



**Capgemini Press Contacts:**

*Mary Sacchi (North America)*  
*WE Communications for Capgemini*

*Tel.: +1 (212) 551 4818*

*E-mail : [msacchi@we-worldwide.com](mailto:msacchi@we-worldwide.com)*

*Bartu Sezer (EMEA)*

*WE Communications for Capgemini*

*Tel.: +44 (0)7865637860*

*E-mail : [bsezer@we-worldwide.com](mailto:bsezer@we-worldwide.com)*

## **World Wealth Report 2021: North America breaks 5-year trend and overtakes APAC in High-Net-Worth population and wealth**

*The 25<sup>th</sup> anniversary edition of the World Wealth Report found that it will be critical to invest in talent and technology to provide hybrid advisory services, based on human interaction and digital tools*

**Paris, June 29, 2021 – The global high-net-worth individual (HNWI)<sup>1</sup> population grew 6.3%, surpassing the 20-million bar, while HNWI wealth grew 7.6% in 2020, nearly reaching USD80-trillion. Boosted by rising equity markets and government stimulus, North America surpassed Asia-Pacific to become the 2020 leader in both HNWI population and wealth. The 25<sup>th</sup> anniversary edition of Capgemini’s [World Wealth Report](#) (WWR) examines global wealth evolution in the past year and HNWI trends and influences from the last quarter century.**

In 2020, the ultra-HNWI segment led overall HNWI population and wealth growth at 9.6% and 9.1%, respectively, while millionaires next door and mid-tier millionaires had lower population and wealth growth at around 6% and 8%, respectively.<sup>2</sup>

According to the report, which is the industry’s oldest and among the most referenced wealth studies, HNWIs have become more involved in their investments over the last 25 years, and now seek more and broader advisory support. As tech players continue to enter the wealth management space, wealth management firms need to move toward technology-enabled advice and hyper-personalized business models. As COVID-19 brought the third global economic upheaval of the 21<sup>st</sup> century, lessons from the 2002 tech bubble and 2008 global financial crisis continue to point to the tendency of HNWIs to self-direct investments in a bullish market but return to advice-seeking during crisis and market volatility.

### **Hybrid advisory capabilities, based on human interaction and digital tools, hold the key to opportunity for wealth management firms**

Technological breakthroughs, changing social dynamics, new ecosystem players, democratization of investment management and the rise of digital channels and assets, will all impact the success or failure of wealth management firms in the future. Today’s HNWIs are interested in hybrid models

---

<sup>1</sup> High Net Worth Individuals are defined as those having investable assets of USD 1 million or more, excluding primary residence, collectibles, consumables, and consumer durables.

<sup>2</sup> Ultra-HNWIs are defined as HNWIs with investable assets of USD 30 million or more; Millionaires Next Door are defined as HNWIs with investable assets between USD 1 million and USD 5 million; Mid-Tier Millionaires are defined as HNWIs with investable assets between USD 5 million and USD 30 million.



and increasingly seek a mix of digital and direct interaction. 34% of HNWIs say they are actively leveraging WealthTech services.<sup>3</sup> Moreover, wealth management firms find WealthTechs with consumer lifecycle expertise to be good-fit collaborators that can enhance their capabilities, reach, and market trend responsiveness. The top two reasons, identified by executive survey participants, to partner with WealthTechs are gaining access to new client segments and providing new and unique client offerings.

*"The wealth management industry must push its frontiers to capture customer mindshare and best serve HNW clients accustomed to BigTech convenience and personalization,"* said Anirban Bose, Financial Services Strategic Business Unit CEO & Group Executive Board Member, Capgemini. *"Investing in technology and talent is a critical need for wealth management firms to maintain their market share as WealthTechs continue to grow and BigTech entry into the space looms."*

### **Adopting new-age tech skills and reskilling or hiring the right talent will power wealth management transformation**

Amid an increasingly fast pace of disruption, wealth management firms can build resilient and agile operating models by investing in technologies such as cloud, APIs, and microservices. While the industry's reputation for expertise and experience remains its primary strength, firms will need to incorporate data-driven insights into their client engagement and investment strategies. Investment performance will continue to be paramount, but firms will also need to focus on delivering value as well as environmental, social, and corporate governance (ESG) options.

Wealth management was and continues to be a relationship-based business. With wealth management client profiles rapidly evolving to include millennial and Gen Z HNWIs, women, non-traditional families, and more, firms must train their advisors and staff to meet more diverse segment-specific client expectations and behaviors. Hiring and digitally empowering a heterogeneous advisor workforce while re-skilling staff to engage with a variety of client segments is the way forward cites the report. Nevertheless, 63% of advisors surveyed said they are not satisfied with their wealth management firm's efforts to provide tools/training to meet changing client needs.

To meet evolving HNWI expectations, firms will also need BigTech strategies with hyper-personalization, lifestyle ecosystem offerings, and intuitive embedded interfaces to retain relevance among a diverse client base.

### **Industry and client changes conducive to diversification in wealth management**

With the current stock market surge, HNWIs are also seeking to diversify their portfolio with alternative investments. Sustainable investing is now maturing, with 43% of ultra-HNWIs and 39% of younger (age ≤40) HNWIs likely to request an ESG score for products offered by their firm. Additionally, 72% of surveyed HNWIs said they have invested in cryptocurrencies, and 74% in other digital assets such as website domain names or apps. Special purpose acquisition companies (SPACs) are becoming more popular, while non-fungible tokens (NFTs) are slowly gaining asset-class credibility. The rise of zero-commission retail investing has piqued the interest of HNWIs as well, with 39% saying they desire zero-fee trading, but their wealth management firm is yet to oblige.

---

<sup>3</sup> WealthTechs are startup or ScaleUp firms specializing in digital wealth management solutions.



For more report content, please join Capgemini's [World Wealth Report 2021 LinkedIn Live](#) event on Tuesday, June 29<sup>th</sup> at 8:30 am EDT.

### **Methodology**

The World Wealth Report 2021 covers 71 markets, accounting for more than 98% of global gross national income and 99% of world stock market capitalization, for HNWI market sizing. The Capgemini 2021 Global HNWI Insights Survey queried more than 2,900 HNWIs across 26 major wealth markets in North America, Latin America, Europe, the Middle East, and the Asia-Pacific region. Interviews and surveys of more than 100 wealth management executives were conducted across 17 markets, with representation from pure wealth management firms, universal banks, and independent broker/dealer firms and queried Wealth Management Executives on digital transformation efforts, collaboration strategies, and industry trends such as sustainable investing. The 2021 Wealth Manager Survey covers more than 350 responses across six markets and queried wealth managers on their views on industry trends, preparation for new market demands, and their satisfaction with the support provided by their wealth management firm. The production of the World Wealth Report 2021 was supported by an external Executive Steering Committee composed of 14 Wealth management experts across banks, WealthTechs, business and technology enablers.

Learn more about the World Wealth Report 2021 at [www.worldwealthreport.com](http://www.worldwealthreport.com)

### **About Capgemini**

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of 270,000 team members in nearly 50 countries. With its strong 50 year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fueled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering and platforms. The Group reported in 2020 global revenues of €16 billion.

Get The Future You Want | [www.capgemini.com](http://www.capgemini.com)