 25%)
FX and currencies	4%	High 75%	**3%**	✓ (partial = 50%)
Hedge funds	4%	Mid 57%	**2%**	✗
Collectibles	4%	Low 41%	**2%**	✗

Asset class demand on mobile offering is strong, covering 65% of wealth...

... but only 25% supported

Source: Accenture's Asia Affluent Investor Survey, Q1 2023; Accenture's Global Wealth Management Competitor Database, 2023

1 Question asked: What percentage does each of these asset classes approximately represent in your CURRENT investible financial wealth (excl. primary residence)?

2 Question asked: Which of the following asset classes are important for you to be able to buy/sell via mobile applications? (High: >70%, Mid: 50 to 70%, Low: <50%)?

> Again, there is no one-size-fits-all solution. Instead, firms should use a structured decision-making process that starts by understanding what their clients want.

In this way, firms can ensure their new or enhanced wealth app supports high-demand asset classes.

Next it is important to note the asset classes that their competitors offer to identify classes that are "must-haves" and those that create white space. The final step is to understand the feasibility of incorporating the desired asset classes—where firms can make implementation easier via existing digital support, and where regulatory considerations might make it harder to deliver those options.

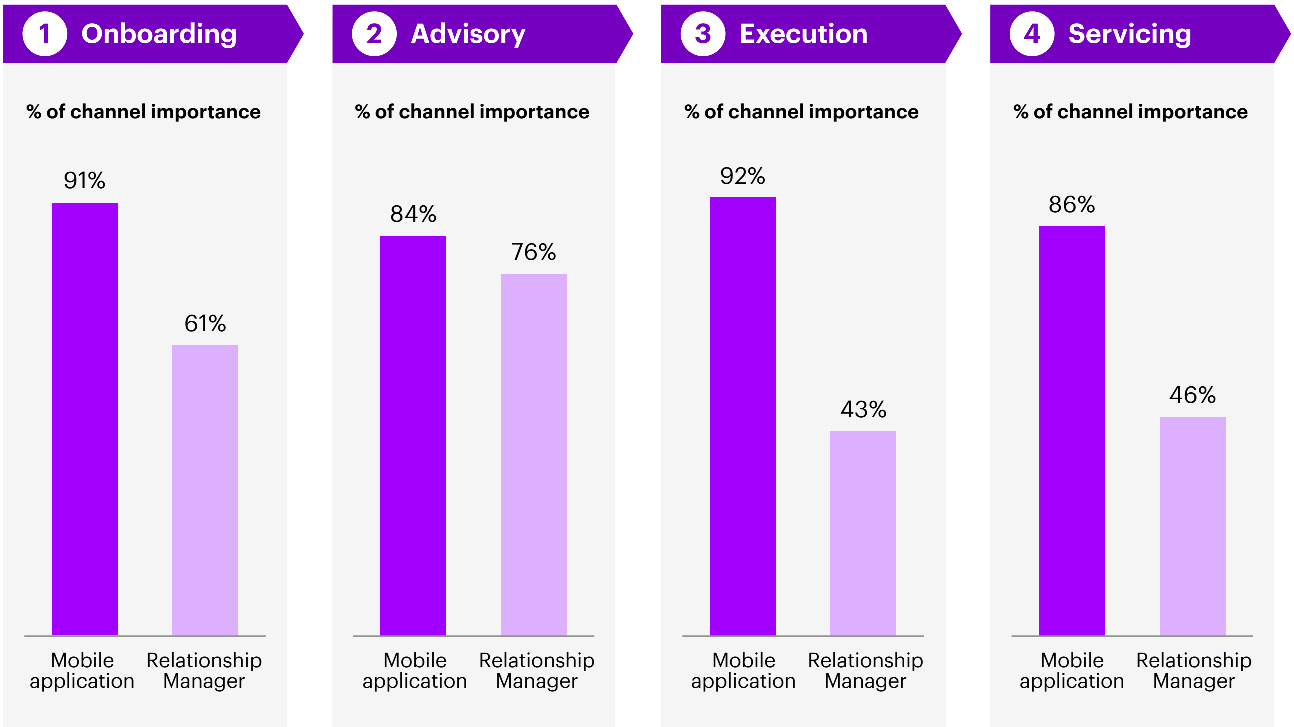
Our view is that it makes sense to focus on existing asset classes and those with a high penetration within the client base of target markets. The advantage is that this is quick to take to market with delivery de-risked and meets client demand. At the same time, firms could work on targeting niche or white space assets, such as private equity and digital assets, that can create value and new revenue streams, and that will differentiate them from competitors, attracting new clients.

Deep-dive 3:

Where do clients seek hybrid/ omni-channel linkage?

We found that clients value an omni-channel offering across the customer journey, and that hybrid journeys are most important when it comes to advisory (Figure 20).

Figure 20: Examples of common mobile journey pain-points especially in advisory.



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: Which channel is important when you perform a series of activities? Onboarding – All activities related to account creation, keeping personal information updated, and making sure account settings are per your requirements. Advisory – Defining the investment goals, accessing market data, recommending investments, managing the portfolio daily, and staying updated on portfolio performance. Execution – All activities related to transaction execution, including accessing quotations, submitting the order, and completing the order. Servicing – All service-related activities, including requests for complaints, waivers, scheduling meetings, updating notifications settings, uploading and retrieving documents, etc.

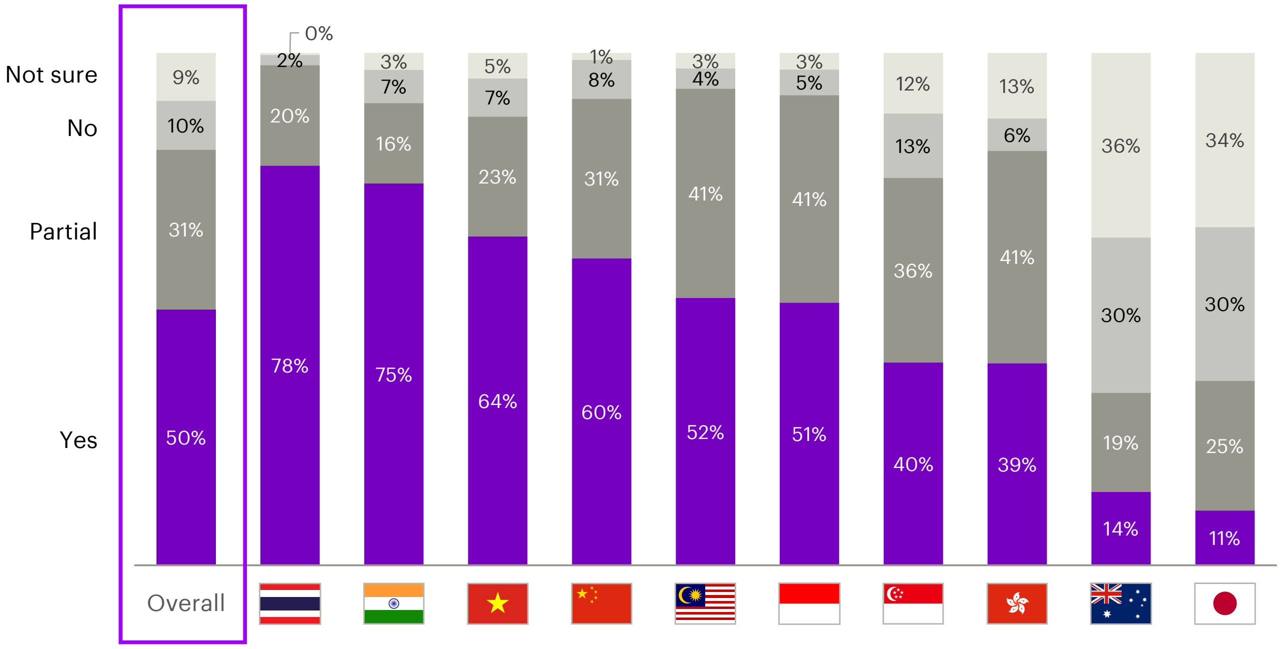
However, 41 percent receive either a partial end-to-end omni-channel offering from their primary wealth management provider, or none; a further 9 percent were unsure.

In other words, just half of customers say they enjoy an end-to-end omni-channel offering—with customers in Malaysia (78%), India (75%), and China (64%) best-placed (Figure 21). Notably, only about 40 percent of clients have such an offering in the region's key financial centers of Hong Kong and Singapore.

Firms looking to design an omni-channel offering should start with the moments of truth—those "turning point" activities (see below) that affect a client's decision to act, and which in turn affect the bank (its revenue, for instance, or its client adoption or attrition rates).

Figure 21: Client woes: Many lack a full E2E omni-channel offering.

Availability of end-to-end omni-channel capability by primary wealth management firm



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: Does your current primary wealth management firm offer you omni-channel capability throughout the wealth management journey?

Note: Numbers may not sum due to rounding

The business impacts of these moments of truth along the end-to-end journey can be summarized as follows:

- **Attention and Interest:** Attract the attention of potential clients to encourage them to download the app and register, and ensure they can view potential investment opportunities—especially asset classes that are more complex. Doing this limits the likelihood that the client will drop off.
- **Adoption and Conversion:** Make the account creation journey fast and simple to follow (including assisting the client to build their profile), and avoid the client feeling that the app requires too many steps and excessive documentation. Doing this increases the likelihood that the client progresses through the account setup process. The client should also get a clear, core proposition in terms of the product offering and selection, including smart recommendations based on the customer-360 information, with a portfolio recommendation, the ability to view research and analysis, and the chance to review any order prior to investing.
- **Deepening:** Ensure the app can offer various kinds of asset-class selection and product offerings that match the client's investment goals and risk-acceptance (the client goals' profiling is an especially important input). In this way, the firm can understand the client better, which brings the ability to finesse a portfolio recommendation, conduct wealth and financial planning, and encourage them to also invest in other asset types that can support their wealth goals even if they did not initially have these asset types in mind. Other key areas include research and analysis that contains contextual, digital, bite-sized chief investment officer (CIO) insights, and the ability to rebalance their portfolio.
- **Retention:** Ensure clients can participate in the investment journey in the most enjoyable and convenient way, and that they can generate positive feedback as this will encourage them to refer the app to friends, family, and followers. Again, portfolio recommendation is key (as is portfolio rebalancing), along with wealth and financial planning—this is a central purchasing point, so the offer needs to be compelling and contextual. Additionally, should the system sense hesitation on the client's part, it should trigger a follow-up or offer links to customer support. Also important is a risk check, where the system alerts the RM should, for example, the client's risk climbs higher than usual. Perhaps most importantly, the process for issue handling and resolution needs to be of exceptional quality in order to manage these very sensitive moments in the client journey with the firm.

When it comes to the end-to-end journey, moments of truth during **onboarding** relate to interest and conversion—these include, for instance, the marketing display, account-creation initiation (which should be extremely user-friendly and have interactive support, if necessary), document upload (where interactive customer support is also necessary), and product offering or selection. In this way, the client's attention is attracted to the investments available, and they can interact easily with the app to register.

During **advisory**, moments of truth typically impact conversion and deepening. This includes activities like the client's goals profile (though for extremely complex goals like business ownership or wealth structuring, a hybrid digital-RM journey should be triggered) along with portfolio investment recommendations, wealth and financial planning, research and analysis, as well as portfolio rebalancing. This helps build the RM's knowledge of the client and increase client loyalty.

Moments of truth for **execution** affect interest and conversion, and can be found when the client views investment products, reviews their order, and is provided with the ability to amend their order should they wish. In this way, client engagement is increased (as the chances are lower that they will drop-off by not fully understanding certain investment products), as is client satisfaction—both of which boost loyalty.

Finally, the moments of truth in **servicing** deepen client engagement and increase retention. Client reporting of their portfolio is key here, as are areas like customer support and offering a live chatbot, as well as client issue management—with pending issues automatically flagged to the RM for proactive engagement once a certain number of days has passed. In this way, the client can review their portfolio's performance, flag issues, and see those issues resolved in a timely, efficient manner—boosting client satisfaction and the firm's relationship with that client.

Deep-dive 4: What experience principle should be embedded in design?

Among the core reasons why the client experience is important is because it motivates clients to decide which bank will be their primary provider. In that way, it directly drives AUM.

Firms should consider the app's **layout and UX/UI**, and ensure its performance is best-in-class. Once again, **personalization** is key—allowing customers to adjust the features, layout, UX/UI, and journey of the app to suit their preferences and promote user engagement.

The app should also factor in **aggregation** options (allowing customers to view their full portfolio, both inside and outside the firm—which provides the firm with useful data) and improve **sequencing** of the digital channel process to aid the client journey and reduce drop-off.

Finally, **innovative features** add value to the client experience while navigating the channel, uplift the experience, and create differentiation. In most cases this remains a missed opportunity. For example, 42 percent of respondents want their app to be able to capture all their financial information, including that held by other banks and financial institutions, to get a holistic view of their portfolio (Figure 22). Most firms, however, do not offer this.

Figure 22: Missed innovation opportunities: What clients want versus what they get.

Examples of initiatives embarked upon			... But demands are not met
% of respondents who said 'yes' to innovative features that excite them			**Feature coverage by industry**
Personalized portfolio view	Ability to filter the view of my portfolio according to my preferences (e.g., by custom time period, different currencies e.g., home vs. US Dollar, money-weighted vs. time-weighted)	43%	Mid
Capture all my financial information	Ability to ingest all my financial information, including from other banks and financial institutions in order to offer me a holistic view of my portfolio and improve quality of advice	42%	Low
Save and retrieve information	Ability to pause, save, and retrieve my account application or other similar forms in case I decide not to complete in a single sitting and to avoid having to restart my application	38%	Low
Dynamic goal-based advisory	Ability to input very specific life goals such as buying a business, and receive goal-specific investment advice to achieve the specific goal; then to be able to track my progress against the achievement of the goal and make adjustments	37%	Mid
Digital order capture	Avoidance of need to transact via a human intermediary, but rather be able to self-serve my digital transactions	33%	Mid
Pre-fill my information	Ability to re-use information already known, especially where I am an existing customer, to avoid my having to enter info on forms that the firm already has about me (e.g., name, address)	31%	Low
Fractionalized assets	Ability to purchase small amounts of high-value, illiquid assets such as commercial real estate, private companies to diversify portfolio, and access new investment opportunities	29%	Low
Educational material and engagement	Ability to receive personalized educational content to help me understand what I need to do with my investments, and give me comfort it is the right thing to do	29%	Mid
Peer-to-peer engagement	Ability to engage with other investors like myself to share investment opportunities or to seek advice from others in my situation	25%	Low
Improved messaging and storytelling	Move away from very formal language e.g., for risk tolerance, in order to be more engaging and fun to engage with	25%	Mid
Geolocation for wealth firm offices	Ability to be notified when near to a wealth firm branch or office, if mobile app can identify an opportunity to perform an activity that could help me avoid needing to make a separate visit	23%	Low

Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: Which of these innovative features would excite you if offered via mobile application?

Deep-dive 5:
What nuances should the app offer across the journey?

Lastly, aspects of the journey require customizing for different classes of clients: ultra-HNW and HNW clients, for instance, or existing versus new clients. There are numerous instances where such differences apply across the entire end-to-end journey—with the following providing just a handful of examples where some customization is warranted.

Take onboarding. It makes sense to offer different features, services, and account types for ultra-HNW and HNW than for affluent clients—the wealthiest clients are far likelier to have to undergo due diligence checks during onboarding, given their business or political exposure. Additionally, the advisory aspect would need to account for the fact that ultra-HNW and HNW clients likely require access to additional asset classes, must be accredited for riskier products, and should be able to get a more personal service from their RM—along with more relevant research, advice, and recommendations.

For existing clients, on the other hand, account creation and profiling should be pre-filled with as much necessary information as possible; and, if the user has existing accounts, such as a funds account, then the app should automatically offer to link accounts. Additionally, the system should hold more data on existing clients, and this can be mined to generate more tailored recommendations. The system could also proactively tag market data and research based on the client's preferences and existing holdings.

The three key dependencies

Firms looking to revamp their mobile offering—which, as our research shows, most should—ought to consider three other dependencies as they chart their path: archetype selection (whether to have a single app or a standalone wealth app); decommissioning their existing offering; and an internet banking roadmap (Figure 23).

Finally, it is worth re-emphasizing that mobile—while essential—should not operate in a vacuum.

While mobile is important and meets a core client demand, our research shows that clients value the omni-channel capability as highly.

Figure 23: Key considerations when revamping the mobile offering.

