

Standing Still Is Not an Option

Global Wealth 2022

June 2022

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Preface

The wealth management agenda is getting more crowded—and the items on it more urgent. Net-zero, crypto, personalization, and digitization are not merely arenas that leaders can simply consider. They are imperatives whose outcomes will determine which institutions grow client share over the next five years. The most important question facing wealth managers (WMs) right now is not which initiatives to prioritize—but how best to execute on all of them.

This is the question that my colleagues and I at Boston Consulting Group take up in our 22nd annual Global Wealth Report. Our chapter on market sizing proves that the industry—as diverse as it is globally—is more than up to the challenges facing it. Although not impervious to economic, political, and social events, wealth development is resoundingly resilient, demonstrating its ability to adapt and grow even in the face of massive systemic shocks.

But WMs that conflate resilience with complacency will be in for a rude awakening.

As our chapters on crypto and personalization make clear, wealth clients are in no mood to wait for next-generation offers and next-level service. They want them now—and they know that what they want is available—if not from their current WMs, then from others.

Far from setting off alarm bells, however, these findings have the potential to herald enormous growth opportunities for WMs that are ready to move decisively. Clients are eager to put their assets to work. And, as our chapter on net-zero illustrates, many are motivated to propel climate transition and financial returns through novel net-zero investment themes and portfolios.

Proof that change is worth the risk comes from what might seem to be a paradoxical source, as our chapter on the digital value premium shows. Digital WMs have seen their valuations skyrocket over the past decade—and not just because tech is exciting. Fundamentally, it's because digitization delivers what wealth clients want and what managers need: excellence in experience and excellence in execution. These businesses, often seen as competitors to wealth management firms, provide a helpful and scalable framework for success that traditional WMs can emulate. By picking up the pace of their own digital transformations, WMs can deliver on their expanded agendas, offer clients the solutions they want, personalize interactions, and drive sustained, above-average performance.

Roughly \$80 trillion in new wealth will be created over the next five years. These are life-changing, career-changing, and world-changing sums. For WMs that are prepared to seize the opportunity, the blueprint for growth is there for the taking.

We hope our report provides food for thought on how WMs can plan and construct their future prosperity, and we look forward to continuing a dialogue with you.



Anna Zakrzewski
Managing Director and Partner
Global Leader, Wealth Management

A vibrant nebula with red, orange, and yellow hues against a dark starry background. The nebula's structure is complex, with wispy, filamentary clouds of gas and dust. The colors transition from deep red on the left to bright yellow and orange on the right, with a blueish-green tint at the bottom right. Numerous stars of various colors are scattered throughout the scene, some appearing as bright points of light and others as smaller, dimmer specks.

**In the middle of difficulty
lies opportunity**

- Albert Einstein's third rule of work



Market Sizing

Wealth Creation Continues Despite Crises

Global financial wealth grew by a staggering 10.6% from 2020 to 2021—the fastest rate in over a decade. The double-digit growth created \$26 trillion in new wealth and took total financial wealth and the real asset pool close to \$530 trillion. (See [Exhibit 1](#).)

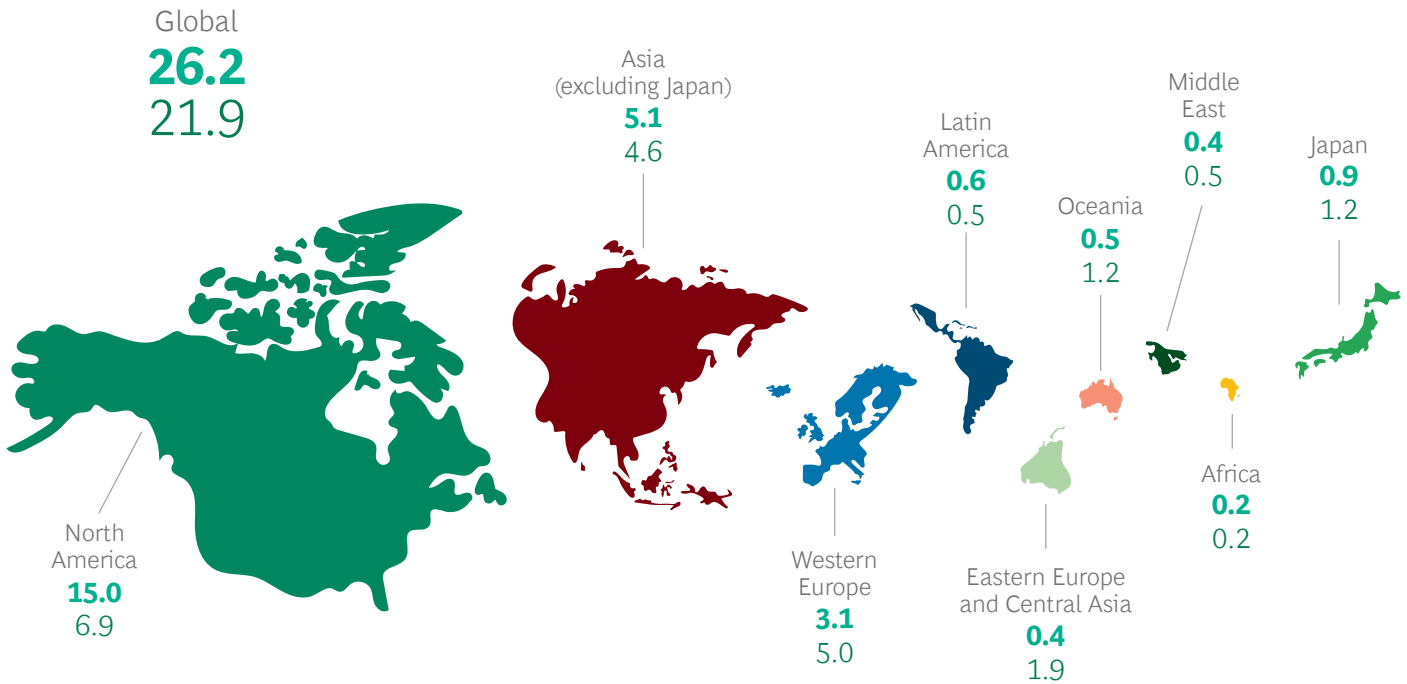
Strong equity markets helped propel the gains. Driven by healthy corporate profits, the S&P 500 index soared by 26.9% in 2021, a remarkable rise given the record-setting levels of 2020. Real assets were another source of growth.

Physical goods in the form of real estate, wine, art, watches, and related holdings remain the destination of choice for much of the world's wealth—and investor interest continues to intensify. Over the past year, demand for real assets surged by 9.4% (\$22 trillion), bringing the total to \$256 trillion. Taken together, these assets now account for almost 50% of the total wealth pool.

Exhibit 1 – Absolute Financial Wealth and Real Assets Growth, 2020–2021

Absolute Δ in financial wealth, 2020–2021 (\$trillions)

Absolute Δ in real assets, 2020–2021 (\$trillions)



Source: BCG Global Wealth Market Sizing - Global Wealth Report 2022.

Note: Wealth in local currency was converted to US dollars at the 2021 year-end exchange rate across all time periods.

The Five-Year Outlook: Will Wealth Development Pass the Battle Test?

Wealth growth has proven to be extraordinarily resilient to extreme events. Although not immune to market volatility, global wealth portfolios have rebounded from recent shocks, including the Great Recession and the COVID-19 pandemic.

But potential destabilizers loom.

The first is inflation. Only a few years ago, many analysts declared the threat of global inflation to be extinct. But in the wake of the pandemic, inflation has roared back from its decades-long dormancy, amplified by a perfect storm of supply chain constrictions, government stimulus, and radically altered demand patterns. In the US, headline inflation, which measures the change in the value of all goods, stood at 7.0% at the end of December 2021—the highest rate in 40 years. And core inflation rose to 5.5%.

The second potential destabilizer is Russia’s invasion of Ukraine. This unprovoked attack has created a massive humanitarian and political crisis. International food shortages are looming. Energy sources have been disrupted. Commodity prices are rising sharply. And shipping, logistics, and freight channels are under pressure.

To understand the likely impacts of these forces on wealth development, we developed two models looking out over the next five years:

- Base Case.** In this scenario, Russia halts its invasion of Ukraine in 2022, gas and oil exports resume, and international sanctions on the country remain in place until 2025. Global political tensions then ease and Russia regains access to SWIFT in 2026, although it continues to be barred from access to central bank assets. Economic growth slows in the short term, but recovers from 2023 onward.
- Prolonged Impact.** In this scenario, Russia’s invasion lasts well into 2023. Existing sanctions become more severe, and Russia retaliates by restricting natural gas supplies, but there is no military escalation or NATO involvement. Russia remains barred from SWIFT and from access to central bank assets. These circumstances negatively impact the global economy through 2024, but the effects are not as severe as the 3.3% GDP dip that occurred during the peak of the pandemic in 2020. Recovery then resumes and picks up pace at mid-decade.

What do these scenarios tell us? To our surprise, the modeling revealed less divergence than we initially expected. In the base case, nominal wealth development takes a short-term hit but then grows at an average annual rate of 5.3% through 2026, adding \$80.6 trillion to the wealth pool. In the prolonged impact scenario, wealth expands at a slower five-year CAGR of just 5.0% and generates \$5 trillion less in global wealth (a figure roughly comparable to the total financial wealth in Eastern Europe today.) But in both scenarios, the overall trajectory remains positive.

We expect inflationary pressures to stay elevated for the rest of 2022, with rates rising as high as 5.5%. But these pressures should then ease, and we forecast a return to a more normal 2% inflation increase from 2023 through 2026. Interest rates have long been the main lever that regulators use to fight inflation. But we don't expect to see dramatic hikes above the current global average of 2%, owing to high debt levels globally. In view of potential macroeconomic volatility, however, we recommend that wealth managers (WMs) employ real-growth estimates as well as nominal growth in their planning forecasts. (See the sidebar, "Real Wealth Growth Provides a Reality Check.")

Finally, although stock markets globally have fallen far from their 2021 highs, we expect performance to snap back and for major indices to grow by about 7% annually through 2026. In fact, under the prolonged-impact scenario, stock markets might grow by more than 7% in 2022 as individuals and institutions shift additional deposit holdings into equities to counter the effect of rising inflation.

The regional wealth outlook is encouraging, too. (See Exhibit 2.) As was true before the crisis, Asia-Pacific—which consists of Asia (excluding Japan) and Oceania—will see the fastest rates of wealth growth, with asset values expected to rise by a CAGR of 8.4% through 2026. If that rate holds, Asia-Pacific could become home to nearly 25% of the world's wealth by 2026.

The Middle East and Africa (ME&A) could see the biggest leap in wealth growth. Buoyed by the region's massive energy holdings, wealth is on track to rise by a CAGR of 5.4% over the next five years. Wealth growth in North America will be slower than in years past. Our estimates suggest a CAGR of 4.7% through 2026, down from the prior five-year average of 9.1%. Western Europe is also likely to see wealth growth slow, from roughly 4.5% over the past five years to less than 4% annually until 2026 in our base-case scenario.

Real assets—and real estate in particular—will remain attractive destinations for wealth, especially in Latin America, ME&A, and Asia-Pacific, where we expect this asset class to grow by more than 5% annually from 2021 to 2026.

