Shaping wealth's future through innovation, generational shifts and digitalisation

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PwC's Wealth Management Insights 2025

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Content

Executive Summary

We are proud to present the fourth edition of the Wealth Management Insights, conducted by PwC's Wealth Management Center of Excellence (WM CoE) based in Zurich. This annual report provides a comprehensive analysis of the wealth management sector's trajectory towards 2025. Building on the foundations of our previous publications, this edition delves deeper into the evolving dynamics of wealth management, examining both emerging opportunities and ongoing challenges. As the industry continues to evolve, wealth managers are prompted to re-evaluate the status quo to stay ahead of shifting market forces. This report offers actionable insights to help industry leaders navigate complexity, adapt to the changing landscape, and seize new opportunities in an increasingly dynamic environment.

Key Insights from the report include:

Global market dynamics: As inflation eases and interest rates stabilise, 53% of clients display cautious optimism towards their investments. In contrast, geopolitical tensions concern 62% of wealth managers. Furthermore, macroeconomic factors – including inflation and interest rates – are viewed as primary investment drivers by 76% of clients.

Emerging client personas: Wealth managers are shifting from traditional segmentation methods to advanced persona-based frameworks and psychographic profiling, enhancing their understanding of clients and aligning investment strategies with their ethical values and preferences. This shift reveals opportunities, particularly among clients seeking financial education who embrace digital platforms, underscoring the need for customised strategies that consider regional and cultural differences to meet diverse client needs effectively.

Generative AI implementation: The use of GenAI shows promise for significantly improving operational efficiency while maintaining compliance. It optimises critical back-office tasks like regulatory reporting and data reconciliation, enabling firms to streamline operations, enhance accuracy, and elevate service quality.

Evolving role of Relationship Managers: The future of RMs will necessitate specialisation in areas such as cross-border wealth management, with 53% of professionals indicating that cross-border expertise will be essential. Additionally, 31% recognise the increasing importance of AI and digital tools in managing client portfolios and facilitating wealth transfer.

We hope you will appreciate the reading and enjoy the insights that are shaping our wealth management environment.

Patrick Akiki
Partner, Financial Services Market Lead & Head of Wealth Management Center of Excellence, PwC Switzerland

Chapter 1

Introduction

Global economic dynamics and close international attention to the US

Wealth management in 2025 finds itself operating in a dynamic and evolving environment, driven by strong market performance, continued technological advancements and a shifting global landscape. According to our recent PwC Switzerland 2025 insights survey, the majority of clients maintain a somewhat optimistic outlook for the next 12 to 18 months, with 53% expressing cautious confidence and 24% remaining neutral. However, this optimism is tempered by key concerns: macroeconomic factors such as inflation and interest rates are cited as the primary drivers of investment decisions by 76% of respondents, with geopolitical tensions (62%) and the disruptive potential of emerging technologies (32%) also weighing heavily on client sentiment.

What are the most relevant drivers influencing your clients' investment decisions?

Figure 1: Key drivers influencing clients‘ investment decisions

In terms of market opportunities, North America leads as the primary growth region, identified by 52% of survey participants, followed by the Asia-Pacific region at 22%. This sentiment is reinforced by several factors, including the pivotal role of the new US president, expected to influence policy and investment trends. Additionally, the dominant position of S&P500 companies, driving innovation in AI and technology, further strengthens the belief that the US will remain at the forefront of global economic growth.

This enriched backdrop highlights the duality of opportunities and challenges facing wealth managers, setting the stage for deeper exploration in the chapters that follow.

Which markets do you anticipate driving future growth in your client's portfolio?

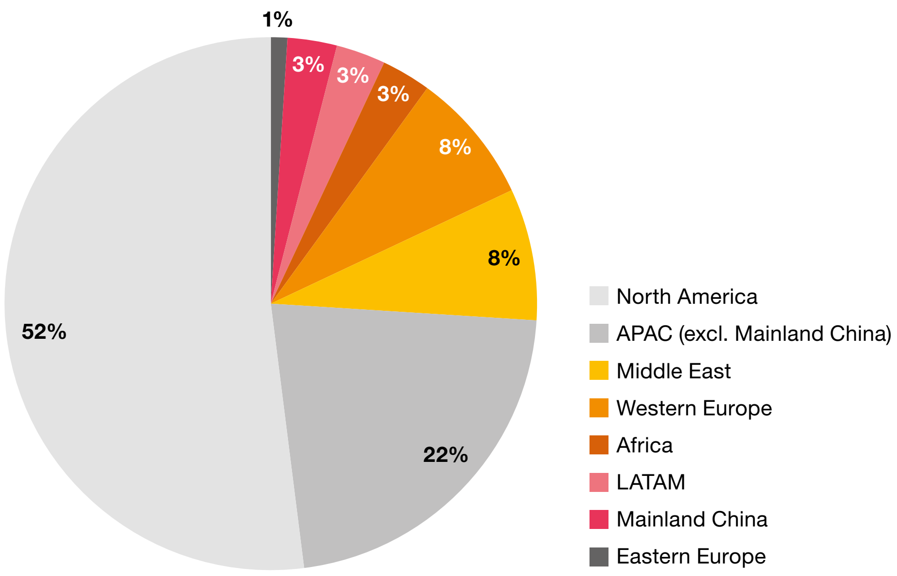

Figure 2: Markets driving future growth in client's portfolio

Navigating the different chapters

In this complex environment, the wealth management sector is experiencing both triumphs and trials. Chapter 2 delves into these highs and lows, presenting a candid look at the realities wealth managers face today. From the challenges of intergenerational wealth transfers to the growing emphasis on sustainable investing and evolving client personas, we explore how firms are adapting – or failing to adapt – to new paradigms. By understanding these dynamics, we aim to highlight the opportunities that can arise from navigating uncertainty with resilience and strategy.

