

# WealthTech additiv: Driving Asia's Big Wave of Wealth Market Democratisation

**WealthTech pioneer and industry veteran Bert-Jan van Essen arrived at Zurich-headquartered digital solutions provider additiv on April 1 this year, taking up the position of MD for Asia Pacific, and bringing a wealth of experience from his former role as CTO and CEO at other FinTech companies, as well as from industry-leading positions such as at Credit Suisse, where he was formerly APAC CIO of Private Banking. Hubbis met up with van Essen to learn more of his vision for additiv's markets in Asia Pacific, why he thinks the fintech's suite of digital solutions are so well suited to the future of private banking, and how he will further propel additiv's expansion in the Asia Pacific region.**

**Z**URICH-BASED ADDITIV HAS BEEN A RECOGNISED INNOVATOR of digital wealth management solutions.

The firm was established in 1998 and has become a leading provider in the field of digitalisation for wealth managers, with offices today in Switzerland and Singapore and development centres in Romania, Ukraine and Vietnam.

The company chose van Essen, amongst other roles formerly also the founder of Dragon Wealth and APAC CIO Private Banking at Credit Suisse, to spearhead the additiv Asia team of sales, product and delivery managers in Singapore and Vietnam, with the aim of further accelerating what has been an impressive growth record in the region, where additiv has tripled its staff since early 2018.

### Engaging clients

Van Essen explains that the essence of additiv's proposition and its unique added-value is the provision of a digital wealth platform based on cloud services for banks that will allow them to better engage with existing clients, extend better advice and then to execute more efficiently and reduce cost.

Breaking this down further, he explains that advisers in banks can better engage with their clients if their communications are more effective, in other words, enabled by better technology. And secondly, additiv provides an assisted robo to help improve adviser recommendations. And finally, the additiv platform helps the bank to more efficiently execute orders, for example, for mutual funds or model portfolios in the market.

"Our platform is cloud-based and completely available as a service, and everything the client wants is actually compiled

in-box and readily available for any bank to deploy," van Essen reports. "The additiv platform is supported by artificial intelligence and backed up by metrics, so the client obtains excellent insight into how their customers and their own advisers are behaving. In short, it really helps financial advisers to get closer to their clients."

### WealthTech expands the wealth net

Stepping back from the detail to consider the Asian market from a wide-angle perspective, van Essen remarks, first of all, that wealth management is becoming democratised as more of the mass-affluent can access it, due to the rise of digital solutions.

### Key Priorities

Although early on in his tenure at additiv in Asia, van Essen has not let the grass grow beneath his feet and has a clear concept of what he and his colleagues should achieve in the foreseeable future.

"We must get the product completely adapted to the Asian market," he reports. "It is already very powerful in many markets and we have proven success in Indonesia, but I now want to make sure that also the Thai, Philippines, Singapore and other Asian market are fully able to benefit from our product. To do that we must make sure that our robo-advisory is really and completely targeted towards this Asian advisory market."

Secondly, van Essen wants to capitalise on the momentum of existing success stories. "We have built a track record in a short time with two very good cases here in Asia, and we must keep up that progress by demonstrating to the market that we are rolling out more cases, rapidly, firstly in the countries I just mentioned."

Finally, he wants to build out the team in Asia so that they are completely capable of supporting a large client base in the region.

"Obtaining a certain level of financial advice in a bespoke manner for those who have money to invest has a far wider catchment today," he notes. "These services used to be available only to a very limited group of people with direct advice from an adviser."

But today, he explains, providers can combine the skills of an adviser with the power of a technology platform to offer more people a much faster, bespoke financial advisory service. "Machine learning and artificial intelligence (AI) are the vital ingredients," he reports. "And from my perspective, looking at Asia, I do not envisage that migration towards discretionary portfolio management will be the key trend, it will be an extension of the advisory



BERT-JAN VAN ESSEN  
additiv

offering where the providers can more comprehensively support their clients.”

### Bringing power to the people

“Looking at the wealth industry’s needs, tech-savvy clients expect a modern and seamless omnichannel experience across traditional and digital channels,” he explains. “As we know, the legal and regulatory environment today is increasingly complex, and wealth managers must ensure they can offer clients a compliant yet also engaging service in a cost-efficient manner. additiv positions itself as the catalyst for change in the financial services industry through easy, quick and affordable digitalisation.”

Additionally, he notes that innovative Fintechs and TechFins (tech companies like Go-Jek, Grab offering financial services) are creating a whole new competitive environment. “All this is resulting in new market dynamics and profound disruption in the long run,” van Essen observes. “Wealth managers must embrace these challenges today to be ready for the future in order to remain competitive.” A trend to watch is the

### Getting Personal

Bert-Jan van Essen comes from Holland, hailing from the city of Zaandam next to Amsterdam, where he studied all the way through to his Bachelors in banking and finance, which included a large chunk on technology and his Master’s in finance. A career in fintech soon followed, including the launch and later sale of one of the fastest growing fintechs of Europe in 1999, a company called E-Loan, that was launched in over eight countries in only one year.

“It was very successful,” he recalls. “Backed by SoftBank, it quickly became one of the first truly successful fintech companies in Europe. Armed with that experience, Credit Suisse asked me to join in Zurich to run all their online banking and all their front office systems. During that time, I also studied at Stanford University, on one of their executive programmes and later moved to Asia to become CIO for APAC for Credit Suisse Private Banking.”

On leaving Credit Suisse, he later launched Dragon Wealth, which achieved a 25% market share for digital wealth in Singapore and launched also in Vietnam. Dragon Wealth’s shares were sold to a group of private investors.