Exhibit 2 – Financial Wealth Is Poised to Grow in Every Region

Total assets and liabilities, by region
(\$trillions)



	Global	2016	2021	2026 base	2026 pro-longed
		326.0	472.7	608.9	600.1
Financial wealth		188.6	274.4	355.0	349.7
Real assets		179.8	255.5	328.2	342.2
Liabilities		-42.3	-57.2	-74.3	-73.8

North America	2016	2021	2026 base	2026 pro-longed
	100.6	158.9	202.3	199.6
Financial wealth	81.8	126.6	159.4	157.5
Real assets	34.8	52.0	66.4	65.5
Liabilities	-16.0	-19.8	-23.5	-23.4

Western Europe	2016	2021	2026 base	2026 pro-longed
	83.3	105.9	129.1	127.4
Financial wealth	42.9	53.3	64.4	63.5
Real assets	51.6	65.7	80.5	79.6
Liabilities	-11.2	-13.2	-15.8	-15.7

Eastern Europe	2016	2021	2026 base	2026 pro-longed
	6.5	12.0	16.3	15.9
Financial wealth	2.8	4.8	6.6	6.4
Real assets	4.3	8.2	11.0	10.8
Liabilities	-0.6	-1.0	-1.3	-1.3

Japan	2016	2021	2026 base	2026 pro-longed
	24.4	27.8	30.1	29.8
Financial wealth	15.9	18.1	19.6	19.4
Real assets	11.2	12.8	14.0	13.9
Liabilities	-2.6	-3.1	-3.4	-3.4

Middle East	2016	2021	2026 base	2026 pro-longed
	8.7	11.4	15.1	15.2
Financial wealth	3.8	5.0	6.5	6.3
Real assets	5.5	7.2	9.8	10.0
Liabilities	-0.6	-0.8	-1.2	-1.2

Asia (excluding Japan)	2016	2021	2026 base	2026 pro-longed
	82.7	127.0	174.3	171.5
Financial wealth	31.6	52.3	79.2	77.7
Real assets	59.6	90.5	119.3	117.8
Liabilities	-8.5	-15.8	-24.2	-24.0

Latin America	2016	2021	2026 base	2026 pro-longed
	8.5	12.9	18.6	18.2
Financial wealth	4.2	6.2	8.7	8.5
Real assets	5.1	8.0	11.7	11.4
Liabilities	-0.8	-1.3	-1.7	-1.7

Africa	2016	2021	2026 base	2026 pro-longed
	2.8	4.4	6.2	6.1
Financial wealth	1.4	2.1	2.8	2.7
Real assets	1.6	2.6	3.9	3.8
Liabilities	-0.2	-0.3	-0.5	-0.4

Oceania	2016	2021	2026 base	2026 pro-longed
	8.5	12.5	16.8	16.4
Financial wealth	4.2	6.0	7.9	7.7
Real assets	6.0	8.5	11.6	11.4
Liabilities	-1.6	-2.1	-2.7	-2.7

Source: BCG Global Wealth Market Sizing - Global Wealth Report 2022.

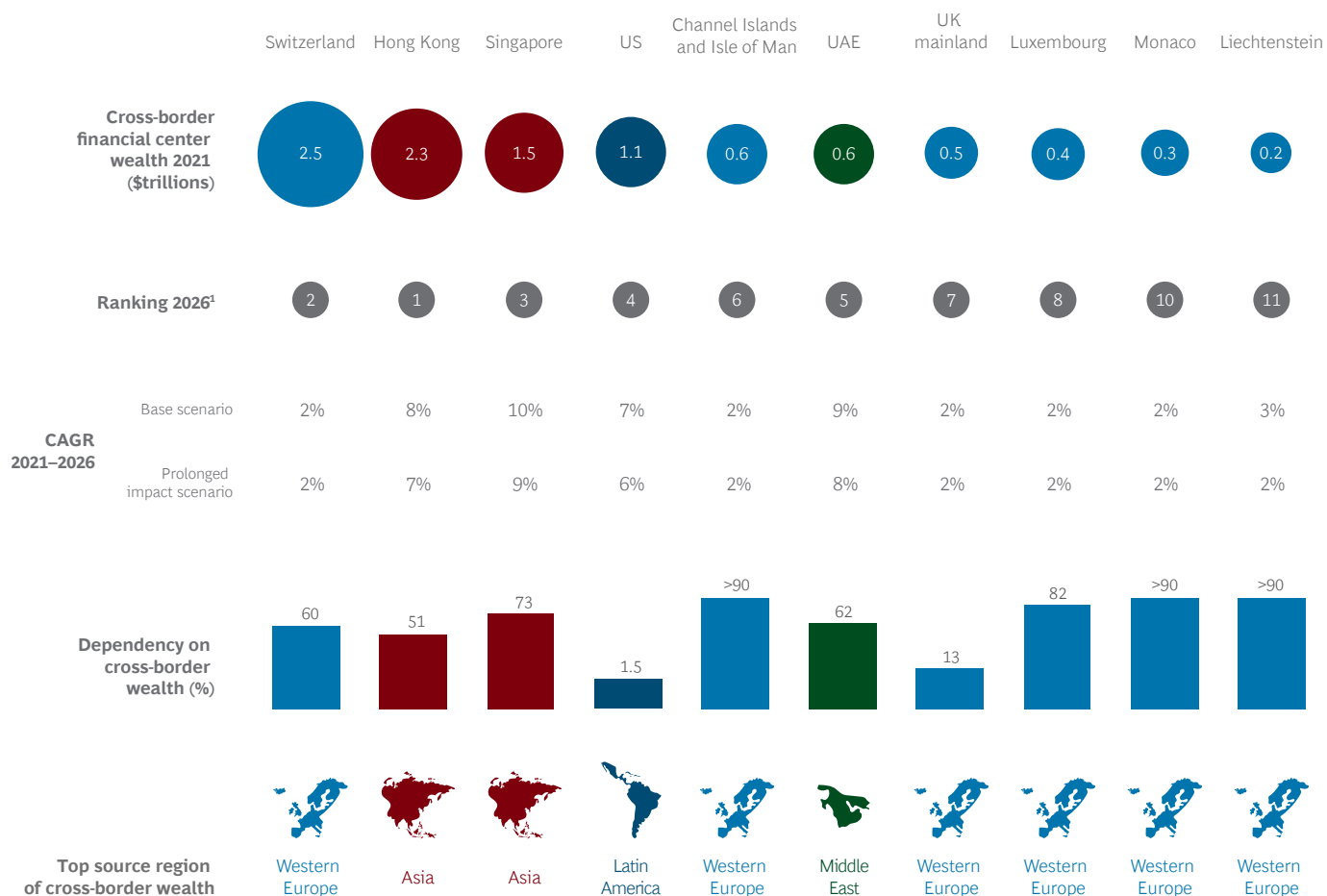
Note: Wealth in local currency is converted into US dollars using the 2021 year-end exchange rate across all time periods. Because of rounding, not all bar totals equal the sum of the identified segment values.

The Booking Center Landscape Will Adapt to Shifting Flows

Globally, we expect cross-border activity to rise by roughly 5.0% to 5.6% through 2026. But crisis effects could reshuffle the leader board, with Hong Kong replacing Switzerland as the world's largest booking center next year, and Singapore coming close to ousting Switzerland from second place. (See Exhibit 3.)

Aided by healthy inflows from Hong Kong, Singapore could see annual growth of 9% to 10% from now through 2026. And Russia could edge out Saudi Arabia and Turkey as the largest source country to book in UAE, with total assets on track to more than triple over the next five years, albeit from a very small starting base. By contrast, booking centers in Western Europe may experience outflows. Switzerland alone could see upward of \$6 billion annually exit the country through 2026, and asset growth will struggle to exceed 2.4% during this period. Still, Switzerland's booking center base is huge, and 2.4% growth will generate roughly \$320 billion in additional assets by 2026.

Exhibit 3 – Global Cross-Border Financial Centers



Source: BCG Global Wealth Market Sizing - Global Wealth Report 2022.

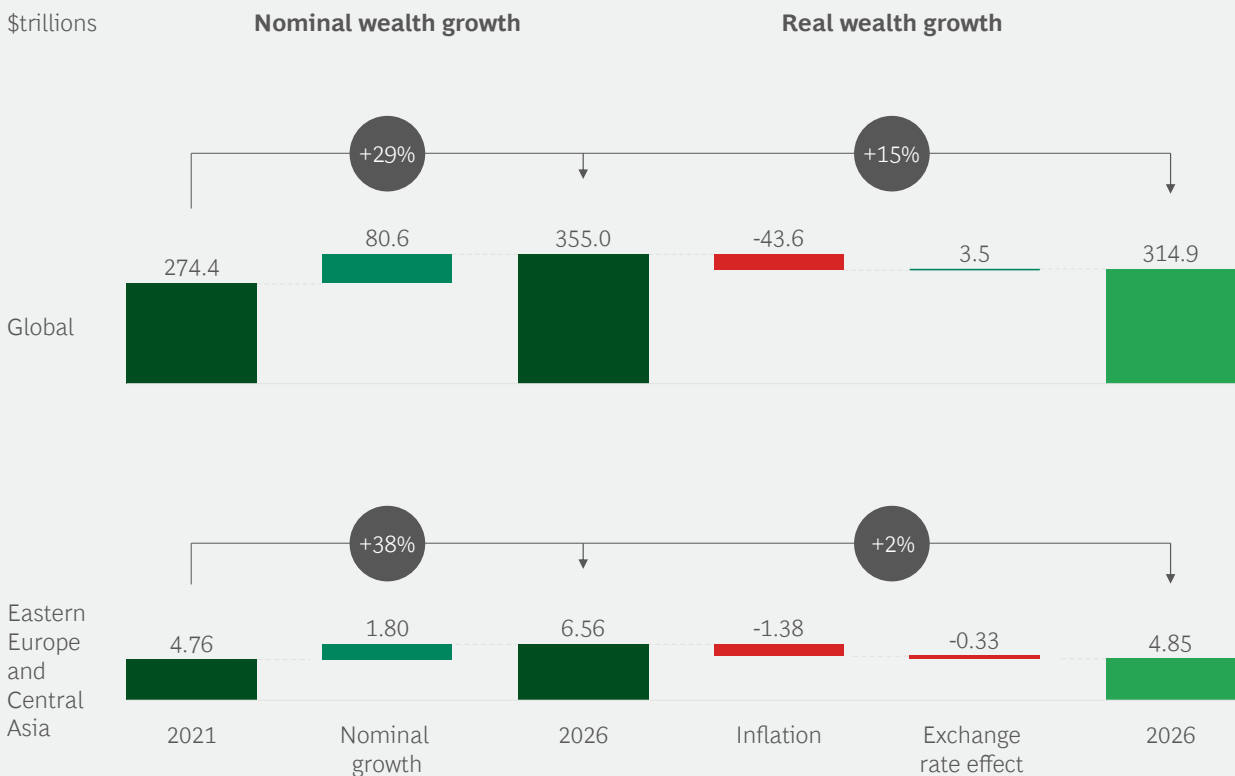
Note: Wealth in local currency is converted into US dollars using the 2021 year-end exchange rate across all time periods. Because of rounding, not all bar totals equal the sum of the identified segment values.

Real Wealth Growth Provides a Reality Check

Factoring in inflation and variable exchange rates is crucial to understanding the real wealth growth picture, especially in markets or regions that have suffered extreme events or are prone to exchange rate volatility. On a fixed rate basis, for example, nominal financial wealth in Eastern Europe and Central Asia appears on track to grow from \$4.76 trillion to \$6.56 trillion over the next five years. But such heady growth defies reason, given the brutal and costly invasion that Russia is waging. So what gives?

The answer comes down to the difference between nominal and real wealth growth. When you factor in the region's inflation and exchange rates over multiple shorter periods rather than applying one fixed rate across the entire period, real wealth projections reflect likely conditions more accurately. In this case, they show that real wealth in Russia is likely to stay almost flat, going from \$4.76 trillion to \$4.85 trillion from now through 2026. (See the exhibit.)

High Inflation and Exchange Rates Can Turn Positive Nominal Growth into Negative Real Growth



Source: BCG Global Wealth Market Sizing - Global Wealth Report 2022.



