



RBC Wealth Management

Capgemini Contacts:

Mary-Ellen Harn (North America)
mary-ellen.harn@capgemini.com
+1 704 490 4146

Cortney Lusignan (EMEA)
Weber Shandwick for Capgemini
clusignan@webershandwick.com
+44 (0) 20 7067 0764

RBC Wealth Management Contacts:

Suzanne Willers (North America)
suzanne.willers@rbc.com
+1 416 974 2727

Carol Lau (Asia-Pacific)
Weber Shandwick for RBC
clau@webershandwick.com
+ 852 2533 9981

Unmet Needs of High Net Worth Individuals in Asia-Pacific Drive New Opportunities in Wealth Management

*Improved wealth manager training, digital tools, and lending solutions essential for firms,
finds Asia-Pacific Wealth Report 2015*

Singapore, Hong Kong, September 15, 2015 – The unique wealth needs of High Net Worth Individuals (HNWIs)¹ in Asia-Pacific (excl. Japan) significantly sets them apart from HNWIs in the rest of the world, yet wealth managers differ on how well they understand these needs, according to the [Asia-Pacific Wealth Report 2015](#) released today by Capgemini and RBC Wealth Management. Almost 88 percent of wealth managers feel that they understand HNWI needs, yet only 73 percent of HNWIs agree. The close to 15 percentage point gap is higher than the rest of the world² gap (nine percentage points).

The 2015 report reveals that more than 70 percent of HNWIs in Asia-Pacific (excl. Japan)³ show a strong desire for professional advice, almost 20 percentage points more than the rest of the world. In addition, demand for digital capabilities, credit availability, and wealth management services is high across Asia-Pacific HNWIs of all ages and wealth levels compared to the rest of the world. These unique differences are forcing wealth managers and firms to develop solutions that address both the pace-setting wealth growth and significant wealth transfer taking place in the region in order to better meet HNWI needs in Asia-Pacific.

“The continued growth of wealth in Asia-Pacific and an increase in wealth transfer to the next generation risks broadening the apparent disconnect between HNWIs and their wealth managers,” said Andrew Lees, Global Sales Officer, Capgemini’s Financial Services Global Business Unit. *“Investment in digital and automated services will be a key differentiator for Asia-Pacific wealth management firms seeking to meet HNWIs’ desire for digital and will also equip wealth managers to offer more personalized services and opportunities.”*

¹ HNWIs are defined as those having investable assets of US\$1 million or more, excluding primary residence, collectibles, consumables, and consumer durables.

² Rest of the world refers to all countries covered in global market sizing or the Global HNWI Insights Survey 2015 except those in Asia-Pacific.

³ As Japanese HNWIs have unique investing behaviors and preferences, and because the country accounts for more than 50% of the region’s HNWI population, we frequently isolate and make reference to Asia-Pacific excluding Japan when performing regional analysis. Complete findings on Japan as a country are covered extensively in the Asia Pacific Wealth Report.

Growing economy creates waves of change

Emerging Asia-Pacific economies (particularly India and China) are moving away from agriculture to industry and services fueling the expansion of HNWI population and wealth. Over the next 15 years, up to 80 percent of all wealth in the region could transfer to the next generation. This wealth transfer will come with unique challenges and concerns for the wealth management industry. Specifically, 63 percent of younger HNWI (under 45 years) are highly concerned with the rising cost of education, and more than half (58 percent) are concerned with identity theft and personal financial crime. Concerns from HNWI over the age of 45 center around potential family conflict during succession planning, their aversion to discussing wealth transfer, and their doubt around the ability of the next generation to manage wealth. Wealth managers will need to be more attuned to key concerns of younger and older HNWI, and wealth management firms will need to broaden their relationships within HNWI's families to better manage intergenerational wealth transfers.

In addition, the Asia-Pacific region has the highest proportion of HNWI who are business owners at 19 percent, compared to 14 percent in the rest of the world. Providing wealth managers with training and tools to support these business owners with goals-based wealth management will be important for success in Asia-Pacific.

Digital capabilities prove essential for Asia-Pacific's HNWI

HNWI in Asia-Pacific (excl. Japan) demonstrate a high propensity for the use of digital tools in their wealth management interactions, including a higher interest in using automated advisory services (76 percent), a third more than the rest of the world (42 percent). Younger HNWI show an even greater propensity to use automated advisory services at 81 percent versus 65 percent for the rest of the world. Digital capabilities enhance the accessibility and visualization of portfolio risk and tax implications and can empower wealth managers to deliver research and information in a more personalized way. Digital insights also lay the groundwork for predictive analytics and the ability to more efficiently identify client-specific opportunities.

