

Uncertain future industry as digital revolution bites

Client empowerment, the impact of Cloud and data in conjunction with regulatory attrition will soon impact various scenarios – some of doomsday proportions – upon the wealth management industry, according to speakers at the Hubbis Digital Wealth Asia 2017 event in Hong Kong.

A SIA'S WEALTH MANAGEMENT INDUSTRY is under pressure as a slew of innovations and changes are besetting the market, with industry experts predicting that client power will increase with the onset of the digital revolution coupled with regulatory restraints and changes.

An innovative way for clients' data being captured, and a more personalised touch from banks, wealth managers and advisors were also being mooted through opinions aired at Hubbis Digital Wealth Asia 2017 event in Hong Kong.

It was also stated that regulatory controls are now driving the basic models for banks and wealth managers, but it also emerged that fintechs are finding it harder to survive than banks, prompting the view that they should work together to complement each other. It was also stated that both failing fintechs, and banks who cannot cope with change, will exit the industry.

Digital management needed a more integrated approach and it was also suggested that the near future would see digital banks being launched within traditional and private banks.

Data management will become more important, while regulatory changes will spawn a flurry of "Reg-techs", which will see the integrating of existing robo advisory systems with regulatory systems, providing what was termed the "missing link" for "front to back" systems.

Various speakers also stated that legacy issues within banks was making it difficult for new technology adoption and data migration.



DIGITAL WEALTH ASIA 2017 EVENT SUMMARY - HONG KONG

The emergence of Cloud and its combination with API was giving “unlimited power” to its adopters which led to the conclusion that a “mutualisation” sharing of data was inevitable as cloud-based market data systems would become the norm. ■

