

# The role of digital tools in meeting the needs of families

*While the older generation is very hands-on when it comes to wealth, their younger equivalents tend to approach advisers with caution and on an as-per-needed basis. Wealth managers must rethink how they engage the new, future wave of clients.*

The sudden fascination and pressure for the wealth management industry to adapt current client offerings can become more digital, is a way to keep up with the changing trends. If they don't, they fear they might lose out.

Without doubt, advisers who are able to integrate technology with their client services are more efficient and able to reach more clients.

Yet the real usability, penetration and acceptance of technology by the industry, as well as clients, is up for debate.

But with Asia Pacific witnessing the rise in millennials within the HNW ranks, industry practitioners believe that advisers will need to balance face-time with clients with the right digital tools.

## **DIFFERENT GENERATIONS, DIFFERENT NEEDS**

The 'baby boomers' and Generation X are both known to have an affinity for

personal interaction. They take a very hands-on approach when dealing with their wealth managers. Millennials, by contrast, prefer a multi-faceted approach.

They spend more time with technology, such as their smartphones. A study by Deloitte, for example, projects that almost 90% of millennials check their smartphone within the first 15 minutes of waking up.

Tied to this, the younger generation therefore values timely advice which is delivered at their convenience more.

Personal interactions, albeit important, can easily take place through technology at a time of their choosing.

## **TECHNOLOGY AS AN INVESTMENT**

Practitioners realise that given the fact that millennials stand to inherit close to USD30 trillion in wealth as it transfers between generations over

the next three decades, banks and institutions should start considering investing to build up their digital platforms, if they have not started already.

For example, DBS has clearly been one of the strong proponents of digitisation with disruption in mind. Further, China's Ping An Bank has developed entire value-chains around travel, home and commerce. Siam Commercial Bank, meanwhile, has invested in Ripple, a world leader in blockchain technology, making it the first Thai player to explore and pilot-test the future of cross-border payment platforms.

There is really no excuse for advisory firms to not have robust technology platforms anymore. While technology can be expensive, such spending is no longer an option if firms and advisers want to create a more holistic client experience. It is genuine investment. With almost immediate returns. ■