Net-Zero Will Be a Net Positive for Wealth Managers That Act Now

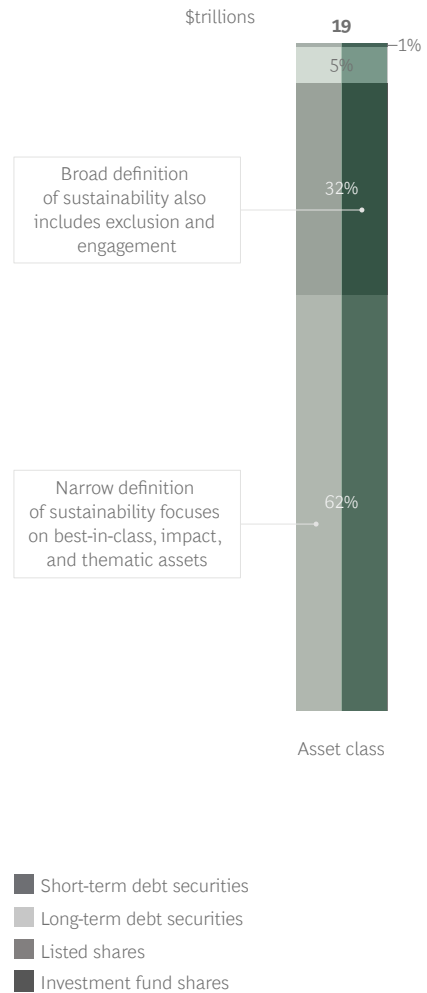
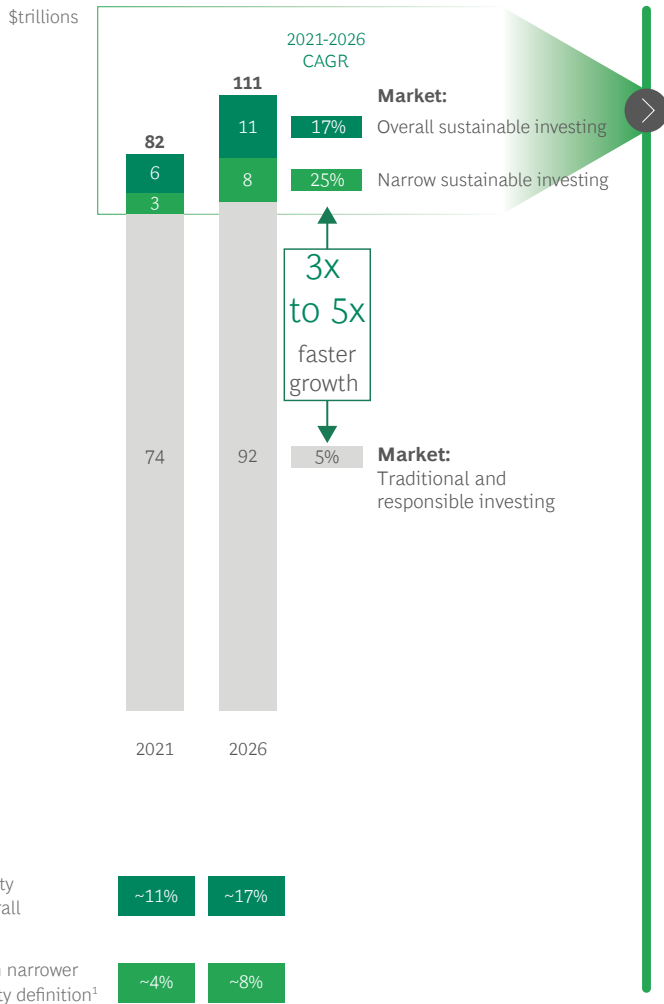
Net-zero is often cast as an ambition directed toward 2050. But for wealth managers (WMs) globally, it's an immediate imperative. Sustainable investing—of which net-zero is a key component—is growing three to five times as fast as traditional investing. By 2026, we project, this asset class will account for 8% to 17% of privately invested wealth, up from 4% to 11% today. (See [Exhibit 4.](#))

This growth could provide WMs with exciting opportunities. But while many institutions recognize the importance of net-zero, few have internalized the capabilities necessary to meet this burgeoning opportunity.

Exhibit 4 – Sustainable Investments Account for a Growing Share of Total Investment Wealth

2021-2026: Rising share of sustainable invested assets in overall investable wealth

2026 projection details: Estimated size of the sustainable invested asset market, through an asset class and regional lens



Source: BCG Global Wealth Management market sizing, using the base-case scenario.
Note: Players have different definitions of sustainability. AUM = assets under management. Because of rounding, not all bar totals equal the sum of the identified segment values; likewise, bar segment percentages may not add up to 100%.
¹ Assuming the same growth of sustainable investment, matching the narrow definition, from 2021 to 2026 as from 2017 until 2021.

What It Takes to Make Net-Zero a Sustainable Proposition

WMs cannot afford to approach net-zero in piecemeal fashion. To consistently provide credible value, WMs must embed net-zero across the entire client life cycle. (See Exhibit 5.)

Doing so will require WMs to comprehensively adapt their operating model. Everything from strategy to product development to go-to-market approaches must move in sync, supported by frameworks, risk management, and other core enablers. Pulling that off may seem daunting, especially with 2026 just a few years away, but WMs can make the transformation manageable by prioritizing a core set of actions.

Exhibit 5 – Net-Zero Practices Must Be Embedded Across the Client Life Cycle



Marketing and preparation

- Build climate into the marketing schedule, using clear net-zero branding, to target clients with aligned priorities
- Publish thought leadership to reinforce priority themes
- Review customer leads and information



Profile and onboard

- Collect client preferences via digital tooling during onboarding and risk assessment
- Consider client preferences when matching the client with a relationship manager and investment consultant
- Understand the client profile, and set investment objectives across climate and broader sustainability impact, financial goals, and lifetime goals



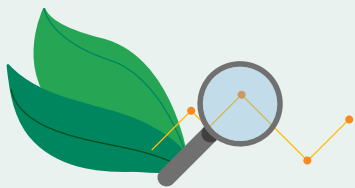
Finalize, agree, and implement

- Present a customized portfolio that addresses priorities across impact, financials, and lifetime goals on asset allocation and product level
- Formalize documentation, and execute trade/investments
- Monitor conversion of net-zero products and solutions



Plan and build portfolio

- Develop an offering that incorporates priorities in portfolio construction, using climate data
- Advise the client on offerings, explaining implications for portfolio and proof points and case studies to evidence solutions
- For ultra-high-net-worth clients, bring deep experts in areas of interest (e.g., a specific sector or decarbonization technology) to support conversion; have a holistic conversation on the portfolio and business



Monitor, review and evolve

- Monitor impact and overall portfolio performance, receiving and acting on alerts
- Report impact and performance to the client, and receive feedback
- Proactively bring new investment ideas tailored to the client's values and financial goals
- Adjust the portfolio to reflect the latest net-zero thought leadership, evolving client preferences, and goals



Start with client-led strategy, and identify themes and targets for 2026 and 2030. The competitive bar for excellence in net-zero is likely to rise quickly. Leaders need to anticipate how the market will shift over the next decade and set a bold aspiration leading to long-term strategic advantage, such as deciding to make certain net-zero investments a default offer. They also need to establish a set of portfolio and revenue targets for 2026 and another, more ambitious set for 2030. Especially advanced WMs can even start to calculate their overall portfolio emissions and assess their likely trajectory on the basis of anticipated client behavior and changes in the WM's solution offering.

Zero in on your net-zero definition. Clients will want to know exactly what they're investing in—and how net-zero fits into their WM's calculus. So it's incumbent upon institutions to clarify their posture on net-zero and on sustainable investment more generally. Responsible investing—which loosely considers environmental, social, and governance (ESG) factors—is not the same as sustainable investing. The latter comes with different and more prescriptive expectations, depending on whether the WM defines sustainability narrowly or broadly:

- **Narrow Sustainable Investing.** This approach uses the most stringent interpretation of sustainability and is the least open to challenge. The WM defines sustainable investments as those with a best-in-class designation—for example, companies that earn top sustainability scores in their sector or that fall under a thematic category such as renewable energy. The definition also covers sustainable impact investments such as green and social bonds, and private equity or illiquid investments that seek to generate positive environmental and financial returns. For instance, whereas wider sustainability goals might include investments that support increased biodiversity, investments with net-zero impact should include carbon reduction.
- **Broad Sustainable Investing.** WMs that apply a broad interpretation of sustainability incorporate exclusions into their practice and screen out investments that fail to meet sustainability criteria, such as companies that have no credible plan to deliver net-zero by 2050. These criteria need to go beyond typical ethical investment exclusions for activities such as weapons manufacture. WMs that apply this definition should systematically integrate sustainability and net-zero data into their investment decision making—for example, into the cash-flow models they prepare and, in the case of asset managers (AMs), into voting and engagement strategies.

Use net-zero goals to shape portfolio construction, develop offers, and measure impact. WMs can help clients translate their values into specific data-backed targets. An example could be accelerating net-zero transition by helping to fill the \$15 trillion in financing needed to scale alternative decarbonization technology. WMs can then use those targets to shape portfolio construction, taking into account a client's risk-and-return expectations, investment horizon, and life goals, such as their desire to buy a house, start a new business, or retire at age 50. Incorporating net-zero into portfolio models will require WMs to build asset allocation capabilities that can calculate the impact of decarbonization in a systematic and repeatable fashion.

As clients grow more interested in net-zero, plain-vanilla products won't be enough to attract them. For example, a WM might talk to a client about how climate transition efforts are spurring innovations in alternative fuel sources for the aviation industry and bring associated investment opportunities that meet the client's portfolio criteria. WMs must work closely with AMs to develop net-zero products suitable for a broad customer base. AMs are likely to be eager for this collaboration. Many have joined the Net Zero Asset Managers Initiative, which requires them to set targets for net-zero-aligned assets under management (AUM) and create products that focus on climate transition.

Because demonstrating the impact that a net-zero-directed portfolio generates is crucial to clients, WMs should prioritize simple, transparent reporting. But this takes considerable design and planning effort, since impacts vary widely. For example, a degree of carbon intensity (or consumption) can be attributed to just about any asset type, but reporting absolute impacts such as reduced fossil-fuel consumption or carbon sequestration apply to only some investments. Discerning these specific impacts requires close partnership with AMs, as well as sourcing data from third-party providers.

Equip client advisors with the necessary training and tools to engage knowledgeably. Clients will expect their relationship managers to bring an informed point of view to discussions of net-zero investments. Although WMs can provide experts for some client meetings, such occasional support will not be sufficient for engagement at scale. Instead, to support their sales teams, WMs must revamp the training curricula they provide. Online courses can be an efficient way to provide foundational knowledge at scale, but live training is essential as well. Role playing, coaching, and, ideally, on-the-job shadowing with experts can give teams the experiential learning they need to engage effectively with clients. Such deep expertise is especially important in preparing pitches for and engaging with ultra-high-net-worth individuals, many of whom come to the table with a sophisticated understanding of net-zero topics.

WMs must also provide sales teams and clients with helpful digital tools—or upgrade their existing robo-advisory offering. Web- and app-based enablers can help capture client preferences, model the impact of different net-zero investment choices, and provide a convenient self-service way to share pertinent news and research. They can also function as an educational tool for clients. (See Exhibit 6.) These enablers may be particularly relevant to mass-affluent and high-net-worth clients, the most active users of digital wealth management applications.

Before rolling digital features out to clients, WMs can deploy them to their sales teams as a training aid, giving relationship managers and others the opportunity to test and learn different features and become more nimble in advising their clients.

Investing in the Right Enablers for Net-Zero

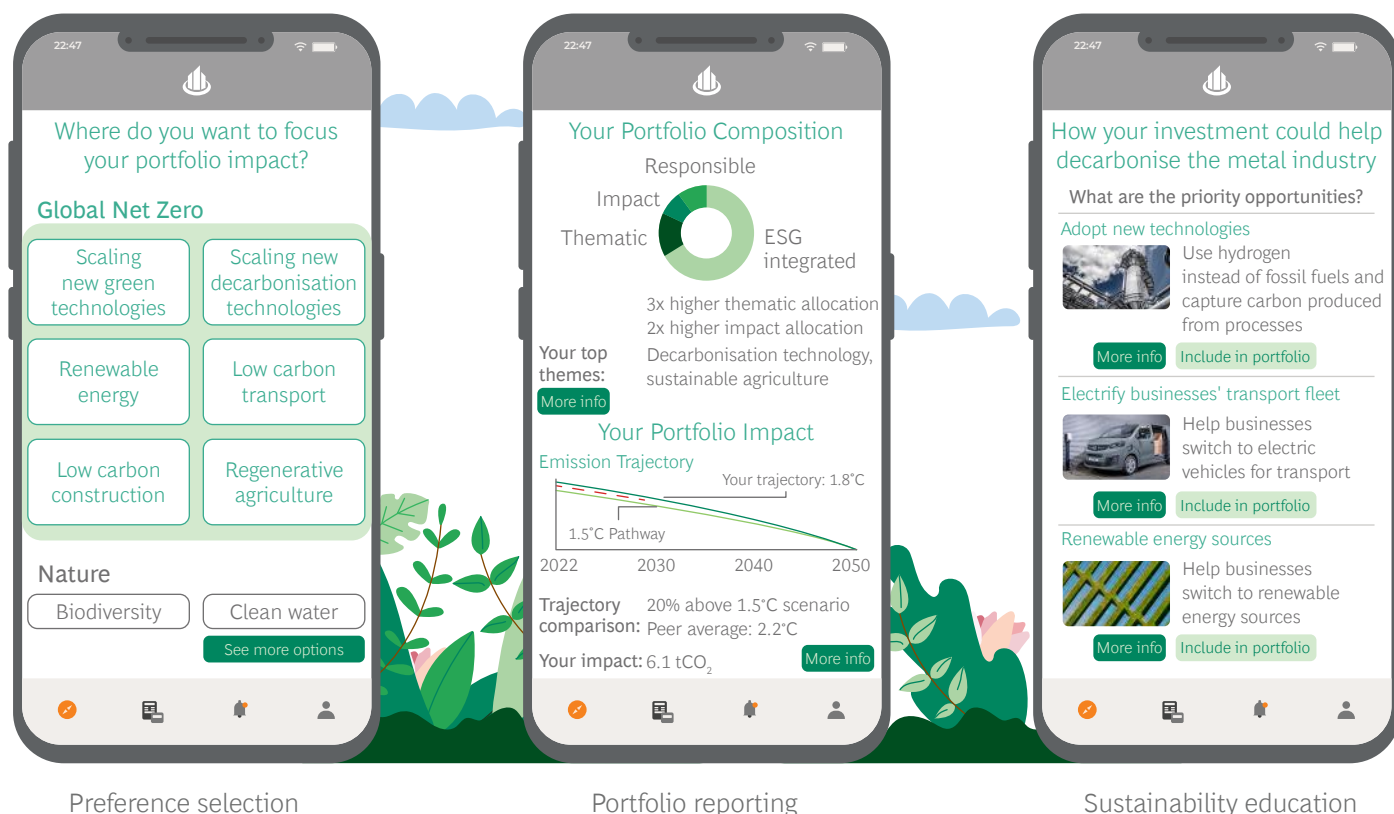
In addition to the steps outlined above, WMs need to lay the operational groundwork for success. That includes aligning on standard governance practices—for example,

ensuring common labeling for all net-zero investment, regardless of whether funds are sourced internally or externally. Likewise, to help with reporting, WMs must codify protocols for tagging and tracking their net-zero investments. They may do this manually at first, but WMs will quickly need to move to automated reporting to achieve the required scale and cost efficiencies—especially as their net-zero investment AUM grows. In addition, risk frameworks must evolve to include relevant alerts and remediation plans suitable for overseeing net-zero solutions and advisory work.

