

WHITE PAPER

Evolving Customer Attitudes and Expectations in **Wealth Management**

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A Looming, Self-Inflicted Crisis

The Wealth Management Industry Is Preparing for the Wrong Event

As firms build elaborate “next-gen desks,” hire younger relationship managers and launch heir-onboarding programs, the danger is that these choices are all predicated on a single flawed assumption. The assumption being made is that capturing the wealth transfer from older generations to Millennials and Gen Z means *retaining those assets within the firm*.

Point blank, we think it does not. As we explored in our most recent [consumer banking research](#), the great wealth transfer is underway, with [\\$30 trillion set to move to Millennials and \\$11 trillion to Gen Z by 2030](#). These assets will not neatly consolidate into incumbent platforms. Instead, our analysis indicates that these assets could fragment across a mosaic of digital providers, robo-advisors and self-directed accounts, very likely within 24-months of each inheritance event.

We think this has the potential to transform from disruption into crisis due to the industry’s chosen response. Faced with generational attrition, we’ve seen that firms are doubling down on their human-first advisory models, possibly engineering their own irrelevance. Fully 88% of bank managers believe they understand Gen Z clients, yet only 34% of those clients agree, a 54-point perception gap that renders every “personalized” retention strategy functionally blind. This gap shows that the client retention problem is not solvable simply with better CRM workflows. It is a business model crisis requiring fundamental architectural change within the next 12-to 18-months.

Our data speaks for itself:

53%

of Gen Z view “one main bank”
as a thing of the past.

69%

of Gen Z actively manage finances across two to five different financial services apps simultaneously to piecemeal a best-in-breed approach to administering to their financial lives.

From EPAM research.

Industry Challenge Analysis

Setting the Stage for Fragmentation

The boardroom narrative frames this great transfer of wealth as an opportunity, but that framing could be dangerously optimistic. The transfer is better understood as a rock being thrown into a still pond, spreading a predictable wave of ripples across the surface. Leading wealth research projects \$124T in total wealth will transfer through 2048, with Boomers accounting for roughly \$100T, or 81%, of the total. In the near-term, Millennials and Gen Z will account for 43% of retail banking revenue by 2035, up from 32% in 2023.

The behavioral profile of inheritors guarantees this wealth will not stay where it lands, and leading wealth research have quantified the potential impact: 81% of next-generation high-net-worth individuals intend to switch firms within one- to two-years of inheriting. According to EPAM's own 2026 Consumer Banking Report, Gen Z and Millennials are already 3.4 times more likely to switch banks than Boomers, at 34% versus 10%.

Meanwhile, robo-advisory platforms are projected to reach \$33.6B by 2030, a 26.4% compound annual growth rate (CAGR), driven disproportionately by younger adoption. Banks' share of wealth management revenue has already declined from 95% to approximately 80%, with projections showing a further slide to 65% by 2030. Firms investing in platform-level retention while their best advisors carry portable books are building walls around empty vaults.

The Human-First Accelerant

If fragmentation is the disease, the industry's chosen treatment could be making themselves sicker. Our research shows that 45% of Gen Z feel their bank is not working hard enough on financial literacy, and only 27% view their bank as a "valued partner."

Our data also reveals what next-generation clients actually want: AI-first daily engagement with human expertise available on-demand rather than imposed by default. Gen Z's comfort with bank AI has surged from 21% in 2023 to 50% in 2026, a 138% increase that signals a phase transition. Yet 83% of Gen Z still seek human interaction for major financial decisions.

The model they want is algorithmic engagement for the majority of daily interactions that do not require human judgment, with seamless escalation to expert humans for the small percentage that do. A major consultancy's survey of 500 North American advisors found that while 96% believe GenAI can revolutionize servicing, only 41% are scaling solutions beyond pilot phase.

The Vicious Cycle

These two failures form a self-reinforcing cycle. The human-first model fails to engage heirs on their terms, accelerating asset scattering across digital platforms. Fragmentation reduces revenue per client for human advisors, degrading the economic viability of the advisory model. Degraded service quality drives further attrition among exactly the clients firms can least afford to lose. The 54-point perception gap is the engine of this cycle: as long as firms believe they understand next-gen clients, they will continue investing in strategies those clients have already rejected. The \$4.2B in untapped US revenue from the 65% of Gen Z willing to pay premium for services they actually value remains uncaptured, not because firms lack capability, but because they lack accurate perception.

