

Forging a path for wealth management in China

In a video interview, Ray Chou of Oliver Wyman discusses how institutions in the Mainland can and should scale their businesses, both in acquiring customers and deepening the share of wallet.



RAY CHOU
Oliver Wyman

FOR ORGANISATIONS TO SCALE their wealth management businesses in China, they need to focus on acquiring customers and then converting them into active users.

In turn, this requires operational efficiencies, explains Ray Chou, partner and wealth management and asset management practice lead for Oliver Wyman in China.

The main initiative he sees by existing players is to identify the overall financial needs of their existing customer base through daily spending and other activities.

Institutions can then assess what will be suitable for customers in terms of wealth management.

Deepening their share of wallet is the next step, says Chou. This can be achieved, for example, by expanding the product portfolio through working with different providers, and also by institutions focusing on their proprietary capabilities in terms of access to certain assets.

This has been an important differentiator for firms to accelerate their scale advantage, adds Chou.

The role of digital is also a key component, he adds. For instance, it can play a role in leveraging the online/offline interface to enhance the customer experience and create more 'traffic'.

Technology must also be used to service a customer's broader wealth management needs - via artificial intelligence and robo-advisory.

At the same time, it needs to be able to help the front-line with better data analytics to improve their understanding of what products and services are relevant to each customer. ■