Article:
Advice goes virtual: how new digital investment services are changing the wealth management landscape
Advice goes virtual: how new digital investment services are changing the wealth management landscape

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Advice goes virtual: how new digital investment services are changing the wealth management landscape

Abstract
The emergence of a new group of digital wealth management firms offering automated investment advice services has quickly become one of the most frequently debated topics in the industry. Comparisons are being made to the travel industry of the 1990s, when the travel agent model lost ground to online services such as Expedia, and some media outlets and analysts are predicting that the emerging start-ups will revolutionize how wealth management advice is provided. Yet others have discounted and labeled this “robo-advisor” movement as unproven and believe its solutions are no match for human personalized investment advice. In this context, we wanted to explore these new firms to understand the innovations they are offering and their aspirations for the future and answer some of the questions many in the industry are asking. Are these firms going to challenge the traditional wealth management model and change the industry landscape? Is there a large enough market for their services beyond the young, tech-savvy client segment they have attracted so far? And, if the underlying changes (e.g., client experience, new potential client segments) are permanent, what should traditional firms do?

This report presents our insights and perspectives based on numerous interviews and discussions with senior executives across the industry, including traditional wealth managers and digital entrants, as well as secondary market research. Our key findings are as follows: digital entrants use a combination of simplified client experience, lower fees and increased transparency to offer automated advice direct to consumers; the new models have the potential to make advice for the mass market feasible at last; the changes digital firms have introduced are here to stay, so traditional players need to determine if and how they want to approach them. In summary, our view is that the emergence of digital entrants into the wealth management space will indeed change the industry in several ways. This will ultimately benefit new and existing investors alike by providing better and more affordable products and services through an improved client experience.
Digital meets advice: emerging advisory models

In today’s world, it is hard to find an industry that has not been revolutionized, or at least dramatically changed, by the advent of digital technologies. After the financial crisis and the resulting loss of clients’ trust in established financial services institutions, digital technology firms began to emerge with fresh ideas on investing and providing advice. While traditional wealth management firms were focused on meeting new regulatory requirements and the complexities of crisis-driven consolidation, the start-ups saw an opportunity to leverage their high-tech talent to build out simpler and cheaper methods of delivering financial advice in an innovative way. Now, with the help and support of venture capitalists, these firms are starting to redefine the wealth management landscape, enabling alternative business models and expanding the boundaries of the wealth management client base.

Driven by innovative software engineers and finance academics, these companies are digital registered investment advisors (RIAs) seeking to provide simplified financial solutions through sophisticated online platforms, eliminating or reducing the need for face-to-face interaction. The steady rise of the digital entrants has led to the emergence of two alternatives to the traditional advisor-based wealth management model, as displayed in Figure 1:

1. Fully automated digital wealth managers:
This model uses a direct-to-consumer business approach to offer fully automated investment services, without assistance from a financial advisor, to obtain a diversified investment portfolio. Firms like Wealthfront and Betterment – at the forefront in this category – have differentiated themselves by offering easy-to-use tools that simplify the client experience. New clients complete a simple profile and risk tolerance questionnaire online and receive a recommended portfolio, composed mostly of low-cost exchange-traded funds (ETFs), that has been optimized to meet their needs. These firms seem to have gained traction with millennials and the lower segments of the market, as evidenced by the average account size of between U.S. $20,000 and U.S. $100,000.¹ These fully automated investment accounts offer direct deposit, periodic rebalancing, dividend reinvestment and tax-loss harvesting, among other features.