Amidst the noise, technology and artificial intelligence emerge as potent enablers of change. Chapter 3 takes a pragmatic approach to examining how AI and other digital tools are reshaping client interactions, operational efficiency and regulatory compliance. Beyond the initial hype, we spotlight real-world applications that are redefining the value proposition of wealth managers and ensuring their ability to cater to increasingly sophisticated client needs.

The wealth management landscape is also being reshaped by generational shifts. Chapter 4 explores how firms are preparing for the next generation of wealth holders, emphasising the evolving role of relationship managers and the importance of cultural sensitivity, digital fluency and cross-border expertise. With younger, tech-savvy clients expecting seamless digital experiences and personalised advice, this chapter highlights the skills and strategies required to meet these demands while ensuring long-term client retention.

Through this report, we aim to provide a comprehensive lens into the current and future state of wealth management. By combining industry insights with actionable strategies, we hope to empower wealth managers to navigate complexity, harness innovation and seize opportunities. We invite you to dive into the following chapters and wish you an engaging and thought-provoking read.

Chapter 2

The highs, the lows & the realities of WM

The economic environment in 2025 presents both challenges and opportunities for wealth managers. The newly elected US president has instilled greater market optimism, with inflationary pressures easing and interest rates trending downward after a period of highs. These conditions are influencing investor confidence, particularly in growth equities and the broader stock market, including a notable surge in the S&P 500. Additionally, the cryptocurrency market has shown resilience, with positive trends hinting at renewed interest from institutional and retail investors alike.

While the US elections, technological advancements and AI-driven innovation provide grounds for optimism, geopolitical tensions – particularly the risk of trade conflicts among major economies – and ongoing armed conflicts continue to introduce volatility into global markets. At the same time, wealth managers must navigate evolving business risks. According to PwC's 2025 CEO Survey, cyber risks remain the primary concern for Swiss CEOs for the second consecutive year – an issue that extends directly into wealth management. As firms increasingly adopt digital solutions and AI-driven client interactions, safeguarding sensitive financial data and maintaining trust are paramount.

Alongside these risks, shifting client demographics and evolving priorities are reshaping the wealth management landscape. The rapid pace of technological innovation, combined with a growing emphasis on ethical investing and personalised solutions, is challenging traditional segmentation models. As a result, new client personas with unique demands are emerging, requiring wealth managers to adapt their approaches to better serve an increasingly diverse and sophisticated clientele.

The emerging personas

Wealth managers are moving beyond wealth-based segmentation and drifting away from traditional demographic-based approaches. Instead, they are adopting more sophisticated methods such as persona-based frameworks and psychographic profiling. These methods provide a deeper understanding of clients, enabling firms to anticipate and respond to changes in priorities, preferences and lifestyles. Success hinges on the ability to align investment strategies with clients' ethical values, digital preferences and long-term goals.

Emerging client personas exemplify these evolving demands:

HENRY 2.0 (Tech-Savvy Wealth Builders): The second version of High Earners Not Rich Yet, digital-first professionals and entrepreneurs who seek seamless, technology-driven wealth management solutions and embrace both traditional and alternative investments like cryptocurrencies and venture capital to build long-term financial security.

Impactful Women Investors: Successful women focused on creating financial independence through values-based investing while balancing personal wealth growth with social impact and family legacy planning.

Global Wealth Navigators: High-earning professionals and executives with international ties, requiring sophisticated cross-border wealth management strategies that optimise tax planning, multi-currency portfolios and global investments.

Sustainable Investors: Passionate about making a difference, these investors prioritise ESG-driven strategies, impact investing and philanthropy while seeking steady returns that align with their values and long-term societal impact.

Lifestyle-Oriented Wealth Builders: Ambitious individuals looking to achieve personal goals like early retirement, entrepreneurship or work-life balance, with a focus on personalised, flexible financial planning that supports both their lifestyle and wealth growth.

These personas highlight the opportunity within the wealth management space. For instance, clients seeking financial education are often the most willing adopters of digital platforms, overturning traditional assumptions about technology usage. Regional and cultural differences further underscore the need for nuanced strategies to meet diverse client needs.

Key opportunities and strategic considerations for wealth managers

Remaining competitive in this dynamic landscape requires awareness of key segmentation criteria, a forward-looking perspective on emerging trends and proactive management of challenges while leveraging opportunities.

Based on our survey, we have identified the following challenges as well as the associated opportunities:

What are the biggest challenges for Wealth Managers today in client relationship management?

