RESEARCH PAPER

THE WEALTH MOSAIC

From survival to reinvention: the new playbook for technology spend in wealth management

Technology infrastructure spend in wealth management: yesterday, today, tomorrow

Drawn from interviews with senior executives from across the UK wealth management sector, this paper looks at the past, present, and future of technology spend and transformation in the industry.

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Wealth management is at a defining moment in its relationship with technology. Once defined by on legacy platforms, cautious investment, and human-first client service, the sector has in recent years been reshaped by various converging forces: the demand for remote and digital engagement of the Covid-19 era, the rise of artificial intelligence (AI) and cloud-based scalability, and a new generation of clients with radically different and ever-demanding expectations.

The Covid-19 crisis was the catalyst that accelerated digital adoption across the industry. Firms that had relied on paper-based processes, in-person meetings, and legacy infrastructure suddenly needed to reconfigure their operating models. Significant capital was directed toward enabling remote work, digitising client onboarding, and enhancing compliance and reporting. These investments were largely reactive, designed to maintain business continuity and 'keep the lights on'.

Five years on, the conversation has shifted. Technology spend is now tightly aligned with growth strategies, adviser enablement, and client experience. Wealth managers are seeking to extract maximum value from transformation programmes launched in the pandemic era, while selectively investing in digital platforms, data integration, and adviser support tools that deliver tangible return on investment (ROI). The priority is no longer simply survival, but differentiation.

Looking ahead, the next phase of technology investment will be defined by precision, modularity, and reinvention. Firms are moving away from large-scale re-platforming projects toward more flexible, best-of-breed architectures.

The integration of AI and machine learning presents both opportunities and risks: while some firms are experimenting boldly, others remain cautious, concerned about compliance, talent shortages, and ROI. Meanwhile, cyber resilience, seamless onboarding, and client relationship management are emerging as areas of investment that are simply non-negotiable.

The implications are clear. Wealth managers must:

- Define the 'why' of spend before allocating capital, ensuring each investment solves a business problem or creates measurable value.
- Balance vendor partnerships with internal differentiation, using external providers for scale while retaining ownership of what sets the firm apart.
- Invest in people as much as platforms, ensuring advisers and staff have the skills to maximise the value of new technologies.
- Recognise that client expectations are set not by peers alone, but by non-traditional players (Big Tech) — and adapt accordingly.

The evolution of spend tells a clear story: yesterday was about survival, today is about alignment, and tomorrow is about reinvention.

The question is no longer whether to invest in technology, but how to ensure every penny spent builds the firm of the future.

"AI is firmly on our roadmap. The real question is one of timing, scale, and partnership — how much do we invest, when do we invest, and do we build in-house or turn to best-of-breed vendors to support what will be constantly evolving needs?"

Why this research, and why now?

Technology in wealth management is evolving faster than ever before. The industry must honour its traditions of trust, personal service, and fiduciary responsibility while adapting to an era defined by digital convenience, hyper-personalisation, and data-driven insight.

The pandemic forced wealth managers to embrace digital channels almost overnight. Five years on, it is timely to ask: what has changed, what has endured, and where is technology spend heading next?

Three major forces underpin the overall discussion points in this paper:

1. Covid-19 as a catalyst for change

During the pandemic, firms had no choice but to digitise — often at speed and with significant spend. Processes that had previously been seen as too complex to digitise, such as client onboarding or adviser-client meetings, rapidly moved online.

2. AI and real-time data as a 'new frontier'

The rise of generative AI, machine learning, and predictive analytics has redefined the art of the possible. From real-time scenario modelling to automated compliance reporting, firms now face the challenge of deciding not if, but how, to use these capabilities.

3. Client expectations driven by digital natives

Millennials and Gen Z investors, who are set to inherit trillions in wealth over the next decade, demand digital experiences that rival those offered by Apple, Google, and Amazon. For them, seamless integration of digital and human advice is the baseline expectation.

Research methodology

On behalf of FA Solutions, The Wealth Mosaic conducted interviews with senior executives from a diverse set of UK wealth management firms in summer 2025. These included large established players, boutique firms, UK institutions with access to group-wide infrastructure provided by foreign parents, and smaller, technology-driven challengers.

Despite differences in size and ownership structure, common themes emerged in how firms are thinking about their past, current, and future spend on technology infrastructure.