¹ Based on publicly available information and EY research.
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**Figure 1: The new market landscape**

<table>
<thead>
<tr>
<th></th>
<th>Digital wealth managers</th>
<th>Traditional wealth management firms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business model</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully automated</td>
<td>▪ Software-based delivery of customized and automated investment advice</td>
<td>▪ Face-to-face advice mainly through branch network offering comprehensive wealth management</td>
</tr>
<tr>
<td>Advisor-assisted</td>
<td>▪ Phone-based financial advisor (FA) accessible through digital channels to deliver personal advice</td>
<td></td>
</tr>
<tr>
<td><strong>Typical investor</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully automated</td>
<td>▪ Millennial, tech-savvy, price-sensitive; wants to match market returns and pay low fees</td>
<td>▪ Affluent, high-net-worth*** and ultra-high-net-worth**** clients who value guidance from a trusted FA</td>
</tr>
<tr>
<td>Advisor-assisted</td>
<td>▪ Mass market and mass affluent* clients who value human guidance and technology</td>
<td></td>
</tr>
<tr>
<td><strong>Value proposition</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully automated</td>
<td>▪ Convenient and easy-to-use, low-cost online platform offered directly to consumers</td>
<td>▪ Dedicated FA with full range of investment choices and comprehensive wealth planning</td>
</tr>
<tr>
<td>Advisor-assisted</td>
<td>▪ Digital platform combined with advisor relationship; affordable pricing for fully diversified portfolio</td>
<td></td>
</tr>
<tr>
<td><strong>Fee structure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully automated</td>
<td>▪ 0.25%-0.50% fee on assets managed; minimums may apply</td>
<td>▪ 0.75%-1.5%+ fee on assets managed; minimums may apply, varies by investment type</td>
</tr>
<tr>
<td>Advisor-assisted</td>
<td>▪ 0.30%-0.90% fee on assets managed; monthly fees per planning program; minimums may apply</td>
<td></td>
</tr>
<tr>
<td><strong>Investment process overview</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully automated</td>
<td>▪ Risk profile, target asset allocation, managed investment account, automated rebalancing, easy access</td>
<td>▪ In-person meeting with dedicated advisor, financial planning, investment proposal, target asset allocation, brokerage and managed accounts, automated rebalancing, in-person access and reviews</td>
</tr>
<tr>
<td>Advisor-assisted</td>
<td>▪ Virtual FA meeting, financial planning, risk profile, target asset allocation, managed investment account, automated rebalancing, easy access, periodic reviews</td>
<td></td>
</tr>
<tr>
<td><strong>Investment vehicles</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully automated</td>
<td>▪ Exchange-traded funds (ETFs), direct indexing**</td>
<td>▪ Stocks, bonds, ETFs, mutual funds, options, alternative investments, commodities, structured products</td>
</tr>
<tr>
<td>Advisor-assisted</td>
<td>▪ ETFs, stocks</td>
<td></td>
</tr>
</tbody>
</table>

Source: Based on publicly available information and EY research

*U.S. households with U.S.$250,000 to U.S.$1 million in financial assets
**Wealthfront offers direct indexing to accounts >U.S.$500,000 in assets through individual stock selection
***U.S. households with U.S.$1 million to U.S.$10 million in financial assets
****U.S. households with greater than U.S.$10 million in financial assets
2. Advisor-assisted digital wealth managers:
This model combines the digital client portal and investment automation with a virtual financial advisor typically conducting simple financial planning and periodic reviews over the phone. Firms like Personal Capital, Future Advisor and LearnVest are key players in this category. To further differentiate themselves, they offer value-added services like asset aggregation capabilities that enable the provision of more holistic advice than fully automated wealth managers, based on a comprehensive view of client assets and liabilities, as well as expense tracking and advice on budgeting and financial goal planning.

The common characteristic of these models is the offer of more affordable basic components of wealth management directly to consumers in a seamless, scalable and cost-efficient manner. This is done by leveraging several key elements, outlined in Figure 2:

- **Broad use of technology across the whole client life cycle to deliver a simplified client experience.** Many of the automated components that firms leverage have been available in the market for some time (e.g., online investment proposals, model management and automatic rebalancing). Hence, it is the ability to integrate them in a seamless manner and deliver them through a simple and intuitive user interface that creates a scalable and cost-effective self-service model. The persistent focus on user-centric design and continuous innovation that is part of a technology company’s DNA further enhances the client experience.

