

Digital platform CEO: 'Tech is bringing AM back to the people'

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Digitalisation in the banking industry is creating a more democratic financial sphere – one where clients have a breadth of choice and multiple points of entry, according to Descartes Finance CEO Adriano Lucatelli.

'Technology is helping us open up financial opportunities to everyone, not just the super rich. It helps to provide transparency and bring asset management back to the people,' said Lucatelli, who launched Descartes, a digital wealth management platform, in 2015.

'Digitalisation is helping us democratise finance and bring a purpose back to the wealth management industry, which has been lacking since the financial crisis.'

Descartes' platform allows clients to act as decision makers, Lucatelli said. Because they are able to view, experiment with and choose their own strategies remotely, clients no longer need to feel that investment managers are the gatekeepers of all financial opportunities.

The future of finance

Lucatelli believes that finance will become more flexible as technology allows consumers to move away from a single-bank model.

'The old model was that banks did everything – payments, investments, mortgages, credit and more. But people have become eclectic and are not brand-loyal for everything,' he said.

'I think in the future people will pick individual services. For example, they might be loyal to Revolut for payments, Descartes for investments and a crowdfunding platform for credit. They won't have a single point of entry that does everything – they'll pick and choose.'

Similarly, Lucatelli predicts a boom for blockchain, but not for another 10 years. He said people lack trust in the technology, adding that this is a challenge that his own team has also had to face up to because consumers remain wary of digital investing.

'For retail clients, the fully digital approach is a new thing. People are used to high street banks that they've been dealing with for 10 or 20 years. They're a bit captive at their bank. It takes more time for us digital providers to demonstrate our value,' he said.

'Trust is a challenge. Digital wealth management has a place in the market, but it's a young industry. Clients trust the machine and they trust our computers, but they still want a pilot in the cockpit.'