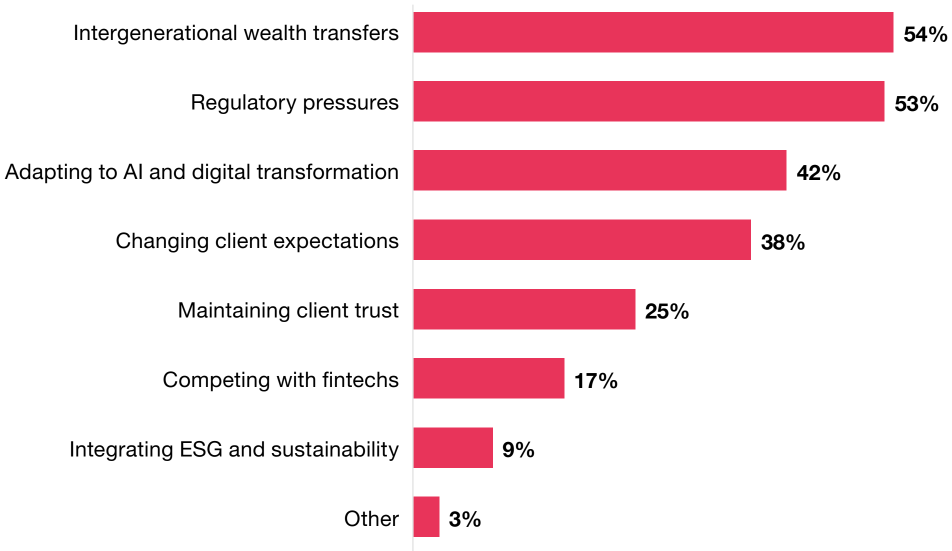

Figure 3: Wealth Managers' challenges in client relationship management

Challenges	Associated opportunities
Intergenerational wealth transfers (54 of respondents) Older clients prioritise family legacies, while younger heirs demand new, innovative products and services – reflecting changing values and expectations.	**Deepening client engagement across generations** Viewing intergenerational transfers as a chance to expand the client base and solidify long-term trust. Addressing the growing demand for alternative assets and providing both financial and non-financial services to deepen relationships and ensure enduring engagement across generations[1]. [Link to Chapter 4]
Regulatory pressures (53 of respondents) ESG considerations and the broader regulatory environment drive up operational costs and complicate compliance processes.	**Leveraging regulatory challenges as a catalyst for innovation** Implementing advanced systems, leveraging data analytics and cultivating specialised expertise. Upskilling ad hoc resources to raise awareness of new and emerging regulatory pressures, adapting client solutions to stay on top of evolving standards and leveraging technology to automate compliance processes.
Technological transformation (42 of respondents) Clients now expect seamless digital interfaces and real-time insights, but integrating AI and digital solutions into traditional frameworks can be resource intensive.	**Embracing AI and digital-first services** Using AI and analytics to deliver tailored offerings, automate repetitive tasks and generate proactive insights. Real-time data fosters deeper client relationships, enabling wealth managers to move from reactive to proactive service. [Link to Chapter 3]
Competition from fintechs (17 of respondents) Agile new entrants set high standards for speed, innovation and cost-efficiency, pressuring traditional players to maintain both innovation and personalisation.	**Differentiating through personalisation** Maintaining a competitive edge by focusing on high-quality, bespoke client service. Balancing tech-driven innovation with human advisory builds trust and loyalty – especially important for next-gen clients – while reinforcing the unique strengths of established wealth managers.

[1] PwC Switzerland "Unlocking value: non-financial services in wealth management" (September 2024)

How is the current market environment reshaping products and services in wealth management?

Products

It comes as little surprise that private markets are set to take centre stage in future asset allocations. Over the next 12 to 18 months, respondents expect the greatest expansion in private market investments, with private equity leading the way. In fact, 65% of survey participants identified private equity as a top investment choice in the coming two to three years.

This growth is partly fuelled by the rapid expansion of the private equity secondary market. In the first half of 2024, the global secondaries market reached an estimated volume of USD 68 billion – 58% higher than the same period in the previous year[2]. In the United States in particular, the market saw a notable boost, historically tied to policies under the Trump administration that favoured tax cuts, deregulation and a stronger dollar, thus bolstering risk assets.

Following closely behind private equity, **private debt** is highlighted by 32% of respondents as an important investment, favoured for its potential to generate steady income even under uncertain market conditions. **Infrastructure** ranks third (26% of respondents), valued for its stability and ability to provide inflation protection.

Additionally, cryptocurrency is regaining prominence in investor portfolios. With the overall market cap surpassing USD 3.6 trillion in 2025[3] versus USD 1.7 trillion in 2024 – an all-time high – crypto is once again a key consideration for wealth managers.

In which of the following alternative asset classes do you see the greatest client future strategic allocation in the next 2-3 years?