- **Digital delivery of firms’ education and client-relevant content.** Most established wealth management firms still print, fax and mail complex and difficult-to-understand hard copy reports and statements. Digital entrants, instead, have enlisted the help of skilled writers and bloggers to reach their customer base through meaningful and personal media content. Emphasizing knowledge-sharing and education on personal finance (rather than stock research and market news), these firms provide useful content online and through mobile devices in a manner they believe better aligns with how clients communicate and collaborate today.
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Figure 2: What are the innovations?

<table>
<thead>
<tr>
<th></th>
<th>Traditional model</th>
<th>Digital innovations</th>
<th>Why are they innovative?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Broad use of technology across the whole client life cycle to deliver a simplified client experience</strong></td>
<td>Technology is primarily focused on employee productivity, regulatory requirements and integration of disparate and legacy IT systems</td>
<td>Well-designed platforms focused on simplicity, speed and intuitive workflows through digital and mobile offerings</td>
<td>Technology is client centric and improves the experience of financial advice for the investor</td>
</tr>
<tr>
<td><strong>2 Digital delivery of financial education and client-relevant content</strong></td>
<td>Traditional marketing and advertising through brochures, firm website and direct mail</td>
<td>Compelling editorial content and financial education distributed openly online with focus on human connection; constant feedback on client's financial health</td>
<td>Focusing on the human connection and financial education in plain language through digital means improves investor awareness and brings greater confidence, trust and engagement</td>
</tr>
<tr>
<td><strong>3 Focus on lower pricing and greater transparency</strong></td>
<td>Fees on AUM typically above 100 basis points; difficult to understand and not transparent enough for investors</td>
<td>Average fees between 25 and 50 basis points; free tools to analyze fees across accounts while offering cost-saving alternatives</td>
<td>Leveraging low-cost ETFs and stock indexing enables portfolio diversification at lower prices with transparent fee structure</td>
</tr>
</tbody>
</table>

> **Focus on lower pricing and greater transparency.** While most of the established firms are still charging above 1% on assets under management (AUM), digital entrants are leveraging low-cost managed ETF and single-stock investment portfolios that provide asset diversification with much lower pricing (i.e., less than 30 basis points). Digital entrants are not only charging lower fees, they are also providing more transparency, for example, by exposing how much customers are paying other financial providers through online fee analyzers and alerts when new fees are being charged. This is in stark contrast to the opaque and complex fee schedules offered by many traditional firms, which make it difficult for customers to understand exactly how much they are paying for their investment management and advice.
Leveraging these innovations, digital entrants have experienced sustained double-digit growth rates in AUM. This growth is also the result of strategies to accelerate client acquisition, like viral marketing and partnerships with employers to offer investment advice services to their employees (e.g., Wealthfront’s partnering with Facebook, Google and Twitter). The start-up nature of the firms certainly means they will continue introducing innovative products and services, such as income management for retirees and tax optimization through direct indexing, to stay competitive (see Figure 3 for an overview of the major products and services across the key players in the digital market).

Also key to these firms’ rapid growth has been their ability to take the proven approach of referrals that traditional players use, but with a digital twist: leveraging the multiplier effect of social networks like Facebook, Twitter and LinkedIn to create awareness and begin building trust through recommendations from peers. Digital entrants have also benefited from the fact that many millennials do not have a trusted advisor relationship and feel comfortable using technology to manage their finances, as we have seen with the success of mint.com and other online financial tools. While this approach seems to have worked with the younger, tech-savvy generation, earning the trust of older generations will likely be challenging given the firms’ limited track record and recognition. The current use of mainstream advertising by some digital entrants to target a broader demographic illustrates the type of adjustments needed to venture into the wider market. We will see whether these adjustments prove successful.