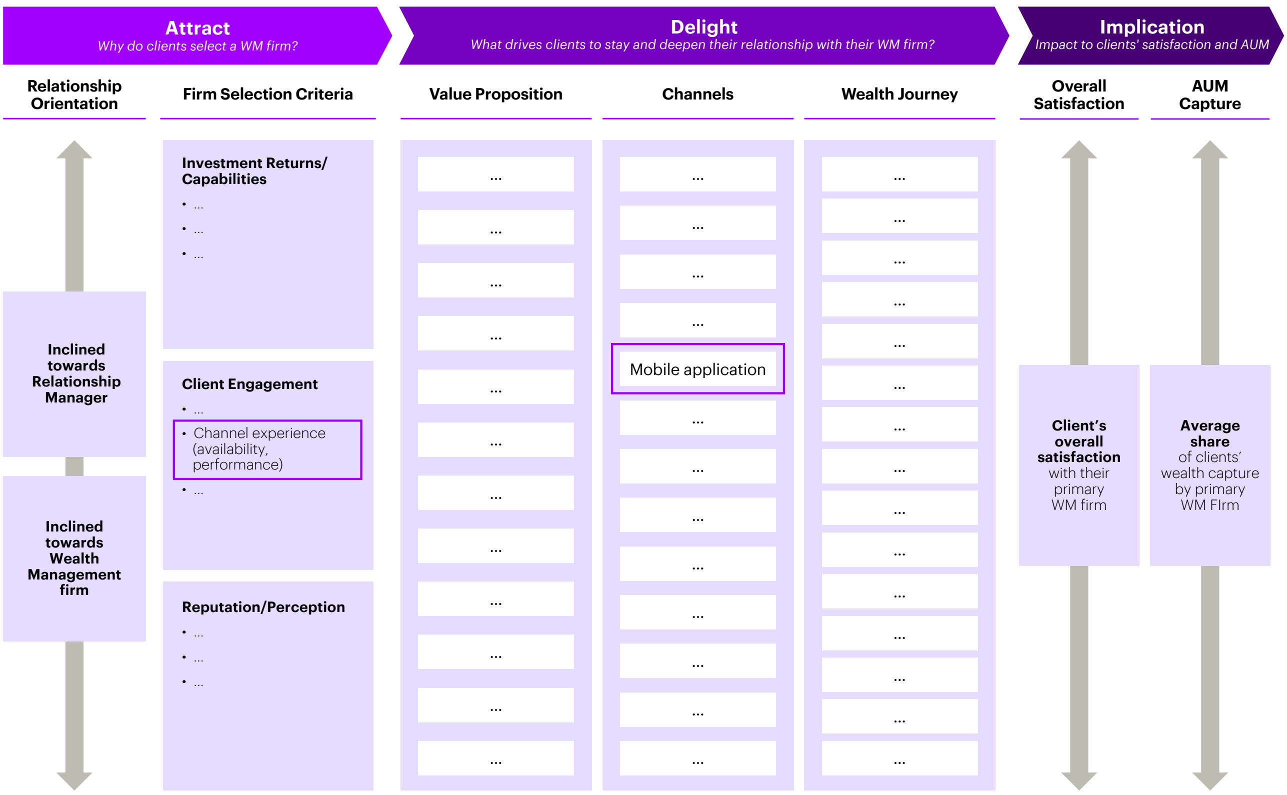
1 Archetype	• **Where to build the mobile experience?** For instance, integrate into existing retail bank "super app" or create standalone • **What principles to guide the decision?** Such as prioritizing business value over technical constraints, minimizing impact to non-wealth customers, minimizing delivery risk, accelerating time to market • **What assessment criteria to make the decision?** Such as extent each solves for pain-points, aligns to market trend, allows for re-use of existing capabilities, protects and improves client experience, optimizes total cost of ownership, balances technical constraints, aligns to optimal governance
2 Decommission	• **To what extent do other digital channels become duplicated and can be candidates for decommissioning?** Such as standalone trading apps, segment coverage overlaps between digital wealth app, and capability on retail banking app, etc. • **What framework to analyze?** Core factors such as capability coverage across apps/channels (not just mobile), asset class coverage, and segment coverage. Secondary factors such as channel adoption/frequency of use and governance/control
3 Internet Banking Strategy	• **What is the end-state for the internet banking channel?** Remains #1 most important channel to investors, but often under-invested relative to mobile capabilities • **How to interweave the journey design for both mobile and internet banking?** Needs to balance execution capacity and budget constraints

Source: Accenture Analysis, 2023

Unlocking business value: Mobile as a key lever for client attraction and deeper wealth capture

A better digital customer experience, especially on mobile, should be front and center of firms' efforts to attract clients and capture AUM—because, as we have noted, and as Accenture's Client Experience Framework shows, there are clear links between what attracts clients, what delights them, and the impact that overall client satisfaction has on AUM capture (Figure 24). Our Wealth Insights Navigator, outlined in Section 6, has more about the 37 attributes on this Framework, and how firms can assess these by market, segment, demographic, and across competitor wealth firms. In short, though, increased client satisfaction means greater AUM capture.

Figure 24: Accenture's Client Experience Framework.



Source: Accenture Analysis, 2023

Criteria represented by "…" have been redacted but are available to Accenture clients

As Wee Wei Ng, Senior Managing Director, Market Unit Lead, Accenture Southeast Asia, points out, the client experience "is everything in today's environment, whether in banking, consumer products, or any other industry".

"As our data shows, when clients have a positive experience with their wealth firms across proposition, channel, and the overall journey, they bring more of their business to their firm," she says.

"Putting the experience together on the mobile application, with smart hybrid integration to human channels, is the north star for the wealth management industry in the next decade—especially given the ever-changing demographics and investing complexity faced by the next generation of investors."

As this year's survey confirmed, and as the framework above shows, there is a direct link between client satisfaction and the proportion of assets that those clients are willing to invest with their wealth management firm. To back that up, it is worth considering two findings from our investor research.

"Client experience is everything in today's environment, whether in banking, consumer products, or any other industry. As our data shows, when clients have a positive experience with their wealth firms across proposition, channel, and the overall journey, they bring more of their business to their firm. Putting the experience together on the mobile application, with smart hybrid integration to human channels, is the north star for the wealth management industry in the next decade—especially given the ever-changing demographics and investing complexity faced by the next generation of investors."

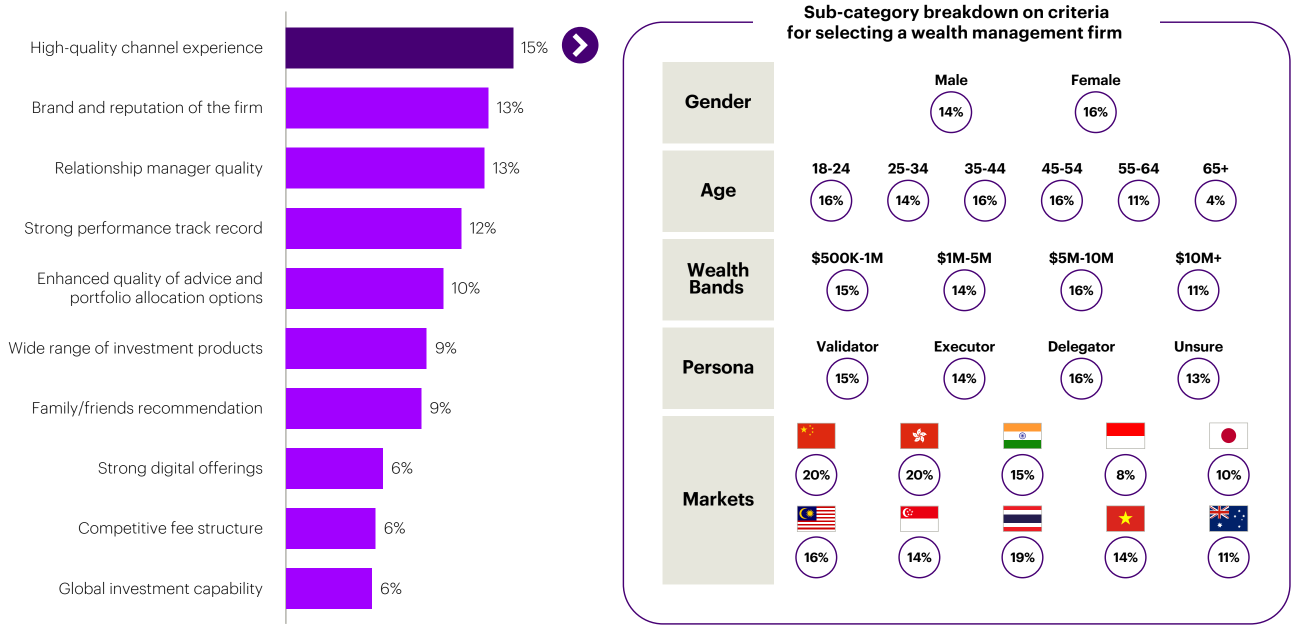
Wee Wei Ng
Senior Managing Director,
Market Unit Lead
Southeast Asia,
Accenture

The first is the fundamental importance of the channel experience. When we asked clients to pick one criterion for selecting a wealth management firm, the leading answer was the existence of a high-quality channel experience—ahead of the firm's reputation, the quality of the RM, the firm's track record, or even the recommendations of their family and friends (Figure 25).

That was broadly true across demographics, wealth bands, and personas, and was particularly strong in markets like China (20 percent), Hong Kong (20 percent), Thailand (19 percent), Malaysia (16 percent), and India (15 percent).

Figure 25: A high-quality channel experience is crucial.

Criteria for selecting a wealth management firm



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)
Question asked: Why did you select your current primary wealth management firm?

The second finding is that a strong mobile offering not only makes for more satisfied clients; it also boosts the firm's AUM of its existing clients—as the following comparative examples clearly show (Figure 26).

Example one looks at two private banks (Private Bank A and Private Bank B). Private Bank A enjoys an impressive 72 percent mobile satisfaction rate from its customers and a 63 percent overall rate of satisfaction with the firm. In this way it captures an above-average 60 percent of its clients' assets for management. Particular strengths of Private Bank A's mobile offering include supporting a broad range of assets, extensive end-to-end capabilities within the app, and comparable performance metrics.

Private Bank B, on the other hand, enjoys only a 50 percent mobile satisfaction rate and a lowly 35 percent overall rate of satisfaction towards the firm. That translates to it capturing just 54 percent of its clients' assets.

The story is similar when comparing client rankings of the mobile offerings of two regional universal banks. The one with the higher mobile satisfaction rate of 76 percent recorded 59 percent AUM capture, which is far higher than its key competitors that score poorly on mobile—including Universal Bank B, whose mobile satisfaction score was 62 percent, and whose clients' percentage AUM was just 50 percent.

> The conclusion is easy to draw: A well-designed mobile journey is critical both in terms of attracting new clients and in terms of deepening AUM with existing clients.

Figure 26: Strong mobile customer experience deepens relationships and boosts AUM capture.

	Comparison of clients' satisfaction towards their primary wealth firm	Private Bank A	Private Bank B	Universal Bank A	Universal Bank B
1	**Mobile CX**[1]	**72%**	**50%** -22pp	**76%**	**62%** -14pp
	Satisfaction on mobile activities[2]	50%	43% -7pp	54%	40% -14pp
	Availability of asset class on mobile[3]	**Mid**	**Low**	**Mid**	**Low**
	Mobile performance (disruption)[4]	10%	8% -2pp	15%	13% -2pp
2	**Overall satisfaction towards firm**[5]	**63%**	**35%** -28pp	**51%**	**48%** -3pp
3	**% AUM with firm**[6]	**60%**	**54%** -6pp	**59%**	**50%** -9pp

Source: Accenture's Asia Affluent Investor Survey, Q1 2023; Accenture's Global Wealth Management Competitor Database, 2023

1 Question asked: How would you score your satisfaction with the different types of activities/touchpoints you have with your primary wealth management firm?

2 Question asked: For a series of activities within the wealth management journey, we would like to know the extent to which you consider it important that you are able to perform the activity via the mobile application, as well as how satisfied you are with being able to complete these activities via mobile application.

3 Accenture's Global Wealth Management Competitor Database, 2023.

4 Question asked: Which of these issues are most disruptive to your experience using a mobile application for wealth management?

5 Question asked: How satisfied are you with your primary wealth management firm?

6 Question asked: How are your assets allocated across the different wealth management firms you work with?

(Figures based on respondents selecting a score of 6 & 7 on a 1-7 scale)

Note: innovation factors amongst the firms are not considered. Firms are based on comparable sample size, including breakdown by demographics (e.g., age, gender) and wealth factors (e.g., wealth band, personas)

4

The RM role: Rethink and reboot

In our 2022 report, we highlighted the poor productivity of RMs in Asia, that this is exacerbated by a heavy time allocation to non-revenue generating activities, and explained the importance of empowering RMs by bringing the full array of required capabilities into a single digital cockpit.

This year, we dug deeper into this crucial element of firms' offerings, and asked:

- How much are firms relying on RMs to deliver ambitious growth targets—and is that viable?
- What do clients want from their RM, and where do they see value-add?
- Should firms evolve or disrupt this model, and how?

Before going further, it is important to state that the findings will not hold for every wealth management firm or every RM because of, for example, the nuances in the approaches taken between private banks and firms serving lower-wealth segments. Firms will find some findings are more relevant than others. That is to be expected.

Overall, though, our view is that the bulk of our conclusions will be relevant to most—and this includes the findings that cover the potential business case and the profit savings that could come with moving to an improved RM model.

With that said, let's start by emphasizing what we said in last year's report:

> The RM is a key player in the success of any wealth management firm. However, as we will show, re-envisioning the RM's role, which is vital, means this role will end up looking very different.

The RM role: Big ambition meets inefficiencies and low productivity

Wealth management firms in Asia have ambitious goals for AUM—on average aiming to increase it by 1.6x by 2026: affluent banking is targeting 1.6x; private banking 1.3x.

Here is the crux of the problem: When we asked CXOs whether the key driver of this growth would be digital channels or RMs, the near-unanimous answer was RMs: 90 percent for affluent banks and 100 percent for private banks.

This means wealth management firms expect RMs to drive practically all AUM growth over the next five years. In our view, this is highly unlikely to happen without wholesale changes to the RM role, not least because revenue per RM is moving in the opposite direction: It is forecasted to drop by 2 percent CAGR (to US$5m per RM) for private banks by 2026 and by 3 percent CAGR (to US$2.2m) for affluent banks. This will undermine firms' growth ambitions.

That said, firms will significantly increase their chances of success by making changes to the RM role. This starts by understanding the two root causes of RMs' low productivity: Their job scope is too broad, and they lack the digital tools and empowerment to perform to the standard that clients require and expect.

As our research again confirms, RMs are unable to spend enough time on revenue-generating activities (Figure 27). They spend the bulk of it on low-impact work that is unrelated to advisory, and that consequently does not earn revenue. Indeed, just 44 percent of RMs' time goes towards revenue-generating activities.

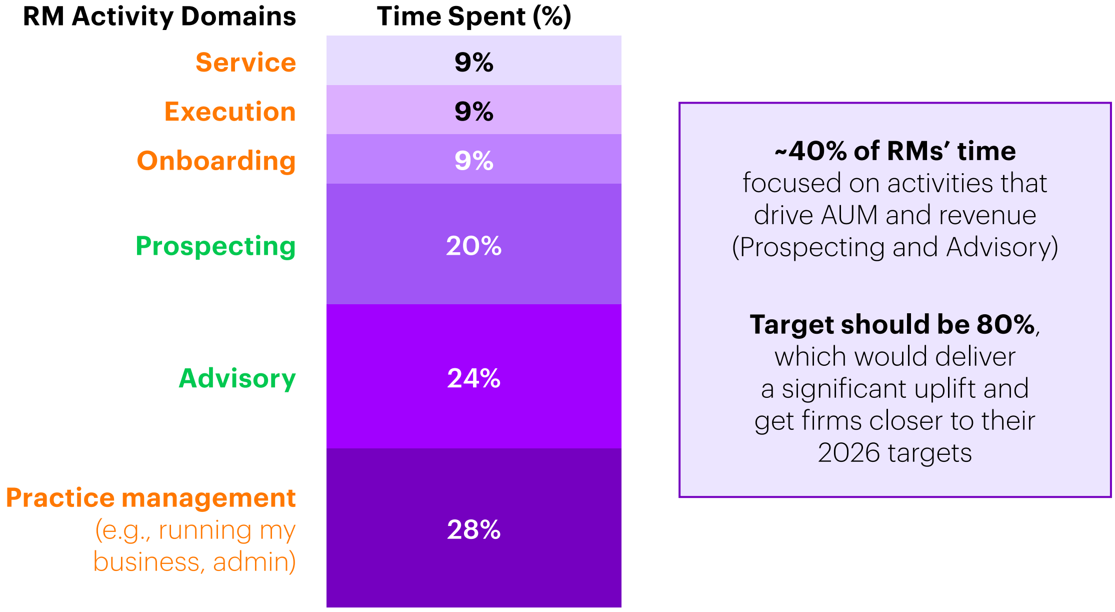
> There are several reasons why more than half of RMs' time is spent inefficiently. First, many lack a clear, value-focused definition of their role, which is why so much time is spent on low-value tasks.

