Asia-Pacific Represents a Significant Opportunity for Wealth Management Firms

Global high net worth individual (HNWI) wealth has grown remarkably since Capgemini began to size the market in 1996. Asia-Pacific has been the major story over this period, having evolved from being the third-largest region in 1996 to number one for both HNWI population and financial wealth (since 2015). The total growth over the 1996 to 2016 period was 437.1%, with the region’s HNWI wealth having gone from US$3.5 trillion to US$18.8 trillion.

The pace of wealth expansion over the coming decade is likely to cement Asia-Pacific’s leadership position. A projection run by Capgemini in 2016 showed that the region’s HNWI wealth could surpass US$40 trillion by 2025 if growth rates of the decade spanning 2006–2015 held up over the coming ten years (2015–2025). Such performance would result in an approximately five-fold increase of HNWI wealth over 2006 levels, and a 142% absolute increase over 2015 HNWI wealth levels.

1 HNWIs are defined as those having investable assets of US$1 million or more, excluding primary residence, collectibles, consumables, and consumer durables.
Success in Asia-Pacific Requires the Navigation of Significant Challenges

While the Asia-Pacific HNWI wealth landscape is highly exciting, translating this into success for wealth management firms has been a significant challenge.

Spanning Clients, Operations, Regulations, and Digital (representing the Capgemini CORD Framework), disruption is buffeting firms in the region from all angles (see Figure 1). The implication of the disruption has been a highly challenging environment for HNW client satisfaction, cost/ income ratios, and a wave of consolidation in the region as sub-scale firms exit the market.

The pace of CORD disruption is only going to increase over the coming decade, especially as the pace of wealth transfer increases and new threats and challenges arise with increasing frequency and in forms that are often difficult to anticipate.

Figure 1: Future Trends in Asia-Pacific Wealth Management across Clients, Operations, Regulatory, Digital (CORD) Areas

Source: Capgemini Financial Services Analysis, 2018

Capgemini Helps Wealth Management Firms Transform to Achieve Growth, Efficiency, and Compliance

Whether you are a leader of a retail bank offering wealth management solutions, a private bank, an asset manager, a family office, or a life insurance firm, Capgemini has a suite of services proven to help transform your business to achieve improved growth of revenues and assets, increase efficiency and productivity, and support to minimize risk and enable compliance.

Our transformative solutions for Asia-Pacific wealth management firms are aligned to the executive agenda (see Figure 2), and range from core advisory work in areas such as market entry, digital customer experience, and harnessing the FinTech opportunity, through to the nuts and bolts of operations, core systems transformation, and regulatory-enabled account opening solutions.

Ultimately, we serve as the trusted advisor to our clients, helping you to understand a range of options to deal with disruption, and work with your teams to choose the path forward most aligned to your priorities and existing operational and technology landscape.
### Executive Agenda

#### Specific Objectives

- Increase shareholder returns
- Increase market share
- Retain existing asset base
- Prepare for the future

### How Can Capgemini Help?

- **Digital and CX Strategy Design**
  - As-is (Net Promoter Score® (NPS®)/ Satisfaction Surveys/ Existing Set-Up)
  - To-Be (Identify To-Be State)
  - Implement (Build, Buy, or Partner)

- **Market Intelligence and Entry Strategy**
  - Research/FactBase Datapacks
  - Opportunity Qualification
  - Market Entry Options

- **Disruption Readiness and Innovation Amplification**
  - Employee Residency (via Singapore AIE)
  - Pilot/Test (Proof of Concept [POC] and Minimum Viable Product [MVP])
  - FinTech (Identify/Screen/ Certify/Scale)
  - Accelerated Solution Design and Stakeholder Alignment (via Singapore ASE)

### Other Services

- **Project Management** (PMO), Post-Merger Integration (PMI), Workshop Facilitation, Certifications and Accredited Courses (Singapore)

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### Examples of Recent Activity in the Asia-Pacific Wealth Management Space

**GROWTH**

- **Indonesia Opportunity Assessment (Market FactBase)**
  - Large regional consumer bank

**PRODUCTIVITY AND COLLABORATION**

- **Investment Insights Application (Proof of Concept)**
  - Leading international private bank in Singapore

**COMPLIANCE**

- **Client Lifecycle Management Transformation**
  - Large regional universal bank

**ACCELERATED SOLVING**

- **Inter-Generational Wealth Transfer Solution Development (Workshop)**
  - Singapore regulatory body and multiple wealth management firms

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### SITUATION

- **Indonesia Opportunity Assessment**
  - The bank was considering market expansion into the Indonesian wealth management industry, following 2016 tax amnesty
  - Bank’s business leaders required market intelligence across market size, client needs, and the market/ competitor landscape

### APPROACH

- Capgemini created four deliverables:
  1. **Size of the Prize**
  2. **Growth Drivers**
  3. **Client Needs**
  4. **Industry Dynamics** (inc. Competitor Landscape)

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Allow Us to Demonstrate Our Value

We understand that trust takes time to develop. This is why we offer numerous ways to get to know us and learn from our expertise at no cost. If you are a leader of a business operating in the wealth management space, we would be delighted to offer you the following complimentary opportunities to learn more:

- **Arrange a personalized presentation of our point of view on the industry in Asia-Pacific** (could be in the form of a boardroom presentation to your leadership teams to support business planning, at HNW client networking events to increase intimacy with your client base, or an advisor-education session, among others).
- **Attend our regular “What’s Now” events in Singapore** (recent events covered Blockchain and Cloud, with each attended by over 100 individuals from financial services firms, universities, and third-party service providers).
- **Tour our Applied Innovation Exchange (AIE) in Singapore** (and potentially participate in a demo with relevant solution providers from our curated ecosystem of FinTech and technology partners).
- **Lastly, download our industry-leading World Wealth Report (21-year history) and Asia-Pacific Wealth Report (12-year history)** at www.worldwealthreport.com

About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients’ opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2016 global revenues of EUR 12.5 billion.

To learn more:

Visit us at www.capgemini.com/wealth or contact us at wealth@capgemini.com

Learn more about us at www.capgemini.com

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