GenAI in wealth and asset management

Spring 2025 survey summary and findings

Conducted March 2025, published July 2025

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Section 01

Methodology of survey

Background and methodology

Demand for novel generative AI (GenAI) solutions is rising quickly; wealth managers and asset managers are beginning to make significant movements and investments into the space.

To better understand how wealth and asset managers are exploring and/or implementing GenAI applications (e.g., ChatGPT, Claude, Gemini, Microsoft Copilot, GitHub Copilot, Perplexity, Midjourney), we conducted the following survey:

Conducted in March 2025

N=100

- Wealth managers (n=50)
- Asset managers (n=50)

- Knowledge of the represented firm's GenAI initiatives or direct involvement in teams leading GenAI efforts, with specific expertise in GenAI applications such as ChatGPT, Dall-E, OpenAI and Microsoft Azure

- Employees focused on client servicing, marketing, onboarding, product strategy and other investment and technology representatives

- Sample decision-maker titles included (but were not restricted to) chief strategy officer, chief technology officer, head of product development, head of marketing, relationship manager, chief risk officer and other positions in the firm

Executive summary

GenAI is becoming a strategic cornerstone for wealth and asset managers, with realized benefits and plans for increased adoption among firms

1. **GenAI adoption:** 95% of firms are deploying at least three use cases already. 77% of firms have either mandated existing teams to focus on GenAI initiatives or have mobilized a team to solely focus on these initiatives
2. **Learnings from prior implementations:** 66% of wealth and asset management firms state that they would have thought about planning and strategy differently; firms were most surprised by challenges encountered with legal and compliance
3. **Realized outcomes:** The functional areas with the highest impact resulting from GenAI are compliance and risk as well as marketing; the greatest cost savings were realized across the risk/compliance management and IT departments
4. **Future use cases:** 99% of firms expect to implement an additional 3+ use cases in the next ~2 years. The top investment priorities across front-office functions include automated personalized investment strategies and personalized outreach.
Top investment priorities in middle & back-office functions include real-time ongoing risk monitoring and enhanced/continuous risk management
5. **Agentic AI:** Only 7% of firms report currently utilizing agentic AI, but most firms (~85%) are expected to have agentic AI use cases fully built and integrated within the next two years; top areas include risk and customer service
6. **Org structure and workforce:** GenAI teams are primarily overseen by the Head of Technology, who reports up to the CTO or CIO; over the next five years, firms expect the greatest impact in workforce to be in middle and back-office functions
7. **Implementation and budget:** The majority (62%) of AI models and solutions are built using a hybrid approach, while 36% are built using off-the-shelf vendor solutions. Funding for dedicated GenAI teams is mostly being sourced from the IT/Technology budget, followed by a stand-alone/dedicated budget
8. **Technology and vendors:** 87% of firms utilize closed-source large language models for their GenAI use cases;
data security and integration with legacy systems are the biggest technology-related challenges faced by firms when implementing GenAI

Source: EY-Parthenon Wealth and Asset Managers Generative AI Survey March 2025 (n=100)

Implications for wealth and asset managers: Personalization at scale and driving alpha with speed to insight through AI

Implications for wealth managers

- **Move from GenAI use to GenAI integration:** The tools are deployed, but the impact isn't captured yet
  - To capture value, firms need to embed GenAI into advisor workflows, not just bolt it on
  - Automating advisor preparation, follow-ups, and personalization within CRM and planning systems will shift GenAI from pilot to advisor productivity engine
- **Focus on scaling personalization:** Personalization at scale is the new battleground
  - GenAI allows every advisor to deliver custom insights, communications and ideas to clients
  - Firms that do this well will win share of wallet and improve retention
- **Agentic AI will be the next frontier in advisor enablement within 1–2 years**
  - Expect AI agents to support continuous client monitoring, generate proactive outreach and pre-prepare planning updates
  - Start exploring now where advisors need "always-on" assistance and build confidence by piloting agents in those zones
- **Winning firms will have strong governance and clean data, not just good tools**
  - Compliance, privacy and advisor trust remain real constraints
  - The leaders will be those who manage data and regulatory guardrails tightly enough to let GenAI operate at scale, with clear accountability built in

Implications for asset managers

- **Don't just automate, augment alpha:** The real frontier for asset managers isn't report generation
  - The frontier will be equipping investment, research and risk teams with autonomous AI copilots that analyze data, flag risks and generate insights continuously
  - Focus future use cases on portfolio intelligence and research efficiency
- **Prioritize use cases in two areas:** Speed-to-insight and risk reduction
  - Many peers are seeing impact in risk/compliance and middle-office analytics, which will quickly become table stakes
  - Use GenAI to turn compliance, risk and performance functions into proactive insight engines that feed portfolio managers and sales with timely, decision-grade intelligence
- **Treat agentic AI as a 2025–2027 horizon capability**
  - Build internal readiness
  - While few have deployed it today, agentic AI will shift how monitoring, reporting and even portfolio adjustments happen
  - Strategy teams should be piloting risk or ops agents now, even within narrow, well-bounded use cases
- **Your competitive edge:** Time to scale
  - The coming year will separate firms that run isolated pilots from those who embed AI into front-to-back workflows
  - Make 2025 the year you move GenAI from "center of excellence" to "center of execution"