Second, poor digital tooling means much work that could be automated is still done manually, including in low-value areas like onboarding, execution, servicing, reporting, and analytics, and even in high-value areas like prospecting and advisory. RMs also often suffer from poor data-quality and a lack of digital performance, with system-loading times being a particular challenge.

Third, the absence of a robust operating model could further undermine efficiencies. RMs typically lack clear operational processes and SLAs across the end-to-end client lifecycle. Furthermore, several factors undermine their ability to provide clients with optimal wealth offerings, including unsuitable KPIs, and limited collaboration between RMs, investment advisers, specialists, assistants, and operations.

All of this goes a long way to explaining why RMs fall short—and why clients feel their RMs could do better.

Figure 27: The percentage of time that RMs spend on typical tasks.



Source: Accenture's Asia Relationship Manager Survey, Q1 2023

Question asked: How does a typical week break down across key activities for you, on average? Assume average of 40-hour work week.

Service represents: Client servicing (e.g., profile updates, ad-hoc issue resolution, managing periodic client KYC reviews)

Execution represents: Executing trades (including checking order status)

Onboarding represents: Client onboarding (e.g., document requests and reminders, document verification and clarifications)

Prospecting represents: Business development (e.g., prospecting for new clients, launching campaigns for existing clients), client/prospect meetings – preparation (e.g., scheduling, creation of presentations), client/prospect meetings – meeting delivery (including write-up)

Advisory represents: Managing investments (e.g., performance against model portfolio or benchmarks, preparation of investment ideas for clients)

Practice management represents: Managing my business (e.g., weekly task planning, sales planning, revenue and fee analysis, client segmentation), training and development (e.g., online courses, internal training, reading), other internal meetings (e.g., business reviews, town halls), other external meetings (e.g., meeting vendors, partners, introducers), administrative tasks (e.g., managing compliance-related issues, regulatory reporting, preparing reports, searching for information)

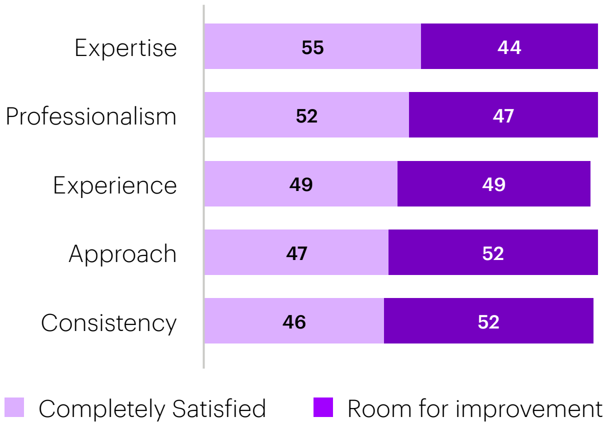
Note: Numbers may not sum due to rounding

The clients' view: Plenty of room to improve

When we asked clients in our Asia Affluent Investor Survey how satisfied they are across five dimensions of the RM role, almost half on average felt the service provided by their firm's RM could improve (Figure 28).

Granted, dissatisfaction varies across markets. However, it is present—and significant—in all of them (Figure 29), especially key markets such as Japan and Mainland China that account for the bulk of the onshore wealth in the region, and markets such as Hong Kong and Singapore which are the key financial centers of Asia. In short, RMs' poor time-allocation leads directly to what clients view as a quality gap.

Figure 28: Could do better (1): Areas where clients say there is room for improvement.



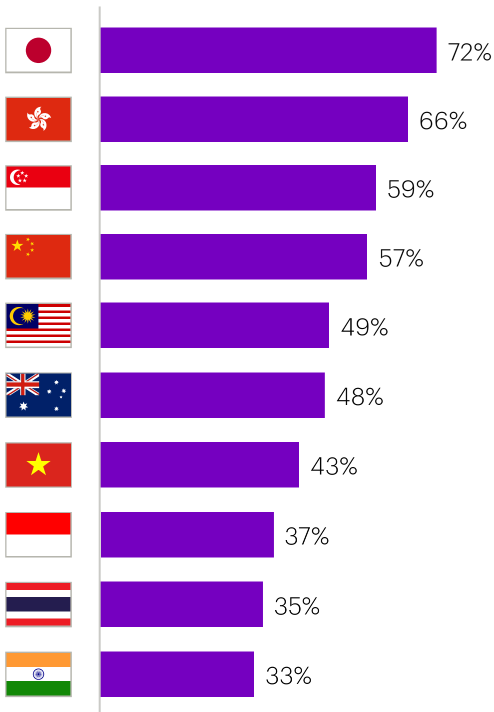
Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: How satisfied are you with the following dimensions of your RM's' service quality?

Experience: i.e., my RM has an appropriate level of experience and number of years worked. Expertise: i.e., my RM understands what he or she is talking about and is credible. Approach: i.e. seeks to understand my situation before recommending products and solutions. Consistency: i.e., my primary RM does not change frequently

Room for improvement: Figures based on respondents who selected "Satisfied but can do better" and "Not satisfied"

Figure 29: Could do better (2): The percentage of clients who say their RM's service quality could be improved, or who are unsatisfied with it.



Source: Accenture's Asia Affluent Investor Survey Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: How satisfied are you with the following dimensions of your RM's' service quality? (Figures based on respondents who selected "Satisfied but can do better" and "Not satisfied")

Fundamental misalignment exists on the role of an RM

This dissatisfaction links directly to what can be described as mixed messaging: We found that wealth firm executives, clients, and RMs themselves have differing views on the importance of the five key role archetypes that RMs can play (Figure 30).

Those role archetypes are:

Validator: RM serves as a sounding board for investing ideas that the clients themselves prepare to reach their goals, and highlights pros and cons, and potentially alternative approaches.

Ideator: RM proposes an investment portfolio and solutions for clients, based on their goals and personal situation.

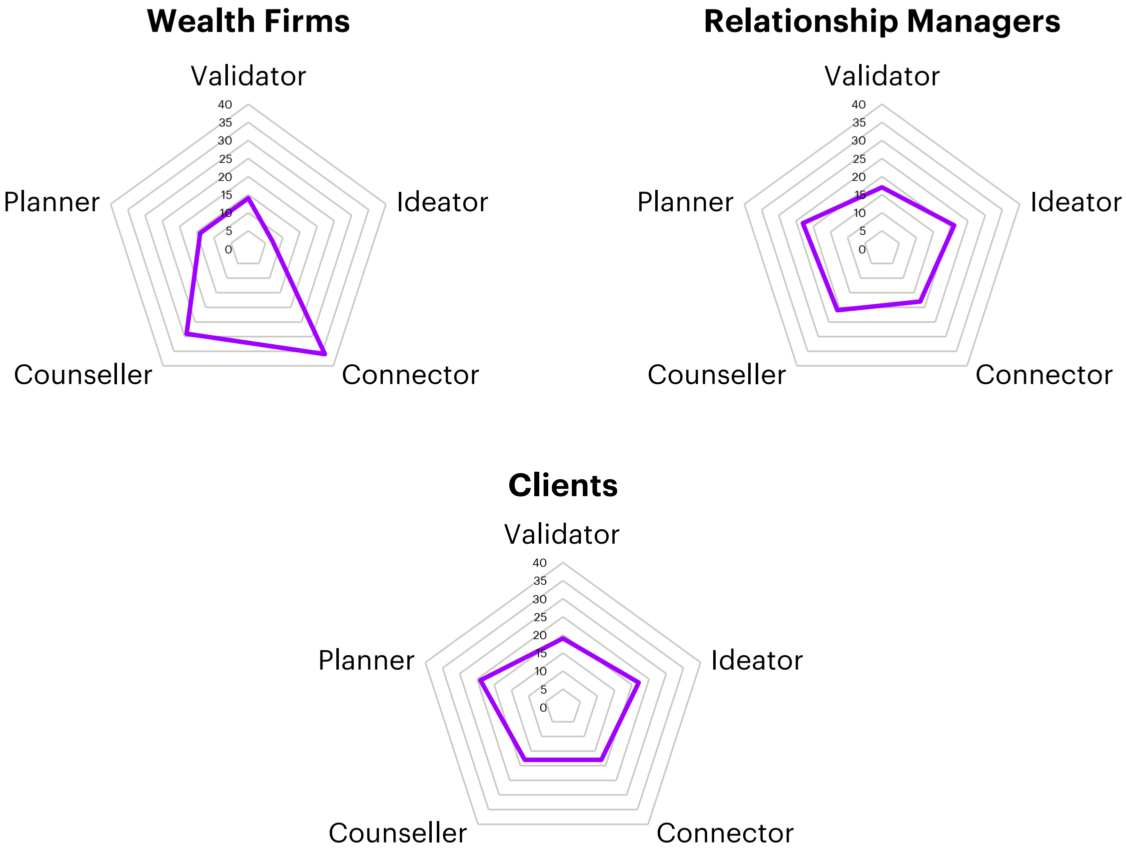
Connector: RM serves as the single gatekeeper into a wide range of expertise, both within the wealth firm (such as investment experts) and outside the firm (such as potential partners for the client's business).

Counsellor: RM is there to listen to and reassure clients when personal, business, and investment issues arise that affect them.

Planner: RM holistically plans the client's financial trajectory, incorporating their current personal and financial situation, goals, and complexity drivers.

Figure 30: Wealth firm executives, RMs, and clients are not aligned on RMs' target role.

What do you envision the ideal role archetype of an RM to be?[1]



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment); Accenture's Asia Relationship Manager Survey, Q1 2023; Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Question asked: We want to know your view on the ideal role of the RM. We have listed five roles an RM can play. Considering the value they/you are able to add to client's experience through each role. How would you allocate 100 points across these five roles listed below.

Validator represents: "I want my RM to serve as a sounding board for investing ideas that I prepare myself in order to reach my goals, highlighting pros and cons and potentially alternative approaches".

Ideator represents: "I want my RM to propose an investment portfolio and solutions for me, based on my goals and personal situation".

Connector represents: "I want my RM to serve as the single gatekeeper into a wide range of expertise, both within the wealth firm (such as investment experts) and outside the firm (such as potential partners for my business)".

Counsellor represents: "I want my RM to be there to listen and reassure me when personal, business, and investment issues arise that affect me".

Planner represents: "I want my RM to holistically plan my financial trajectory, incorporating my current personal and financial situation, my goals, and complexity drivers such as cross-border tax implications, growth and divestment of a business, and legacy planning and wealth transfer"

What is evident is that firms are encouraging their RMs to be the gatekeeper into the wider ecosystem of the firm and its external partners, and to demonstrate significant involvement with their clients' personal and business lives to counsel at key moments. However, clients and RMs appear aligned that the role is more balanced, with a greater emphasis towards wealth planning, advice, and even coming up with investment ideas.

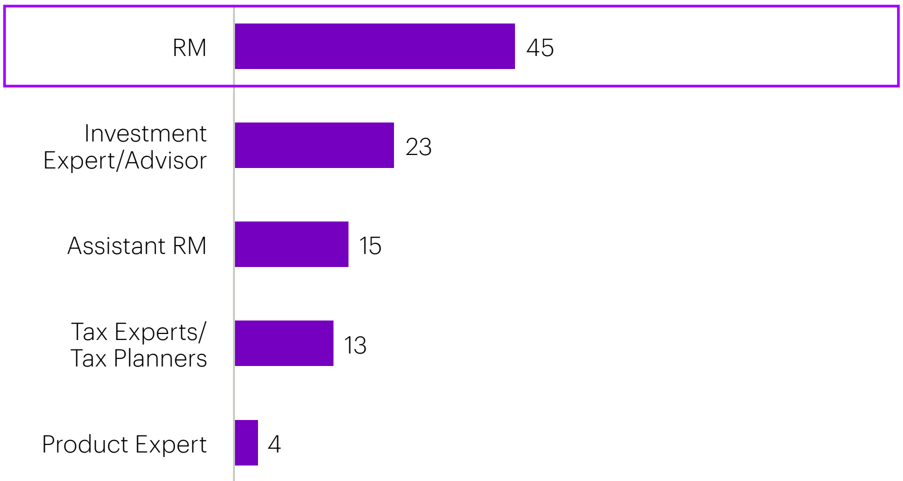
This role misalignment goes a long way in our view to explaining why around half of clients say there is room for improvement in terms of service quality, a finding that holds broadly true across demographics, wealth bands, personas, and markets.

Given that clients view the RM as by far the most important person they interact with at their wealth management firm (Figure 31), this dynamic cannot persist.

> This misperception of the RM's role is part of the reason firms need to reinvent it.

As Nicole Bodack, Managing Director, Asia Capital Markets Industry Lead and SEA FS Strategy & Consulting Lead at Accenture, points out, RMs today often play a sales and administrative role with their clients, helping to overcome internal operational and system inefficiencies.

Figure 31: RMs are the most important person for clients.



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Question asked: Who is the most important person among all the people you interact with in your primary wealth management firm?

“As the need for sophisticated advice increases, wealth firms in Asia will need to reimagine the role of relationship managers in order to adapt to multiple role archetypes: ideator, validator, counsellor, planner, and connector,” she says.

“Such an evolution will help build the right foundation for a firm’s wealth transformation journey, through investing in innovative digital capabilities, redesigning the wealth operating model, and focusing on RM skills and ways of working.”

Positively, wealth management executives we spoke to are convinced that RMs are crucial to driving growth, and that this requires incorporating digital channels.

“As the need for sophisticated advice increases, wealth firms in Asia will need to reimagine the role of relationship managers in order to adapt to multiple role archetypes: ideator, validator, counsellor, planner, and connector. Such an evolution will help build the right foundation for a firm’s wealth transformation journey, through investing in innovative digital capabilities, redesigning the wealth operating model, and focusing on RM skills and ways of working.”

Nicole Bodack
Managing Director,
Asia Capital Markets Industry Lead,
Southeast Asia FS Strategy & Consulting Lead,
Accenture

"The RM's role is very wide-ranging and the archetype they adopt depends on the type of clients they service. Some clients are more self-directed and in search of a validator, while others require a full service where the RM adopts the role of a planner or a connector. Our aim is to offer a digital wealth suite that supports RMs in adopting various archetypes to support clients in their decision-making," says Marc Van de Walle, Global Head, Wealth Management, Deposits and Mortgages at Standard Chartered Bank.

Evonne Tan, Head of Barclays Private Bank, Singapore, says the firm's RMs "need to serve as conductors of an orchestra, though they primarily wear the hats of validators, connectors, and counsellors".

"We also want them to spend some time ideating given they understand the clients' goals more than anyone, but then bring in the right global specialist once interest has been established," she says.

"The RM's role is very wide-ranging and the archetype they adopt depends on the type of clients they service. Some clients are more self-directed and in search of a validator, while others require a full service where the RM adopts the role of a planner or a connector. Our aim is to offer a digital wealth suite that supports RMs in adopting various archetypes to support clients in their decision-making."

Marc Van de Walle, CFA
Global Head,
Wealth Management, Deposits and Mortgages
Standard Chartered Bank

"RMs need to serve as conductors of an orchestra, though they primarily wear the hats of validators, connectors, and counsellors. We also want them to spend some time ideating given they understand the clients' goals more than anyone, but then bring in the right global specialist once interest has been established."

Evonne Tan
Head, Barclays Private Bank
Singapore

Bo Wu, President, CICC Wealth Management, says RMs "should be nimble and adaptive to meet a broad range of client expectations for their role".

"However, in our context the most important evolution is to serve more as ideators, given we are increasingly rolling out digital tools to make this more effective at scale," Mr. Wu says.

Sacha Walker, Head of Strategy & Business Operations APAC at Julius Baer, says successful RMs "understand client needs deeply then connect the client to the power of the firm, such as bringing in and delegating to investment counsellors, product desks, and other key staff along the client journey".

"This frees up their time to do what they do best," he says, "nurturing the relationship with existing clients and being in the market looking for new clients."

"RMs should be nimble and adaptive to meet a broad range of client expectations for their role. However, in our context the most important evolution is to serve more as ideators, given we are increasingly rolling out digital tools to make this more effective at scale."

Bo Wu
President,
CICC Wealth Management

"Successful RMs understand client needs deeply then connect the client to the power of the firm, such as bringing in and delegating to investment counsellors, product desks, and other key staff along the client journey. This frees up their time to do what they do best, nurturing the relationship with existing clients and being in the market looking for new clients."