To credibly advise on net-zero, most WMs will also have to acquire new data from more sources. WMs that are part of a larger bank may be able to gain synergies by liaising with others across the institution and by building data utilities that enable them to house and share information easily.

Given the speed with which clients are embracing net-zero and the urgency of climate transition, WMs must pick up the pace of their own net-zero efforts, taking quicker and more decisive action to upgrade their offering and service.

Exhibit 6 – Client Tool Enablers Can Address Preference Selection, Portfolio Reporting, and Education



Source: BCG experience.



**For wealth managers
globally, net-zero is now
an immediate imperative**



Is the \$1 Trillion (and Counting) Crypto Opportunity Right for You?

Crypto is capturing the imagination—and wallets—of younger and wealthier investors. Clients want it, but banks can't advise on it. Still, crypto hasn't yet captured the full attention of most WMs. Is that a missed opportunity?

Crypto assets reached a market cap of over \$2 trillion, at the end of December 2021, a figure larger than the gross domestic product of Canada.¹ Our forecasts suggest that

this value could grow four to five times bigger before the end of the decade, despite recent bearish sentiment.

Until recently, however, many WMs have observed this market from the sidelines. Digital coins and their derivatives can be a risky business, as the May 2022 collapse of a leading algorithmic stablecoin demonstrated. Regulatory scrutiny is also likely to escalate, and the technologies that underpin the crypto market are extremely complex.

1. The market capitalization of cryptocurrencies reflects the total price of virtual currencies as of May 2022 by the total number of coins in the market, with the numbers collected and calculated by Statista using data from BitInfoCharts and Coingecko.

2. Sharpe ratio is a measure of risk-adjusted returns, calculated by taking the excess return of the portfolio over a risk-free asset, and dividing that number by the standard deviation of the portfolio returns.

Despite these challenges, crypto offerings and the learning curve around them have matured in recent years, and we expect that progress to continue. Forward-looking hedge funds and family offices have improved their Sharpe ratios through measured allocations to crypto assets.² And with newer products such as nonfungible tokens (NFTs) generating mass interest and mind-boggling sums, there's no denying the appeal for wealth clients and WMs alike.

Contours of the Crypto Landscape

Is this the time for WMs to make the leap to crypto? Let's consider some factors relevant to the business case.

CRYPTO IS GAINING CURRENCY

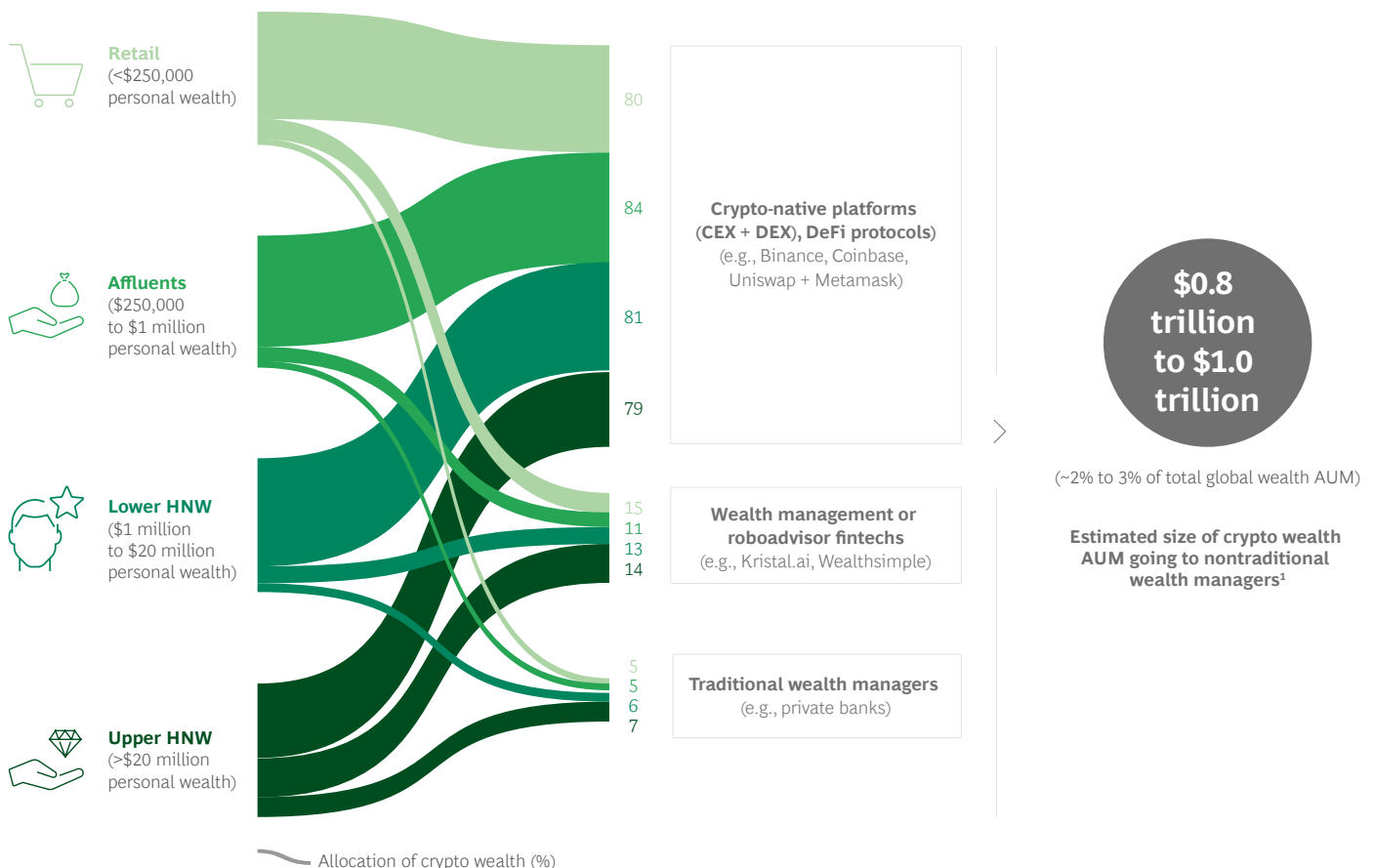
Nontraditional WMs currently manage as much as \$0.8 trillion to \$1.0 trillion in crypto-related wealth. (See Exhibit 7.) That's a significant amount of value up for grabs, representing roughly 2% to 3% of total wealth AUM as of 2021. In addition, crypto has the potential to deliver attractive revenue margins. For example, in 2021, the crypto-native platform BlockFi earned three to five times as much revenue per dollar in AUM as a typical private bank did.

Furthermore, WM clients are ready to engage. Nearly 80% of those we surveyed in April 2022 said that they'd consider increasing their crypto holdings if WMs offered advisory and education services. And two-thirds of WM clients who sourced their crypto investment with third parties said that they did so because they didn't think their WM offered such services.

Exhibit 7 – Up to \$1 Trillion of Crypto Wealth Is at Stake for Wealth Managers

About 95% of crypto wealth is bypassing traditional wealth management channels ...

... putting significant value at stake for wealth managers



Sources: BCG Global Wealth Benchmarking Database 2021; BCG survey of crypto investor behavior, April 2022; BCG analysis.

Note: AUM = assets under management; CEX = centralized exchange; DeFi = decentralized finance; DEX = decentralized exchange; HNW = high net worth.

¹ Estimate based on the percentage of investors' total personal wealth placed in crypto assets and on the holding split of crypto wealth into crypto-native platforms, wealth manager fintechs, and traditional wealth managers, by level of personal wealth.

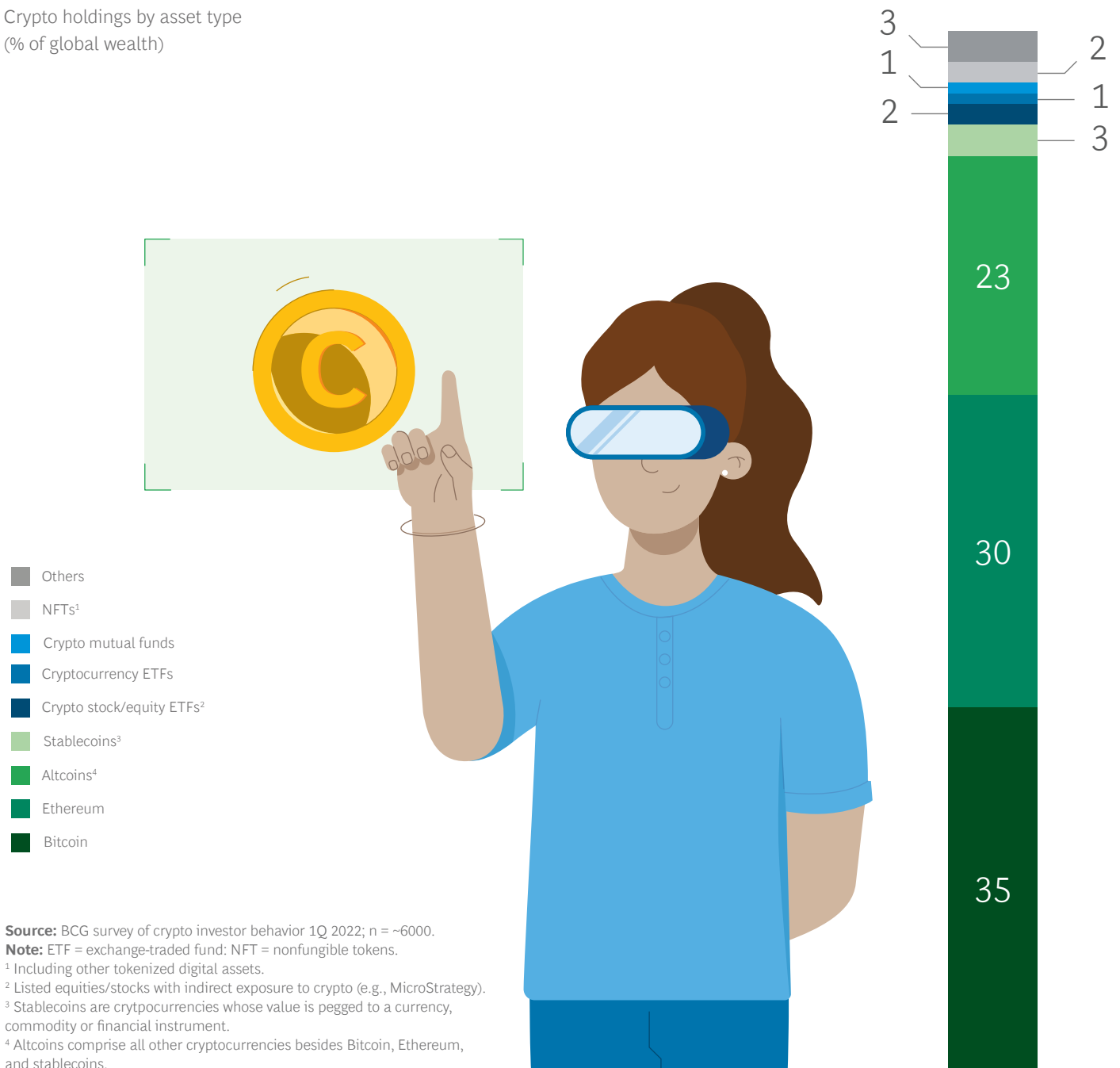
COINS ARE JUST THE START

To date, digital currencies have been the predominant crypto investment vehicle, accounting for about 90% of all assets in the space. (See Exhibit 8.) But new products—including NFTs, crypto custody and insurance, approved crypto ETFs and mutual funds, and crypto options and futures—are proliferating, and their value and appeal are growing. In 2021, the weekly trade volume of art and gaming NFTs consistently exceeded \$150 million. Blockchain-based decentralized finance (DeFi) offerings are also gaining interest. These products emulate the function of traditional financial institutions and for transactions ranging from lending to deposits. Since April 2022, DeFi has attracted more than \$200 billion in assets.

