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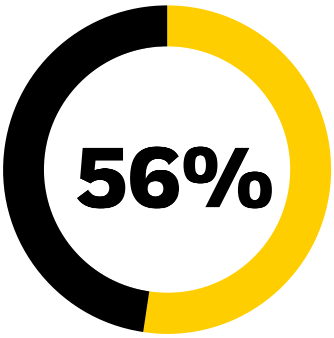
People & Money 2020

Wealth and technology

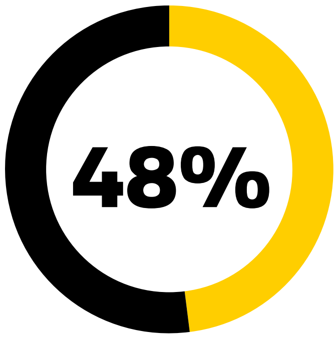
People are increasingly reliant on technology when it comes to managing their money

Nearly 6 in 10 respondents report an increase in using digital transfers and payments. When it comes to managing their money, people value that technology is cost-efficient and provides them with access, convenience and clarity. Overall, people that prefer using technology to manage their money have a healthier relationship with their money (61% report having a positive financial outlook).

Most of all, technology is convenient, reliable and provides people with transparent management.



of respondents globally value that technology provides ease of access to their money at any moment.



of respondents globally value that technology provides them with reliable and transparent management.

Today, most people (55%) prefer a balance between technology and human interaction when it comes to managing their money. But in the future, there is a perceived shift in that dynamic, with a 13% increase in those who prefer technology.

People will expect their solutions to be tech-enabled, rather than human-powered

When asked what would have helped them feel better about financial decisions they've made in the past, most people cited solutions that would be powered by technology:

- 33% say a tool to compare features across all options
- 33% say help calculating risk
- 28% say the ability to test performance of different outcomes

Furthermore, although one in three investors recommend making a first investment with a trusted advisor, 1 in 3 recommend using technology to get started.

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Technology is supplementing and changing expectations around advisors

Investors who are using a financial advisor recognize several benefits, but those that have never used an advisor or stopped using one see them as a single touchpoint in a larger decision process. Technology is changing how people access investing and what people expect from advisors. 69% of people who made major financial decisions in the past year say they consulted friends or family, versus only 22% who consulted a financial professional. Investors with advisors are increasingly turning to online and digital resources for investment info. Besides using their advisor, 44% of people research investment information online.

In addition, independent decision-making and technology are influencing people's decision to stop using an advisor. When asked why they stopped using a financial advisor, investors said:

33%
I prefer to make my own financial decisions

25%
technology has reduced the need to rely on a financial advisor

20%
the fees I was paying the advisor were too high

Moving forward, technology solutions should empower advisors to supplement their practice with digital tools. This will increase transparency, and therefore trust, leading to stronger relationships between advisors and their clients.

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