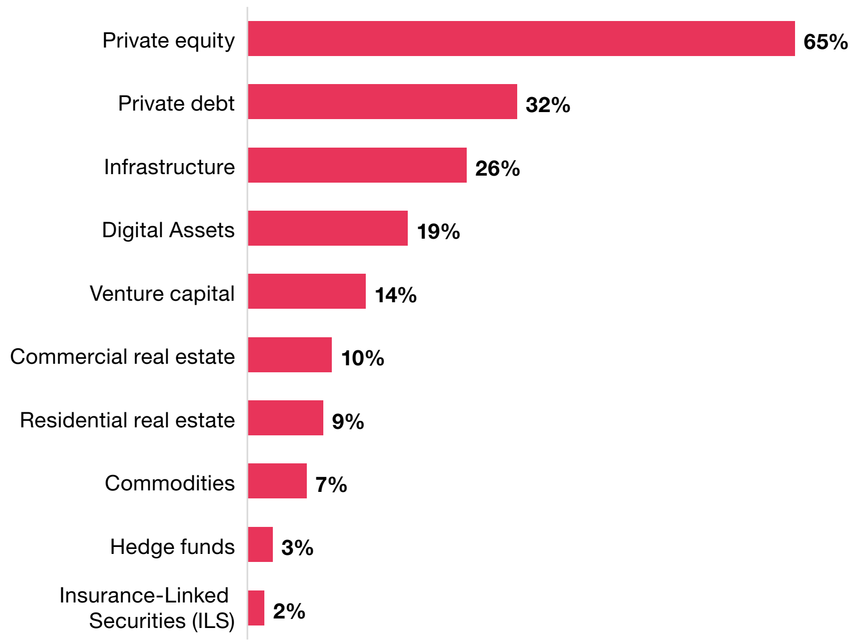

Figure 4: Expected strategic allocation per alternative asset class in the next 2-3 years

Services

Wealth managers are broadening their offerings to meet evolving client expectations in an ever-changing market environment. Beyond traditional portfolio management, many firms now provide holistic solutions that address not only financial goals but also personal, philanthropic and business-related challenges – as highlighted in PwC's **"Non-Financial Services in Wealth Management"** article.

At the same time, providers are fine-tuning their relationship management through persona-based approaches, ensuring advice is tailored to distinct client segments. As mentioned in the article, digital-first or hybrid advisory models are gaining ground, combining the efficiency of AI-driven analytics and automated tools with human expertise and seamless omnichannel experiences. These technologies also enable real-time insights, helping firms proactively anticipate market shifts and strengthen their client relationships.

By integrating financial and non-financial services into a cohesive platform, wealth managers can differentiate themselves, strengthen client loyalty and remain competitive.

[2] UBS The Red Thread (December 2024)

[3] Source: Coin Market Cap (data as of 29 January 2025)

Achieving profitability through growth and innovation

The wealth management landscape is undergoing fundamental shifts, driven by evolving client expectations, regulatory complexities and disruptive business models. Traditional segmentation methods are giving way to more nuanced approaches as firms seek to capture opportunities among distinct segments such as HENRYs 2.0, Impactful Women Investors, Global Wealth Navigators, etc.

- **Growth** remains central to these efforts, with many turning to both organic expansion – through personalised offerings and new distribution models – and inorganic routes via strategic mergers and acquisitions, which can boost assets under management, geographic reach and specialised expertise.
- **Profitability** depends on a firm's ability to optimise costs while still delivering high-touch service. Zero-based budgeting, which challenges every expense, can free up resources for more value-adding initiatives. Meanwhile, the rise of fee-conscious clients and fintech competitors is pressuring firms to adopt new pricing models – performance-linked fees, subscription-based billing or tiered service levels. Technology-driven delivery methods such as hybrid robo-advisory or digital onboarding further enhance efficiency and allow wealth managers to cater to a broader range of clients without sacrificing personalisation.
- **Innovation** is the catalyst that ties these efforts together. Data analytics, automated processes and artificial intelligence are no longer add-ons but core components of the wealth management experience. By harnessing these tools properly, wealth managers can shift from reactive to proactive service models, deepening relationships and staying relevant in a crowded market.

  The push for growth, the pursuit of robust profitability and the adoption of innovative solutions are therefore critical for sustaining competitive advantage.

In the next chapter, "Beyond the Hype: Tech & AI in WM", we delve deeper into how technological advances and artificial intelligence are driving the evolution of wealth management – and how firms can turn hype into real-world gains.

Chapter 3

Beyond the hype: tech & AI in WM

In last year's report, one of the key findings was that the wealth management sector is evolving towards a hybrid advisory model. This model integrates human expertise with advanced technology to enhance client interactions and operational efficiency. By leveraging technology, advisors can access data-driven insights that enable personalised advice while preserving the essential human touch. This approach addresses evolving client expectations by blending digital tools with relationship-building, ensuring a balance between innovation and trust.

In this year's report, we delve deeper into the establishment of this hybrid advisory model. Our survey highlights trends in budget allocation and technology investment priorities, offering valuable insights into key AI implementations for firms aiming to drive business impact and enhance operational efficiency in the coming years.

Technology investment priorities

From a technology perspective, the functions that would benefit most from increased budget allocation are in the back and middle office.

