

What women want from wealth management technology

With the global income of women expected to grow from US\$13trn in 2017 to US\$18trn by 2022¹, attracting the business of female high net worth individuals has become a priority for the wealth management industry.

But how do the needs of female HNWIs compare to their male counterparts? Drawing on our global research in conjunction with Factset of among almost 400 female clients of wealth management providers, we look at female attitudes to one increasingly critical component of any wealth management proposition – technology.

1. Women are keen to adopt new technology

Female wealth management clients are marginally less likely than their male counterparts to want to trial completely new technology in wealth management (37% compared to 47% of men), according to our research. But that still means more than a third of female clients are keen to be on the cutting edge of new technology in the sector. A further 36% are willing to use technology once it is well established.

But it should be noted that an eighth of women (13%) seek to avoid technology completely in their wealth management activity compared to just 7.5% of men – and this aversion still needs to be catered for.

2. They're happy to share online information if it leads to a more customised service

Three-quarters of women say they are or might be comfortable sharing their browsing history with their wealth manager if it could lead to a more customised service. This rises to over 80% for purchasing history and social media profiles.

To get a more personalised wealth management service, just under 80% are, or could be, willing to share information on wealth and investment accounts held with other financial institutions, and 87% are definitely willing or could be willing to share online information on their likes and preferences.

3. They want to use technology to help with investments decisions...

Women are also interested in being able to use technology to support their own decision-making with more than 40% keen to see their wealth manager introduce platforms where they can independently purchase products or answer questions that will help them identify suitable products.

4. ...but aren't interested in full-fat robo-advice

While they are happy to receive some platform-based guidance, only 10% of female wealth management clients currently use a robo-adviser to deliver investment recommendations, compared to 14% of men. Only 17% of women say they would be interested in robo-advice as part of an online wealth management proposition to help them select suitable products.



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¹ https://www.researchandmarkets.com/research/fzj9nx/european_uhnw?w=12

5. They're comfortable using platforms

Where a wealth manager has an existing online platform, female clients are largely very happy with it. The biggest concern is that platforms don't always feel secure – cited by 23% of women. But women are likely to be less critical than men about the quality of performance data or the level of customisability offered by a platform.

6. Clarity and comparability are the online quid pro quo

Most wealth managers seek to combine human and online interaction. If a wealth manager offered to conduct the majority of a female client's wealth management online, she in return would want to see greater transparency of fees and charges (requested by 37% of women) easier comparisons of available products and services (requested by 34%), access to "unique" insight and information to help reach their wealth goals (31%) and greater clarity on ongoing portfolio performance (29%).

7. While speed, personalisation and a focus on goals are wanted from new technology

When it comes to introducing new technology to their wealth management service, women would most like to see real-time analysis of their portfolio performance (44%) and investment positions (42%), investment recommendations tailored to their areas of interest (41%) and alerts and notifications to help rebalance a portfolio quickly (40%).

Of least interest is scenario planning of their response to different hypothetical market events (30%). On the other hand, 39% believe that a tool that depicts their progress to their goals could have a very significant impact on their ability to engage with and manage their wealth.

8. ...they're increasingly going mobile

Desktop PCs are still the most prevalent form of tech used by women, with 48% using one for three hours or more a day, compared to 38% using their smartphone for three hours or more a day.

However over the next five years, women anticipate their use of mobile devices (laptops, tablets and smartphones especially) will increase – although they are less interested in adopting smartwatches.

9. And are geared up for immersive tech

Half of women (50%) expect to increase their use of digital assistants such as Siri and Alexa, which is comparable to men (54%). Women are even open to virtual reality, with 43% expecting to increase their use of VR headsets over the next five years compared to 48% of men.

This could be of particular interest to wealth managers, given that a third of female clients say they are interested in a virtual space where they can interact with their wealth manager.

10. Female wealth management users welcome the next generation of technology

Across the board, female wealth management clients welcome new technology, with three-quarters believing that it can help their adviser be more efficient, lead to products that are more suitable for their wealth requirements and improve their understanding and confidence when it comes to their investments and managing risks.

This has to be good news for any wealth management firm seeking to innovate to advance their proposition for female clients. Just be sure that the value of any new technology is clear and convincing to this receptive but highly discerning cohort.



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Source: Useless stated otherwise, source for all data Aon, Factset.

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