This paper captures those themes, setting them in the context of broader industry research, and aims to provide wealth management leaders with a clear framework for evaluating technology spend today and tomorrow.



Yesterday —

laying the foundations

Covid-19 was a once-in-a-generation shock that exposed the fragility of wealth management's traditional infrastructure. Before 2020, many firms had postponed digital investment, relying on in-person interactions, physical documentation, and siloed systems. When lockdowns began, those firms were forced into a rapid — and often painful — digital transformation.

Remote enablement

The first wave of spend was directed at enabling remote work and digital servicing. Firms invested in secure collaboration tools, cloud-based productivity suites, and video conferencing capabilities. Advisers who had relied on office-based systems needed secure access from home, while clients demanded virtual access to their portfolios.

Legacy challenges

Legacy IT proved a major barrier. According to PwC's Digital Banking Survey 2023, a significant proportion of UK wealth managers still operated on more than 10 separate IT systems, many of them incompatible (PwC, 2023). Integration and transformation became unavoidable investment areas.

Compliance drivers

At the same time, compliance costs rose. The FCA's increased scrutiny on client suitability, reporting, and risk management meant firms had to invest in automated compliance monitoring, document management, and regulatory reporting systems. According to Thomson Reuters' 2023 Cost of Compliance report, 74 percent of financial institutions globally expected their regulatory compliance budgets to rise year-on-year.

Early cloud adoption

Covid-19 also accelerated the shift to the cloud. Although adoption remained uneven, with many firms reluctant to abandon legacy infrastructure, the scalability and resilience that cloud platforms offered became increasingly attractive. In 2022 McKinsey estimated that financial services firms could reduce infrastructure costs by up to 30 percent through cloud migration.

The continuing push toward automation

Automation became a survival tool. From straight-through processing of transactions to digital onboarding, firms sought efficiency without compromising the personalised service that defines wealth management. The challenge since has been in striking the balance between digital convenience and human trust.

In summary, the Covid-19 era marked the transition from 'technology as overhead' to technology as essential infrastructure. But most spend during this period was reactive, focused on business continuity rather than strategic growth.

Today —

strategic alignment of spend

Fast-forward to 2025, and the narrative around technology investment has shifted significantly. Firms are no longer spending primarily to maintain operations, but to differentiate, grow, and drive ongoing ROI. Indeed, recent research has suggested that IT budgets in wealth management will increase: 79 percent of wealth managers surveyed in 2024 planned to increase their tech budgets that year. Given the potential increase in spend, it is critical to align budgets to areas of greatest potential impact and return.

ROI and optimisation of past investments

Executives consistently noted the need to extract maximum value from pandemic-era transformation programmes. Many firms spent heavily between 2020 and 2022 but did not fully realise the benefits. Today's focus is on optimisation: driving adoption among advisers, integrating data flows, and ensuring platforms deliver measurable returns.

Client-first digital touchpoints

Clients increasingly expect seamless digital experiences. According to Capgemini's World Wealth Report 2023, 45 percent of high-net-worth individuals globally are dissatisfied with their providers' digital capabilities. In the UK, wealth managers are prioritising spend on client-facing platforms — from mobile apps to digital dashboards — that deliver real-time insights, personalised advice, and easy transacting.

Adviser enablement

Just as important as client platforms are tools that empower advisers. Digital dashboards, AI-driven risk alerts, and customer relationship management (CRM) systems that integrate behavioural and transactional data, are now core investments. Deloitte's 2024 Wealth Management Outlook found that firms that deploy advanced analytics see adviser productivity increase by up to 20 percent.

Selective vendor partnerships

A clear theme is firms' growing reliance on best-of-breed external vendors for non-differentiating capabilities, such as cybersecurity or regulatory reporting. In turn, firms are focusing their own in-house resources on what sets them apart: adviser-client relationships, bespoke portfolio strategies, and brand trust.

Risk and compliance resilience

Even as firms pursue innovation, compliance remains a priority. Automated reporting, integrated risk management systems, and real-time monitoring are now embedded into most firms' technology spend. The FCA's emphasis on operational resilience has reinforced this focus.

Technology spend today is no longer about 'keeping the lights on'. It is about building a competitive edge through smarter, client-centric systems that empower advisers and enhance trust.

"Technology has to be agile. It should be easy to update, simple to extend, and ultimately laser-focused on one outcome: delivering a better client experience."