- **Client onboarding & account setup:** Increased investment in these processes aims to streamline operations and enhance the onboarding experience.
- **Client relationship management (CRM):** CRM tools remain a cornerstone of technology investment, enabling personalised interactions and improved client retention.
- **Client preferences & personalisation tools:** Firms are prioritising tools that leverage data to deliver tailored services, aligning with clients' growing demand for personalisation.
- **AML and KYC compliance:** Investment in technology to support AML/KYC compliance remains a critical priority, ensuring adherence to regulatory standards.

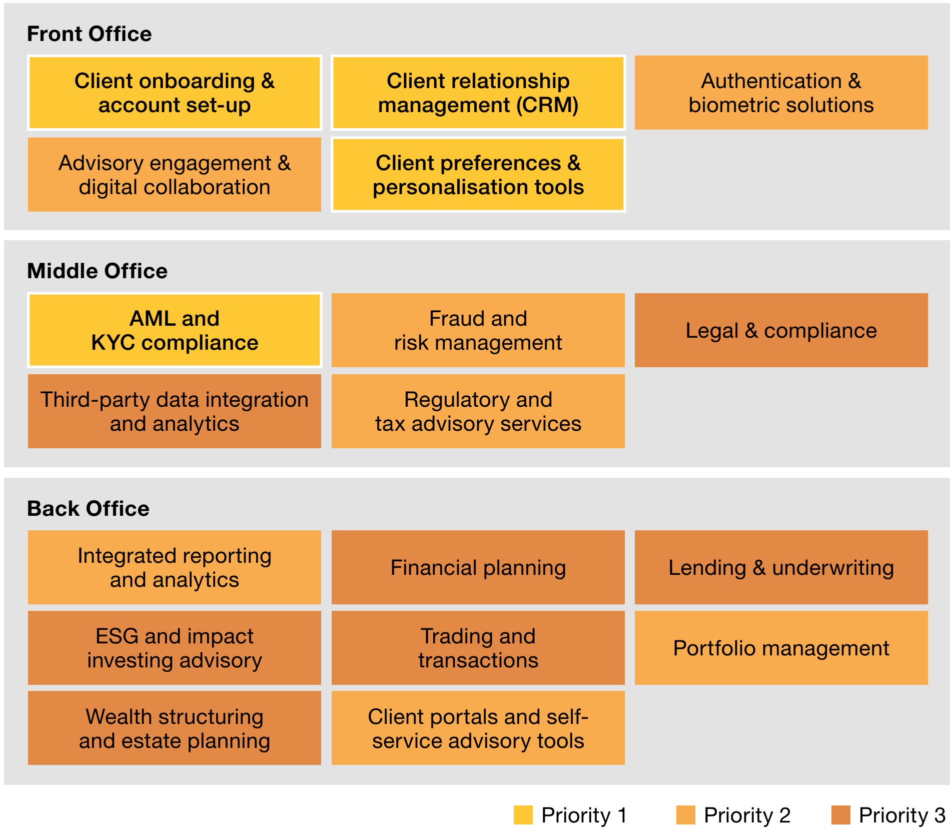

Figure 5: Technology investment potential across office functions

Digital services and AI solutions

Modernising IT systems and improving fraud and compliance checks are the top priorities in terms of digital service enhancements in the next one to two years. Furthermore, respondents plan to implement AI solutions in back-office automation and automated compliance processes, demonstrating a growing focus on leveraging AI technologies to drive operational efficiency and regulatory compliance.

Which of the following digital services are underway, planned to be implemented, or substantively enhanced in the next 1-2 years?

Figure 6: Digital services to be further enhanced in the next 1-2 years

The leading implementations of generative AI (GenAI) clearly demonstrate its potential to dramatically enhance operational efficiency while maintaining strict compliance and robust back-office functionality. These applications optimise critical back-office operations – such as regulatory reporting, data reconciliation and workflow automation – enabling firms to scale operations, improve accuracy and ensure ongoing regulatory adherence. By embedding GenAI into these processes, businesses can not only streamline their operations but also provide superior service quality.

In wealth management, industry research indicates that the integration of GenAI can save advisors between 10% and 30% of their time across the entire value chain. This time saving is particularly impactful, as it allows advisors to shift from administrative tasks to more strategic activities such as providing tailored advice and nurturing client relationships. This transition not only increases productivity but also elevates service quality, ultimately enhancing the client experience.

As a result, clients can benefit from more personalised and responsive services, enabled by the efficiencies introduced through GenAI technologies. Realising these benefits requires a high degree of adaptability from the IT infrastructure, which must evolve to meet the changing organisational requirements.

Primary obstacles in modernising operating models

Despite these advancements and efforts, firms are indeed facing significant challenges in modernising their operating models and processes. The survey identifies the following obstacles:

- **Legacy technology systems:** Outdated infrastructure remains a major barrier to digital transformation, limiting the integration of new technologies.
- **Regulatory pressures:** Navigating complex regulatory environments continues to pose challenges, requiring dedicated resources and expertise.
- **Lack of investment in digitalisation:** Some firms struggle to allocate sufficient resources toward digital initiatives, hindering progress.
- **Shortage of skilled workforce:** A lack of skilled professionals in areas such as AI and data analytics further complicates modernisation efforts.