We believe that the current landscape will continue to change over the next few years as firms continue to evolve their models to differentiate themselves, maintain revenue growth and achieve economic sustainability. This evolution will go beyond the development of the underlying products and services.
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**Figure 3: Major product and service offerings in the digital advice market**

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</tr>
</thead>
<tbody>
<tr>
<td>Wealthfront</td>
<td>US$2b</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Betterment</td>
<td>US$1.6b</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Personal Capital</td>
<td>US$1b</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Future Advisor</td>
<td>US$450m</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>LearnVest</td>
<td>NA</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: AUM data sourced from ADV registration for each respective firm: Wealthfront (8 Dec 2014), Betterment (18 Nov 2014), Personal Capital (12 Jan 2015), Future Advisor (26 Sep 2014); products and services are based on publicly available information as of current publication date; additional products and services may be supported thereafter.
There is already evidence of this, with some digital entrants starting to white-label their platforms and service offerings to RIAs, as in Betterment’s and LearnVest’s partnering with an established industry player, while other firms are focusing on millennials and capturing white space in that market. We see the digital wealth management market continuing to evolve over time with different business models, which may include some level of consolidation and partnership or acquisitions by traditional wealth management firms.

**Leveraging digital to bring advice to the masses**

As we analyze the growth of digital wealth management advice, it is clear that initial demand for these services has been fueled by a younger set of investors that has largely been underserved by traditional players. A recent survey revealed that only 18% of financial advisors are targeting clients in Generation Y (millennials), and with the average financial advisor being older than 50, the traditional advisor-based model is challenged to understand their needs and attract the younger generation. Yet at more than 80 million, the millennial generation is now the largest generational client base in the U.S. market.

Its characteristics align naturally with digital offerings: it is composed of individuals who are computer natives – do-it-yourselfers who want to be connected all the time. Wealthfront, the largest automated investment firm by AUM, has openly stated that millennials are its target client base. The firm believes this demographic is looking for a different type of investment advice from what is available today, and this is driving its growth.

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2 U.S. individuals between the ages of 18 and 35.


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Silicon Valley investors seem to agree and have already poured hundreds of millions of dollars into funding digital start-ups, betting they can profit from a steep growth curve of millennial assets, which are estimated to rise from about U.S.$2 trillion in aggregate net worth today to approximately U.S.$7 trillion in five to seven years.6

While the tech-savvy millennial generation is the initial target for automated investment advice, we believe there is a much broader, and in some cases untapped, market for these firms, given their ability to deliver a cost-effective solution direct-to-consumer. In fact, the focus of advisor-assisted firms like FutureAdvisor and Personal Capital on a broader segment of the population (including Generation X7 Generation Y and baby boomers)8 illustrates how digital investment services have already started to expand their generational reach beyond the initial niche.9 Most importantly, by expanding their reach, digital entrants are aiming to break the generational paradigm, which will allow them to truly unlock the potential of the mass market and mass affluent segments.

A look at financial needs across the various wealth segments of the U.S. population shows that there is a considerable market for a set of common foundational wealth services like financial planning, asset allocation and investment management, as highlighted in Figure 4. Yet some studies have shown that only 20% of mass affluent Americans have a financial advisor because traditional firms have largely focused on high-net-worth (HNW) and ultra-high-net-worth (UHNW) individuals, who align better with the economics of their advisor-based business model.10

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6 There are over 80 million millennials in the U.S. with an aggregate net worth of more than U.S.$2 trillion; by 2018, that is expected to grow to U.S.$7 trillion, https://blog.wealthfront.com/one-billion-assets-under-management/, 4 June 2014.
7 U.S. individuals between the ages of 36 and 47.
8 U.S. individuals between the ages of 48 and 67.
10 20% of mass affluent Americans have a financial advisor, http://www.cnbc.com/id/101690532#, 23 October 2014.
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Figure 4: Wealth management needs across generations

Source: Estimates based on the Federal Reserve 2013 Survey of Consumer Finances
Our research shows that mass affluent households (U.S.$250,000 – U.S.$1 million in financial assets) hold about U.S. $7 trillion of wealth throughout a fragmented market, as displayed in Figure 5. Furthermore, if we combine mass affluent, mass market and millennial assets, we estimate the current opportunity for digital advice to be above U.S.$10 trillion in investable assets. By developing low-cost and potentially highly scalable solutions to meet core wealth management needs, fully automated and advisor-assisted digital firms seem to be well positioned to penetrate the mass market and mass affluent segments.