Investment theses are broadening, too. Although the popular perception is that crypto investors are making speculative bets, our survey found that many of them are engaging in low-volatility, high-yield crypto investments such as stablecoin lending and liquidity pooling. And the returns are appealing. Platforms such as Celsius and Aqru, for example, allow retail investors to earn 7% to 12% in annual percentage yield on their crypto stablecoin deposits.

Exhibit 8 – Cryptocurrencies Account for About 90% of All Crypto Assets

Crypto holdings by asset type
(% of global wealth)



Source: BCG survey of crypto investor behavior 1Q 2022; n = ~6000.

Note: ETF = exchange-traded fund; NFT = nonfungible tokens.

¹ Including other tokenized digital assets.

² Listed equities/stocks with indirect exposure to crypto (e.g., MicroStrategy).

³ Stablecoins are cryptocurrencies whose value is pegged to a currency, commodity or financial instrument.

⁴ Altcoins comprise all other cryptocurrencies besides Bitcoin, Ethereum, and stablecoins.

CRYPTO'S AUDIENCE IS YOUNG, WEALTHY, AND GLOBALLY DIVERSE

With crypto, as with most things digital, interest skews young. Investors 35 years old and younger are 1.5 to 2 times as likely as individuals over 45 years old to own digital assets. And those in the upper wealth bands have shown an openness to exploring sophisticated crypto products. As much as 10% of the average high-net-worth crypto portfolio consists of cryptocurrency ETFs, crypto-linked equity ETFs, crypto-linked mutual funds, and NFTs.

Regionally, investors in emerging markets have flocked to crypto at higher rates than investors in mature markets, with Southeast Asia a particular hotspot. Investors in Indonesia, Malaysia, Singapore, and Vietnam have higher crypto ownership than the global average by 10 to 15 percentage points. In fact, in Indonesia, the number of individuals in the retail wealth bracket who own crypto exceeds the number of investors who can trade on the Indonesian stock exchange.

MARKET PERMISSION IS HIGH

A few WMs have begun to test the waters in crypto. Julius Baer, for example, allows customers to trade and hold crypto assets in conjunction with its partner digital asset bank (SEBA Bank). HSBC has begun to offer its wealthy clients a thematic fund that invests in metaverse-linked activities such as virtualization. DBS offers accredited investors buy-sell and custody services using its in-house digital asset exchange. And fintechs such as StashAway are starting to incorporate crypto exposure into their advisory services for accredited investors.

But clients are granting others permission to enter the fray and take much bigger leaps. Our survey found that more than 80% of the average WM's audience is "warm" in lead generation terms. That pent-up interest could lower customer acquisition costs and present WMs with a large market for crypto offerings inside their own customer base.

Decrypting the Crypto Opportunity

Crafting the business case for engaging with crypto can quickly become complex. Not only must the WM factor in market, reputational, and regulatory considerations, but also they must deal with issues of basic feasibility.

To determine if crypto is right for their business, WMs should address three questions: whether to play, what to play, and how to play.

WHETHER TO PLAY

Although the crypto ecosystem has matured greatly in recent years, it remains susceptible to confidence-denting events (such as recent instability in one of the main stablecoin ecosystems). WMs need to weigh the risk of losing customers to crypto-enabled WMs or crypto exchanges against these reputational and regulatory risks.




For WMs that conclude now is not the right time to engage, leadership could identify a set of triggers that might prompt reconsideration of the business case and task strategic planning teams with monitoring and reporting key developments. Leaders could also commit to deepening their knowledge of the space—since learning the intricacies of the topic takes time.

In settings where the fundamentals are favorable, however, management can advance discussion of what their crypto offering should look like.

WHAT TO PLAY

Use cases are available to suit different levels of business engagement and operational readiness—from light-touch offerings that require little change to an organization's existing business model to DeFi products that demand greater expertise and investment. (See Exhibit 9.) Blockchain technology, for instance, can present opportunities for WMs to distribute tokenized noncrypto assets, including pre-IPO funds, private equity funds, and agriculture commodities. These offerings can democratize access to previously inaccessible asset classes.

Exhibit 9 – Wealth Managers Can Offer Crypto Services in Different Forms and at Varying Levels of Complexity

 Level of complexity	 Potential plays	 Example products
Light-touch; minimal changes to operating model	Educate customers on crypto topic	Equip relationship managers to discuss crypto topics with customers
	Offer indirect exposure to crypto (upon reverse inquiry)	Listed equity/stock ETFs with indirect exposure to crypto (e.g., BLOK)
	Offer access to tokenized financial instruments	Tokenized bonds, pre-IPO funds, tokenized hedge fund/PE fund
Offering direct exposure	Direct custody/trading of crypto	Maintain custody of customer crypto assets; perform crypto trades on behalf of customer
	Offer direct exposure to crypto (reverse inquiry)	Approved crypto spot ETFs; crypto-based mutual funds
Offering leading-edge use cases	Offer advisory services around crypto	Advise customers on crypto exposure, given their risk appetite, with fiduciary duty
	Offer access to complex crypto products (e.g., staking, liquidity pooling, DeFi, NFTs)	Low-volatility-yield farming product based on locking up customer crypto

Sources: Press search; expert interviews.

Note: DeFi = decentralized finance; ETF = exchange-traded fund; NFT = nonfungible tokens.

Scoping the ambition requires a detailed understanding of pertinent regulatory restrictions, as different jurisdictions have different rules. (See Exhibit 10.) At one end of the scale, China has banned its nationals from owning private digital currencies and has imposed restrictions on crypto mining and trading. At the other end, Switzerland openly encourages crypto investments for retail and institutional players. Other countries, including the US, Germany, and Singapore fall somewhere in the middle.

In jurisdictions that ban crypto, WMs might be able to offer noncrypto products such as tokenized pre-IPO funds and ETFs that have only indirect crypto exposure. In countries with a moderate stance toward crypto regulation, WMs could focus on facilitating crypto custody and buy-sell transactions, distributing crypto-ETFs and mutual funds, and building crypto advisory services for accredited investors. In doing so, they should take into account any regulatory restrictions on what they can offer to accredited and institutional investors as opposed to retail investors.

Exhibit 10 – Regulatory Considerations Set Constraints

Regulatory continuum	Increasing support for crypto adoption					
Example countries	China	Algeria	Austria Singapore	Germany US	Japan Italy	Switzerland
Defining features	Largely ban private digital currencies; restrictions on crypto activities		Moderate regulatory clarity but often fast-shifting, select incentives for investors and organizations			Support crypto investment and are open to retail adoption
Possible use - cases (preliminary)	<ul style="list-style-type: none"> Equities/stock ETFs with indirect crypto exposure (e.g., BLOK) 		<ul style="list-style-type: none"> Crypto custody and buy/sell facilitation Crypto products with regulatory clarity (e.g., approved ETFs and MFs) Explore crypto wealth advisory 			<ul style="list-style-type: none"> Resell a full range of crypto products (including DeFi and NFTs) Explore potential to serve retail customers Crypto wealth advisory to clients
Potential path forward	<ul style="list-style-type: none"> Adopt a risk-based approach to new crypto products; monitor regulatory developments 		<ul style="list-style-type: none"> Start offerings with regulatory clarity Explore tie-ins with licensed third parties Partner with regulator 			<ul style="list-style-type: none"> Explore leading-edge crypto innovation for wealth managers Position as a key player in the crypto ecosystem

Sources: Press search; expert interviews; BCG analysis.

Note: DeFi = decentralized finance; ETF = exchange-traded fund; MF = mutual fund; NFT = nonfungible token.

In markets with an open stance, WMs could explore a full range of crypto use cases and innovations—including DeFi products such as staking rewards (passive returns gained by depositing tokens in liquidity pools), NFT custody and advisory, and structured crypto products to hedge against the risk of volatility of coin price movements. These markets can also function as affiliate crypto-service locations to serve customers in other jurisdictions.

HOW TO PLAY

To develop the product proposition, WMs must think through the entire customer journey, including risk disclosures and fact sheets to educate customers. Partnerships can also be valuable. They can take the form of technology collaborations, such as BNY Mellon’s partnership with Fireblocks on digital asset custody capabilities, or educational collaborations, such as Julius Baer’s partnership with SEBA Bank.

WMs will also need to adapt their sales practices. The process of onboarding crypto wallets requires specialized anti-money-laundering and know-your-customer processes. Relationship managers will need new training, lead-generation processes, and sales enablers. These supports should extend to the after-sales stage to help relationship managers understand cross-selling and upselling pathways.

Given the high demand for crypto talent, WMs should approach hiring and upskilling strategically—such as by hiring crypto specialist product teams that can support

sales teams with relevant expertise and product knowledge. Forward-thinking banks and financial institutions such as Goldman Sachs, JP Morgan Chase, Fidelity, and Well Fargo have added roughly 1,000 crypto-related jobs since 2018, according to Revelio.

Supporting data and technology are crucial as well. Certain products, such as crypto trading using outsourced processes, may not require significant changes to the WM’s data and technology backbone; but others, such as custodial wallets and staking, will. WMs must assess these needs and prioritize investment accordingly.

Finally, risk management is essential. WMs will need a strong compliance team with requisite regulatory knowledge to minimize exposure, monitor ongoing regulatory developments, and conduct stress tests to identify and mitigate crypto-related risks proactively. Regulatory decisions and positions are evolving rapidly in many jurisdictions, and WMs must stay on top of the latest developments if they are to shape their crypto offerings to be in compliance.

Crypto investing has the potential to be a major wealth making opportunity for WMs worldwide. But leaders need to assess the opportunity systematically, determine whether the time is right to invest in this space, and identify the best ways to structure their approach.



The Secret to Effective Personalization at Scale

Getting personalization right can be a significant driver of top-line growth. WMs that excel at customizing offers and interactions see higher rates of client satisfaction and lower rates of churn. Those metrics translate into increased returns on client assets and liabilities and annual growth of more than 10%, well above peer average.

However, WMs that outperform on personalization are the exception rather than the rule. We still see firms that insist on in-person meetings and long-form, paper-based documentation, even though clients explicitly tell them that they do not like those interactions. To quote one client from a recent research effort: “It’s as if they don’t care. . . . I have flat out told them [the WM] I don’t want to sit there for two hours going through the same thing as we did last year, but they insist as it’s the only way!”

