

# The importance of digital communications for wealth managers in Asia and beyond

*In a high-speed digital world, many wealth managers are still relying on outdated, paper-based communication methods. Paper-using wealth managers are at a disadvantage globally and especially in Asia where the population tends to be younger and more likely to communicate digitally.*

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**A**CCORDING TO THE CIA'S WORLD FACT BOOK, the median age in China is 37.4 years, in India it's 27.9 years and in Indonesia it's 30.2 years. In comparison, the median age in the United States is 38.1 years and in Canada it's 42.2 years.<sup>1</sup> To keep up and succeed, wealth managers need to reevaluate their communication practices to stay current.

### Analog wealth management in a digital Asia

Asia-based clients are used to instant connectivity in both communications and commerce. Statista estimates about half of China's population of 1.415 billion use social networks such as WeChat and Tencent. Smartphone usage is also high and growing fast in Asia. Around 339.95 million people in India owned smartphones in 2018 and that number is expected to increase 30% by 2022. Usage in China is even greater, 699.04 million people owned smartphones in 2018 and usage is estimated to grow to 816.98 million by 2022.<sup>2</sup>

Wealth managers in Asia are facing a client base that grew up in a digital world. To attract affluent clients both in Asia and globally, information needs to be readily accessible online. A recent SS&C whitepaper on [how you can modernise your client communications](#), shares data from CEB that shows 71% of clients with more than \$1 million in liquid assets listed "online or at the firm's website" as their preferred method for accessing investment data, assets and services.

Clients that prefer an online experience and are used to accessing information at the touch of an app - or click of a mouse are likely to be frustrated by paper documents and emails containing PDFs. Yet that is exactly how many wealth managers continue to communicate.

### How to communicate with today's clients

There is no perfect digital communications solution; but there are a few guidelines to follow when implementing a digital communications strategy to attract and retain clients in Asia:

- **The tools must be intuitive. The client should be able to figure out how to use the app or portal in just a few minutes.**
- **The tools must be fast. Slow portals and apps generally dissuade users from**

**accessing them regularly – a critical pitfall in a digital strategy.**

- **Rapid response-time is vital. For today's customers, a quick "no" is better than a long wait for information. Lack of communication and responsiveness was one of the top four reasons why clients abandoned wealth managers, according to a 2016 Chartered Financial Analyst (CFA) Institute survey.**
- **Everything must be transparent. All information and metrics about investments and their performance must be readily available and easily accessible at all times.**
- **Information must be available in many different forms. Some clients will want documents or articles; some will want video or audio, while others will demand interactive graphs or charts.**
- **A mobile experience that connects your clients to their investments is vital. As noted in an [SS&C whitepaper](#), 56% of internet traffic now comes from mobile devices.**
- **Security is paramount. All digital solutions must provide extensive security. People in Asia have grown up with the concept of cybercrime and live in dread of it. They will not accept even minor holes in security.**

### Welcome to Digital Asia

To succeed, wealth managers must embrace that Asia is a digital society, and adapt their communications strategy accordingly. An Adox survey found that 68% of wealth-management firms have plans to replace their client communications and reporting solutions by 2020. Over half, 51%, of wealth and asset managers told CEB Tower Group that they will replace their client-reporting automation systems by 2019.

Providing effective and cutting-edge digital communications has become one of the primary roles of the modern wealth manager. To learn how SS&C's Vision FI can position you for digital success, please visit our website [here](#). ■

<sup>1</sup> CIA World Factbook: <https://www.cia.gov/library/publications/the-world-factbook/fields/2177.html>

<sup>2</sup> Statista: <https://www.statista.com/statistics/467160/forecast-of-smartphone-users-in-china/>