The Path Forward: A Strategic Solution Framework

Imperative 1: Invert the Advisory Architecture

The first imperative is eliminating the perception gap through honest measurement. Firms should deploy anonymous, third-party satisfaction research specifically targeting inherited-account clients under 40, benchmarking results against internal advisor confidence scores. Simultaneously, firms must audit the post-inheritance client journey with forensic precision: track every inherited account opened in the past 36-months and measure where departed assets actually went.

The core architectural shift is inverting the advisory model from “human-first with AI support” to “AI-first with human escalation.” A leading wealth management platform reports AI could free up as many as **19 hours in a week** for advisors. The goal is not reducing headcount but redirecting human expertise toward high-value moments: major financial decisions, life transitions, complex planning — where 83% of Gen Z still wants human interaction.

In order to build these personalized, data-driven advisory models, wealth managers must prioritize data architecture modernization. This is not optimal preparation; it's the critical path to competitive differentiation. As such, firms must commit to the implementation of a unified customer data platform with real-time integration capabilities. In doing so, they must also establish data-quality standards and governance frameworks to establish effective guardrails that simultaneously protect customer data while also accelerating its usage throughout the enterprise.



Imperative 2: Build Institutional Switching Costs

If most clients follow the advisor rather than the firm, institutional value must be embedded in the platform experience. Firms that build proprietary AI engagement layers create switching costs that attach to the institution. A client who relies on an AI system trained on five years of their financial behavior, preferences and goals faces meaningful friction in moving to a competitor, even if their favorite advisor departs.

A leading digital investment platform's research found that digital platform users are twice as likely to also use human advisors, at [62% compared to 34%](#) for non-platform users. The competitive threat is not robots replacing advisors; it is hybrid-native platforms that integrate AI and human expertise by design, while incumbents bolt AI onto architecture that resists integration.

This sweeping customer journey transformation requires that firms move from enabling AI to embedding and evolving AI across the enterprise. Key areas of the customer journey ripe for this type of transformation include:

01

Intelligent onboarding, where customers can be offered personalized product recommendations based on financial-profile analysis

02

Proactive financial guidance, including asset allocation, portfolio optimization recommendations and intelligent savings

03

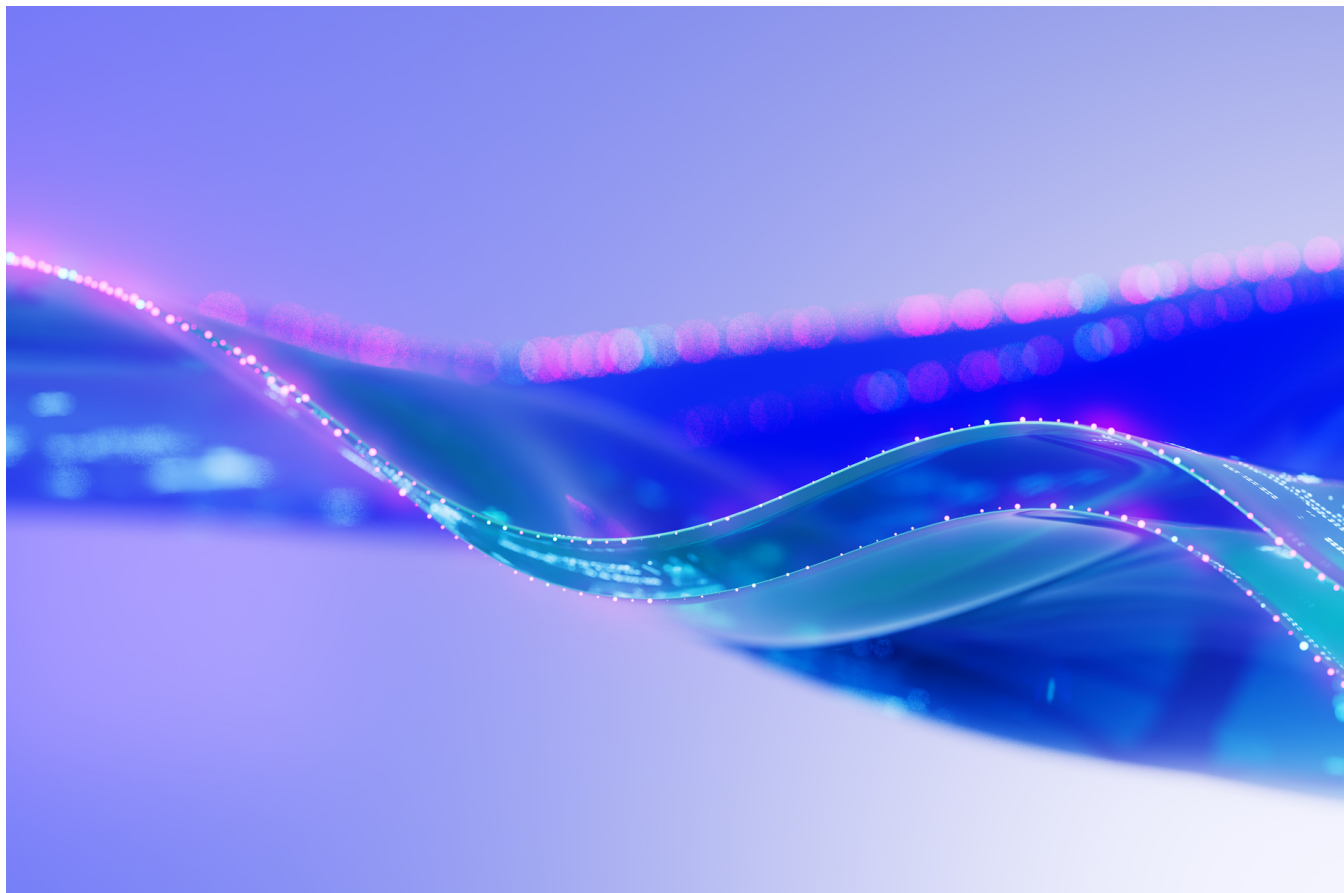
Seamless service resolutions featuring AI-first customer service with intelligent escalation and omnichannel consistency across digital and human touchpoints