Data privacy considerations: Transitioning operating models and technology presents firms with the risk of a mishap but also with the opportunity to satisfy regulatory requirements and the security and privacy demands of their clients in simpler, more efficient ways. A substantial portion of firms see more overt cyber security and privacy as critical to competitive advantage.

Thorough strategic planning helps address challenges in the implementation of new technologies and realise longer-term benefits. Done well, migrating to advanced technologies and digital solutions can improve security automation and efficiency, helping firms to keep pace with the demands of regulators on clients. Done poorly, the addition of these new technologies simply expands the attack surface, increasing potential vulnerabilities to cyber threats.

Modernising operating models often involves collecting and processing large volumes of data, which heightens the risk of data breaches and unauthorised access to sensitive information. Compliance with data protection regulations like GDPR is crucial to safeguarding customer data and maintaining trust.

Additionally, collaborating with external vendors and partners during modernisation efforts introduces third-party risks. Conducting thorough vendor risk assessments and continuously ensuring that external partners adhere to cybersecurity best practices are critical to protecting the firm's data and infrastructure.

By proactively integrating robust security measures, ensuring compliance with data protection regulations and evaluating third-party cybersecurity postures, firms can enhance their resilience to cyber threats while safeguarding sensitive information. Embracing technology and AI implementation with a strong focus on cybersecurity will not only drive operational excellence but also fortify the organisation's defences in an increasingly interconnected and data-driven landscape[4].

Conclusion

The wealth management sector is navigating a transformative period where the integration of technology and AI, particularly through hybrid advisory models, is reshaping client engagement and operational efficiency. By prioritising investments in AML/KYC compliance, CRM tools and AI-driven automation, firms can meet evolving client expectations while addressing regulatory demands. However, the journey toward modernisation is not without challenges, such as legacy systems, regulatory complexities and cybersecurity risks.

To thrive in this dynamic landscape, firms must adopt a proactive approach by aligning technology investments with strategic goals, fostering a skilled workforce and prioritising robust security measures. By leveraging the transformative potential of AI and embracing innovation with resilience, wealth management firms can deliver personalised, efficient and secure services that build long-term client trust and drive sustainable growth.

4 https://www.pwc.ch/en/insights/fs/cybersecurity-in-wealth-management.html

Chapter 4

Preparing for the next generation

Evolving role of relationship managers: adapting to changing client needs

The role of relationship managers (RMs) in wealth management is evolving in response to the shifting needs of clients, particularly as the next generation of wealth holders emerges (also see the section on major challenges and opportunities in Chapter 2). Clients are increasingly looking for RMs who not only possess technical financial expertise but also demonstrate a high level of cultural sensitivity and share similar professional experiences and values. These elements are becoming more crucial in fostering strong, effective relationships. Today's clients place significant importance on how well their RM can relate to them on a personal level, understanding their lifestyle, values and cultural background.

The survey results underscore the growing emphasis on these qualities in the RM-client relationship. When asked about the factors that influence the effectiveness of the relationship between an RM and a client, knowledge about professional experience and cultural background and values were rated as the most significant. These findings illustrate that clients value a deep connection with their RMs, built not only on shared financial expertise but also on common values and cultural understanding. RMs who can engage with clients in a culturally sensitive manner and understand their unique life experiences are more likely to build trust and long-lasting relationships.

How important do you believe the similarity between a Relationship Manager and the client is in influencing the effectiveness of their relationship?

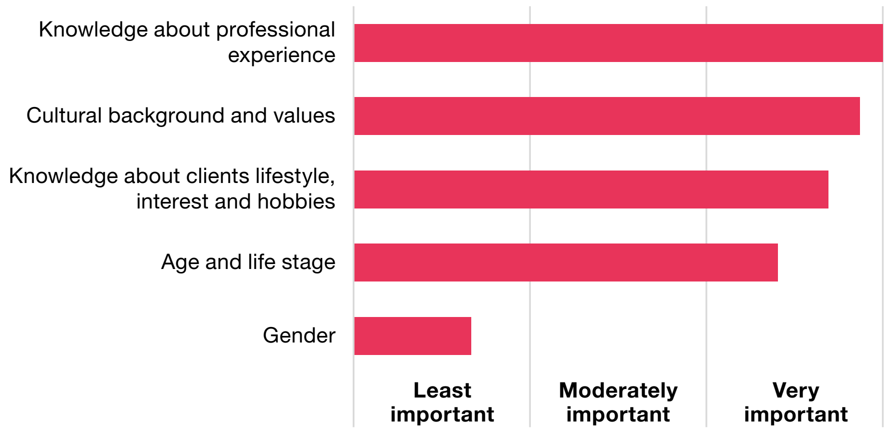

Figure 7: Impact of Relationship Manager-client similarity on relationship effectiveness

Looking to the future, the evolving role of RMs will rely heavily on specialisation in areas such as cross-border wealth management and the ability to leverage AI and digital tools to enhance client engagement and wealth transfer. In our survey, 53% of wealth management professionals noted that specialisation in cross-border matters will be a crucial skill for RMs over the next few years, especially as clients increasingly hold assets across different regions. Additionally, 31% of respondents recognised the growing importance of AI and digital tools in facilitating wealth transfer, managing client portfolios and providing personalised recommendations.