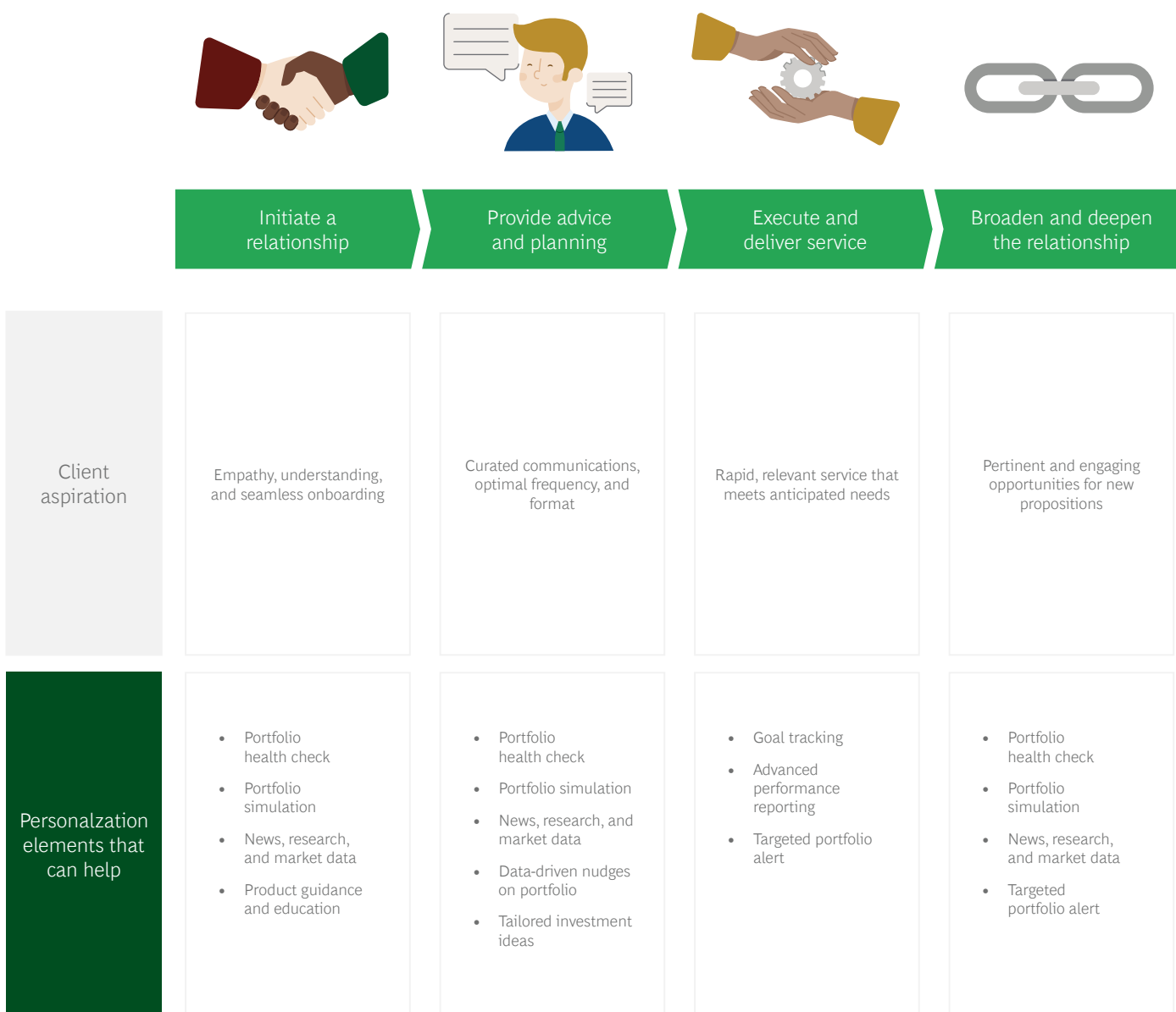
Why is it so difficult for WMs to deliver? A major sticking point is complexity. Personalization requires new data and analytics; connecting processes across the front, middle, and back offices; and changing ways of working. Each of these tasks is significant. Stringing them together can become overwhelming.

The best way to address these challenges is to break bold aspirations into bite-size pieces. Here's how.

Prioritize Capabilities That Recur Across Journeys

There are dozens of discrete client journeys in wealth management, but broadly speaking they fall into four main clusters: relationship initiation; advice and planning; execution and servicing; and relationship expansion. When we incorporate our client insights into these journeys, we can see where some repeatable personalization elements begin to appear. (See Exhibit 11.) Prioritizing these areas can help WMs increase satisfaction, broaden scale, and achieve above-average returns.

Exhibit 11 – Some High-Value Personalization Elements Cut Across Multiple Client Journeys



Source: BCG experience.

Portfolio health checks, for example, are relevant to most core client journeys. WMs can use a sample one for prospecting, a highly individualized one for advice and planning, and an automatically updated monthly version to share with clients as part of ongoing service and relationship building. Likewise, they can use portfolio simulations as an educational outreach tool to support multiple journeys.

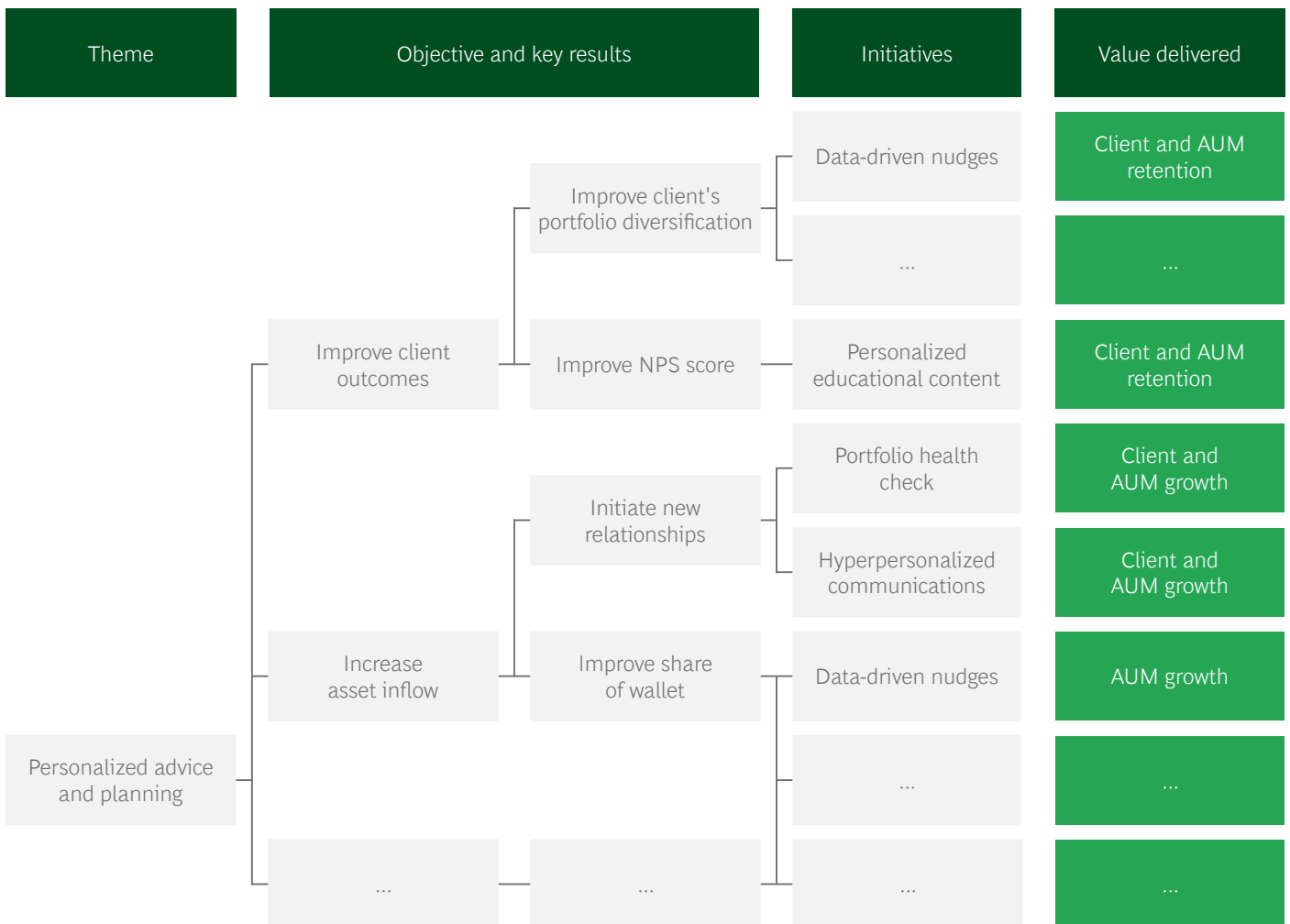
Knowing its clients were interested in timely advisor interactions, one WM spotted an opportunity to employ technology in a distinctive way—using digital nudges (alerts that pop up on a mobile app) to let clients know when they needed to diversify their portfolio. Partnering with a tech firm, the WM designed its app to trigger a smart phone vibration or send a text alert when conditions warranted the client’s attention. The initiative was a success: clients loved the nudges, finding them both informative and fun. And more than one in four clients who received a nudge took action after receiving it,

improving their portfolio diversification and realizing better returns. The WM is now working on expanding its nudge program, building a catalogue of campaigns, nudges, and education content that can encourage cross-selling and deeper engagement in the relationship expansion journey.

Design for Value and Scale

At this stage, the bite-size pieces begin to come together. WMs have obtained insights from clients that show what personalization moments matter most to them, and they possess the critical journey insights to know where to repurpose their investments. Armed with that knowledge, WMs can turn their attention to building those personalization moments. Adopting a systematic approach is key to doing this effectively. (See Exhibit 12.) Leaders and their teams should articulate a theme and set of objectives for each personalization element they seek to build, including “year one impact.” They should then map

Exhibit 12 – Leaders Align Personalization Themes and Objectives with Value



Source: BCG analysis.
 Note: AUM = assets under management.

out the initiatives needed to support those objectives and the expected value they hope to see from each element. Exercising process discipline helps ensure that WMs back only use cases that deliver tangible client outcomes such as “increase retention by 2%.”

Focusing first on the relationship initiation journey, one WM aligned on a theme of delivering fresh ideas in near real time, with the objective of increasing asset inflow. To support this effort, the WM funded investments in data and analytics that allowed it to create more than 1,000 individualized messages. It also invested in a distribution engine to help mix and match the WM’s messaging in 15,000 formats, employing different channel parameters and rules. In just nine months, the WM attracted 10% more clients to its platform than it had before the personalization effort. Having proved the concept, the WM then deployed the newly acquired tools and learning to improve messaging and outreach in the advice and planning journey.

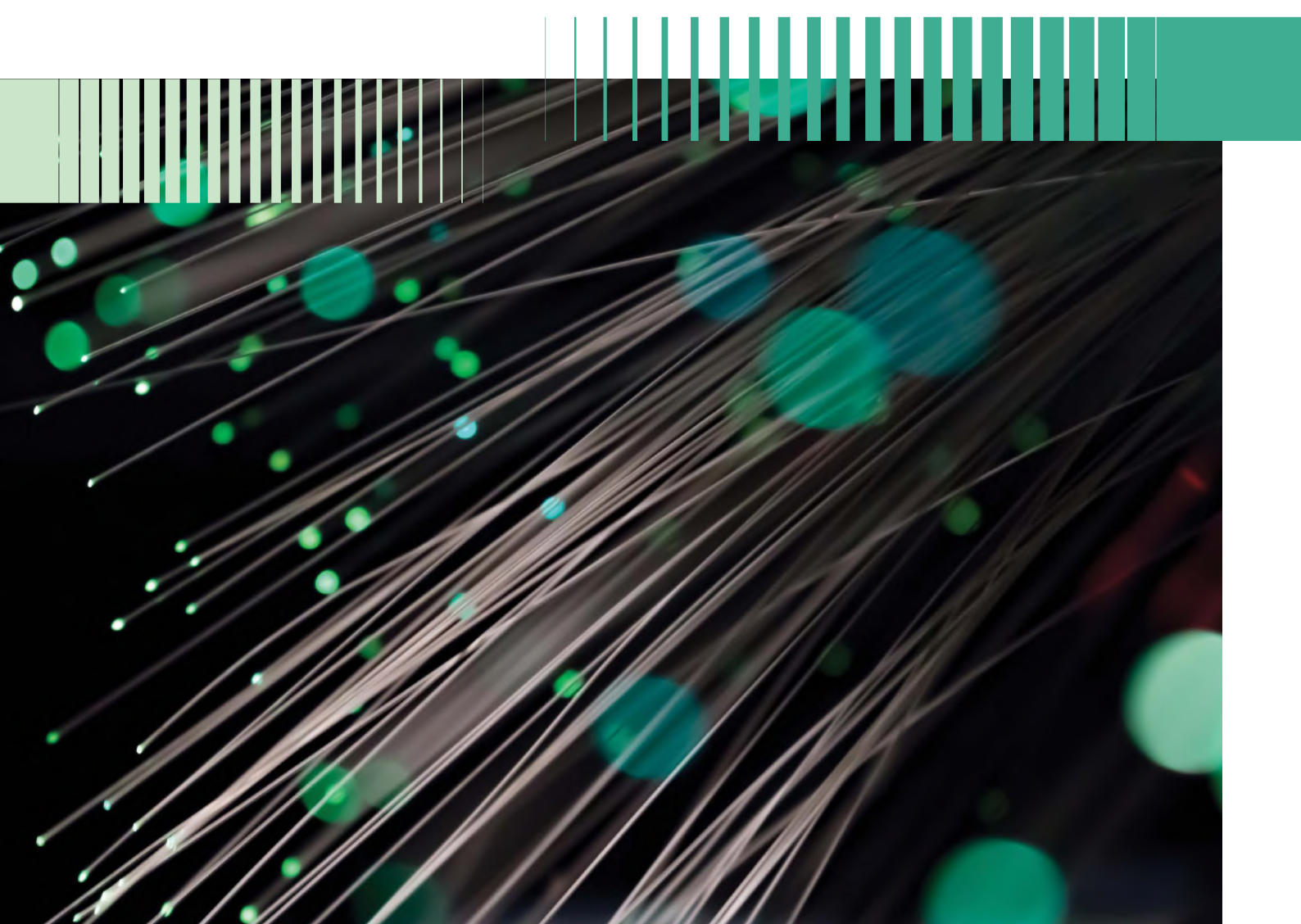
Back Good Ideas with the Right Enablers

Personalization involves intensive work with data and analytics, and most WMs will need to bulk up their sources of information. In addition to using core client account data, leading organizations will gather information on broader lifestyle habits—including spending on and frequency of travel, and preferred merchants—as well as on stage-of-life details such as whether the client has children, runs a business, or is nearing retirement age.

