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FIDELITY® STUDY: TECH-FORWARD WEALTH MANAGEMENT FIRMS REPORT STRONGER GROWTH, BETTER CLIENT EXPERIENCE AND HIGHER ADVISOR SATISFACTION

Investing Time in Technology Strategy, Design, and Activation Improves Results for Firms, Regardless of Size or Channel

A [new study](#) from Fidelity Investments highlights the advantages of being a technology-forward – or *digitally empowered* – firm. The firms that embrace technology best practices not only report higher than average efficiency, but also stronger growth, better client experiences, and higher advisor satisfaction.




Better for firm leaders

Digitally empowered firms are growing significantly faster than their peers, and they enjoy a larger share of wallet.

	DIGITALLY EMPOWERED	OTHERS
 Client growth rate (Mean)	20%	8%
 Overall AUM growth rate (Mean)	22%	11%
 % of advisors reporting growth in AUM	86%	79%
 Share of wallet per client (Median)	80%	75%

Better for advisors

Advisors at digitally empowered firms reported that they were more highly satisfied, and that they earn significantly more compensation.

	DIGITALLY EMPOWERED	OTHERS
 Career satisfaction	81%	59%
 Firm satisfaction	64%	44%
 Compensation (Mean)	\$489K	\$373K

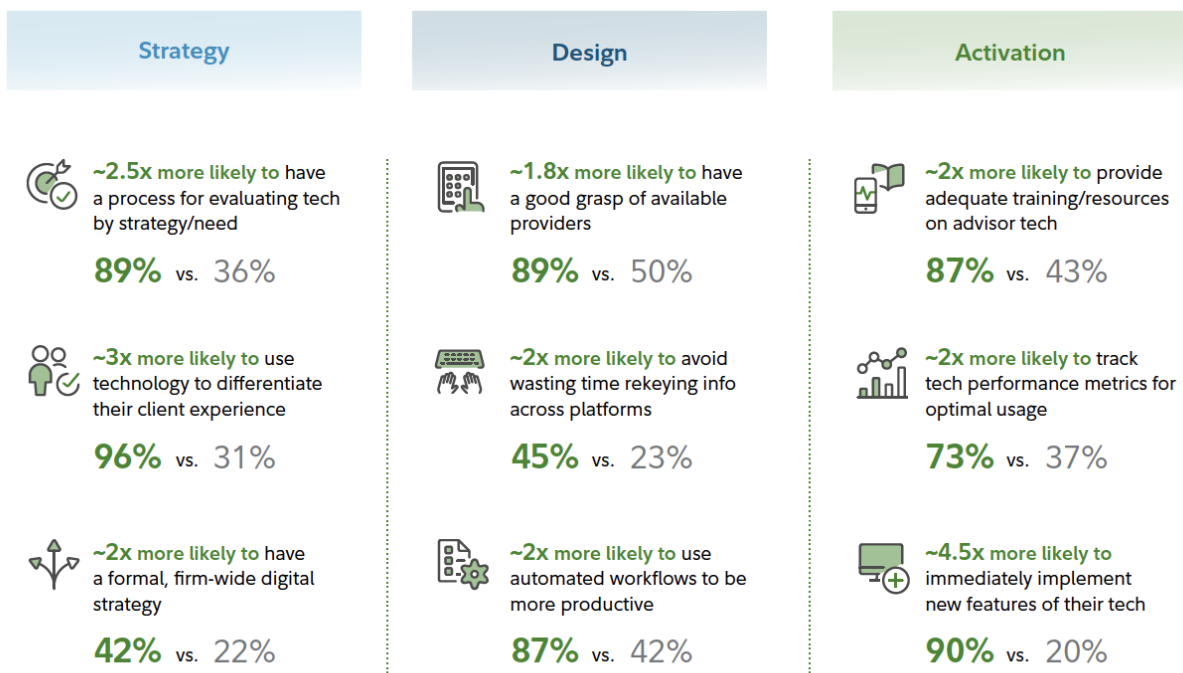
Fidelity identifies a [digitally empowered firm](#) based on their application of technology best practices across three domains: strategy, design, and activation. These firms are growing significantly faster than their peers, both in terms of clients and assets under management. Advisors are also generally more satisfied with their careers when working with a digitally empowered firm – and report higher compensation and ability to provide a better client experience.