Married to his wife Natasha, who is senior supervisor customer experience at Honeywell in Zurich, the couple have a young family of 11 and 6 years old. His professional life is largely from the firm’s regional HQ in Singapore, but he lives with the family in Zurich whenever time permits.

Spare time is enjoyed skiing at what van Essen describes as the best resort in Europe, namely Arosa in Switzerland. “The best mountains and the best back-country skiing that you can imagine are available there, it is second to none,” he reports.

Other hobbies include back-country snowboarding and mountain biking. “I managed to wreck my knee doing that last summer but it’s all good now,” he recalls, jovially. “I also love skateboarding wherever and whenever I can.”

rise of the super-app, comparable to WeChat in China, where a wide variety of consumers interact with all kind of businesses, including investment services. Financial

institutions need to get ready to offer services to the mass-affluent class via these platforms, so that their prospects and existing clients can interact frictionless.

“In short,” van Essen adds, “we are therefore positioning ourselves to empower banks to be able to offer a larger group of clients financial advice, part of which emerges from the human financial adviser, and part of this is derived with the support of our tools and our cloud-based platform which is powered by artificial intelligence and machine learning, resulting in better portfolio recommendations for any of the banks’ clients. Then the client has better access to reporting, to see on a real-time, or day-to-day basis what their portfolio looks like.”

### **Horses for courses**

Van Essen has taken over the regional Asia Pacific MD role from Thomas Achthorner who is now focusing on developing select strategic markets. He had helped put additiv firmly on the Asian map with the opening of its development centre in Vietnam, the recruitment of senior talent from key competitors and the late 2018 launch of an award-winning wealth app for the Indonesian arm of Australia’s largest bank.

Michael Stemmler, Founder and CEO of additiv said in January when van Essen’s appointment was announced that van Essen’s experience in wealth management, digital finance and deep knowledge of Asia, combined with his entrepreneurial spirit, would be ideal to further tailor additiv’s products to the Asian markets and to drive the next phase of growth.

### **Momentum is vital**

The announcement came on the back of the news that additiv is now powering the award-winning wealth app of PT Bank Commonwealth (PTBC), the Indonesian

subsidiary of Commonwealth Bank of Australia (CBA).

“In today’s digital world,” van Essen reports, “investors increasingly demand the ability to stay abreast of market developments and to manage their financial assets from their mobile devices. However, most financial institutions struggle with delivering this experience as they are tied up in a maze of legacy systems and disjointed service channels. PTBC recognised this challenge early on and entrusted the delivery of the platform for its mobile “SmartWealth” service to us.”

### **Game changer...**

He explains that the app is widely seen as a game-changer in the

industry, providing the bank’s ‘Premier’ clients with a 360-degree view of their investment holdings, bank accounts and bancassurance policies. It also displays relevant financial news, robo advisor-like investment recommendations and the ability to stay in touch with their advisors. Additiv’s technology provided the functionality and flexibility to do this with minimal impact on the bank’s legacy systems.

Michael Stemmler, additiv’s CEO, said at the time that the important milestone achievement demonstrates additiv’s commitment to the Asia Pacific region, and also the strength of its Digital Finance Suite Version 4, the technology underpinning SmartWealth.

### **Here comes DFS 4.0, all Micro-Service and API based, so that implementation efforts for banks are very low**

The company’s cloud-based Digital Finance Software-as-a-Service is based on the fourth generation modular Digital Finance Suite (DFS 4.0) and Microsoft’s Azure cloud platform for the financial services industry. It allows financial institutions to deploy class-leading client advisory, servicing and expert tools in wealth and asset management for the digitalisation of new and existing business segments.

“This relatively new cloud-based offering allows wealth managers to deploy class-leading client advisory, servicing and expert

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tools in wealth and asset management - both faster and more sustainably than anyone else,” van Essen reports. “We are due to add more than 10 different innovative cloud-based software products for clients and client-facing staff in the near future.”

Van Essen clarifies that additiv has no intention of getting involved in core banking systems. “We do not do that,” he explains. “We offer a system that our users interact with on a day to day basis, out of the box, and this provides help with every step from engaging clients to giving advice, to execution but all on the front-office level. We are therefore complementary to the core banking system that, for example, Avaloq,

Temenos or another provider offers, so we are not in competition with them.” In Asia you also see many local, home grown core banking platforms, mostly coming out of the banks’ legacy retail business. Through our loosely coupled API architecture, we can easily connect to these platforms without a lot of integration work.

He also offers further insight into the additiv offering. “We provide everything as a service on a hosted platform, and we publish the APIs, while the integration required for a bank is very minimal for all the services that we offer,” he reports. “The offering is white-

labelled and will be branded as the clients wish, but they can also choose actually to use their own user interface and actually provide services as a back-end.”

**Ahead of the game...**

As to additiv’s USP, van Essen is emphatic. “It is really very simple,” he claims. “We are ahead of the game and compared to the other players in the market, our platform is proven and tested, it is already in its fourth generation and it has been developed for many banks in the region as well as in Europe and in Africa. It is live, and there is a clear and established track record.”

The second core element of additiv’s USP is, van Essen explains, the company’s “fantastic user interface” with which advisers, as well as clients, like to work. “Thirdly,” he says, “the platform is available as APIs, or it is offered as a complete user interface-based platform which is also very easy to implement.”

Van Essen appears to have arrived at additiv at a moment when the firm’s momentum in the region is clearly accelerating. Combined with his experience, dynamism and drive, market insiders are expecting to hear considerably more of the additiv name in months and years to come. ■