Second, WMs need to put the right people to work in data and analytics functions to help develop personalization algorithms and use machine-learning engines. Working in cross-functional teams is essential. Because this approach can differ from traditional norms, leaders may have to lean into change management methods and tailor training and incentives. An agile governance mindset that focuses on breaking long-term goals into smaller pieces can help drive adoption.

Crafting strategic partnerships with fintechs, technology companies, platform providers, application developers, and other experts can give WMs a running start in developing their personalization programs, supplying needed expertise and technologies and accelerating time to market.

Personalization will play a key role in determining future wealth management returns. Clients expect it. Other industries have set the bar. And retail banks and others have shown that it can succeed in financial services. By following the above steps, WMs can leapfrog slower-moving peers, marshaling the right data, analytics, technology, and human intervention to deliver individualized service at scale.



Digitization Is the Path to Value Creation

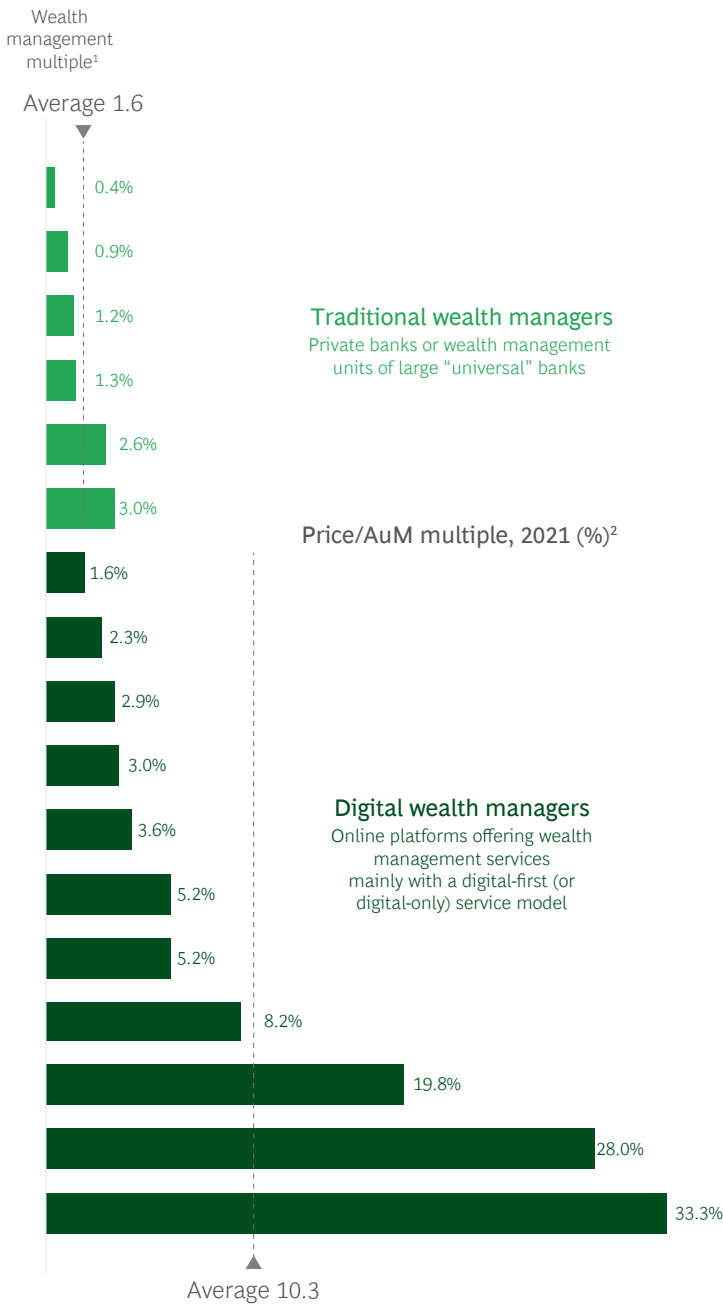
Digital WMs command a significant market premium. Their valuation multiples, based on price over AUM, are six or seven times as high as those of traditional WMs.³ (See [Exhibit 13.](#)) And even though valuations have softened in 2022, the spread between traditional and digital WMs remains significant.

Private funding in wealth tech has also soared. Digital WMs attracted \$14.5 billion in funding in 2021, 11% of total global investments. (See [Exhibit 14.](#))

This chapter examines the sources and drivers of digital advantage and shows what traditional WMs can do to reap similar above-average returns.

3. Price is defined as market capitalization for listed or equity value, based on 2021 funding rounds or M&A transactions for nonlisted players.

Exhibit 13 – Digital Wealth Managers Outperform Traditional Wealth Managers in Multiples



Source: BCG analysis.

¹ Each bar represents one wealth management institution.

² Price” refers to market capitalization for the listed or equity value based on the latest funding round or M&A transaction for nonlisted players.

Unpacking the Digital Premium

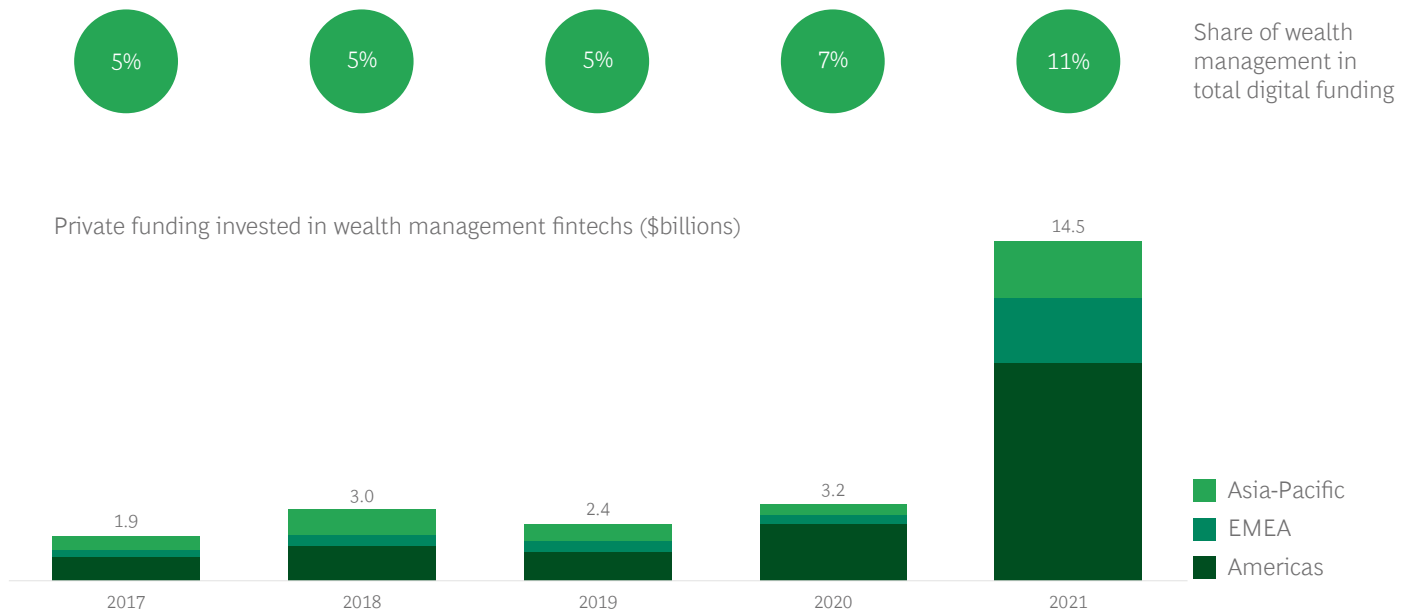
Digital WM institutions are youngsters compared to legacy institutions. But they are running circles around their elders, delivering faster customer growth, cheaper cost structures, and superior innovation. Here are some of the practices that set them apart.

Customizable Discretionary Mandates. In the past, creating bespoke discretionary mandates entailed large investment amounts and high levels of complexity. But digital WMs have found ways to provide clients with

customizable discretionary mandates at scale. They began by offering simple model portfolios for different risk categories, and then they expanded rapidly into other areas. Now they include everything from alternative investments to cryptocurrencies in discretionary portfolio management (DPM) solutions. This customization could undermine the value of traditional WM discretionary offerings and advisory mandates that involve constructing bespoke portfolios jointly with an advisor.

Access to a Wider Array of Investment Opportunities. Private equity, private debt and pre-IPO participation used

Exhibit 14 – Private Funding of Digital Wealth Management Reached New Heights in 2021



Source: BCG Fintech Control Tower report.

Note: EMEA = Europe, Middle East, and Africa.

to be out of reach for the average individual investor, given the high investment minimums and subscription required. But digital WMs have brought these “haute investment” opportunities within reach by creating feeder funds that bundle investments from multiple individuals and by streamlining the subscription process. We expect digital WMs to continue to look for new opportunities to make exciting investment products accessible to large groups of investors.

Hybrid Models That Bring the Best of Digital and Human Advice. Although most digital WMs originally offered digital-only models, many have subsequently introduced human advisors who can interact with clients over remote and virtual channels. Most of these remote advisors counsel clients on how to use their company’s digital products and customize solutions. But this remit is likely to expand considerably, and over time we expect hybrid digital-human service to become the new normal for WM delivery.

A Wholly New Approach to Client Acquisition. In the traditional WM organization, relationship managers are responsible for managing each element of the sales funnel. But that approach can lead to redundant efforts and suboptimal use of time. These drawbacks are compounded by a lack of readily accessible analytics to

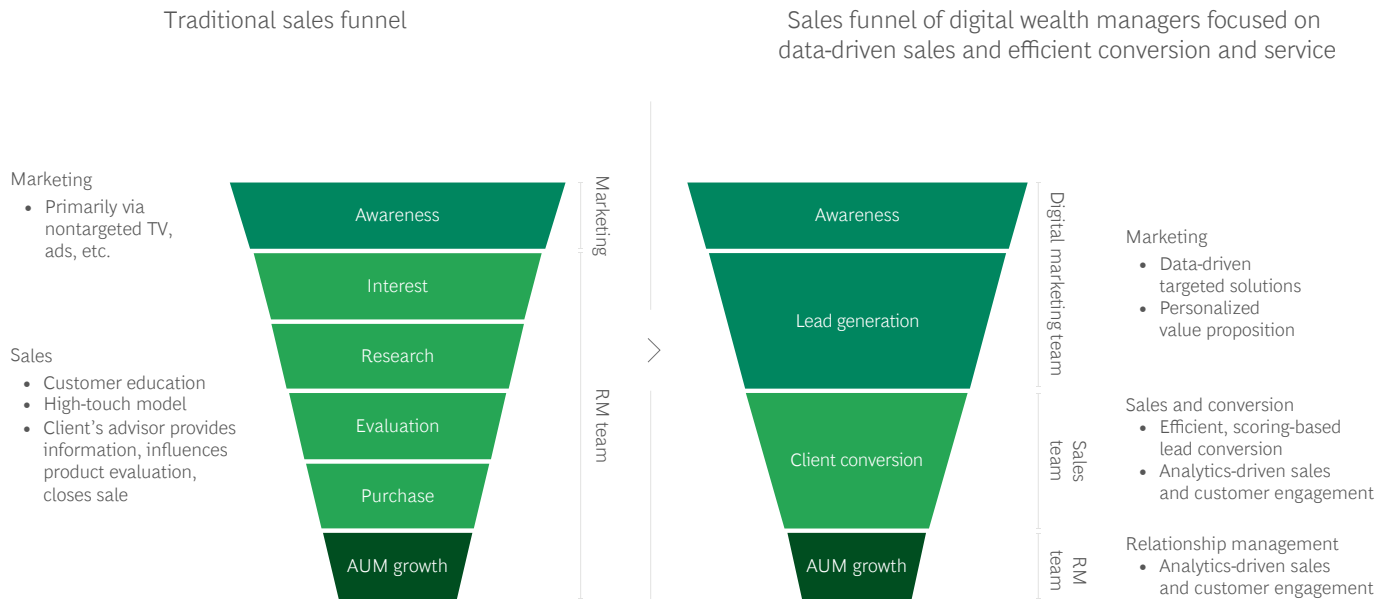
drive performance. Digital WMs manage the sales funnel differently. (See Exhibit 15.) They create teams that focus on specific marketing, sales, and client conversion domains. These teams work together closely and use data and analytics to improve performance. For example, they may base scoring leads on a client’s likelihood to convert, helping teams use their time efficiently. This codified, collaborative structure enables teams to build expertise, share common best practices, and boost productivity.

