

The digital transformation - from buzzwords to business

In a video interview, Gregory King of FactSet explains how traditional wealth management firms are engaging digitisation, including trying to bridge the gap between the adviser and end-client.

The wealth management industry is being driven by two key factors: first, the focus on making the business more efficient; and secondly, collaboration between traditional banks and fintech firms.

To be more efficient, global banks are looking at where to automate transaction business like online brokerage and retail banking, says Gregory King, director of wealth management strategy at FactSet.

In terms of collaboration, meanwhile, there is a coming together of the relationships between the adviser and end-user. "Users want to be more engaged in the management of their wealth, so there is a greater platform combination between the adviser workbench and the web portal we deliver to the end-client."

BRIDGING THE GAP

Although client relationships are the most important assets that traditional wealth management players have had to date, organisations increasingly need to think about how they use technology

to create more scale, explains King. "We are seeing some fantastic usage around the collaboration between the adviser and end-client," he adds. Examples of functionality being used include messaging, screen-sharing software and video chat. "These bring the adviser closer to the end-client as well as help firms to scale their business."

When it comes to assessing robo-advisory platform development, King says wealth managers are likely to either decide they can build these offerings themselves, or they will buy a platform.

Ultimately, adapting to technology is a challenge for the wealth management industry, adds King, since it hasn't traditionally been technology focused.

Further, since many firms cannot foresee the end-goal with digitisation, one approach is to pick individual projects which help to solve needs for themselves and their clients. This also includes personalisation, which also creates a more



GREGORY KING
FactSet

simplified user experience. "In doing this, they are therefore navigating through their digital path which is eventually going to help them get to a solution which is better for their end-clients." ■