

# Head of Sales for APAC at additiv Surveys the Rise of Digital Wealth Management and Embedded Finance in Asia

Victor Wongsonegoro, additiv's Head of Sales for APAC, offered delegates a lively presentation at the Malaysia Wealth Management Forum in Kuala Lumpur on April 12. He explained how the rise of Malaysia's millennial investors and the expectations from digital native investors present an excellent opportunity for those wishing to provide wealth management as a service and for the uptake of embedded wealth. Supported by an easy-to-digest slide show, he explained how additiv has been forging ahead to help customers with wealth market democratisation and with embedded finance across Asia. He explained some history of the evolution of embedded wealth, highlighted the absolute need to focus on customer needs, and how banks and other wealth market competitors in Malaysia and elsewhere in Asia can grow their businesses with embedded wealth. Victor told delegates that additiv has been leading the embedded wealth conversation in Asia, and explained that it essentially refers to the offering of regulated wealth products by any type of non-wealth sector business that wants to offer new products and services to its established customer base, to new customers as well, thereby enhancing revenue potential and diversifying revenue streams.

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**Victor Wongsonegoro**  
additiv

### By way of background

Victor took over as Head of Sales for the region in December 2019. His mission is to drive the APAC sales forward as additiv focuses on becoming a global leader in digital Wealth Management and Wealth Management-as-a-Service orchestration platforms.

As a leading SaaS provider, Zurich-based additiv has been a recognised innovator of digital wealth management solutions since the firm's creation in 1998. Today, additiv partners with the world's leading financial institutions to help them capitalise on digitalisation, powering many of the world's leading financial institutions, and providing them with a superior technology platform to transform and digitize their business model.

As a firm, additiv is a believer in embedded finance and embedded wealth, which Victor said is starting to take off in the region and represents a vast market potential.

Embedded finance is a natural progression from the FinTech revolution; after making financial services easier to access and significantly cheaper, there is

huge value in embedding them within existing user journeys and into third-party channels. He said the additiv wealth orchestration platform is designed to help incumbent players of all types offer digital wealth solutions to their existing customer base or through distributors.

Victor explained that additiv is not a startup anymore with more than 25 years of market experience and an extensive customer base. Meanwhile, Malaysia's digital economy is set to grow at an accelerated pace due to its favourable demographics, economics and start-up emergence, ranking 21st globally,

**“This segment wants and needs digital touchpoints, as they are mostly digital natives. And with a median age of just 30, they’re also at a point in life where they’re making their first major decisions, perhaps buying their first homes, or cars, perhaps saving for family education and planning ahead for retirement. It is important to follow them as much as possible throughout their life cycles.**

Victor reported. With a population of 34 million and a median age of 30, with 88% owning smartphones and 92% social media users, the country is increasingly digitally savvy and inclined.

“There is huge potential to offer these young increasingly digital individuals a broader array of wealth and financial services, not just investments, but also insurance, and possibly lending too,” he said. “This segment wants and needs digital touchpoints, as they are mostly digital natives. And with

a median age of just 30, they’re also at a point in life where they’re making their first major decisions, perhaps buying their first homes, or cars, perhaps saving for family education and planning ahead for retirement. It is important to follow them as much as possible throughout their life cycles.”

But then the question is how to tap into this growing market. There are fintechs with digital solutions but fewer customers and the bigger banks and institutions with customers and branches across the country but often held back by limited digitalisation. Additional hindrances include modest financial education and

constraints from the regulators.

Victor told delegates they had conducted a survey that clearly indicated this is the time for banks and other corporations to be considering embedded finance, embedded wealth, and open banking.

“We saw that in Malaysia and indeed more broadly in Asia, a lot of the younger amongst the population are very receptive now to transacting finance and wealth management and insurance through non-traditional bank

channels," he explained. "You do not really see this in Europe, but in Asia, the future of embedded finance or embedded banking is already happening, actually."

Part of the success has been driven by the super apps, such as Grab, or Touch 'n Go and others, which might offer investments, insurance and loans to the retail and mass affluent markets. These and other super apps in Asia have been really instrumental in this change in the financial services sector, and in opening up the perspective and the possibility for banks [and others] to address these market segments."

Victor explained that with the demographics in Malaysia, the market is very suitable for these developments. But naturally, the key issue for those moving into these areas is how they achieve their goals of embedded finance. A smart way forward, Victor highlighted, is additiv's market-leading and trademarked DFS (Digital Finance Suite), which is an orchestration WealthTech platform that connects regulated firms with brands looking to embed investment services into their offering.

It allows additiv customers to quickly launch new embedded wealth propositions as well as giving them the intelligence to maximise customer engagement. He said that in doing so, they can move toward democratisation of wealth

management and greater financial inclusion, key missions in Asia's rapidly expanding, increasingly affluent and young population.

In Malaysia, specifically, he said they are seeing more traditional banks creating their own mobile banking applications and cutting them into lifestyle apps. "They may even want these apps to perhaps become their own brand in the near future, acting as aggregators for a host of different products and services the banks have not traditionally offered, or been good at delivering to their large customer bases."

Victor noted that in 2022, the central bank (Bank Negara Malaysia) issued digital banking licenses to five different consortiums, and some of those consortia are being backed by traditional banks that want to have a separate brand to enhance financial inclusion through technology. "You can start simply and then if you have the right technology and strategies, offer more and more financial services, not just investments or payments, but perhaps insurance, mortgages, and so on."

He explained that additiv is therefore trying to help clients to move to the next phase of embedded finance. He said, for example, if he uses the AirAsia app to buy a plane ticket, he can pay immediately on the app, and he can buy travel insurance on the same channel, so these services

and products are embedded into the journeys. "Most of these digital transformations are driven by the strategies of the banks, by the FinTechs, by the super apps, but actually we see that the consumer brands are joining the party as well, and in fact, in Switzerland, we are working with the biggest retailer there to expand into embedded offerings of mortgages, investments such as mutual funds, and so forth."

He closed his talk by explaining that additiv is there to work with these customers and the banks to bring their technology to the level of capability to allow embedded finance and wealth-as-a-service. "The result is that our customers can then launch new services or new products quickly and efficiently," he reported. "More broadly, through digital wealth management, you can transform your business for all the different players in the market, leveraging on financial services through an open ecosystem that the end-clients can focus on and enjoy unique user journeys.

Victor concluded that the additiv doors are always open to discussions with any party from the wealth industry, or from other business sectors, which want to explore embedded finance as a means to enhancing their business and improving their offerings to existing as well as new customers. ■

**For further reading on Metaco and Richard's insights, see these Hubbis links:**

[Event Presentation - The growth of digital wealth management](#)

[Swiss WealthTech additiv Eyes the Riches of Wealth Market Democratisation and Embedded Finance in Asia](#)