

U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2023

The Evolution of Service Delivery

OVERVIEW & METHODOLOGY

The Cerulli Report—U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2023: The Evolution of Service Delivery analyzes the U.S. high-net-worth (HNW) (investable assets greater than \$5 million) and ultra-high-net-worth (UHNW) (investable assets greater than \$20 million) marketplaces. Attention is given to the unique characteristics of advising HNW and UHNW families, including their attitudes, behaviors, and relationships with wealth managers. The report also covers current and anticipated investment product use, including active management, exchange-traded funds, environmental, social, and governance (ESG) strategies, direct indexing, and alternative investing.

Increasing competitiveness in the HNW and UHNW intermediary spaces, spurred by rapid growth in wealth among these demographics, has driven advisory practices to aggressively offer more services for their clients. This report features a deep dive into which services are most in demand and explores how advisory practices (alongside asset management and other partners) can sustainably enhance service delivery through teaming, alternative fee arrangements, and technology adoption—among other strategies—to drive future growth.

USE THIS REPORT TO

- Access an overview of HNW assets, marketshare projections, and advisor headcount across wealth management channels (e.g., wirehouse, MFO, RIA, private bank/bank trust, direct providers)
- Gain insight into service trends and expectations in the HNW/UHNW intermediary space with specific focus on how practices can grow their service offerings while maintaining efficiency and profitability
- Evaluate portfolio construction and product use (e.g., ETFs, managed accounts, ESG/SRI) trends among HNW-focused advisory practices
- Identify asset managers' most effective distribution strategies when working with key partner firms, and best practices when developing relationships with centers of influence

QUESTIONS ANSWERED

- What are the drivers of HNW channel growth and marketshare?
- How must intermediaries, asset managers, and other providers adapt their strategies to growing service expectations among HNW clientele?
- To what degree and in what ways have household wealth demographic changes impacted the intermediary landscape in the last 10+ years?
- What do HNW practices expect from asset managers as they adapt their product use/portfolio allocations?
- How can asset managers more effectively distribute their products to HNW practices in varying channels?

PRODUCT DETAILS

Included with Purchase

- Digital report in PDF format
- Unlimited online firm-wide access
- Exhibits in Excel
- Key findings
- Analyst support
- Interactive Report Dashboards

Interactive Report Dashboards

Interact and explore select report data with Cerulli's visualization tool.

Asset Projections: Compare Cerulli's projected HNW wealth management assets under management (AUM) across channels with customizable user projections.

Multi-Family Office Leaderboard: Explore a multi-family office (MFO) asset leaderboard, in addition to a profile for each firm, which includes historical firm AUM, growth rate, average client relationship size, and number of clients and advisors for the top-100 MFOs.

Cerulli Wealth Tiers: Understand age and investable asset characteristics of households in the HNW and UHNW wealth tiers.

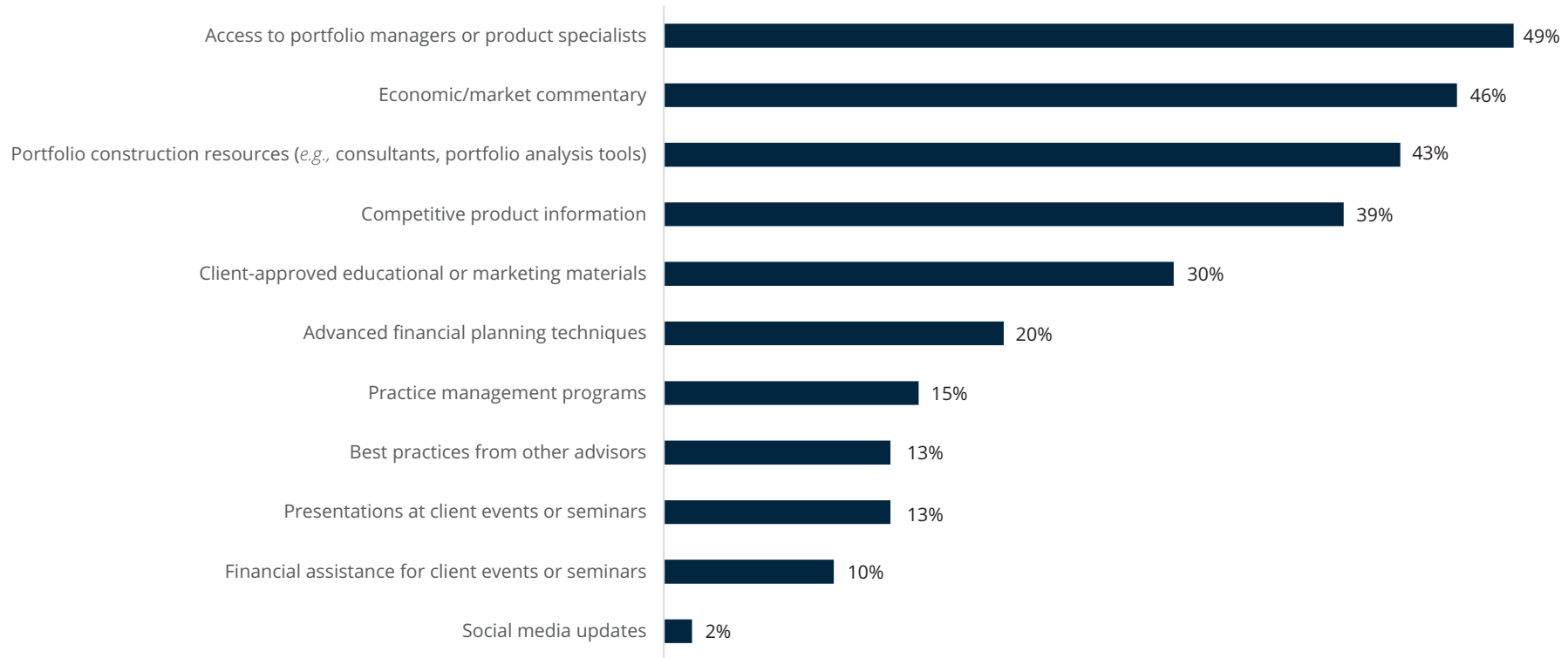
Financial Advisor: Distribution Strategy: View historical and projected U.S. advisor headcount and advisor-managed assets by channel. Also, understand average AUM per advisor by channel.

Financial Advisor: Products and Portfolio Construction: Assess how advisors report their allocation of total client assets among various product types and learn the methods advisors use to construct client portfolios.

Exhibit 9.07

HNW Practices: Most Valuable Resources from Asset Managers, 2023

Source: Cerulli Associates | Analyst Note: Asset managers were asked, “What are the most valuable resources that an asset management firm can provide?” Respondents were allowed to select up to three responses.



- Access to portfolio managers or product specialists (49%), economic/market commentary (46%), and portfolio construction resources (43%) are the three resources provided by asset managers that HNW practices consider the most valuable.
- Competitive product information (39%) is considered a more valuable resource to HNW practices than advanced financial planning techniques (20%).
- Asset managers continue to enrich their social media presence, but only 2% of HNW practices believe that social media updates are one of the most valuable resources their firm can provide.

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