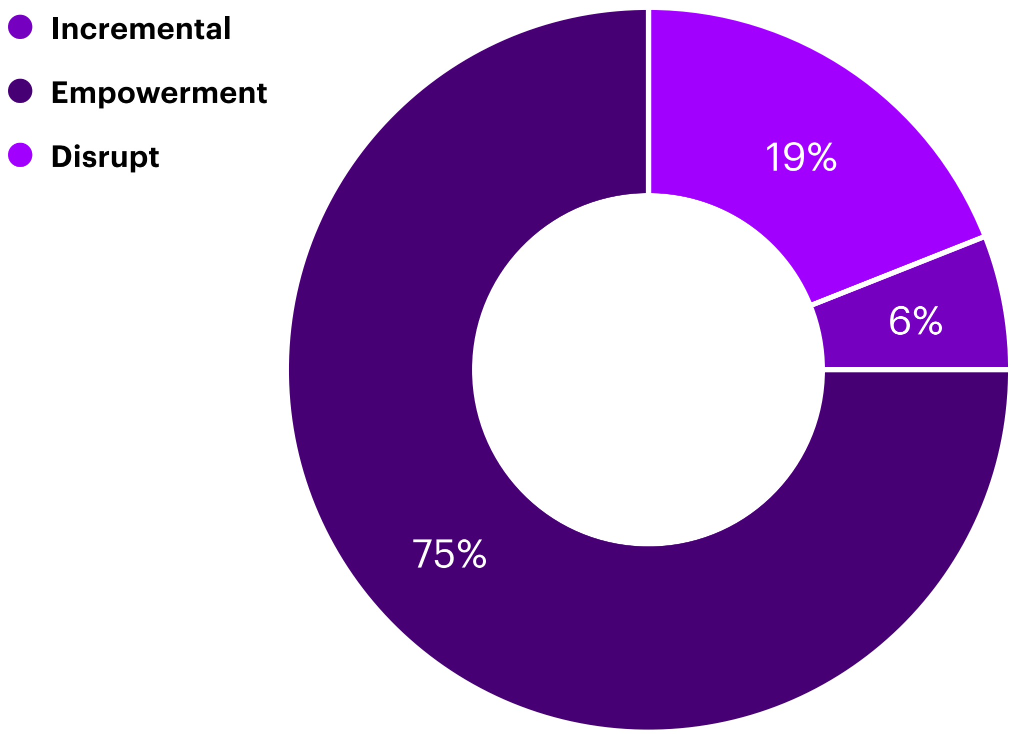
Sacha Walker
Head of Strategy & Business Operations APAC,
Julius Baer

The new RM role: Empower, hire or disrupt?

Many wealth management firms recognize the need to re-envision the RM role, and we found that three-quarters plan to use empowerment as their evolution model focus for RMs, while 6 percent plan on incremental changes (Figure 32). Just 19 percent plan to use a disruptive model.

Empowerment has its uses both in the short-term and because it can be a step on the journey to fuller disruption—and is the approach that many large wealth managers are using.

Figure 32: Evolution or revolution? Firms' approaches when re-envisioning the RM role.



Source: Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Incremental represents: Highly tactical efforts such as enhancement in individual wealth applications, basic mobile tooling/digitization, classroom-based trainings, and sourcing strategy focused on traditional channels such as other banks or progression via career journeys within the in-house retail bank.

Empowerment represents: Moving away from basic digital tooling towards improvements such as system orchestration and installing an integrated dashboard driven RM cockpit, in addition to enhanced training for RMs via focus on value proposition improvements and widening the talent sourcing strategy.

Disrupt represents: Strategic and longer-term initiatives such as fundamentally re-designing the role of the RM and leveraging automation and AI at-scale to achieve the transformation; also extends to reassessing skills and competencies required and adapting sourcing strategies to a much more open ecosystem of channels.

"Empowering RMs is a key focus for us to drive growth in wealth management. We complement this with digital tools such as an integrated frontline cockpit for client relationship management, and industry-relevant training programs such as our Wealth Academy for RMs in partnership with INSEAD," says Standard Chartered Bank's Marc Van de Walle. "I also believe in giving the choice to clients, and providing incentives to clients who are happy to have a lighter-touch RM model."

Empowerment is also the approach that HSBC Wealth Management is taking, says Wei Mei Tan, the firm's Managing Director, Global and Asia Head of Advisory, Global Private Banking and Wealth.

"We are focused on further empowering our relationship managers via high-quality dashboards and an 'RM cockpit', and by delivering data-enabled investment advisory using portfolio information and triggers to ensure there is a call to action," Tan says.

"Empowering RMs is a key focus for us to drive growth in wealth management. We complement this with digital tools such as an integrated frontline cockpit for client relationship management, and industry-relevant training programs such as our Wealth Academy for RMs in partnership with INSEAD. I also believe in giving the choice to clients and providing incentives to clients who are happy to have a lighter-touch RM model."

Marc Van de Walle, CFA
Standard Chartered Bank

"We are focused on further empowering our relationship managers via high-quality dashboards and an 'RM cockpit', and by delivering data-enabled investment advisory using portfolio information and triggers to ensure there is a call to action. Content management is another key area, especially for clients who do not qualify for a tagged investment counsellor—we want to ensure our great investment content and insights reach relevant clients and their RMs in a timely and proactive manner, and we want to be able to track engagement across all channels."

Wei Mei Tan , CFA, CA, CAIA
Managing Director
Global and Asia Head of Advisory
HSBC Global Private Banking and Wealth

"Content management is another key area, especially for clients who do not qualify for a tagged investment counsellor—we want to ensure our great investment content and insights reach relevant clients and their RMs in a timely and proactive manner, and we want to be able to track engagement across all channels."

Empowerment does mark a positive start as firms seek to drive AUM growth. However, our research indicates that it is best viewed as a stepping-stone to attaining those ambitions—and not as a destination in itself. This is because, while adding digital tooling will empower RMs and save them some time, it will not resolve the two fundamental challenges that need addressing: redesigning the RM role to free up time for productive tasks; and realigning RM skills so they can tackle the areas that clients perceive as value-added.

In other words, empowering the current RM role through technology means they will still be doing large amounts of work that do not add value; they will simply be doing that work more efficiently. This is not the solution that will generate the AUM uplift that firms seek. (Incremental changes, it should be said, will help even less.)

If empowering existing RMs might not help firms meet their ambitious goals, perhaps hiring will? Again, we do not believe that is the case. For a start, firms are already constrained by cost-income ratios, where RMs account for 60-70 percent of annual operating budgets, and are aggressively targeting their cost-income ratio in the face of a challenging market environment (Figure 33). Adding new, expensive staff undermines that effort.

Figure 33: Wealth firms are aggressively targeting cost-to-income ratio improvements.

Segment	CI% ('21 Actual)	CI% ('26 Forecast)	CI Reduction Target (pp)
Affluent Banking	53%	45%	-8 pp
Private Banking	80%	74%	-6 pp

Source: Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Additionally, there is a shortage of RM talent, which means great demand for the high-performing RMs that are available. Private bankers changing jobs and moving up a level can gain a salary boost of 25-45 percent,[6] and it can take as long as two years for a new RM to be profitable.

More challenging still, the demand for such skills is likely to continue growing, says Soichiro Muto, Managing Director, Capital Markets Industry Lead for Growth Markets and Japan, Accenture.

"In the face of evolving market dynamics, an uncertain economic environment and the rapid growth of wealth management in Asia, the demand for high-performing and adaptable relationship managers continues to soar," he says.

"However, the relationship manager role has been elevated to advise on holistic wealth management including loans, real estate, tax planning, and business succession. As a result, drastic change is required in each aspect of wealth management including advisory model, talent development, products and services, and digital platform."

In our view, a bold, disruptive approach is therefore likely to yield the greatest benefits. Importantly, it can unlock far higher loading ratios, allowing RMs to serve a much larger number of clients well (Figure 34).

"In the face of evolving market dynamics, an uncertain economic environment and the rapid growth of wealth management in Asia, the demand for high-performing and adaptable relationship managers continues to soar. However, the relationship manager role has been elevated to advise on holistic wealth management including loans, real estate, tax planning, and business succession. As a result, drastic change is required in each aspect of wealth management including advisory model, talent development, products and services, and digital platform."

Soichuro Muto
Managing Director, Capital Markets Industry Lead for Growth Markets and Japan, Accenture

Figure 34: Illustration of the three RM evolution models.

	Incremental	Empower	Disrupt
Focus for wealth firms	6%	75%	19%
Target Loading Ratios – Affluent	1:150	1:300	1:1000s
Target Loading Ratios – Private	1:50	1:75	1:100
Technology initiatives	**Enhancements in multiple wealth applications** (but no focus on creating an integrated RM cockpit. Multiple silos underlying applications) **Basic mobile tooling/ digitization.** (No dashboard views, no automation)	**Orchestration and integrated dashboard-driven RM cockpit.** (Customer 360 view, integrated prospecting, sales planning and onboarding modules)	**Automation and AI at-scale** (e.g., generative AI embedded within client channels as well as RM cockpit to support client-servicing and onboarding, AI-powered portfolio analytics)
People initiatives	Focus on **mandatory, classroom-based trainings**, often with regulatory focus	**Enhanced training for RMs** through set-up of specific training paths, digitized tools, and external collaboration (e.g., wealth academies)	**Reimagine role of RM** and reassess competencies in the new
	Closed ecosystem talent sourcing. (Hire from talent pool with past relationship management experience)	**Semi-closed ecosystem talent sourcing.** (Hire from extended talent pool with high potential for relationship management role – e.g., assistant RMs and affluent banking RMs becoming private bank RMs)	**Open ecosystem talent-sourcing.** (Look for talent beyond traditional wealth management firms – e.g., lawyers, athletes)

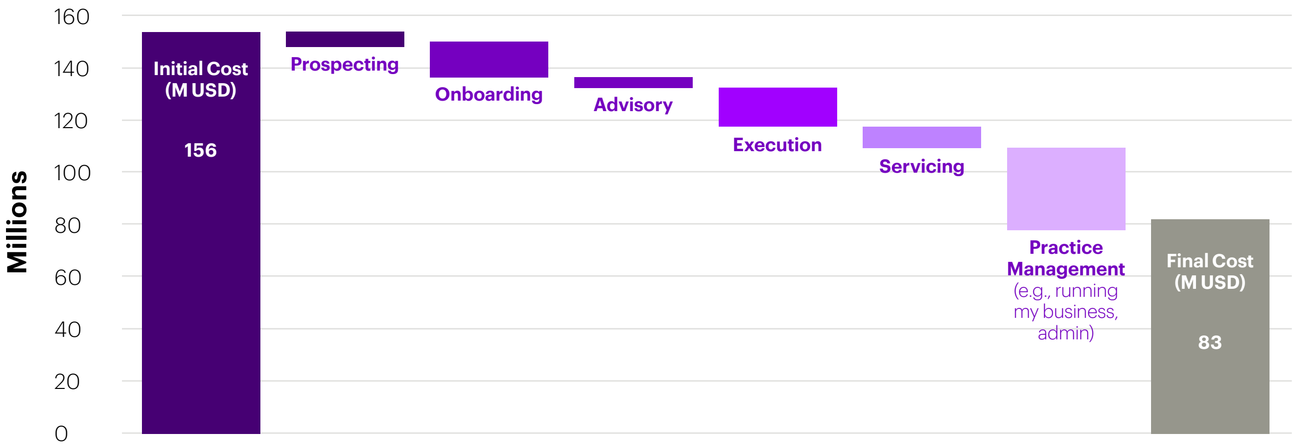
Source: Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Focusing on a disruptive approach could bring substantial benefits, which gain even greater importance given the need to achieve significant cost-income ratio reductions. By our calculations, a large (hypothetical) wealth firm that employs 1,300 RMs on average annual compensation of US$120,000 and that reimagines the RM role in this way could save half of each RM's time spent on the six key activity areas (Figure 35).

This would see RM costs associated with those activities drop from US$156m to US$83m, providing a US$73m profit uplift. Additionally, this profit uplift is conservative as it does not include gains that a disruptive approach would bring to other roles, nor does it factor in top-line growth benefits from improved client service and satisfaction.

If a disruptive approach is preferable, as we believe it is, the key question is: what does this entail? The next two sections will examine that in depth, but by way of an outline it requires that firms redefine the RM role and skills, reassess talent sourcing (including upskilling existing staff), invest in digital enablers—for example, the digital cockpit, and powering channels with technologies like automation and AI—and redesign their wealth operating model.

Figure 35: Illustration of the profit-uplift for a large firm moving to the disruptive model.



Illustrative purposes only

Source: Accenture Analysis, 2023; Accenture's Asia Relationship Manager Survey, Q1 2023

[1] Based on analysis of existing time allocation for RMs in Asia across 23 activities, then assessing whether activity can be removed, reduced, or should be retained in the future target state, thereby yielding a time saving estimate per activity and domain – against which the financial scenario of the illustration bank was added. Based on firm profile with 1,300 RMs and average annual compensation US$120k.

Applying the disruptive model (1): Reimagining the RM role

A disruptive approach requires redefining the RM role and the required skills, which in turn must be supported by innovations in the operating model and by technology—notably artificial intelligence (AI) and generative AI.

Some firms, it should be said, recognize the need for disruption.

"While we had invested in empowering RMs through our integrated one-stop workbench (DBS Client Connect), we have also further invested in our disruptive approach to providing clients with hyper-personalized insights and advice, leveraging our data and AI and machine-learning tools," says Joseph Poon, Group Head, Private Bank at DBS.

However, before mapping out a disruptive path, it is important to understand where RMs add value and where they fall short today.

When we combined the results from our Asia Affluent Investor Survey, Asia Relationship Manager Survey and Asia CXO Industry Benchmark Survey, we found that investors, RMs, and executives believe that RMs add value in just one area: the advisory process (Figure 36). None of the three—not even RMs—believes they add much value elsewhere. However, RMs still perform a wide range of tasks, which raises the question: Why?

The obvious solution is to reallocate the low-impact tasks (subject to regulatory constraints, the firm's strategy, and its segment servicing model) as this would free up the time that RMs do have to focus on more value-adding activities—and to do so without harming the coverage that clients expect.

> **"While we had invested in empowering RMs through our integrated one-stop workbench (DBS Client Connect), we have also further invested in our disruptive approach to providing clients with hyper-personalized insights and advice, leveraging our data and AI and machine-learning tools.**
>
> Joseph Poon
> Group Head,
> Private Bank at DBS

Figure 36: RMs perform too many tasks—most add little value.

Domain	Activity	My expertise as an RM helps in a better outcome. Responses by different groups[2]: CXO Perception	RM Perception	Client Perception
Prospecting[1]	Business development, meeting preparation, delivery and post-meeting updates	40% 🟠	40% 🟠	NA 🟠
Onboarding	Create their account	38% 🟠	29% 🔴	40% 🟠
	Share and update their personal information	13% 🔴	42% 🟠	31% 🟠
	Secure their account	0% 🔴	35% 🟠	41% 🟠
Advisory	Define their goals and needs	100% 🟢	55% 🟢	66% 🟢
	View and manage their portfolio	88% 🟢	45% 🟠	63% 🟢
	Access market research	13% 🔴	26% 🔴	54% 🟢
	Access investment recommendations and next-best actions	88% 🟢	39% 🟠	42% 🟠
	Track performance	25% 🔴	23% 🔴	21% 🔴
Execution	Execute their investment transactions	13% 🔴	35% 🟠	29% 🔴
	Track their executed transactions	0% 🔴	19% 🔴	27% 🔴
Servicing	Seek support on requests and issues	88% 🟢	19% 🔴	35% 🟠
	Fund their investments	13% 🔴	29% 🔴	36% 🟠
	Schedule meetings and appointments	13% 🔴	23% 🔴	45% 🟠
	Receive notifications and alerts	0% 🔴	16% 🔴	31% 🟠
	Manage client documents	13% 🔴	23% 🔴	25% 🔴
Business Management & Admin[1]	Managing my business, training and development, internal and external meetings, admin tasks	15% 🔴	25% 🔴	NA 🔴

🔴 Low Value 🟠 Moderate Value 🟢 High Value

Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment); Accenture's Asia Relationship Manager Survey, Q1 2023; Accenture's Asia CXO Industry Benchmark Survey, Q1 2023

Question asked: In which of the activities above do you believe you add value to the client as an RM? For example, compared with the client performing the activity via a digital or automated channel. Percentages relate to answers corresponding to, "The expertise of an RM helps in a better outcome" for each activity

[1] Prospecting and practice management scores based on Accenture estimates from past client engagements

[2] Low value = <30%, Moderate value = 30-50%, High value = >50%"

Figure 37 shows a list of RM activities that could be removed, reduced or retained. Low-value activities could be reallocated to other, likely lower-cost teams—including assistant RMs, support staff, and specialists, as appropriate—or even moved to fully self-serve or automated-assisted via next-generation digital tools to help RMs and other staff fulfil these tasks.

Prospecting, for instance, requires a high-touch, RM-led approach; however, RMs could be helped with support from assistant RMs and via digital enablers like an RM cockpit, GenAI, and prospect analytics.

> There are also numerous opportunities to reduce the tasks associated with business management and administration (also using support staff and digital tools), areas of servicing, creating the client account during onboarding, and using digital tools and AI to help with certain advisory tasks.

RMs would benefit, too, from the wholesale removal of some tasks. Updating client information and securing their account, for instance, could be handed off to assistant RMs, who—along with support staff—could deal with execution matters as well as servicing tasks like funding investments and scheduling meetings and appointments.

