

FINANCIAL SERVICES

## Affluents want transparent, personalized financial firms: YouGov

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*A significant amount of affluents are seeking new ways to invest. Image credit: YouGov*

By SARAH RAMIREZ

Affluents are not immune from stressing about their finances, with more than half worrying about running out of money.

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About 12 percent of affluents find managing their personal assets to be stressful, according to newly released data from YouGov's Affluent Perspective 2019 Global Study. A quarter of financially-stressed affluents are interested in new ways of managing their assets, creating opportunities in the wealth management sector.

"Just because someone is affluent, doesn't mean they don't stress about money," said Cara David, managing partner at **YouGov**, in the report.

The findings are based on YouGov's survey of more than 8,000 affluent consumers from around the world.

### Wealth stress

Two-thirds of financially-stressed affluents are concerned about depleting or exhausting their resources, compared to 51 percent of affluents overall.

Furthermore, nearly one in four in the stress group admit to currently spending beyond their means.

The majority of the financially stressed are taking an active role in managing their assets, with 78 percent seeking new ways to invest and 25 percent interested in working with a new wealth manager.

Financial service firms need to emphasize transparency and personalization to draw in new clients.

Among all affluent respondents, 43 percent expressed that transparent fees and services would increase their interest in switching firms. Thirty percent prioritize personalized service, while 22 percent are interested in access to digital tools to help manage their accounts.

Despite the stress associated with managing their wealth, 60 percent of affluents worldwide acknowledge that money provides freedom. Thirty percent of respondents also associate money with self-esteem.

While 23 percent believe wealth is empowering, 27 percent also admit they can never have enough money.

This range of feelings towards wealth further motivates affluents to responsibly and wisely manage and invest their assets.

#### Financial firm focus

Despite a worldwide decline in personal wealth, recent research has shown ultra-affluents have remained pleased with their wealth management firms.

Eighty-two percent of HNWLs expressed trust and confidence in their wealth management firms, up from 79 percent last year, according to Capgemini's World Wealth Report 2019.

More than 91 percent of HNWLs cite service quality as among the important criteria in selecting a wealth management firm, followed by risk diversification and attractive fee structure. Six in 10 HNWLs are satisfied with the fees associated with their wealth managers ([see story](#)).

While the financial services sector has not yet been disrupted by subscriptions and unbundling models, that is poised to change as institutions look to better engage with younger consumers.

In the coming years, financial institutions will need to change the way they create and deliver products and services. More than half of consumers between the ages of 25 and 34 have expressed interest in financial subscription models, according to a EY NextWave Consumer Financial Services report ([see story](#)).

"Having money means there is some freedom to make choices about how to manage those finances, and gaining the upper hand in their stress may involve finding a new way of doing things," Ms. David said.