Tomorrow —

a new playbook for technology spend

Looking ahead, the next phase of technology spend in wealth management will be characterised not by large-scale re-platforming but by targeted, modular, and strategic investments. Looking ahead, the next phase of technology spend in wealth management will be characterised not by large-scale re-platforming but by targeted, modular, and strategic investments. Margins are tightening, client expectations are rising, and new entrants are threatening established players. Technology will be central to reinvention.

The 'why' of spend

Executives emphasised the importance of starting with business objectives. Technology for its own sake is no longer acceptable. Each investment must solve a defined problem: improving client retention, reducing proposal preparation times, enhancing compliance efficiency, or enabling adviser productivity.

Modular architecture

The industry is moving away from monolithic, end-to-end systems. Instead, wealth managers are adopting modular, API-driven architectures that allow them to plug in best-of-breed solutions. This approach reduces dependency on single vendors and increases agility.

AI adoption options

AI presents a spectrum of strategies. Some firms are experimenting boldly with generative AI to support advisers with proposal drafting, content summarisation, and regulatory search. Indeed, 91 percent of investment managers are already using AI or plan to.

Others prefer a cautious 'wait and see' approach, citing regulatory uncertainty and reputational risk. EY's 2024 Global Wealth Research found that while 54 percent of affluent investors are comfortable with AI-led analytics, only 19 percent would trust AI alone for holistic advice.

The talent challenge

Technology adoption is limited by human capability. The shortage of AI and data science talent is acute, and firms must invest in training as much as platforms. The cultural challenge is equally significant: advisers must be comfortable using digital tools in ways that enhance rather than replace human relationships.

Data discipline

Clean, centralised, and integrated data is the foundation for all future innovation. Without it, AI and advanced analytics cannot function effectively. Executives consistently cited data quality as the most pressing enabler — and bottleneck — of digital transformation.

Client onboarding and CRM

Frictionless onboarding remains a priority. Investments in biometric ID verification, digital signatures, and integrated CRM platforms are expected to accelerate. The goal: onboarding that is fast, compliant, and client-friendly.

Cybersecurity as a non-negotiable

With cyberattacks on financial services rising year-on-year, cybersecurity spend is no longer discretionary. According to IBM's most recent Cost of a Data Breach Report, the average cost of a financial services breach was US$5.9 million — among the highest of any industry.

"Our high-net-worth clients expect the same seamless, intuitive digital experience they get from Big Tech. We need to harness technology — and increasingly AI — to not just meet those expectations, but to exceed them."

Cloud-first future

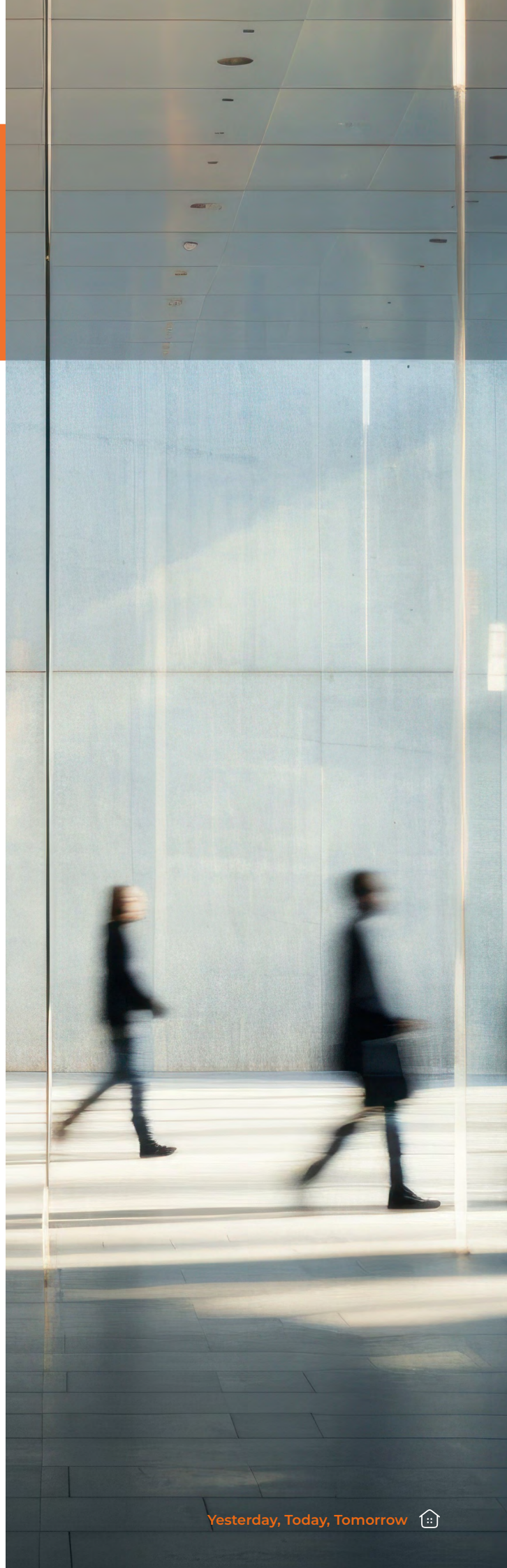
Cloud adoption will continue to expand, driven by scalability and cost efficiency. Gartner predicts that by 2027, over 70 percent of financial services workloads will be cloud-based.