Imperative 3: Innovate Pricing for the Next Generation

With 77.6% of advisors moving to fee-based models by 2026, significant gaps remain in serving the next-gen segment that prefers transparent, subscription-style pricing. As our 2026 consumer banking research notes, the 53% of Gen Z willing to pay \$15 to \$25 monthly for hybrid AI-plus-human advisory represents a concrete revenue model: basic AI engagement at the lower tier, hybrid AI-plus-human advisory at the upper tier, with seamless upgrade paths as inherited wealth grows and complexity increases.

Wealth firms aiming to drive pricing innovation should begin by adopting a client-centric approach that leverages advanced analytics to understand evolving preferences and value perceptions. As noted in EPAM's 2026 Consumer Banking Report, Millennial and Gen Z banking are willing to pay for services they perceive as adding value to their financial lives. With data architecture modernization and strong governance models in place, firms should begin piloting flexible, transparent pricing models that provide clear value and align fees with outcomes rather than traditional asset-based charges.

Integrating digital platforms to enable real-time pricing adjustments and personalized service bundles can further enhance client engagement and satisfaction. Additionally, fostering a culture of continuous feedback through digital channels can help ensure pricing strategies remain relevant and competitive as customer attitudes and expectations continue to evolve. In that regard, pricing innovation should be viewed as an ongoing capability and not a destination, with customer input acting as a co-creative force to help shape pricing models.



Competitive Advantage

The decision framework for wealth management executives reduces to a single question: Will you architect your firm for the clients you have, or the clients you need? The great wealth transfer is not a future event to prepare for; it is an active process already underway. Every quarter of delayed transformation represents a permanent loss of assets that will likely never return once scattered.

Three competitive advantages determine which firms capture versus lose this wealth:

Perception Accuracy:

Closing the understanding gap between what advisors believe and what clients experience will make better strategic investments

Architectural Flexibility:

Delivering AI-first engagement without dismantling existing human advisory capabilities will serve multiple generations simultaneously

Pricing Innovation:

Offering transparent, subscription-based hybrid advisory will capture the willingness-to-pay that traditional fee structures leave on the table

Success metrics should be concrete:

Within 12-Months:

Reduce the perception gap by 20 points

Within 18-Months:

Achieve 50% AI engagement rates among inherited-account clients under 40

Within 24-Months:

Demonstrate post-inheritance retention rates 15 percentage points above current baseline