Our calculations show this approach could yield an up to 47 percent profit uplift from RMs due to productivity improvements, and result in an up to 20 percent rise in the client service experience.

Figure 37: The bulk of low-value roles can be removed from RMs' tasks or reduced.

Domain	Client Value	Activity	Potential Recommendation for Target State		
			Remove	Reduce	Retain
Prospecting[1]	● Moderate	Business development, meeting preparation, delivery and post-meeting updates		✓	
Onboarding	● Moderate	Create their account		✓	
	● Moderate	Share and update their personal information	✓		
	● Moderate	Secure their account	✓		
Advisory	● High	Define their goals and needs			✓
	● High	View and manage their portfolio		✓	
	● High	Access market research		✓	
	● Moderate	Access investment recommendations and next-best actions			✓
	● Low	Track performance		✓	
Execution	● Low	Execute their investment transactions	✓		
	● Low	Track their executed transactions	✓		
Servicing	● Moderate	Seek support on requests and issues		✓	
	● Moderate	Fund their investments	✓		
	● Moderate	Schedule meetings and appointments	✓		
	● Moderate	Receive notifications and alerts		✓	
	● Low	Manage client documents	✓		
Business Management & Admin	● Low	Managing my business, training and development, internal and external meetings, admin tasks		✓	

● Low Value ● Moderate Value ● High Value

Source: Accenture's Asia Affluent Investor Survey, Q1 2023
(unless stated otherwise, findings refer to US$100K+ segment)

Cull the mundane RM tasks, free up time, add key new skills

In this way, firms can free up RMs from repetitive work that adds little or no value and deploy them to value-added tasks. That aligns with the ongoing and much-needed shift in the skillsets that RMs require—moving beyond traditional wealth management and product knowledge skills and towards innovation and valuable behavioral traits.

As Nesan Govender, Managing Director, Talent and Organisation Lead, SEA for Accenture, notes, "adaptation is the key to success in the evolving role of a wealth relationship manager".

"As the financial landscape transforms, so must our skills. We must embrace technology, harness data insights, and master digital communication," he says. "Continuous upskilling is not a choice but a necessity to navigate the changing needs of our clients and provide them with the highest level of service in the digital age."

Among the numerous additional skills such an approach would help RMs to acquire or strengthen are communicating with impact, conflict management, data and AI literacy, negotiation, having a growth mindset, critical thinking, and cognitive load management (Figure 38).

"Adaptation is the key to success in the evolving role of a wealth relationship manager. As the financial landscape transforms, so must our skills. We must embrace technology, harness data insights, and master digital communication. Continuous upskilling is not a choice but a necessity to navigate the changing needs of our clients and provide them with the highest level of service in the digital age."

Nesan Govender
Managing Director,
Talent and Organisation Lead Southeast Asia,
Accenture

Figure 38: Skills RMs need are increasingly related to behavioral traits and innovation skillsets.

Skills in the new	Description
Communicating with impact	Communicating ideas and insights that are accessible, meaningful, persuasive, easy to understand, and tailored for the audience.
Connectivity	Maximizing the impact of building new and effective working relationships across international borders.
Conflict management	Identifying and managing negative aspects of interactions between individuals and groups, while subsequently improving positive aspects of these interactions.
Critical thinking	Identifying how to break down complex problems or issues into smaller components using right questioning techniques to identify root causes and arrive at solutions.
Data and AI literacy	Ability to interpret, understand and communicate data to derive insights and actions. Ability to leverage AI tools to improve productivity and client relationship management.
Design thinking	Ways of thinking outside the box that focus on the needs of people—for example, introducing new and innovative ideas to solve a problem or bring in efficiency while targeting user experience.
Growth mindset	Growth mindset describes a way of viewing challenges and setbacks. The growth mindset is based on the belief that your basic qualities are things you can cultivate through your efforts.
Cognitive load management	Improving our ability to filter and focus on essential information.
Collaboration	Establish and maintain open, enduring, trust-based, collaborative professional relationships with people at all career levels, internally and externally. Engage with individuals in a virtual and non-virtual environment.
Negotiation	Preparing, exploring, proposing, and bargaining to achieve win-win outcomes for everyone involved.
Personal impact	Being flexible in the approach to meeting and interacting with diverse people, colleagues, and clients, and being skilled enough to leave them with a positive impression through personal energy, actions, and language.
Storytelling	Influence audience with engaging narratives with the aim of supporting your views, performing actions or to teach and inspire a particular topic, with the support of data and/or information reports.

Source: Accenture Analysis, 2023; non-exhaustive & based on SHL APTA scale & Universal Competency Framework behavior

> In this way, RMs would be at the forefront of the workforce shift, which is seeing roles becoming more affected by automation, and which increasingly prizes skills like relationship-building and collaboration.

Such an approach would bring other benefits, including:

- Overcoming the **acute talent shortage** in wealth management, where competition for skilled RMs is intense, and where skills gaps, rising costs, and attracting and retaining RMs make this even more challenging.
- Helping the firm to meet the evolving needs and expectations of a growing wealth base with a **diversity of clients**. Workforces need to pivot to reflect this diversity, and to be able to empathize with clients and meet their needs.
- It positions the firm strongly as **market dynamics evolve**, and ensures it is well-placed to deliver business value to clients in a market where greater client awareness and abundant access to digital broking and trading call for a hyper-personalized and inclusive RM approach.

To succeed on this journey of attaining additional skills, firms will need to reassess RM skills across a new domain of behavioral traits and innovation skillsets. This will often require that firms become a net skills-creator, especially the largest wealth firms, and not just a talent-consumer—given the likely future need for more RMs who have these new skills to meet the needs of clients in a growing market.

Applying the disruptive model (2): Talent, digital enablers, and the wealth operating model

Before closing, it is important to highlight three linked areas that firms should consider when embarking on a disruptive approach.

The first is to **reassess talent sourcing** for the RM role. Internally, this means identifying talent pools and devising training paths to uplift the skills of existing staff. Externally, this could mean hiring from outside the banking sector, and instead sourcing RMs from professions that prize the skills needed to deliver advisory, such as law firms, entrepreneurs, partnership managers, and even the military.

The second is to **invest in digital enablers** for RMs. One crucial area is to invest in an integrated RM cockpit that has single-view dashboards that support the end-to-end client lifecycle—from prospecting and onboarding to sales planning, advisory, and servicing. (There is much more about the integrated RM cockpit in our 2022 report Empowering relationship managers: The tools they need to succeed.)

Another is to power RM and client channels using automation and AI (including generative AI—see sidebar) to support client servicing requests, automation, onboarding, and AI-powered portfolio analytics.

As David Wilson, Principal Director, Growth Markets Wealth Management Lead, Accenture, points out, "Improving RM productivity is a key focus for firms in Asia, but many are at a very early stage of seeing results from empowerment efforts."

"We feel that transformative benefits are available to firms pushing into more disruptive approaches, with an area of strong innovation likely to come in the form of automation and generative AI, which we are beginning to see clients in our region explore to improve RM efficiency," he says.

The third area is to **redesign the wealth operating model**. This starts by defining a clear wealth management business, operating vision, and KPIs.

It also requires defining a robust interaction and governance model: internally, across RMs, assistant RMs, investment advisers, support staff, and others, as well as across the wealth product team and segment/frontline team involved with the end-to-end client relationship lifecycle in areas that include practice management, prospecting, onboarding, advisory, order management, and servicing; and externally across clients and ecosystem partners.

"Improving RM productivity is a key focus for firms in Asia, but many are at a very early stage of seeing results from empowerment efforts. We feel that transformative benefits are available to firms pushing into more disruptive approaches, with an area of strong innovation likely to come in the form of automation and generative AI, which we are beginning to see clients in our region explore to improve RM efficiency."

David Wilson
Principal Director,
Growth Markets Wealth
Management Lead,
Accenture

Generative AI in wealth management

ChatGPT has not only raised public awareness about generative AI (described as the "iPhone moment of artificial intelligence");[7] it has raised the knowledge bar on the tasks this technology can perform.

While it is far from the only example of GenAI, ChatGPT is probably the best known and has helped to make clear that GenAI will have a significant impact on every type of business—including financial services and wealth management.

GenAI uses large language modelling (LLM), which AI chipmaker Nvidia describes as "a deep-learning algorithm that can recognize, summarize, translate, predict, and generate text and other content based on knowledge gained from massive datasets".[8]

Where GenAI differs from "normal" AI is that it can read those datasets, understand them, and make decisions. In this way at least, it is similar to humans. The technology can be applied in numerous areas, including:

Text:
Support functions like chat and email; intelligent decisioning; sentiment analysis; generating long- and short-form content; summarizing material.

Code:
Text-to-code; auto-translation; auto-documentation; code generation.

Images:
Design; image editing; image generation.

Speech:
Speech-to-text/-code/-video; voice synthesis.

Video:
Generating and editing video.

3D:
Generating 3D models

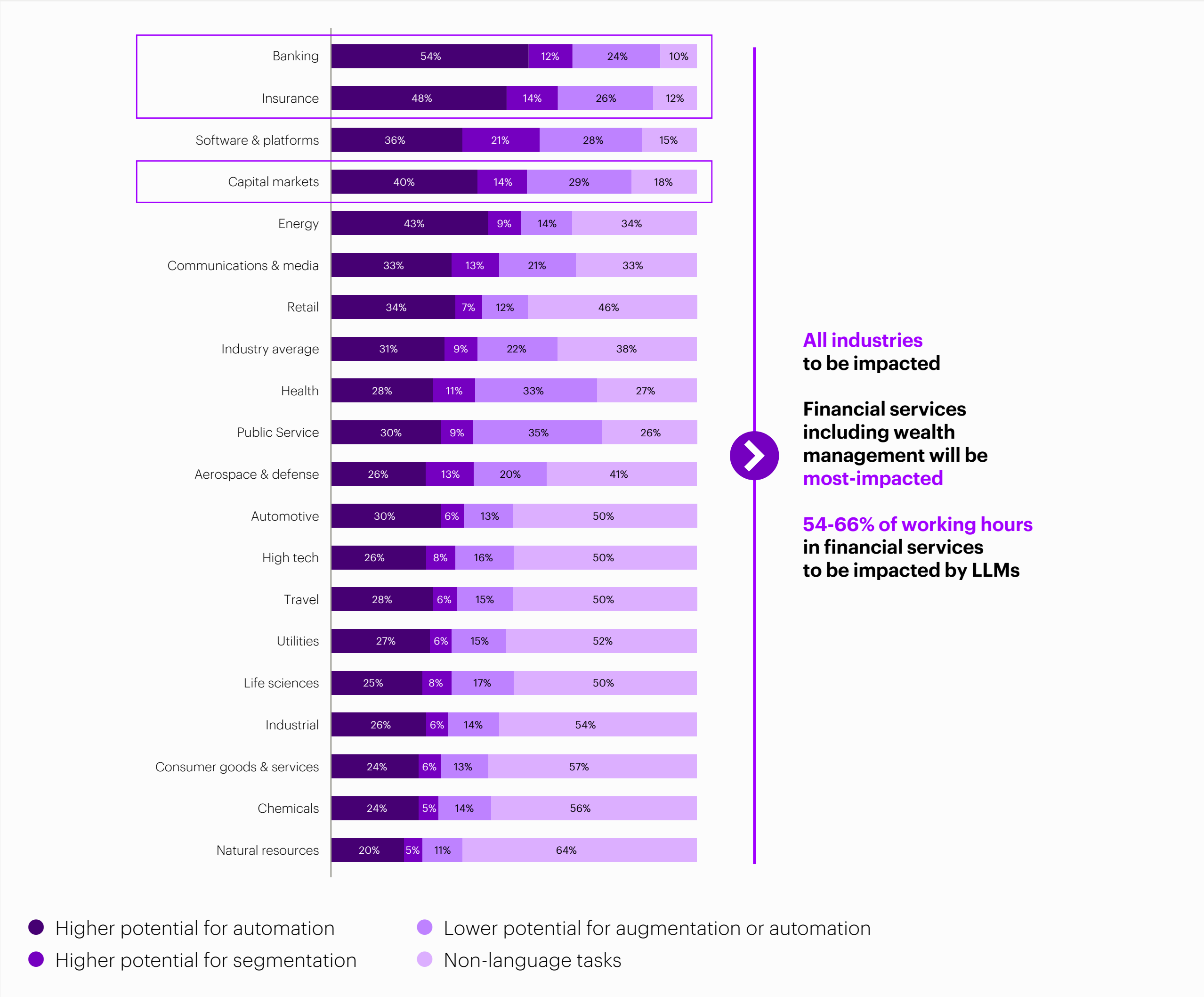
Other:
Gaming, the metaverse, etc.

Applying multi-modal intelligence, as GenAI does, means it can understand text, video, audio, and more. And although every industry and every role will be affected by GenAI, financial services will see the most disruption—Accenture estimates GenAI will impact 54-66 percent of working hours in the sector (Figure GAI1).[9]

When it comes to roles, two of the top-four affected will be sales (and related functions) along with business and financial operations. Sales, of course, includes RMs, and we estimate that LLMs will impact about 60 percent of working hours in sales and operations (Figure GAI2).

Figure GAI1: Work-time distribution by industry, and potential GenAI impact.

Work-time distribution by industry and potential AI impact
(based on their employment levels in US in 2021)

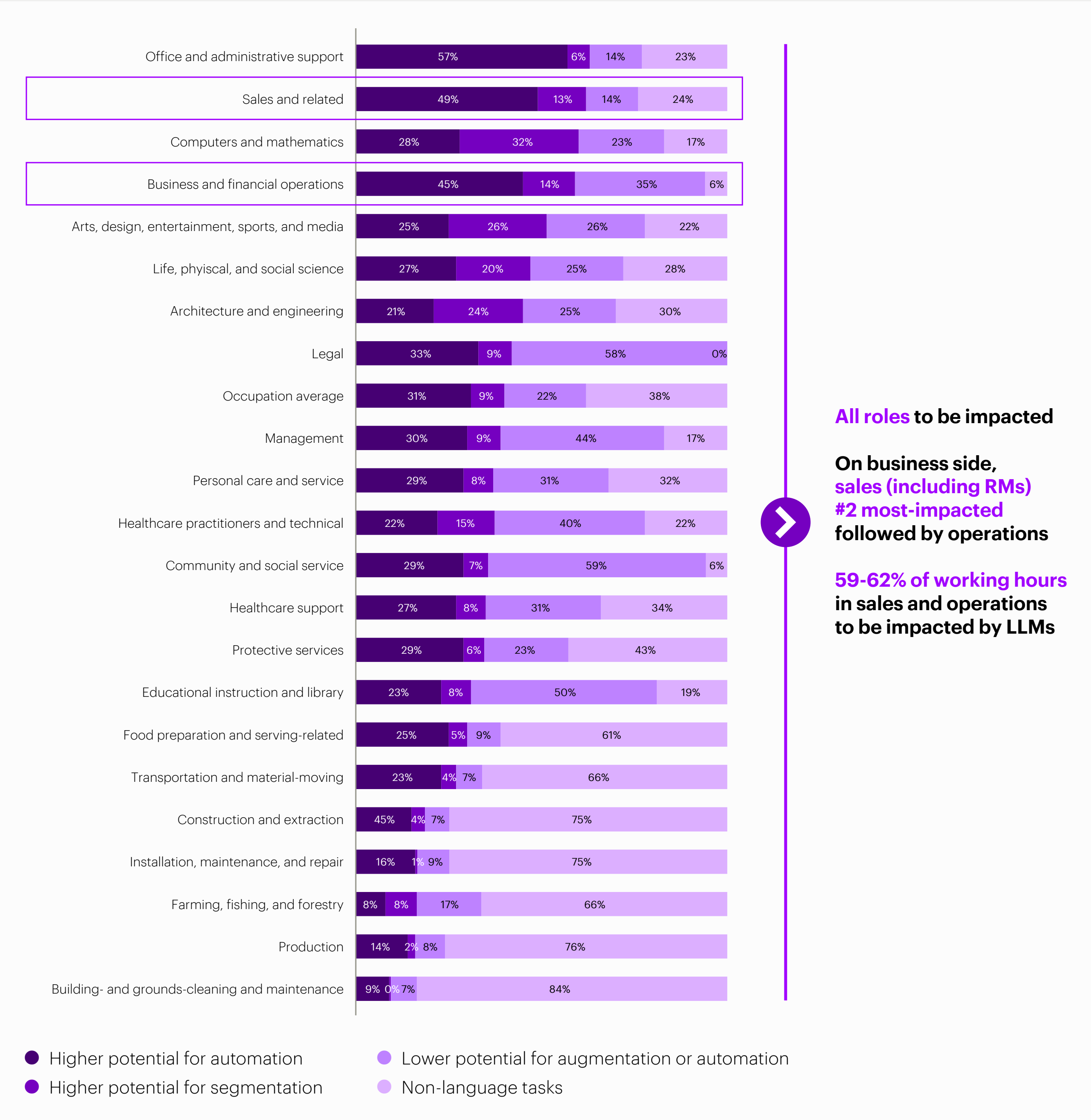


Source: Accenture Research based on analysis of Occupational Information Network, US Dept. of Labor, US Bureau of Labor Statistics

Notes: We manually identified 200 tasks related to language (out of 332 included in BLS), which were linked to industries using their share in each occupation and occupations' employment level in each industry. Tasks with higher potential for automation can be transformed by LLMs with reduced involvement from a human worker. Tasks with high potential for augmentation are those in which LLMs would need more involvement from human workers.