Key training areas for relationship managers

To successfully adapt, RMs must upskill in several key areas:

1. Technological upskilling
As the wealth management industry embraces AI and digital tools, RMs must become proficient in using these technologies to enhance service quality and operational efficiency. While these tools offer powerful ways to analyse client preferences and predict their needs, RMs must ensure that they maintain the human connection that clients value. Training in AI tools, CRM systems and automated portfolio management tools will enable RMs to offer personalised recommendations while maintaining the personal touch that builds trust.

The wealth management sector faces a significant gap in technological training. Currently, only 39% of asset and wealth managers are upskilling their internal workforce to fully leverage new technologies (PwC, Asset and Wealth Management Revolution 2024). This presents a tremendous opportunity for wealth management firms to enhance their service offerings by investing in training programs for RMs, ensuring they stay ahead of technological trends.

2. AI & digital tool integration
The previous chapter highlights the growing role of AI in wealth management, particularly in CRM, onboarding and compliance areas like AML and KYC. AI-driven tools are improving operational efficiency, enabling wealth managers to automate tasks and focus more on personalised client service. These technologies also support engagement with younger generations and facilitate smoother wealth transfers.

As the industry continues to embrace these technologies, it becomes imperative for RMs to receive comprehensive training on the practical applications of AI across CRM, onboarding, KYC and fraud management. This training will ensure that RMs can fully leverage the new tools at their disposal to provide enhanced service, improve efficiency and stay ahead of emerging client demands.

3. Cross-border specialisation
As global mobility continues and more clients hold wealth across borders, RMs must be equipped to manage the complexities of cross-border wealth management. Understanding international tax laws, estate planning regulations and global compliance will be crucial to effectively managing multi-jurisdictional portfolios. Specialised training in cross-border wealth management will not only allow RMs to serve clients more effectively but will also differentiate them in an increasingly competitive market.

4. Cultural sensitivity
As clients increasingly prioritise cultural sensitivity and shared values in their relationships with wealth managers, it is essential for relationship managers to possess a deep understanding of cultural awareness and the intricate dynamics within multigenerational families. Wealth management often spans multiple generations, each with distinct cultural expectations and financial decision-making practices. To cultivate stronger, more meaningful relationships, RMs must demonstrate an ability to navigate these nuances, recognising that a one-size-fits-all approach is insufficient in today's diverse client landscape.

The age difference between RMs and clients also plays a significant role in shaping the affinity and effectiveness of their relationship. Successful client relationships often feature an age gap of around 10 years, which helps create a natural bond based on shared experiences, values and interests. This connection fosters better understanding and communication, enabling RMs to build stronger, more personalised relationships.

Performance distribution of client advisors based on age difference against clients[5]

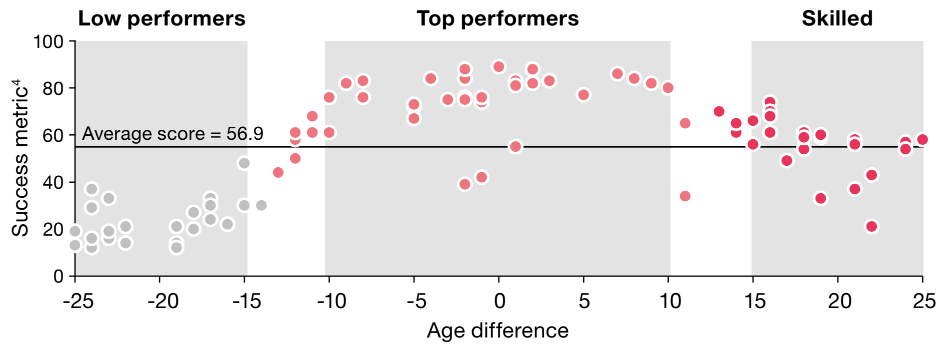

Figure 8: Correlation between age difference and performance of client advisors

Cultural competence is particularly critical when addressing wealth transfer, as different cultures may have unique practices and norms around asset distribution. In some cases, wealth transfer is handled informally or through private, family-based arrangements, requiring RMs to approach such discussions with sensitivity and respect. By being attuned to these cultural subtleties, RMs can better support clients in managing wealth across generations, ensuring that decisions align with the values and traditions that guide their families.

[5] Sources: Analysis performed by PwC WM CoE – note survey based on 16 global wealth managers and 102 clients

Tackling the issue of relationship manager mobility: client retention amidst RM turnover

While RMs must adapt to evolving client needs, another critical challenge wealth management firms face is the high turnover rate among RMs. This turnover presents a significant risk, as the relationship between an RM and their client is built on trust, personalisation and deep emotional connections. When RMs leave their firm, clients often follow, taking their wealth and relationships with them. This has a direct impact on client retention and firm stability, making RM mobility a crucial issue that wealth managers must address.