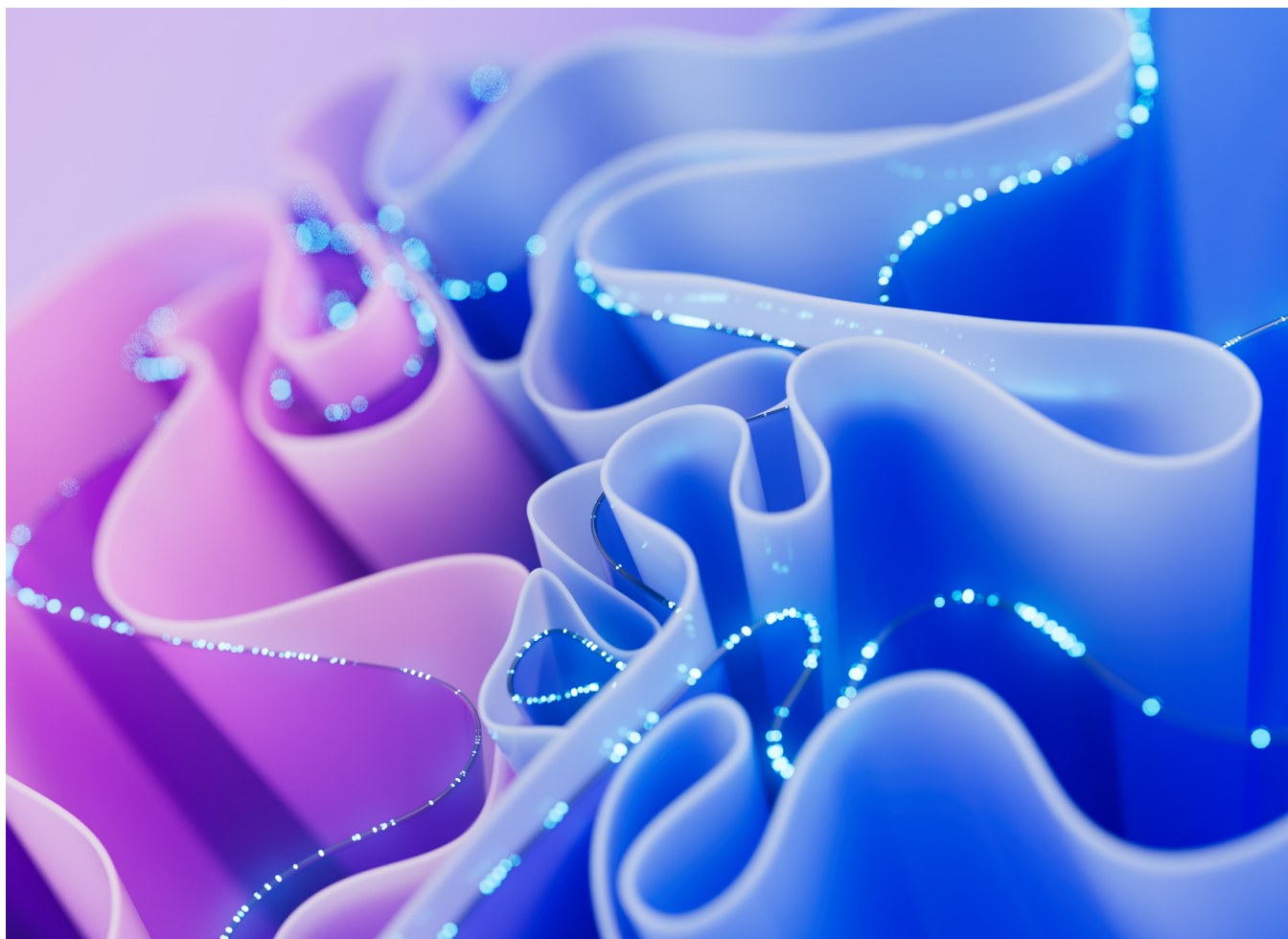
Within 36-Months:

Generate measurable revenue from AI-first subscription products serving the sub-\$500K inherited wealth segment

Market Implications

The wealth management industry has navigated fee compression, regulatory change and market volatility without fundamental model disruption. The generational wealth transfer is different. It does not pressure the existing model to perform better; it renders the model irrelevant to the clients who will control the majority of investable assets within a decade. Our research across 14,000 consumers in 11 countries confirms that this generational shift is global in scope, immediate in timeline, and addressable through the hybrid AI-plus-human architecture that next-gen clients are explicitly willing to pay for.

The firms that recognize this distinction and act on it immediately will define the next era of wealth management. Those that do not, will spend the next decade watching \$30 trillion evaporate from their platforms, one inherited account at a time.



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