Figure GAI2: The expected impact of GenAI on specific roles.

Work-time distribution by major occupation and potential AI impact
(based on their employment levels in US in 2021)



Source: Accenture Research based on analysis of Occupational Information Network, US Dept. of Labor, US Bureau of Labor Statistics

Notes: We manually identified 200 tasks related to language (out of 332 included in BLS), which were linked to industries using their share in each occupation and occupations' employment level in each industry. Tasks with higher potential for automation can be transformed by LLMs with reduced involvement from a human worker. Tasks with high potential for augmentation are those in which LLMs would need more involvement from human workers.

Deploying GenAI, whose growth has been helped by the explosion in cloud computing and computational power, will allow wealth management firms to transform the customer experience and unleash the productivity of their RMs.

It is a significant evolution, and its power is something that some financial services firms have begun to harness—though it is still early days and being led by firms in the U.S. Several wealth firms, including Morgan Stanley,[10] and Goldman Sachs,[11] have started using or experimenting with GenAI in areas like customer service, prospecting, and software development.

Morgan Stanley, for instance, is testing a chatbot powered by ChatGPT's developer OpenAI for its 16,000 RMs so they can easily utilize the firm's huge amounts of research and data.[12]

And this is far from being the end of GenAI's uses. Figure GAI3 shows just some of the areas across the front- and back-office functions where this technology can be applied in wealth management.

Source: Accenture Analysis, 2023

Figure GAI3: Some—but not all—of the areas where GenAI can be used in wealth.

Front ⟵⟶ **Back**

Personalised interactions	Proactive engagement	Streamlined servicing	Reduced risk
Prep for client meetings & market research Enable RMs to focus on value-add activities and let AI aggregate and analyze data about the client, identify relevant topics, potential products/services based on client needs and market commentary	**Suggested offers & content at key moments** Leverage all the data we know across the firm and external data to suggest relevant articles, education or potential offers that may be relevant to clients at key moments that matter	**Knowledge management & internal search** Search internal knowledgebase for policies, procedures, relevant content to share, market commentary and more – making it easier to have info at your fingertips	**Optimization of KYC and due diligence data collection** Augment end-to-end operations to accelerate data intake & search for KYC due diligence, assist QA/QC and enable a KYC expert chatbot trained on org policies and procedures
Draft narrative of portfolio summary & financial plan Custom portfolio review and financial plan progress summary tailored to client's investment acumen, deriving relevant callouts and market highlights from research	**Inquiry & complaints transformation** RM and assistant RM augmentation to support the leg work and follow up work to handle client complaints and client communication routing by converting client requests to context-specific actions	**Optimization of onboarding & maintenance** GenAI can prepopulate documents, ensure the right documents are used, provide personalized training, and support overall onboarding and maintenance orchestration	**Communication compliance & fraud detection** Automate and augment compliance and fraud reviews of client communications. A compliance chatbot could answer questions about complex regulation & policies
Meeting recap & follow through on actions Swiftly summarize client discussions while highlighting action items so the RM does not miss logging important decisions and what is owed to the client	**Uncover insights from data to nurture relationship** Look across an RM's book of business to uncover opportunities to proactively engage clients – with recommendations on content to send in a personalized scalable way	**Prioritizing inbox, actions & tailored correspondence** Auto-prioritization of client emails for managing responses and work – helps reduce the inbox noise and minimizing the risk of overlooking critical details	**Optimized controls & regulatory reporting** Augment humans as the 'first line of defense'. AI can scan regulations for fine-grained controls needs, review controls for gaps and rationalization opportunity and automate drafting of control evidencing based on inputs

Source: Accenture Analysis, 2023

Moving to scalability with GenAI

For wealth managers embarking on their GenAI journey, this raises the question: how should they go about achieving scale? After all, although some organizations have begun investing in the GenAI space, none has achieved scalable capabilities to our knowledge.

Our experience via Accenture's dedicated LLM & Generative AI Center of Excellence[13] that advises clients on GenAI illustrates several considerations for firms looking to attain GenAI at scale:

Engagement model:
How should your team partner across business, operations, and tech teams to prioritize, qualify, and deliver use cases?

Use-case expansion:
Should you do "more of the same" or look to open alternative use-case channels?

Platform capability roadmap:
In parallel with planning the use-case pipeline, develop the roadmap to enable priority capabilities and features. A key question here is whether to anchor around core OpenAI or extend to other vendor solutions.

Support model:
Determine the support model for the initial use case—e.g., delineate roles and responsibilities between business/application technology teams, central GenAI center of excellence (CoE), and vendor support; and consider integration with the broader bank service management observability/incident management processes.

Technology architecture:
Explore target architecture principles—e.g., the degree of self-service, which could cover service instantiation, configuration, and management, and consider the optimal hosting solution.

Value case:
How do we articulate the value or RoI? This could be done with use-case success stories including revenue growth, risk reduction, and cost optimization.

Responsible AI:
How do we govern the use of AI technologies within the bank? And what are the risk and regulatory implications of extending its use into more business-critical or client-facing solutions?

In summary, the advent of GenAI represents a golden opportunity that wealth firms can leverage to increase efficiencies across their operations. For RMs particularly, the use of GenAI could support a halving of the number of low-value tasks they perform, freeing them up to focus on higher value-added activities that clients require—and that firms need from them if they are to meet their AUM growth targets.

RMs—
fast-forward to a brighter future?

By applying a disruptive approach and rethinking the RM role, firms need to ensure RMs have the training and means to focus only on what matters—including providing timely, relevant investment and other content to clients, resolving another client bugbear (see sidebar). This should lead to more clients and to more-satisfied clients. In a virtuous cycle, this will see those clients allocate more of their assets to their primary wealth manager—or to a competitor that provides such an RM offering.

Sales and investment content: Key pain-point meets opportunity

One of the most interesting findings in this year's survey relates to sales and investment content, and the feelings that clients and RMs have about it.

The upshot is this: The bulk of firms' clients are not satisfied with the content that is being provided to them, and this correlates directly to the client experience (Figure IC1).

There are several reasons for this dissatisfaction. First is the content itself, which tends to be in the form of lengthy PDF-based documents that are riddled with technical wording and detailed figures. This makes it hard to digest as it is not written for a client audience. Additionally, in an era when visualization is key to engagement, this over-reliance on PDFs means such content is hard to read, particularly on mobile devices.

Second, distribution is often highly inefficient—RMs might receive dozens of emails daily that contain PDF-formatted content in different styles and lengths from investment teams. That overloads RMs, who also do not know where content sits, as content libraries are often fragmented and not user-friendly.

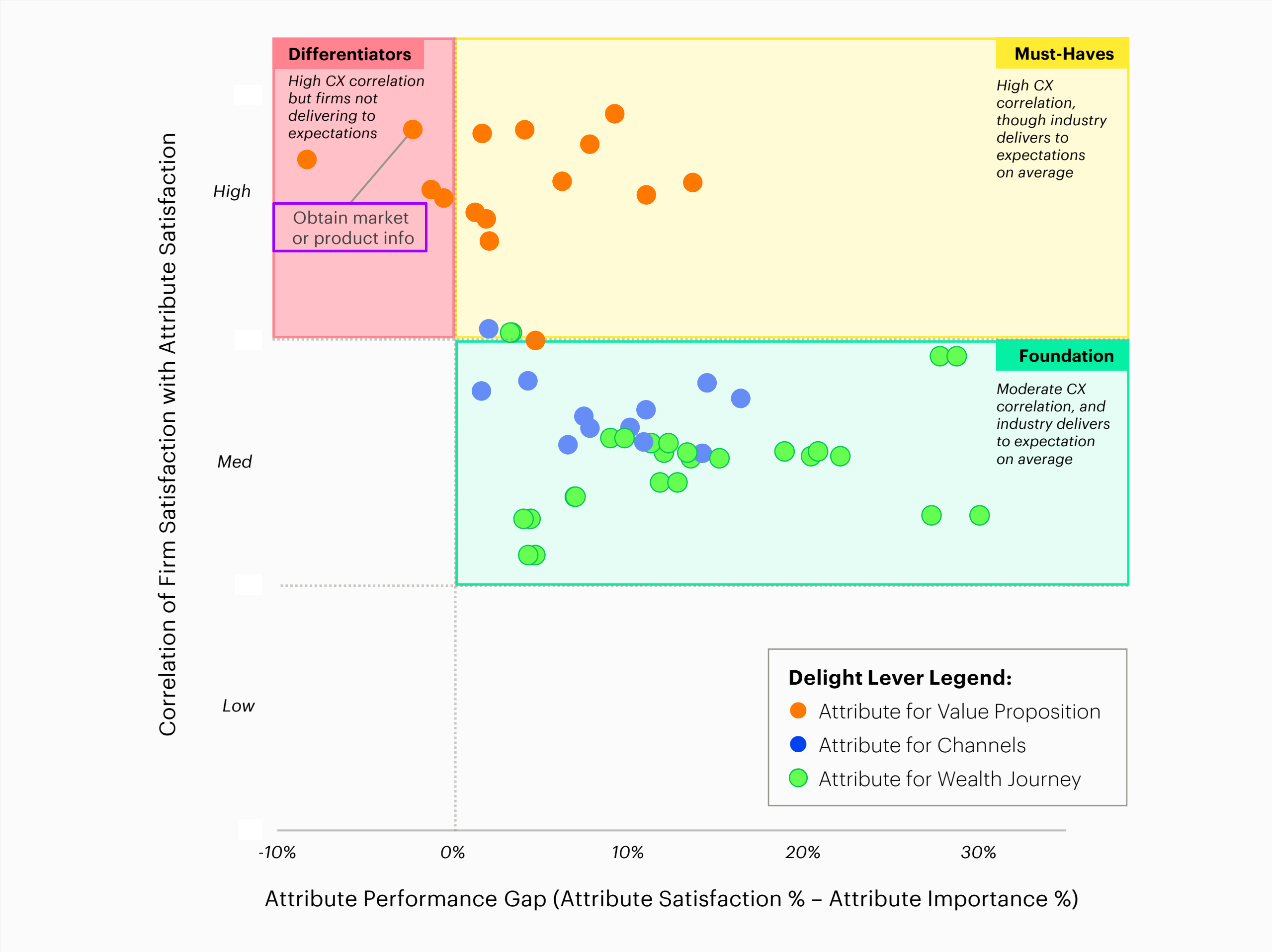
This leads to the third problem: Time-poor RMs often email this content to clients and generate very few insights on its reach as there is limited ability to track client engagement with it. As a result, many RMs follow-up blindly (if at all), and sales team leads are practically non-existent. Beyond the RM, in many cases, the content-generators—e.g., product and research teams—have little visibility on internal engagement or external engagement. There is often no feedback loop to support the next wave of content creation and optimization to improve engagement over time. All of this could be overcome by a dashboard linked to analytics and customer profiles, and with the relevant content for each client appearing in their app.

This is even more of a problem than firms might expect, because—as our research shows—clients view such content as a key differentiator.

> Not only are clients unhappy with the content they are receiving, but this also correlates robustly with their satisfaction levels with their firm.

Figure IC1: Dissatisfaction with sales and investment content holds back client satisfaction with the firm.

Correlation of Firm and Attribute Satisfaction (Y-axis) against Attribute Performance Gap (X-axis)



Source: Accenture's Asia Affluent Investor Survey, Q1 2023 (unless stated otherwise, findings refer to US$100K+ segment)

Y-axis: correlation coefficient between the variables of firm and attribute satisfaction based on aggregated client responses of 6 & 7 scores on a 1-7 scale. X-axis: gap between attribute satisfaction % and attribute importance % based on each attribute with aggregated client responses of 6 & 7 scores on a 1-7 scale

Attributes across value proposition, channels, and wealth journey have been redacted but are available to Accenture clients

Note: when studying topics that are difficult to measure such as subjective client experience, statisticians note that correlation coefficients will be lower (e.g., above 0.3 to be relatively strong) as compared to objective dimensions like socioeconomic status across a country.

The second, related finding is that RMs (and investment teams) know the importance of providing engaging content, and they know they are falling short in terms of what they are providing. Put in a wider context, the majority of non-financial services industries put content at the center of the sales and marketing strategy; however, wealth management does not, and instead prioritizes the human relationship. The challenge is that their target audience—today's digital consumer, from the ages of 21 to 91—constantly consumes engaging content because other industries recognize they need to be front of mind and constantly evolve. Wealth firms have a lot of catching up to do.

Case in point: When we asked RMs, investment teams, and product experts about a range of sales engagement tools and client engagement tools (Figure IC2), the majority recognized the importance of content. They also recognized that content engagement is lacking: For RMs, the satisfaction gap on content engagement is 7 percent, while for investment advisors it is 4 percent, and 13 percent for product experts.

The lack of engaging content—which feeds directly into wealth management firms' underperformance on digital channels—has several important consequences, with 92% of RMs saying that digital tools are a decision-driver for them to join a wealth management firm, and nearly half of RMs leaving their firm because the digital tools that are used there are poor. Content therefore has significant leverage on firms achieving their growth targets, which we saw earlier are highly dependent on RMs to deliver. This is even more critical as the probability of success for a newly hired RM can be low, with many not hitting the required profit threshold even two-to-three years after joining.

> Continuing with the status quo is no longer viable, given that an increasing array of third-party solutions exists.

Moving forward on improving content engagement is also a critical weapon in the war for RM talent and achieving ambitious growth targets, given many firms are still at a very nascent stage

The good news is that firms can take incremental steps to deliver quick wins, without requiring massive digital transformations, even if the end-state ambition is to have seamless integration of the latest next-gen content tooling into RM cockpits and other client and employee applications. In the current period of compressed transformation budgets, the potential speed to ROI for improving content distribution versus other digital projects can be compelling, and is potentially one of the most efficient uses of transformation-spend given its relatively low cost, immediate visibility improvement to team engagement and morale (and RM-hiring goals), and client engagement.

The lesson for firms? Focus more strongly on content engagement, starting with quick-win innovations. Clients will appreciate it, as will RMs and other key staff.

Figure IC2: Below-par content delivery is a pain-point for wealth management staff.

Importance of sales enablement and client engagement tools

Responses by different groups in SG, HK, CN, IN, ID, MY, TH

92% of RMs think digital tools are a decision-driver to join a WM firm

47% of RMs leave a WM firm due to poor digital tools

Not just RMs feeling feeling the pain, but investment advisors and product experts too

Source: Accenture's Asia Relationship Manager Survey, Q1 2023

Question asked: How important are the following with sales enablement and client engagement tools to you in your role?

Question asked: How satisfied are you with these sales-enablement and client engagement tools at your current firm?

[1] Gap between satisfaction and importance

(Figures based on respondents selecting a score of 6 & 7 on a 1-7 scale)

The final piece of the puzzle for firms looking to embark on the disruption journey for their RMs is to answer a range of questions that will boost understanding across the themes of strategy, scope, talent framework, and governance (Figure 39). Ensuring that the path taken aligns with those themes is crucial to success.

The good news—for RMs, clients and firms—is that wealth management executives are broadly aligned on the need to reimagine the RM role, even if the majority are focused on empowerment today and disruption tomorrow.

Figure 39: Successfully reimagining the RM role requires answering questions on key themes.

Themes	Key Questions
1 **Strategy and Ambition**	• What are the firm's strategic priorities and ambition? • What are the segment specific targets and ambition (include KPIs)?
2 **Scope** (markets, segments, frontline staff, relationship management, domains)	• Which market(s) or customer segment should we pilot this program with first? • Who are the preferred types of RM to engage for the competency assessment? For instance, new joiners, lower performers. • To what extent does our ambition extend to assistant RMs and investment counsellors? • What are some of the most pressing pain-point domain areas expressed by RMs and clients (e.g., content and insights dissemination, advisory, relationship management)?
3 **Talent framework and initiatives**	• Are there any existing talent development initiatives and how effective have they proven so far? • Is there an existing competency framework/ methodology that needs to be adhered to?
4 **Governance**	• Who will be the accountable sponsors and champions for this engagement? (within RM, assistant RMs, Investment Advisors) • Are there market-specific regulatory constraints to be aware of?

Source: Accenture Analysis, 2023

Alvin Lee, Group Head, Wealth Management at Maybank, says the firm's vision is "to humanize financial services, which clearly puts the RM at the heart of our business".