Lending solutions increase in growing economy

HNWI in Asia-Pacific (excl. Japan) show a strong preference for credit availability at 59 percent compared to 35 percent in the rest of the world. The report reveals that 57 percent of the region's HNWI are looking to take advantage of the growing economy by using credit for investment, primarily for real estate or business purposes depending on the market. Credit will increasingly become a deciding factor for HNWI in choosing a wealth management firm, making developing a credit capability a strategic imperative for Asia-Pacific wealth management firms.

"Wealth management firms that are able to offer an all-encompassing wealth management experience, including seamless intergenerational wealth transfers, will be well positioned to lead within the Asia-Pacific region," said Barend Janssens, Head, RBC Wealth Management - Asia. "Providing more professional advice, more digital interactions and more lending solutions will be critical to ensuring wealth managers remain the center-point of connection between Asia-Pacific HNWI and their firms."

There is also an opportunity for wealth managers in the region to consolidate relationships to increase satisfaction: One finding of the report was that Asia-Pacific (excl. Japan) HNWI tend to have multiple wealth

manager relationships, with 37 percent working with five or more firms, compared to 22 percent doing so in the rest of the world. However, those working with a single firm in Asia-Pacific (excl. Japan) reported higher satisfaction rates (74 percent) than those working with five or more firms (68 percent).

About the Asia-Pacific Wealth Report 2015

The Asia-Pacific Wealth Report 2015 from Capgemini and RBC Wealth Management provides leading insights into the population, wealth, and investing behaviors of High Net Worth Individuals (HNWIs) in the region. This year's report examines the economic and market dynamics of 11 key countries – Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Singapore, South Korea, Taiwan, and Thailand and features the findings of a survey of 1,600 Asia-Pacific HNWIs.

View the report at www.asiapacificwealthreport.com.

About Capgemini

Now with 180,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2014 global revenues of EUR 10.573 billion. Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness. A deeply multicultural organization, Capgemini has developed its own way of working, [the Collaborative Business Experience™](#), and draws on [Rightshore®](#), its worldwide delivery model.

Capgemini's Financial Services Global Business Unit brings deep industry experience, innovative service offerings and next generation global delivery to serve the financial services industry. With a network of 24,000 professionals serving over 900 clients worldwide Capgemini collaborates with leading banks, insurers and capital market companies to deliver business and IT solutions and thought leadership which create tangible value.

Learn more about us at www.capgemini.com and www.capgemini.com/financialservices.

Connect with our wealth management experts in the Financial Services section of Capgemini Expert Connect at <http://www.capgemini.com/experts/financial-services>.

The Asia-Pacific Wealth Report 2015 and other Capgemini thought leadership is available for your iPad through Capgemini's Financial Services Insights app. Download it through iTunes [here](#)

Rightshore® is a trademark belonging to Capgemini

About RBC Wealth Management

[RBC Wealth Management](#) is one of the world's top five largest wealth managers*. RBC Wealth Management directly serves affluent, high net worth and ultra high net worth clients globally with a full suite of banking, investment, trust and other wealth management solutions, from our key operational hubs in Canada, the United States, the British Isles, and Asia. The business also provides asset management products and services directly and through RBC and third party distributors to institutional and individual clients, through its RBC Global Asset Management business (which includes BlueBay Asset Management). RBC Wealth Management has more than C\$778 billion of assets under administration, more than C\$503 billion of assets under management and approximately 4,050 financial consultants, advisors, private bankers, and trust officers. For more information, please visit www.rbcwealthmanagement.com

*Scorpio Partnership Global Private Banking KPI Benchmark 2015. In the United States, securities are offered through RBC Wealth Management, a division of RBC Capital Markets, LLC, a wholly owned subsidiary of Royal Bank of Canada. Member NYSE/FINRA/SIPC.

About RBC

Royal Bank of Canada is Canada's largest bank, and one of the largest banks in the world, based on market capitalization. We are one of North America's leading diversified financial services companies, and provide personal and commercial banking, wealth management, insurance, investor services and capital markets products and services on a global basis. We employ approximately 79,000 full- and part-time employees who serve more than 16 million personal, business, public sector and institutional clients through offices in Canada, the U.S. and 38 other countries. For more information, please visit rbc.com.

RBC supports a broad range of community initiatives through donations, sponsorships and employee volunteer activities. In 2014, we contributed more than \$111 million to causes worldwide, including donations and community investments of more than \$76 million and \$35 million in sponsorships.

###