RMs are highly sought after in the wealth management industry and many are motivated by the opportunity for career advancement, higher compensation and better work-life balance. The challenge for wealth managers is that when RMs leave, their clients – especially those with significant assets – are likely to move with them. This means that when an RM transitions to a new firm, it can lead to significant client attrition and potential loss of revenue for the firm. In an industry where relationships are paramount, this risk is magnified.

The causes of RM turnover are varied, but typically include a lack of career growth, insufficient compensation and misalignment with the firm's culture. When RMs feel undervalued, undertrained or unsupported, they are more likely to seek opportunities elsewhere. Moreover, if RMs do not feel aligned with the firm's mission or vision, they may leave, taking their clients with them.

How wealth managers can tackle RM mobility

1. Creating a stronger brand to retain clients

To mitigate the risk of RM mobility and client attrition, wealth management firms must focus on creating a strong, trusted brand that clients are deeply loyal to, regardless of RM turnover. In regions like North America, where clients are more likely to form strong connections with their individual RMs, the focus is on fostering deeper, more personalised relationships. However, in Europe and Asia, where clients tend to develop stronger loyalty to the brand rather than the individual RM, firms need to prioritise enhancing their overall brand reputation, reliability and values.

Wealth management firms can accomplish this by aligning their services, communication and values with client expectations, focusing on consistency, transparency and a shared vision of long-term financial success. A strong brand built on trust and a client-centric approach will create an emotional bond that transcends individual RMs, ensuring that clients stay loyal to the firm even if their primary RM moves. This can be achieved through delivering exceptional service, providing a clear value proposition and positioning the firm as a leader in expertise, ethics and reliability.

2. Developing retention strategies for RMs

Wealth management firms should implement robust retention strategies to ensure that RMs feel valued and supported. Creating an environment that encourages professional growth, commitment to the firm's values and opportunities for leadership development can help RMs build a long-term connection with the organisation. Providing training and mentorship opportunities, alongside clear career advancement pathways, will empower RMs to continue thriving within the firm. When RMs are aligned with the firm's mission and supported in their growth, they are more likely to remain loyal, thereby reducing the risk of turnover and ensuring continuity in client relationships.

Conclusion

As the wealth management industry evolves, adapting to the needs of the next generation of clients is crucial. Relationship managers must balance financial expertise with cultural sensitivity, cross-border knowledge and proficiency in AI and digital tools. These skills are essential for building meaningful, long-term client relationships.

Wealth management firms must also address RM mobility by strengthening their overall brand and ensuring clients remain loyal to the firm, regardless of RM turnover. By creating a strong, trusted brand that reflects consistency, transparency and a client-centric approach, firms can retain clients even during times of transition. Supporting RMs with specialised training and career development ensures continuity of service and reduces client attrition during turnover. By focusing on both technological advancements and the human aspects of client relationships, firms can retain clients and secure long-term business growth, positioning themselves for sustained success.

Chapter 5

Final thoughts

The wealth management industry is at a pivotal moment where disruption meets opportunity and tradition converges with innovation. As technological advancements, evolving client expectations and regulatory shifts redefine the landscape, strategic leadership from C-level executives is essential.

Success will hinge on a firm's ability to offer personalised solutions, adapting products, services and engagement models to meet diverse client needs. Striking the right balance between in-person relationships and digital convenience will be critical, ensuring seamless, flexible interactions that enhance trust and long-term loyalty.

The following insights provide a roadmap for driving meaningful change, emphasising innovation, strategic decision-making and a client-centric approach as the key drivers of resilience and growth.

Adopt a client-centric, personalised approach

Wealth managers must move beyond generic segmentation and embrace hyper-personalisation. AI-driven insights and behavioural analytics should inform investment strategies, ensuring tailored solutions that align with individual client needs. Firms must strengthen multi-generational wealth planning to secure long-term relationships and adapt to shifting financial priorities. A seamless blend of digital tools and personalised advisory services will be key to maintaining trust and engagement.

Accelerate AI and digital transformation

AI and automation must be leveraged not just for efficiency but as a competitive differentiator. Firms should integrate AI-driven onboarding, predictive analytics and automated compliance to enhance decision-making and risk management. The shift to hybrid advisory models, where AI enhances rather than replaces human expertise, will be critical in delivering high-value client interactions.

Strengthen cybersecurity and regulatory readiness

Cyber threats and regulatory scrutiny are intensifying, demanding a proactive approach. Firms must invest in AI-driven fraud detection, advanced encryption and compliance automation to safe-guard client assets and data. Regular cybersecurity audits and dynamic risk assessments will be essential to maintaining trust, ensuring compliance and protecting both clients and the firm from emerging threats.

Future-proof the workforce

Relationship managers must be equipped with the digital expertise, cross-border knowledge and cultural awareness necessary to serve an increasingly global and tech-savvy clientele. Firms must prioritise targeted upskilling, enabling advisors to leverage AI-driven insights and digital platforms effectively. A strong focus on career development, mentorship and retention strategies will ensure firms attract and retain top talent while strengthening client relationships.

Survey research methodology

We surveyed UHNWI advisors between October and November 2024 to discover how their clients' economic outlook and demand for investment products are changing. Consisting of 20 questions, the survey was sent to over 500 wealth advisors and investment advisors worldwide.

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