"As such, for now we are focused on empowering our RMs, though as the next generation of investors gains in prominence, there is no reason that a truly disruptive model that makes improved use of data and automation could not take hold at scale in the industry," Mr. Lee says.

VP Bank's Chief of Staff Asia, Heline Lam, says the firm is "focused on removing impediments to RM productivity, notably through digitized onboarding and general account-opening process simplification," she says. "Beyond this, we are looking at the optimal ratio of RMs to assistant RMs."

At BNP Paris Wealth Management, Arnaud Tellier, CEO Asia Pacific, says the business "remains human-led, and we are aggressively searching for ways to free up valuable RM time".

"Our vision is to humanize financial services, which clearly puts the RM at the heart of our business. As such, for now we are focused on empowering our RMs, though as the next generation of investors gains in prominence, there is no reason that a truly disruptive model that makes improved use of data and automation could not take hold at scale in the industry."

Alvin Lee
Group Head,
Wealth Management, Maybank

"We are focused on removing impediments to RM productivity, notably through digitized onboarding and general account-opening process simplification. Beyond this, we are looking at the optimal ratio of RMs to assistant RMs."

Heline Lam
Chief of Staff Asia,
VP Bank

"Many firms take a simplistic approach to role segmentation, with the RM focused on client relationships, and the investment counsellor focused on the portfolio," Mr. Tellier says. "We have found this too rigid and are exploring a blended approach to the service model across client profile, portfolio size, and seniority of resource, complemented by digital tools such as MyAdvisory to provide more client self-service options."

Akiko Matsubara, Executive Officer, Wealth Management Unit at MUFG, says the firm wants its RMs "to primarily play the roles of connector and planner".

"Given the structure of Japanese financial institutions into banking, securities, and trust firms, banking RMs are expected to lead—delivering comprehensive services by collaborating with experts across these divisions," she says. "The collaboration role is key and requires them to think holistically about the client's total asset-based needs, and to understand the customer's needs in depth so that they can identify and collaborate with the right experts to create solutions."

"The business remains human-led, and we are aggressively searching for ways to free up valuable RM time. Many firms take a simplistic approach to role segmentation, with the RM focused on client relationships, and the investment counsellor focused on the portfolio. We have found this too rigid and are exploring a blended approach to the service model across client profile, portfolio size, and seniority of resource, complemented by digital tools such as MyAdvisory to provide more client self-service options."

Arnaud Tellier
Chief Executive Officer,
Asia Pacific
BNP Paribas Wealth Management

"We want RMs to primarily play the roles of connector and planner. Given the structure of Japanese financial institutions into banking, securities, and trust firms, banking RMs are expected to lead—delivering comprehensive services by collaborating with experts across these divisions. The collaboration role is key and requires them to think holistically about the client's total asset-based needs, and to understand the customer's needs in depth so that they can identify and collaborate with the right experts to create solutions."

Akiko Matsubara
Executive Officer,
Wealth Management Unit,
MUFG

5

Path forward

Putting RMs and mobile at the heart of wealth management

Our 2023 research, then, serves to reconfirm and deepen two of last year's core findings: that a better omni-channel service (with mobile front and center) and a strong RM offering are key enablers for firms looking to grow their AUM.

With that said, it is worth recapping some of the key findings in this regard.

First, RMs are viewed by themselves, their clients, and CXOs as adding value in only one area: advisory. Second, RMs' productivity is often low because the scope of their work is too wide, and they lack the tools and empowerment to fully meet their clients' needs.

Third, many clients are not satisfied with the quality of service that get from their RM (40 percent feel their RM's service could be better, while 5 percent are unsatisfied). This suggests firms should rethink the RM model—removing what does not add value, and upskilling RMs and giving them the digital tools to ensure they focus only on what matters.

> The good news is that the three areas where RMs add no or little value—onboarding, execution, and servicing—could be automated to a great extent. This in turn reinforces the need for firms to rethink the end-to-end customer journey, and to digitalize and automate this wherever possible.

That brings us to the importance of having an efficient omni-channel approach, with mobile at its heart. Across nearly all markets, demographics, and wealth bands, a mobile app is the most-used channel, with clients in ten Asian markets ranking it in overall second place in importance just behind having an online banking portal.

However, app crashes, a lack of personalization, and too few asset classes on offer are just some of the reasons why many clients are frustrated with their firm's app. Clients also say apps provide functions that they do not value and lack those that they want. As a result, just 47 percent of clients are satisfied with their firm's mobile app.

Our view is that, despite shrinking transformation budgets, firms would be best served by seeking to improve delivery via mobile. One way to go about that process is to define the end-to-end journey, and then map out the right path to building a best-in-class mobile app that clients will value.

In summary, what stands out from our research is that providing a better mobile app and revamping the RM's role should translate into the grail of wealth management: increased AUM.

6

Charting your strategy

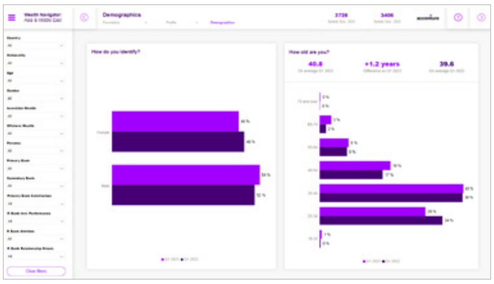
Introducing Accenture's Wealth Insights Navigator

The wealth management data underpinning our report, powered by significant engagement from wealth management firms, is the most comprehensive in Asia-Pacific.

That database is now available via Accenture's Wealth Insights Navigator (Figure WN1).

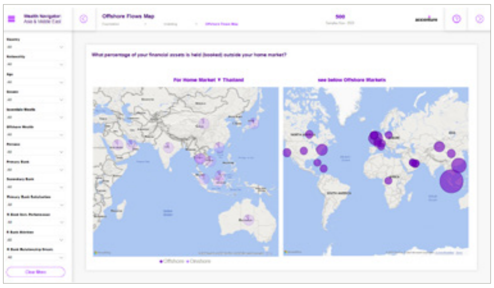
Figure WN1: Data mining with Accenture's Wealth Insights Navigator

Trended data
Granular filters to segment data
Sample size checker for analytical rigor



Powerful visualization (e.g., client experience, performance drivers)

Unique thematic insights (e.g., offshore wealth flows across corridors)



Wealth Insights Navigator is a proprietary Accenture data asset that is holistic and comprehensive, and that is presented on a user-friendly dashboard powered by Power BI.

It is targeted at financial institutions, independent financial advisers, insurance companies, technology firms, educators, and anyone else keen to learn more about investor needs and sentiment in Asia, and can be used to drive transformation initiatives in areas like digital capabilities, sales processes, investment proposition design, and talent management.

With statistically-significant data from investors banking with dozens of wealth management firms in Asia—including global universal and private banks, regional universal and private banks, local universal and private banks, and others, including fintechs and brokers—Wealth Insights Navigator also provides a unique opportunity to engage in extensive benchmarking (Figure WN2), and to generate granular insights into what investors want from their wealth management firm.

Figure WN2: Example of benchmarking data garnered from investor survey.

Number of covered firms in Asia
(with 2023 client responses > 30)

Global Universal & Private Banks	9
Regional Universal & Private Banks	6
Local Universal & Private Banks	13
Others (e.g., Fintech/Brokers)	8

Number of covered firms in Asia
(with 2023 client responses < 30)

Universal Banks, Private Banks, Others	>50

Example Asia firm coverage
(sample size in 2023)

		Affluent segment	*Private bank*
Global Universal Bank	234	153	81
Regional Universal Bank	215	142	73
Global Universal Bank	174	116	58
Regional Universal Bank	154	95	59
Global Universal Bank	139	-	139
Regional Universal Bank	130	28	102
Global Universal Bank	117	81	36
Private Bank	44	-	44
Global Universal Bank	35	-	35
Private Bank	30	-	30

Source: Accenture's Asia Affluent Investor Survey, Q1 2023
(unless stated otherwise, findings refer to US$100K+ segment)

Wealth Insights Navigator currently includes the investor data from last year's research, which covered more than 3,400 respondents in 10 markets, with themes including investor profiles, relationships with banks and RMs, and investing goals and investment allocation. It also introduced our Client Experience Framework, which incorporates the levers that our research shows attract and delight clients, and the implications of those levers on client satisfaction and attrition.

Wealth Insights Navigator has been refreshed with 2023 research (Figure WN3), including the new data from our Asia Affluent Investor Survey covering more than 3,700 affluent clients (split 40:60 between affluent and HNW/ultra-HNW) in 12 markets—adding Australia and Vietnam—along with research on investor offshore wealth flows and thematic deep-dives on mobile wealth management and reimagining the role of the relationship manager.

Additionally, our revamped and revised Wealth Insights Navigator allows much deeper segmentation of data and the use of micro-filters, ensuring that wealth management professionals can glean the insights they need at the level they require—from birds-eye view to granular, and comparing by market, investor segment, and region, to name just three possibilities.

Figure WN3: The Data in Wealth Insights Navigator – outline.

Edition	Method	Themes Covered
Wealth Insights Navigator	• The tool is populated by **Accenture's annual Asia and Middle East Affluent Investor Survey** • Survey conducted in December and January each year (2022 and 2023) • The survey was translated into Mandarin/ Simplified Chinese, Cantonese/Traditional Chinese, Thai, Bahasa, Japanese, Malay, Arabic • **3,406 responses** (3,728 responses in 2023) • **10 markets** (China, Hong Kong, Singapore, India, Indonesia, Malaysia, Thailand, Japan, Saudi Arabia, UAE) (+ Australia and Vietnam in 2023) • **40 percent of respondents were affluent** (with investable assets of US$100k–1m) while **60 percent fell within the high-net-worth** (HNW) or **ultra-HNW stratum** (with household assets above US$1m)	50 questions spanning: ☐ **Profile** of investors (+ one year trending data) ☐ **Relationships** with banks and RMs (including share of wallet) (+ one year trending data) ☐ **Investing** (e.g. goals, allocation, performance, offshore flows) (+ one year trending data) ☐ **Client experience framework** (attract levers, delight levers, implications on satisfaction and attrition) (+ one year trending data) ☐ Thematic deep dive: Mobile wealth management (key activities, innovations, frustrations, omni-channel, asset classes) ☐ Thematic deep dive: Reimagine role of RM (role vision, service quality drivers, value-add of role activities) ☐ Deeper segmentation and filters

New additions in 2023 Wealth Navigator

For more on Accenture's Wealth Insights Navigator and how it can improve your approach to wealth management research, please get in touch with us: wealth.navigator@accenture.com

Acknowledgements

We would like to thank the many individuals and organizations who came together to prepare this report.

For Accenture, the primary author and sponsors were:

Primary report author

David Wilson
Principal Director,
Wealth Management Lead,
Growth Markets
david.p.wilson@accenture.com

Report sponsors

Nicole Bodack
Managing Director,
Capital Markets Industry Lead, Asia,
FS Strategy & Consulting Lead, SEA
nicole.bodack@accenture.com

Soichiro Muto
Managing Director,
Capital Markets Industry Lead,
Growth Markets and Japan
soichiro.muto@accenture.com

Contributing authors

We would like to thank the team providing analysis and expertise to the findings of the report.

Mobile apps: Unloved and falling short
Marcus Chew

The RM role: Re-think and reboot
Sumeet Sarangi, Jashmeen Desai, Junming Huang

GenAI Sidebar: Keri Smith, Rachel Silver

Subject-matter experts

We would like to thank the team providing global analysis and expertise to the findings of the report.

Global
Samir Gherbi, Scott Reddel, David Helin, Matthew Bonshak, Schira Lillis, Andrew Young

Asia
Amrendra Bisht, Ishida Masaya, Anca Vasilescu, Nesan Govender, Ramesh Rajandran

Participating firms

We would like to thank the firms who participated in our Industry CXO Dialogues and agreed to be named:

- Bank of Ayudhya PCL
- Bank Julius Baer Asia Pacific
- Barclays Private Bank
- BNP Paribas Wealth Management
- CICC Wealth Management
- DBS Bank Ltd
- HSBC Global Private Banking
- Maybank
- Mitsubishi UFJ Financial Group, Inc.
- Standard Chartered Bank
- St. James's Place
- Union Bancaire Privée
- VP Bank

Marketing, PR and creative

We would like to thank the team who produced the report and supported the launch.

Carole Putallaz
Wealth Management Marketing Lead

Eric Becker
Capital Markets Media Relations Lead

Appendix 1

Total Enterprise Reinvention (TER)

How applying Total Enterprise Reinvention can help deliver wealth management success

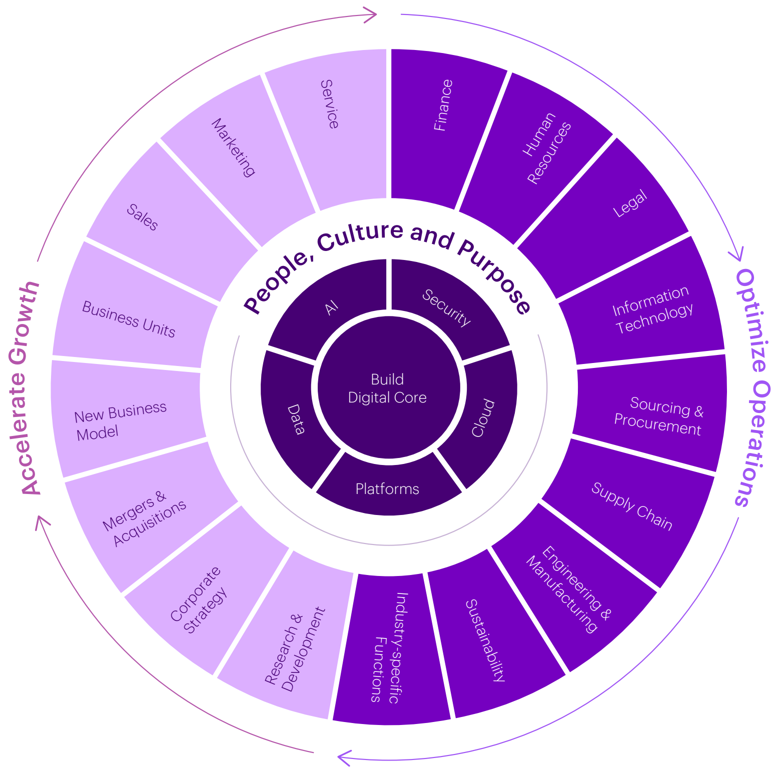
Wealth management firms seeking to transition to a more efficient and profitable future should consider applying Accenture's Total Enterprise Reinvention strategy. It centers firms around a strong digital core, and helps to drive growth and optimize operations.

The Total Enterprise Reinvention's connected wheel (Figure TER1) outlines the approach.

Total Enterprise Reinvention operates under the premise that today, in every function, technology plus new ways of working, can create new value, and that the advancements in technology are likely to make that value constantly evolving.[14]

We believe that companies of all stripes that embrace Total Enterprise Reinvention will establish a new performance frontier, outperforming peers in financial areas (including higher incremental revenue growth, lower costs, and a stronger balance sheet), technology (which speeds the path to transformation), and 360° Value Reporting Experience objectives[15] that build sustainable value for all stakeholders.

Figure TER1: Accenture's Total Enterprise Reinvention Wheel.



Source: Accenture

Within the model, enterprises focus on one or more of six key characteristics:

- **Reinvention is the strategy**, not simply an execution lever.
- The **digital core**, which leverages AI, the cloud, and data via interoperable systems across the enterprise, becomes a primary source of competitive advantage.
- Reinvention goes **beyond benchmarks** and embraces the art of the possible.
- **Talent strategy** and people-impact are central to reinvention, which change-management a core competency.
- Reinvention is **boundaryless** and breaks down silos.
- Reinvention is **continuous**.

For the purposes of this report, the second and fourth characteristics are of greatest relevance. The second characteristic covers the need to build a digital core (which, importantly, reinvents the client experience and assists RMs to deliver what they want), while the fourth largely applies to changing the RM framework that most firms employ.

As this report has shown, succeeding in both areas is crucial for wealth management firms looking to meet their growth goals.

Digital core

A strong digital core is at the heart of meeting an enterprise's strategic needs. Success, though, requires changing its technological landscape from a series of static, standalone parts to interoperable pieces that are intentionally integrated, and that leverage the cloud..

Typically, firms at the start of this journey would ask the following:

- How would you assess your digital core?
- What is its level of maturity and what are its known gaps?
- Is the ability to use technology investments to achieve sustainability and other 360° Value Reporting Experience objectives and any negative impacts formally included in technology investment decisions?

In this model, the digital core has three layers. Layer 1 is an infrastructure and security layer, with a modern, cloud-based IT foundation that is automated, agile, and secure by design. Layer 2 comprises data and artificial intelligence (AI), allowing the enterprise's data to be accessible at scale, with AI generating insights for decision-making—removing the inefficiencies of trapped data, for instance, and driving improved decision-making and the design of new products.