External competition

Finally, executives acknowledged the looming threat of Big Tech. Firms such as Google and Apple set the benchmark for digital experiences — simple, personalised, and intuitive. Wealth managers must learn from these players and continually raise their own digital bar.

The competitive advantage of tomorrow will not come from the size of the technology budget, but from the clarity of its purpose and the discipline of its execution.

"In a SaaS-driven world, customisation is a luxury we can no longer afford. Agility comes from configuration, not endless bespoke builds."



Implications for wealth managers

Several common threads emerged from the discussions with wealth management executives who contributed to this paper — all with clear implications for industry leaders.

"We're being deliberately selective about where we deploy AI. The first question is always: what problem are we solving? Only then do we decide if AI is the right tool to deliver meaningful impact."

Strategic planning is critical

Firms must articulate the business problem each technology investment seeks to address, particularly in the case of planned AI spend. Spending without a clear objective runs the risk of wasted capital and adviser frustration.

Firms should invest in people as much as platforms

Training, cultural adaptation, and adviser enablement are as important as the technologies themselves. Technology without adoption delivers no ROI.

There is a need to balance external partnerships with internal differentiation

Best-of-breed vendors can deliver scale, compliance, and cybersecurity, but firms must own the elements that define their value proposition: adviser expertise, client relationships, and bespoke portfolio design.

Leading firms recognise that, today more than ever, clients set the bar

Digital expectations are defined not by financial peers but by Big Tech. Firms must continually measure themselves against standards set by non-traditional firms such as Apple, Google, and Amazon — not just traditional financial institutions or long-established banking brands.

The path ahead

Wealth management firms are entering a new era of technology spend. The Covid-19 era forced firms to digitise to survive. The current moment is about aligning spend to strategy, ROI, and client experience. The next chapter will be about reinvention — modular architectures, AI adoption, and data-driven personalisation.



Winners will be those which:

- Treat technology not as overhead but as a growth engine;
- Build flexible, data-rich systems that can adapt to rapid innovation; and
- Invest in people as much as platforms, embedding cultural change alongside technical adoption.

The evolution of spend tells a clear story: yesterday was about survival, today is about alignment, and tomorrow is about reinvention.

The question for leaders is no longer whether to spend — but how to ensure every investment builds the firm of the future.

"AI will undoubtedly reshape the workplace, but I'm confident the change will be positive. Once people see the tangible benefits, the fear will give way to enthusiasm."

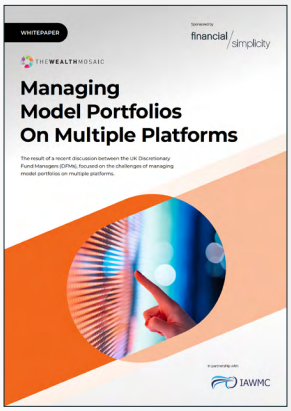
About the research

The WealthTech Insight Series

This research is part of The Wealth Mosaic's WealthTech Insight Series (WTIS), an ongoing and developing research process, mixing online surveys and interviews, and focused exclusively on technology in the wealth management sector across the world.

Rather than a one-off research process, the WTIS will seek to build an ongoing program of research among wealth managers of different types across the world on a broad range of technology and related topics, building up an aggregated knowledge base of both qualitative views and perspectives as well as quantitative data points.

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Publisher

The Wealth Mosaic Limited

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