Almost Zero Ops. Digital WMs automate the majority of operational work, improving risk and cost performance and creating a more streamlined and pleasing client experience. By reducing labor-intensive back-office tasks, digital WMs also improve compliance, reduce the risk of errors, and create auditable and traceable work streams.

A Digital Agenda for Wealth Managers

Given the premium that digital WMs earn and the competitive advantages that their models create, traditional WMs will need to evolve their own approaches in several ways. (See Exhibit 16.)

Exhibit 15 – Digital Wealth Managers Reinvent the Sales Funnel



Source: BCG analysis.

Note: RM = relationship management.

Innovate the client experience. WMs need to elevate the role that their digital development teams play in their organization, and they must bring the voice of the customer into their solution and service design. Although most leaders understand that customer feedback is more important than the “highest paid person’s opinion,” HIPPO mindsets can still pervade business planning. In addition, some WMs mistakenly think that they can acquire ready-made solutions to fix the client experience. But there is no off-the-shelf way to package personalization. WMs must experiment with different approaches to create tailored digital interactions at scale.

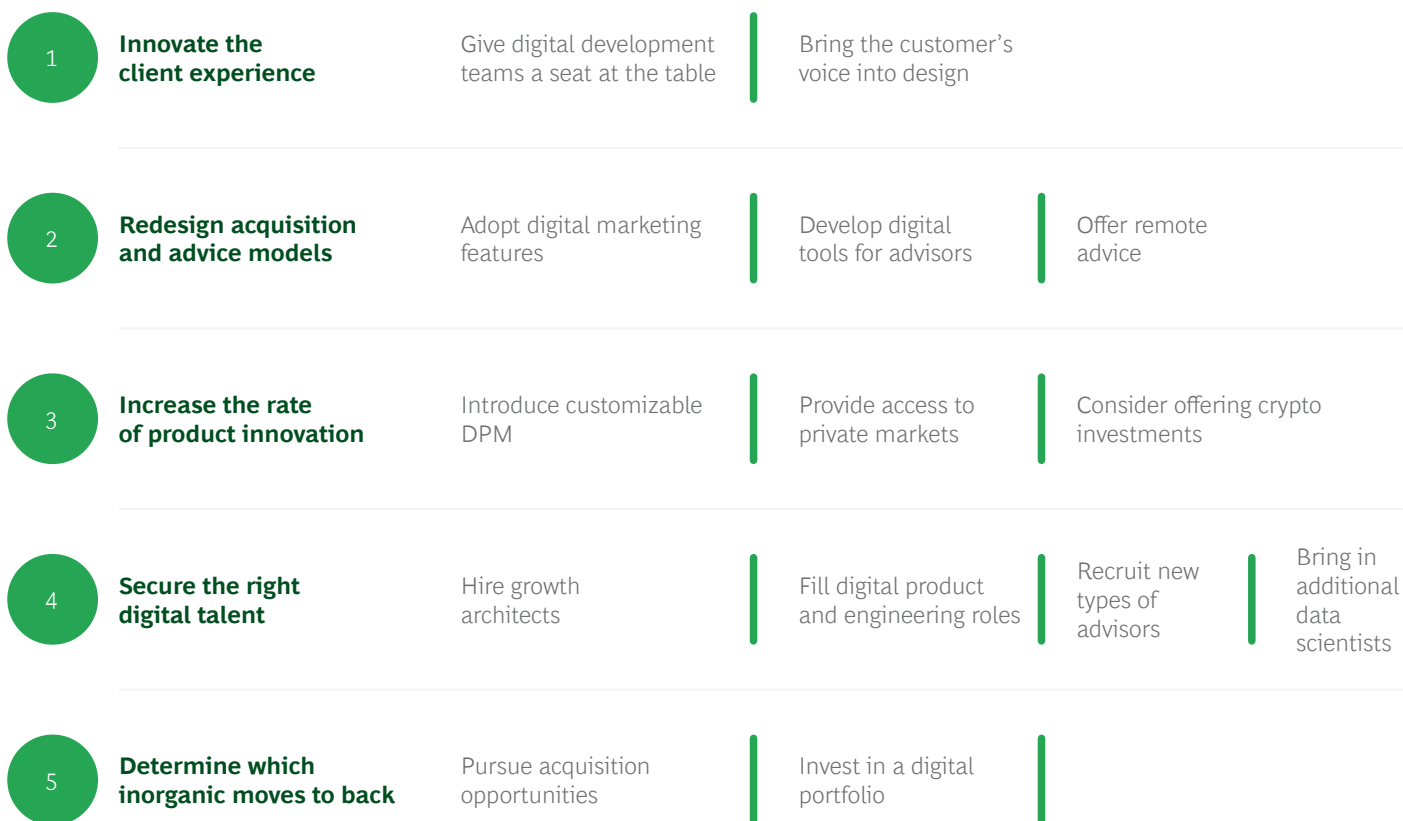
Redesign acquisition and advice models. Although the traditional client acquisition model can work well for some segments, WMs should mirror the growth marketing practices employed by digital WMs, creating a strong cross-teaming culture and specific knowledge-sharing and collaboration processes. They should also study client journey interactions to understand where digital or human engagement can add value and which technologies to employ to support different experiences. In addition, WMs will need to upgrade the advisor toolkit to support their sales teams. Data-driven tools can provide relationship managers and others with instant access to client profiles and enable them to provide better advice and service.

Like their digital WM peers, traditional WMs will need to explore hybrid models and determine which segments and services such models can best support. For example, a WM may decide to use remote advisors as a way to provide access on demand to select investment specialists. But establishing remote-advice capabilities is not a simple matter of setting up a Zoom call. Planners must work through various technical and regulatory considerations. WMs should also develop immersive experiences that offer a feeling of intimacy and allow clients and advisors to run simulations and engage in detailed modeling seamlessly.

Increase the rate of product innovation. Many innovations that digital WMs have brought to market will soon become basic client expectations. These include digitally customizable DPMs, easy access to private market investments, and exposure to cryptocurrencies. Traditional WMs should consider introducing a similar slate of offerings and set bolder aspirations and a faster development tempo in order to compete effectively.

Secure the right digital talent. Digital transformation can deliver a massive boost in value, but success depends heavily on marshaling critical skill sets. These skill sets are in high demand, and many companies courting this talent are ambitious, innovative entities that have a reputation for being cool places to work. Traditional WMs must consider

Exhibit 16 – Five Levers to Capture the Digital Premium



Source: BCG analysis.

Note: DPM = discretionary portfolio management.

new approaches to recruitment and must shore up their employee value proposition. Likewise, WMs must adapt their teaming structures and embrace digital ways of working. These substantial shifts will require careful process redesign and change management.

Determine which inorganic moves to back. Traditional WMs can use mergers and acquisitions to acquire new competencies, digital platforms, and customers. In light of the high multiples that many digital WMs command, however, buyers should ensure that they can properly maintain the acquired company's growth engine, keep integration costs low, and preserve a strong digital culture to attract and retain key talent.

Traditional WMs have known for years that they need to accelerate the pace of their own digitization. Now they have additional incentive. Digital WMs are outperforming them in the markets, out-innovating them in client service, and outclassing them in core operational efficiency. To protect their future growth, WMs must begin to emulate the practices of these digital leaders.

About Our Methodology

In preparing this report, we used a segment nomenclature based on the following measures of personal wealth:

- Retail: from \$0 to \$250,000
- Affluents: from \$250,000 to \$1 million
- High-net-worth individuals: from \$1 million to \$100 million
- Ultra-high-net-worth individuals: more than \$100 million

Historical personal wealth represents the wealth of the total adult resident population, collected by market and by asset class from central banks or equivalent institutions, based on the global System of National Accounts (SNA). For markets that do not publish consolidated statistics about financial assets, real assets, or liabilities, we perform a bottom-up analysis with market-specific proxies in line with the SNA. Proxies originate from the central bank or equivalent institutions.

We forecast personal wealth at the individual sub-asset class level, using a fixed-panel multiple-regression analysis of past asset-driving indicators and applying these patterns with forecast indicator values.

Our two scenarios consider multiple variables and contain the following assumptions:

- The base case scenario predicts that the impacts of the Russia-Ukraine crisis and of inflation on global GDP will be strongest in 2022 and 2023, and then start to normalize in 2024. Inflation will be above historic levels and above prewar estimates in 2022 and then will flatten from 2023 onwards. Other economic indicators will follow a similar pattern and display the biggest impact from 2022 to 2024.
- The prolonged impact scenario assumes a longer duration of the crisis and more severe economic effects. Global GDP will suffer more and will grow about 5% less than under the base case scenario in 2022. In 2023 this will increase to a 10% reduction in growth until the difference begins closing from 2024 onward, with only 7% reduced GDP growth. Inflation will be stronger than in the base case scenario in 2022 and will reach its peak in 2023 and 2024, before normalizing on equally high levels in the following years.

We consistently source indicator values from public data for the whole time series, both past and future, and we adjust future values on the basis of local market expertise and expectations, where needed.

We include cross-border wealth as part of total wealth, calculating it on the basis of triangulations of different data sources, including publications by national financial monetary authorities, the Bank of International Settlements, and BCG project experience. We estimated growth of cross-border wealth on the basis of assumptions regarding net inflows and outflows, appreciation and performance of current cross-border assets, and shifts of existing cross-border assets between financial centers.

Data on the distribution of wealth reflects resident adult populations by market, as well as econometric analysis to combine various sources of publicly available wealth distribution data, including rich lists. Growth rates of wealth segments account for shifts of individuals in and out of segments over time as they get richer or poorer; thus, for example, negative growth in the lowest segment generally means that people have become richer and moved up into a higher wealth segment.

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Acknowledgments

The authors thank their BCG colleagues for their invaluable assistance to this report. Global contributors include:

Core operational team: Kevin Keim, Felix Werner, Nisha Mittal, Stefan Gotzev, and Sanket Toor

Chapter-by-chapter contributors:

- **“Market Sizing: Wealth Continues Despite Crises”:** Neil Pardasani, Thomas Foucault, Federico Muxi, Lukas Haider, Mohammad Khan, Mustafa Bosca, Jacky Lai, Chaojung Chen, Ernest Saudjana, Sharon Weng, Penny Law, and Matthias Egler
- **“Net-Zero Will Be a Net Positive for Wealth Managers Who Act Now”:** Estelle Vlasselaer
- **“Is the \$1 Trillion (and Counting) Crypto Opportunity Right for You?”:** Ching Fong Ong, Ian Ze Yan Lai, Sukand Ramachandran, Christian Schmid (Munich), Bernhard Kronfellner, Matthew Leybold, David Wood, and Johnny Kao
- **“The Secret to Effective Personalization at Scale”:** Francien Akkerman and Emma Zaraisky
- **“Digitization Is the Path to Value Creation”:** Enrico Tanduo, Krisztian Horvath, Graziano Pace, Ted Bonanno (Value Science), and Sarah Torp (Value Science)

Marketing and media: Flavio Cuva, Kerri Holmes, Matthias Haymoz, Jatta Lindstrom, Brian Bannister, Eric Gregoire, Heintzelman, Kendal Kosten, Cassandra Haenggi, and Andrej Krajnc

The authors also express a special thank you to Philip Crawford, Marie Glenn, Kim Friedman, Steven Gray, Jessica Collado, Carlos Lucas, and Cristina Cabos for their editorial and design support.

For Further Reading

Boston Consulting Group has published other reports and articles that may be of interest to senior financial executives. Recent examples include those listed here.

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