Layer 3 is an applications and platforms layer, where customized and cutting-edge applications and platforms bring new experiences and ways of operating. Again, interoperability, is crucial, connecting technologies, data, and applications across the enterprise.

Importantly, this is not a one-off process, but one that is continuous and incorporates new technologies and capabilities as they become available.

For wealth management firms, one area in which a digital core will have a significant impact is with their RMs. Our 2023 survey echoed and reinforced last year's finding that most RM tasks fail to add value, and that much of their workload could be automated. That second aspect is perhaps less surprising, given that Accenture estimates that 76 percent of a US worker's tasks could be reinvented by combining new technologies and new ways of working.[16] This holds true for RMs as well—and, given the shortfall of RM talent, serves to emphasize the importance of building a strong digital core

Lastly, and as we saw in this report, a strong digital core will help to reinvent the client experience—including, importantly, by revamping the digital and mobile channels, as well as adding value by disseminating investment content, which this year's survey found is something that clients are particularly hungry for.

Talent strategy

At the heart of reinvention are the staff. Here, the following questions are of particular use:

- Do leaders have sufficient technology acumen to understand the art of the possible and what it can do to drive reinvention?
- Do you have existing change management capabilities to support your continuous transformation journey, or are you standing these up for each transformation project?
- Do you use data to measure your transformation, and is the same form of measurement used for all programs?

Once again, an improved talent strategy will result in a better client experience—and, again, when it comes to wealth management firms, the RM is at the heart of this. As with any such transformation, getting people on-side is crucial. Human factors, after all, pose some of the biggest barriers to delivering a reinvention strategy, which is why ensuring staff are on-board with that change increases the chance that it will succeed.

It is also true that, as we found last year, RMs want change. They spend more than half of their time on non-revenue-generating activities like administration, non-client meetings, and trade execution. In addition, the typical RM in Asia uses an average of five tools or applications for each key activity, which undercuts productivity, adds pain-points, and means they cannot generate personalized insights and advisory proposals.

What most RMs want is a one-stop platform that brings together all their underlying capabilities and tasks in a single place. The good news is that most RMs are open to change—and, indeed, would be far happier if firms went down the change path. The benefit for firms is that empowering their RMs in this way would allow them to reach far more clients and would help them to meet their clients' growing expectations.

Appendix 2

The Advisory Board

We would like to thank the many individuals and organizations who came together to prepare this report.

Marc Van de Walle, CFA

Global Head,
Wealth Management,
Deposits and Mortgages

Marc joined Standard Chartered Bank in July 2020 and is responsible for driving the wealth management, deposits, mortgages, and payments propositions across Consumer, Private and Business Banking (CPBB).

Marc has over 25 years of experience in Retail Banking, Private Banking and Wealth Management in Europe and Asia. Prior to joining Standard Chartered, Marc was the Global Head of Products at Bank of Singapore and concurrently Head of Wealth Management for OCBC. Marc started his banking career in Europe where he worked in retail and private banking roles in ING Bank and also spent some time during his early career building out an online equities trading platform.

Marc holds an MBA from University of California, Berkeley and is a Chartered Financial Analyst. He has also completed the Advanced Management Programme at Harvard Business School. He is married and has a daughter.

Sacha Walker

Head of Strategy and
Business Operations, APAC

Having been with Julius Baer since 2006, Sacha Walker is currently based in Singapore where he is Head of Strategy and Business Operations APAC. He is responsible for the blueprint and implementation of the products, services, and business technology strategy for Asia, and oversees the regional advisory risk management and suitability as well as the trading and execution middle-office teams. He is currently implementing a global strategy to build up Singapore as the second Markets technology and development hub for Julius Baer.

Prior to this, he was global head of Product Management and Development and Chief of Staff to the Julius Baer Group CEO. Before joining Julius Baer, Sacha worked at UBS and Credit Suisse, and was also an external management consultant.

Sacha holds Master's degrees in Law and in Business Administration and Economics from the University of St. Gallen, Switzerland, and is a Certified International Investment Analyst.

Evonne Tan

Head of Barclays Private Bank, Singapore

BARCLAYS | Private Bank

Evonne Tan joined Barclays in March 2021 and is currently Head of the Private Bank for Barclays Singapore. She is also a member of Barclays Singapore Management Team which oversees business strategy, risk management and governance for Barclays Bank PLC Singapore branch.

Evonne is a banking veteran with almost three decades of experience in the financial services industry with broad exposure to various businesses including foreign exchange sales and trading, corporate solutions structuring, asset management and private wealth management.

For the past 18 years, Evonne has worked in private wealth management, covering primarily UHNW families and their Family Offices. She advises UHNW clients on various aspects of investments and structuring including asset allocation, portfolio management, structured financing solutions, family office advisory and family governance, among others. Evonne also works closely with clients on their sustainability objectives and Impact Investments, helping clients not just invest in, but also shape and influence the future. Evonne has been an Unreasonable mentor since November 2021 helping promising growth ventures to scale their impact efforts. In terms of specialism, Evonne's expertise is in bespoke one bank and structured financing solutions.

Just prior to Barclays, Evonne was Market Team Head for the UHNW Singapore business at UBS Singapore. Evonne is a graduate of the National University of Singapore and holds a Masters in Advanced Finance from the University of Bern and a Masters in Wealth Management from the University of Rochester Simon Business School.

Alvin Lee
Head Group
Wealth Management

Alvin Lee is responsible for Maybank Group's wealth business across the private banking, mass affluent and emerging affluent segments. The wealth business spans eight countries and tops US$70bn in combined AUM.

Alvin has 30 years of banking experience across wealth management, corporate, consumer banking and treasury, with specializations in product and risk management, as well as in business development.

Prior to joining Maybank, Alvin worked at Burgan Bank in Kuwait as a consultant to the CEO, managing the bank's treasury function and its proprietary investment portfolio in fixed income, fund, and private equity. He also spent 14 years with Citibank and four years with Barclays in London. He began his career at JP Morgan.

Alvin holds a Bachelor of Accountancy degree from Nanyang Technological University.

Arnaud Tellier
Chief Executive Officer,
Asia Pacific

Arnaud Tellier is CEO, Asia Pacific at BNP Paribas Wealth Management, and leads a regional team of around 1,000 private banking professionals across key markets in Asia.

In his role, Arnaud defines the strategic direction of the business while overseeing its day-to-day management. Arnaud is passionate about the business; his hands-on approach ensures clients and their families can better navigate ever-changing markets in Asia, and across the world. He was awarded 'Private Banker of the Year' at the 2022 Asian Private Banker Awards for Distinction.

Arnaud brings a multi-disciplinary approach to serving BNP Paribas' private banking clients, with a background in capital markets and corporate and investment banking.

Arnaud has held senior management positions at BNP Paribas for more than 20 years. His most recent role was Head of Wealth Management, Singapore, and Southeast Asia. He has held prior leadership roles as Regional Head of Corporate and Investment Banking, Northern & Central Europe and from 2006 to 2010, the CEO and Country Head for Greece. Arnaud was Head of Corporate and Investment Banking for Turkey from 2010 to 2013.

A Finance graduate of the French Business School, Arnaud is fluent in Spanish, French, and English. A family person at heart, he is also an avid sports enthusiast.

Bo Wu

Member of the CICC Management Committee
Head of the Equities Department
President of CICC Wealth Management

中金财富
CICC Wealth Management

Mr. Bo Wu joined the Investment Banking Department of CICC in 2004, and became Secretary to the Board of Directors in May 2015. He has been Head of the Wealth Management Department since February 2017, and the President of CICC Wealth Management since November 2020. He is also Head of the Equities Department of CICC starting June 2022.

During his service in the Investment Banking Department, Mr. Wu held several senior positions, including Head of the Sponsor Business Department, Executive Head of the Growth Enterprise Investment Banking Department, and a member of the Operations Group of the Investment Banking Department. In 2015, Mr. Wu led the successful Hong Kong IPO of CICC, raising total proceeds of USD900 million. The deal was named the Best Hong Kong IPO of the Year by IFR Asia.

Mr. Wu currently leads the Wealth Management business of CICC Group, which is dedicated to providing world-class wealth management services to clients from high net worth to the general public. The services include transaction, financing, product and asset allocation solutions. With over 200 branches, more than 6,000 employees and nearly RMB three trillion of assets under custody nationwide, CICC Wealth Management is a pioneer in transforming the wealth management business for Chinese securities firms. The Group has been named the Best Wealth Management Institution in China by the media for many consecutive years. Under the leadership of Mr. Wu, CICC and Tencent formed Jinteng Technology in 2020, a joint venture Fintech company, dedicated to digital innovation in the wealth management area. In addition, CICC Wealth Management completed full agile transformation in 2021 and has made significant progress in digital transformation in recent years. Mr. Wu also leads CICC's Equities Department, which provides one-stop integrated services including "research, sales, trading, product and cross-border services" to institutional investors. The Equities Department covers more than 6,000 domestic and overseas clients with its broad global network. It has also been recognized as the best sales and trading team in China for many years.

Prior to joining CICC, Mr. Wu served as an auditor of Arthur Andersen Huaqiang Certified Public Accountants and a senior auditor of PricewaterhouseCoopers Zhong Tian LLP. He has abundant experience in finance, accounting and tax areas.

Heline Lam

Chief of Staff Asia
Member of Asia Management Committee

Heline Lam is Chief of Staff Asia of VP Bank and a member of the Asia Management Committee. As a strategic partner and trusted advisor to CEO Asia, she ensures that strategic and organizational initiatives, objectives, and priorities are successfully carried out and implemented. Currently based in Singapore, she leads the Business Management, Human Resources and Marketing and Communications functions in Asia, and spearheads special projects.

Prior to joining VP Bank, Heline was Head of HR Asia at Pictet. She brings a wealth of experience in financial services and private banking gained in Hong Kong, Shanghai, and Singapore. She has more than 20 years of proven track record in HR advisory, organizational strategy, and relationship management in financial and professional services across Asia. Heline began her career as a Private Banker and held senior HR roles at UBP, Julius Baer, and Standard Chartered Bank.

She holds a Bachelor of Commerce degree from the University of British Columbia.

Win Phromphaet

Head of High Net-Worth Division

Win Phromphaet is EVP—Head of High Net-Worth Division, Bank of Ayudhya PCL. His division is responsible for developing HNW segment strategies, building relationships and providing personalized services for over 100,000 HNWIs (including Krungsri Exclusive and Krungsri Private Banking clients), as well as collaborating among Krungsri Group to enhance investment advice and recommend asset allocation for clients.

Win has over 20 years of professional experience in Investment Management. Prior to this, Win was Chief Investment Officer of Principal Asset Management. He led a team of 20 to win the prestigious Best Fund House—Domestic Fixed Income Award by Morningstar Thailand for four consecutive years. Before that, he was Head of Investments and Deputy Spokesperson of the Social Security Office, Thailand's largest institutional investor with total AUM of US$38 billion.

Win holds a BA in Economics (International Program) from Thammasat University in Bangkok and an MBA from Rotterdam School of Management, Erasmus University, Netherlands. His MBA study was sponsored by the Royal Thai Government Scholarship. Win is a CFA Charterholder and is currently President of CFA Society Thailand.

Wei Mei Tan, CFA, CA, CAIA
Managing Director
Global and Asia Head of Advisory
Global Private Banking and Wealth
HSBC Global Private Banking

Wei Mei is the Global and Asia Head of Advisory at HSBC Global Private Banking and Wealth. She is responsible for leading a unified advisory proposition globally across the wealth continuum covering all client segments in digital, transactional, and contractual advice.

Wei Mei has over 20 years of experience across private banking, investment banking, asset management and fintech. Most recently, she was the Chief Advisory Officer at Endowus, a digital wealth advisor that counts UBS as a strategic investor. Before that, Wei Mei was Managing Director and Global Co-Head for Advisory and Investment Solutions at Deutsche Bank. While at Deutsche, Credit Suisse and UBS, Wei Mei led various portfolio solutions business units that focused on building recurring revenues and helped transform the investment platforms to engage clients digitally. Earlier on in her career, Wei Mei worked at JPMorgan and Credit Suisse in credit structuring and alternative investments. She was also a fixed income portfolio manager at Temasek Holdings.

Wei Mei graduated from Harvard Business School and Nanyang Technological University. She is a Temasek scholar, Chartered Financial Analyst (CFA), Chartered Accountant (CA), and Chartered Alternative Investment Analyst (CAIA).

Akiko Matsubara
Executive Officer,
Wealth Management Unit
MUFG Mitsubishi UFJ Financial Group

Akiko started her career at a Japanese securities company in retail client coverage after graduating university in 1990. She followed that with over 15 years of experience in structured products as a marketer and structurer in investment banking (fixed income) at several non-Japanese firms. Most recently, she was the head of investment products services in the wealth management division at UBS Japan, and focused on transforming the business model to orient it towards recurring revenues.

In 2019, she joined Mitsubishi UFJ Financial Group and is responsible for establishing the Japan domestic wealth management business model across MUFG's entities. The scope is not only investment management but also to provide a more comprehensive solution. In particular, MUFG launched the MUFG Wealth Management Digital Platform in February 2022, which enables advisors to provide visualized simulations of life plans to customers based on a consolidated database across group entities.

In addition to wealth management, Akiko is responsible for group strategies of investment management in the business unit.

References

1 Investable assets are defined as the total of all liquid and near-liquid assets, which excludes primary residences, collectibles, consumables and consumer durables.

2 Wealth managers grapple with one of their worst years in a century, Financial Times (December 30, 2022). See: https://www.ft.com/content/b9464ea6-6506-49a6-8ea9-42a36708554e

3 The continuum play refers to the ability of firms to serve clients and their wealth as they grow from lower levels of affluence towards significant wealth during their life. Source: Accenture Market-Sizing Model, 2023.

4 Source: Accenture Market-Sizing Model, 2023.

5 Total Enterprise Reinvention, Accenture (2022). See: https://www.accenture.com/us-en/insights/consulting/total-enterprise-reinvention

6 "Game over" after nine months: Singapore private bankers feel pressure of big pay rises, efinancialcareers (June 9, 2021). See: https://www.efinancialcareers.sg/news/2021/06/singapore-private-bankers-pressure-of-big-pay-rises

7 https://wccftech.com/nvidia-ceo-calls-chatgpt-as-one-of-the-greatest-thing-ever-done-for-computing-says-its-the-iphone-moment-of-ai/

8 https://blogs.nvidia.com/blog/2023/01/26/what-are-large-language-models-used-for/

9 A new era of generative AI for everyone, Accenture (2023). See: https://www.accenture.com/content/dam/accenture/final/accenture-com/document/Accenture-A-New-Era-of-Generative-AI-for-Everyone.pdf

10 Morgan Stanley is testing an OpenAI-powered chatbot for its 16,000 financial advisors, CNBC (March 14, 2023). See: https://www.cnbc.com/2023/03/14/morgan-stanley-testing-openai-powered-chatbot-for-its-financial-advisors.html

11 Goldman Sachs is using ChatGPT-style A.I. in house to assist developers with writing code. See: https://www.cnbc.com/2023/03/22/goldman-sachs-experiments-with-chatgpt-like-ai-to-help-devs-write-code.html

12 https://www.cnbc.com/2023/03/14/morgan-stanley-testing-openai-powered-chatbot-for-its-financial-advisors.html

13 https://www.accenture.com/us-en/services/applied-intelligence/generative-ai

14 Total Enterprise Reinvention, Accenture (2022). See: https://www.accenture.com/us-en/insights/consulting/total-enterprise-reinvention

15 Accenture's 360° Value Reporting Experience is a way to measure valued captured across six vital dimensions: Sustainability, Talent, Inclusion & Diversity, Client, Experience, and Financial. For more, see: https://www.accenture.com/us-en/about/company/integrated-reporting

16 16. Total Enterprise Reinvention, Accenture (2022). See: https://www.accenture.com/us-en/insights/consulting/total-enterprise-reinvention

About Accenture

Accenture is a leading global professional services company that helps the world's leading businesses, governments and other organizations build their digital core, optimize their operations, accelerate revenue growth and enhance citizen services—creating tangible value at speed and scale. We are a talent and innovation led company with 738,000 people serving clients in more than 120 countries. Technology is at the core of change today, and we are one of the world's leaders in helping drive that change, with strong ecosystem relationships. We combine our strength in technology with unmatched industry experience, functional expertise and global delivery capability. We are uniquely able to deliver tangible outcomes because of our broad range of services, solutions and assets across Strategy & Consulting, Technology, Operations, Industry X and Accenture Song. These capabilities, together with our culture of shared success and commitment to creating 360° value, enable us to help our clients succeed and build trusted, lasting relationships. We measure our success by the 360° value we create for our clients, each other, our shareholders, partners and communities.. Visit us at **www.accenture.com**

Stay connected

Accenture Wealth Management

Capital Markets Blog