Drawing a parallel with the evolution of social networking and e-commerce, the new wealth management firms believe the demand for user-friendly and interconnected digital services permeates our society across all demographics. They are betting that the growth in the digital wealth advice space will come from a wider range of clients, as already seen in the success of many technology companies. Admittedly, investment advice is different from social networking; however, they think they can make a case for the adoption of financial service technology along a similar growth curve.

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**Figure 5: Financial assets per household and market segment**

<table>
<thead>
<tr>
<th>Financial assets per HH</th>
<th>Mass market</th>
<th>Mass affluent</th>
<th>HNW individuals</th>
<th>UHNW individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; U.S.$250,000</td>
<td>103 million HH</td>
<td>14 million HH</td>
<td>U.S.$3.8 trillion</td>
<td>U.S.$7.0 trillion</td>
</tr>
<tr>
<td>U.S.$250,000–U.S.$1 million</td>
<td>5.6 million HH</td>
<td>0.2 million HH</td>
<td>U.S.$7.0 trillion</td>
<td>U.S.$14.4 trillion</td>
</tr>
<tr>
<td>&gt; U.S.$1 million</td>
<td>0.2 million HH</td>
<td>0.2 million HH</td>
<td>U.S.$5.7 trillion</td>
<td>U.S.$14.4 trillion</td>
</tr>
</tbody>
</table>

Source: Estimates based on the Federal Reserve 2013 *Survey of Consumer Finances*
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What's next?
The current estimated market share of digital wealth firms is just 0.01% of the U.S.$33 trillion industry.\(^\text{11}\) This is clearly limited, and there are still unanswered questions about how robust the emerging models would be in a market downturn and whether they can grow fast enough to reach profitability. However, our view is that the changes to the client experience ushered in by digital entrants, and their ability to access new markets, cannot be underestimated.

We believe that the most likely future scenario is for a broader, larger wealth management market serving clients across multiple segments (from mass market to UHNW) through fully automated solutions, traditional high-touch advisors, and hybrid versions of the two that combine virtual advisor interaction with automation and self-service technology-based tools.

Given such a scenario and considering the vast market opportunity, we see many traditional players revisiting their strategies. The mass affluent segment alone offers close to U.S.$10 trillion of market potential, and traditional wealth managers have typically struggled to serve this segment profitably. Furthermore, the greatest wealth transfer in history is currently underway and will continue over the next decades as baby boomers pass along wealth to their heirs, creating more pressure on the traditional model. This next generation of clients, set to inherit upward of U.S.$30 trillion, has a different set of preferences and expectations that will affect how firms adapt and leverage digital strategies to serve them. The fact that a few established players have recently announced their own direct-to-consumer automated advice offerings\(^\text{12}\) and/or continue to invest in phone-based services would appear to support this thinking. These “fast followers” could enjoy a first-mover’s advantage over the firms that seem to be observing cautiously from a distance how the digital advice space evolves.

Traditional firms willing to venture into automated and hybrid models will face four main challenges, as highlighted in Figure 6.


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Figure 6: Traditional firm challenges

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Key questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Conflict with FA-led value network</td>
<td>• What is the right service model (automated, advisor-assisted, hybrid) across our various client segments? • How can digital technology and automation be leveraged by the firm to improve advice delivery from FAs? • What is the right change management and field communication plan (awareness, understanding, buy-in)?</td>
</tr>
<tr>
<td>2</td>
<td>Limited resources and capital allocation</td>
<td>• Does this opportunity fit with our long-term financial goals? • How does this investment align with our firm strategy, and how should we prioritize it against other initiatives? • What is the cost of outsourcing or partnering with a digital technology provider? • What organization or team should own this new product offering?</td>
</tr>
<tr>
<td>3</td>
<td>Pace of innovation</td>
<td>• How do we illustrate and market our value proposition? • How does digital automation change our current cost structure? • How do we gain efficiencies through greater automation? • How will unbundling of services impact our bottom line?</td>
</tr>
<tr>
<td>4</td>
<td>Pressure to bring prices down</td>
<td>• How do we illustrate and market our value proposition? • How does digital automation change our current cost structure? • How do we gain efficiencies through greater automation? • How will unbundling of services impact our bottom line?</td>
</tr>
</tbody>
</table>