What's more: Fidelity's research found digitally empowered firms of all sizes and from various channels – including RIAs, national brokerage firms, independent and regional broker-dealers – signaling an equal opportunity for all leaders to gain a competitive edge with a more dedicated focus on technology.

“Our study underscores the impact of technology as a growth driver for wealth management firms that harness its full potential,” said Marissa Herr, head of Technology Consulting for Fidelity Institutional. “Those who think deliberately about the platforms, integrations, and tools that best support the needs of their advisors and clients today have a huge opportunity to create market differentiation.”

Best Practices in Action

Digitally empowered firms are more likely to have a firm-wide technology strategy and a distinct process for evaluating solutions. Employees of these firms are also more likely to capitalize on the efficiencies offered through technology, such as automated workflows, and advisors are nearly twice as likely to say their most valuable day-to-day platforms are well-integrated. But the work doesn't stop there.



“Firms spend significant time evaluating and introducing new technology, but it's just one part of the equation,” said Jessica Liberi, head of Platform Technology for Fidelity Institutional. “Activation is equally important. A firm can only reach the full potential of its technology stack if advisors know how to implement the tools strategically selected to support them.”

Improved Experience for Advisors and Investors

Digitally empowered firms are three times more likely to use technology to differentiate the client experience – and it’s paying off for both advisors and investors.

Advisors at these firms are not only more likely to report that their processes are efficient across several key functions, but also to say their clients share the same perception. By saving time in areas like money movement, trading and portfolio rebalancing, account maintenance, customer onboarding, and financial planning, digitally empowered advisors can focus on deepening client relationships and growing their business.

To learn more, download the [2023 Technology Stack Survey Snapshot](#) and visit Fidelity’s [Digital Empowerment resource hub](#), which includes [Fidelity’s Digital Empowerment Assessment](#).

About Fidelity’s 2023 Financial Advisor Community – Technology Stack Survey

The study was an online blind survey (Fidelity not identified) and was fielded during the period November 9 through 24, 2023. Participants included 426 advisors – including some firm leaders, partners, and other technology decisionmakers – who work with individual and/or small business investors and are licensed and credentialed. Advisor firm types included a mix of RIAs, national brokerage firms (commonly referred to as wirehouses), other broker-dealers, with findings weighted to reflect marketplace headcount by channel, as reported by Cerulli. The study was conducted by an independent firm not affiliated with Fidelity Investments.

Digitally empowered firms were identified using statistical clustering analysis based on advisors’ responses about their firms’ use of technology. While the factors that most drove differentiation of these firms versus others were *using technology to differentiate client experience, immediately implementing new features, having a process to evaluate tech based on strategy/need, and providing adequate training/resources to advisors*, these firms scored higher than their peers on nearly every technology best practice that we asked about. Digital empowerment is a goal state to strive for, rather than an actual condition. As such, references to “digitally empowered firms” are intended to reflect those firms that stand out as more digitally empowered than their peers.

About Fidelity Investments

Fidelity’s mission is to strengthen the financial well-being of our customers and deliver better outcomes for the clients and businesses we serve. Fidelity’s strength comes from the scale of our diversified, market-leading financial services businesses that serve individuals, families, employers, wealth management firms, and institutions. With assets under administration of \$12.6 trillion, including discretionary assets of \$4.9 trillion as of December 31, 2023, we focus on meeting the unique needs of a broad and growing customer base. Privately held for 77 years, Fidelity employs more than 74,000 associates across the United States, Ireland, and India. For more information about Fidelity Investments, visit <https://www.fidelity.com/about-fidelity/our-company>.

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