Digital Strategy

Does your organization have a clear digital business vision and strategy?

![Pie chart showing the distribution of organizations with and without a clear strategy across all industries and business units.](chart)

Asset Management firms are slightly less likely to maintain a clear enterprise-wide digital business strategy than other companies (28% vs. 32% for all industries), but are more likely to have one within business units (30% vs. 27%). However, 42% lack a clear strategy of any sort.

Which are the most important goals when prioritizing digital technology initiatives in your organization?

- Growing revenue from existing customers: 56% for Asset Management, 52% for All Industries
- Developing new products and services: 58% for Asset Management, 49% for All Industries
- Enhancing the customer experience: 51% for Asset Management, 60% for All Industries
- Attracting new customers: 51% for Asset Management, 55% for All Industries
- Improving business process efficiency: 47% for Asset Management, 54% for All Industries
- Developing new delivery/distribution methods: 22% for Asset Management, 27% for All Industries

When prioritizing digital investments, Asset Management firms most heavily focus on growing revenue from existing customers (58% vs. 52% for all industries) and developing new products and services (38% vs. 49%).

How effective has your organization been in using digital technologies to advance the following goals? (Very/Extremely Effective)

- Grow revenue from existing customers: 18% for Asset Management, 20% for All Industries
- Develop new products and services: 34% for Asset Management, 34% for All Industries
- Enhance the customer experience: 26% for Asset Management, 25% for All Industries
- Attract new customers: 21% for Asset Management, 27% for All Industries
- Improve business process efficiency: 33% for Asset Management, 28% for All Industries
- Develop new delivery/distribution methods: 18% for Asset Management, 19% for All Industries

Despite its importance, only 18% of Asset Management firms rate themselves as very effective or better at using digital to grow revenue from existing customers. They are much more effective at using digital to develop new products and services (34%).

Overall, how effective has your organization been in using digital technologies to advance its business strategy?

- Asset Management: Very/extremely effective 42%, Moderately effective 26%, Not/slightly effective 30%
- All Industries: Very/extremely effective 42%, Moderately effective 26%, Not/slightly effective 32%

Asset Management firms report higher overall effectiveness levels in their digital strategies than other industries. However, just 30% describe their digital strategies as very effective or better, and 42% describe them as slightly effective or worse.
Asset Management firms are much more optimistic about their IT budgets for next year than companies in other industries, with 61% expecting an increase in their IT budgets, compared to an all-industries average of 48%.

Compared to IT priorities in other industries, Asset Management Boards more heavily emphasize improving business processes (70% vs. 62% for all industries), and increasing operational efficiencies (67% vs. 61%).

Asset Management lacks effectiveness in five critical customer-focused capabilities, with less than a quarter rating themselves at least very effective at any. Asset Management firms especially struggle with creating engaging customer experiences (18%) and leveraging customer data to deliver personalized experiences (14%).

Asset Management has heavily focused its digital labor/automation efforts within IT (32% vs. 28% for all industries), with digital labor remaining in its infancy across most all major corporate functions.

Asset Management firms view having an innovative, experimental culture as a less critical component of the success of their digital strategies than others, with 31% viewing it as very important compared to the all-industries average of 41%.

Of next-generation technologies, Asset Management firms are most likely to have invested in AI/machine learning (27% vs. 24% for all industries) and on-demand marketplace platforms (25% vs. 23%).

Asset Management firms are most likely to have made some good progress with internal capabilities but have been unable to harness digital technologies to advance client experience and operational efficiency capabilities as much as they hoped.

Achieving scale, efficiency, and an improved client experience are fundamental for Wealth and Asset Management firms to succeed in today’s landscape. This will require CIOs to direct investment towards the right technology in the right order and seamlessly integrating the solutions. Digital labor and automation initiatives need to move from prototyping to generating cost savings and into real customer outcomes. CIOs should also start thinking about the value of data they hold and how they use this for the betterment of their clients.

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