Description:
- A direct online digital advice offering may disenfranchise FAs if customers circumvent the financial advisor relationship and shift assets to the automated firm offering.
- The high resource costs and spending associated with the new service offering may come at the expense of the core business, i.e., reduced investments to the existing FA-driven platforms.
- Many traditional firms have a large amount of technical debt and legacy systems that are slow and expensive to modernize.
- Automation of portfolio management and financial guidance has significantly driven down the price of advice. Firms must develop a new pricing strategy that does not conflict with their current FA business model.
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Addressing these challenges is no trivial task. Considering the level of change management involved, as well as the resources and investment required, many firms will find it difficult to balance their efforts to change and, at the same time, manage the needs of their existing customer base. Yet for those firms willing to take the risk, the prospect of finally being able to tap into the potential of the mass and/or mass affluent market certainly offers a worthwhile reward. We see a tremendous opportunity ahead for both traditional firms and new digital entrants to improve the way advice is delivered and align the cost of advice delivery with affordability, perceived value and new client expectations.

Appendix: automated advice around the globe
While the U.S. seems to be the most evolved market in terms of automated advice offerings and business models, there is plenty of evidence that interest is strong and growing in other markets across the globe:

• In the U.K., a handful of digital advice platforms have been launched, looking to fill the gap in affordable advice created by the introduction of new regulatory rules in 2013. These rules, which prohibit banks and financial advisors from pocketing commission for investment recommendations, were introduced to avoid any potential bias or conflict of interest. The result, however, was a majority of banks pulling out of offering financial advice altogether: advisor numbers dropped from 40,000 at the end of 2011 to 31,000 by the start of 2013, according to the U.K. Financial Services Authority. Consequently, millions of investors ended up without access to any affordable advice and are looking for alternatives. New technology entrants are thus targeting the needs of those clients with automated advice solutions that are fully compliant with the new regulations:
  • Nutmeg, launched in 2013 by a group of former investment managers, builds a portfolio of funds from ETFs. It has now more than 35,000 users and is continuing to grow at a rapid rate.
  • Wealth Horizon, launched in August 2014, offers a hybrid model combining an automated advice platform and front end with human advisors behind the scenes to help investors through the process of setting up portfolios.
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- In Asia-Pacific, the fastest-growing region worldwide in terms of private wealth, firms like Dragon Wealth are enabling investors to access advice and targeted research via automated solutions. Based in Singapore, Dragon Wealth leverages social media and cloud-based technology to enable investors and advisors to compare their portfolios with those of their peer group and access a wide range of targeted news and information services.

- Australia’s burgeoning, but also highly regulated, private wealth industry, already the fourth largest in the world due to government-mandated retirement savings, is also looking to automated advice tools to improve access to quality advice and reduce the cost of delivery. Employer-sponsored pension funds provide investors with simple advice tools to develop guided strategies, while Stockspot offers automated ETF-based managed accounts online. There are also examples of hybrid models like MOVO offering digital advice tools supported by personalized interactions with financial advisors as necessary. As in the U.S., interest in automated advice is underpinned by a greater focus on meeting the needs of the next generation of affluent investors; more than half of Australian private wealth is expected to be transferred to a younger and tech-savvy generation over the next 10 years.

All in all, considering the rapid growth, the size of the opportunity and the limited supply of advisors, especially in emerging markets, our expectation is that automated advice will continue evolving rapidly across the globe and has the potential to play a fundamental role in the future development of the wealth management industry worldwide.
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