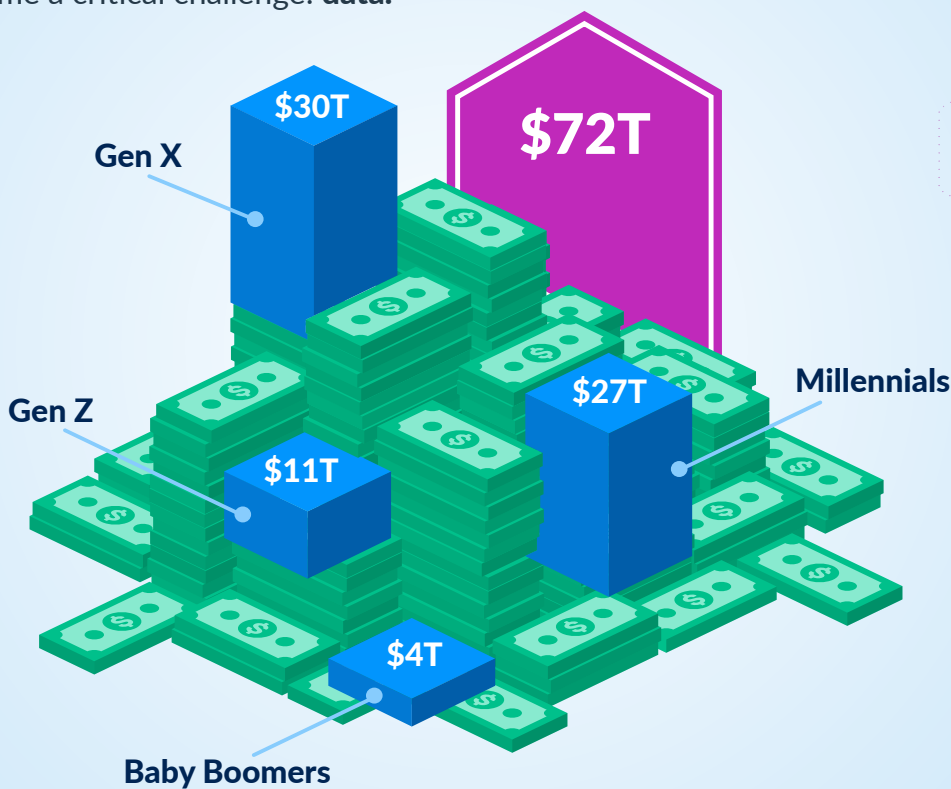


The great wealth transfer:

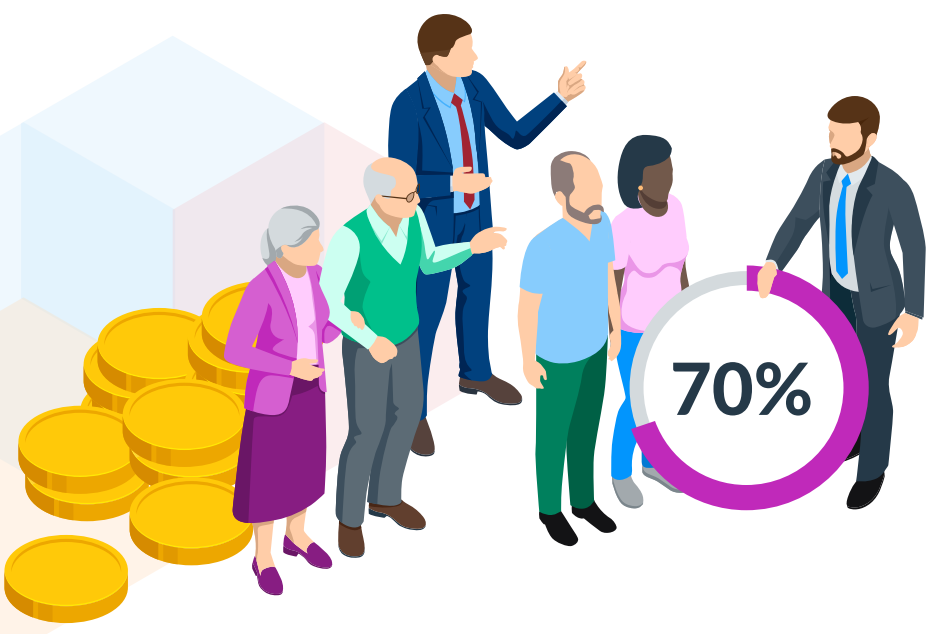
A data-driven opportunity for Financial Services

Over the next 20 years, baby boomers will transfer a staggering **\$72 trillion** to their heirs¹. This massive wealth shift presents both a risk and an opportunity for financial services firms. To capitalize on this, firms must overcome a critical challenge: **data**.



The heir factor

The complexity increases when considering heirs. Their data is often fragmented or inaccessible, making it challenging to build relationships and understand their financial needs.



- **Advisor turnover:** More than 70% of heirs are likely to fire or change financial advisors after inheriting their parents' wealth.²
- **Engagement gap:** Without proactive engagement, financial institutions risk losing a significant portion of the transferred wealth.

The data dilemma

To capture this opportunity, financial institutions must harness the power of data. However, many firms today are struggling, with a significant gap between data collection and effective utilization.

- **Data Silos:** A whopping 4 in 10 financial services executives admit to data silos, hindering a holistic customer view.³ This extends to a view of their heirs, who are critical to engage early to retain through wealth transfer.
- **Underutilized Data:** Despite collecting data from various channels, less than 50% of banking providers leverage it for personalized experiences.⁴ This not only impacts customers today, but the likelihood advisors are effectively personalizing experiences to include heirs.



Referential data and a robust reference database is mission critical.

By implementing robust identity matching and data management solutions, financial services firms can gain a unified view of their customers, including heirs, to ensure personalized experience and proactive engagement. Implementing referential matching technology that provides detailed relationships and householding information can also give firms a leg up in making good faith effort to find heirs after a customer dies. Leveraging these advanced solutions allows financial services firms to create a 360-degree view of customers and their heirs, while supporting:



Increased customer retention

By meeting the evolving needs of clients and their heirs, firms can reduce customer churn.



Proactive engagement and personalized customer experiences

Tailor offerings to individual needs and preferences. Build stronger, long-lasting relationships with clients and their heirs.



Enhanced operational efficiency

Streamlined data management processes can improve operational efficiency and reduce costs.

Today's financial services consumers demand exceptional service and are willing to leave if expectations are not met. Their heirs expect the same well ahead of impending "Great Wealth Transfer."

¹ Cerulli Associates. (2021). The Cerulli report: U.S. high-net-worth and ultra-high-net-worth markets 2021.
² Cerulli Associates. (2024, September 12). Aging boomers bring intergenerational planning to the forefront. <https://www.cerulli.com/press-releases/aging-boomers-bring-intergenerational-planning-to-the-forefront>
³ Workday. (n.d.). Closing the acceleration gap. https://forms.workday.com/en-us/reports/digital-acceleration-considered-approach-to-change/form.html?step=step1_default
⁴ Equifax. (2024, September 10). New study: Financial institutions not leveraging customer data. <https://www.equifax.com/business/blog/-/insight/article/new-study-financial-institutions-not-leveraging-customer-data/>