Section 03

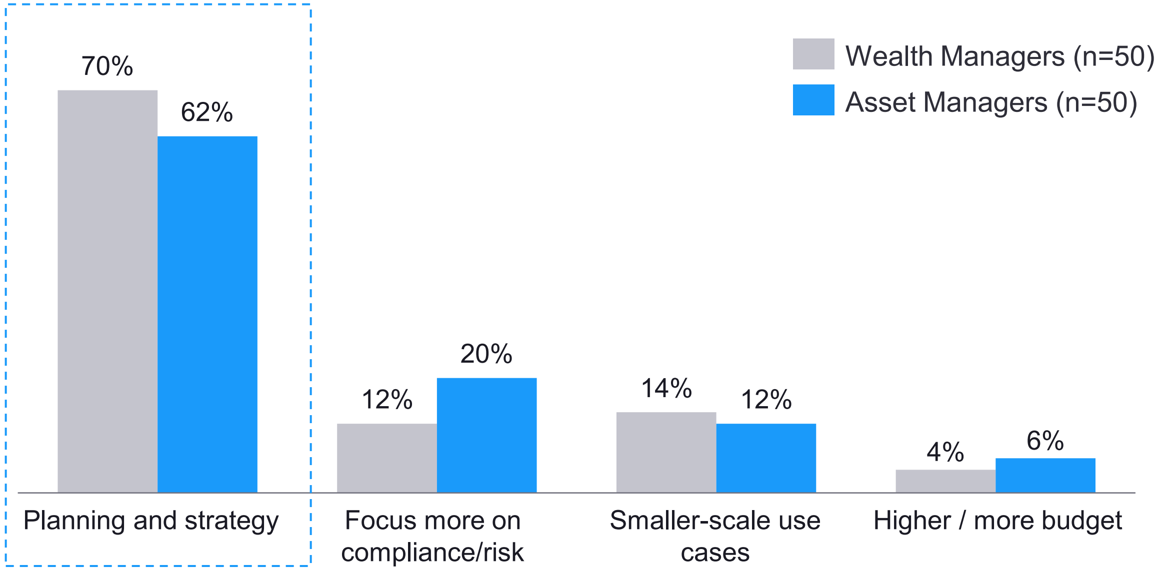
Survey highlights

Importance of data quality and doing up-front planning and strategy were top lessons learned

“What lessons have you learned from deploying generative AI?” (n=100)

1. Importance of data quality (23%)
2. Focus on ethics and compliance (20%)
3. Role of human oversight (13%)
4. Start with small projects (13%)
5. Continuous monitoring required (11%)
6. Need for cross-functional collaboration (10%)
7. Customization of AI models (9%)
8. Building skills, strengthening teams (8%)
9. Build trust through transparency (7%)
10. Effective risk management (7%)

“What would your firm do differently if starting a new generative AI project (planning and strategy, smaller-scale use cases, higher more budget, focus more on compliance/risk)?” (n=100)



Commentary

- **28%** of asset managers consider the importance of data quality as their top learning, followed by a focus on ethics and compliance, which is prioritized by **24%** of asset management firms
- In contrast, **18%** of wealth managers regard the importance of data quality as their top learning

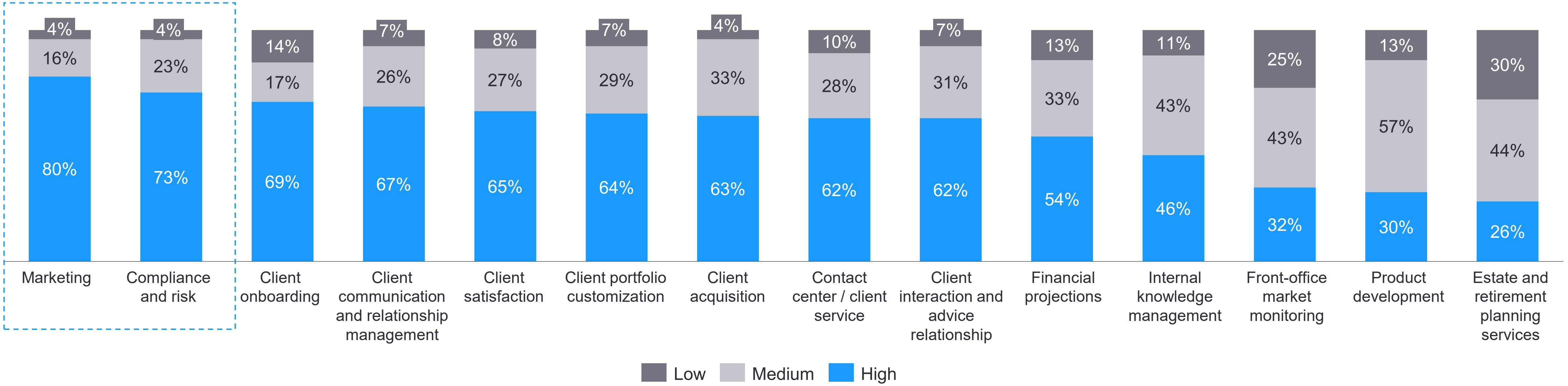
Commentary

- **79%** of B/Ds will focus on planning and strategy, compared to only **65%** of RIA firms
- **Only 40%** of wealth and asset management firms with <$501b in AUM intend to focus on planning and strategy when starting new GenAI projects vs **75%** of firms with $501b+ in AUM

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

GenAI has had the highest impact on marketing, compliance and risk, and client onboarding functions

"On a scale of 1–5 (1 being low impact and 5 being high impact), how has GenAI impacted the following functions?" (n=100)



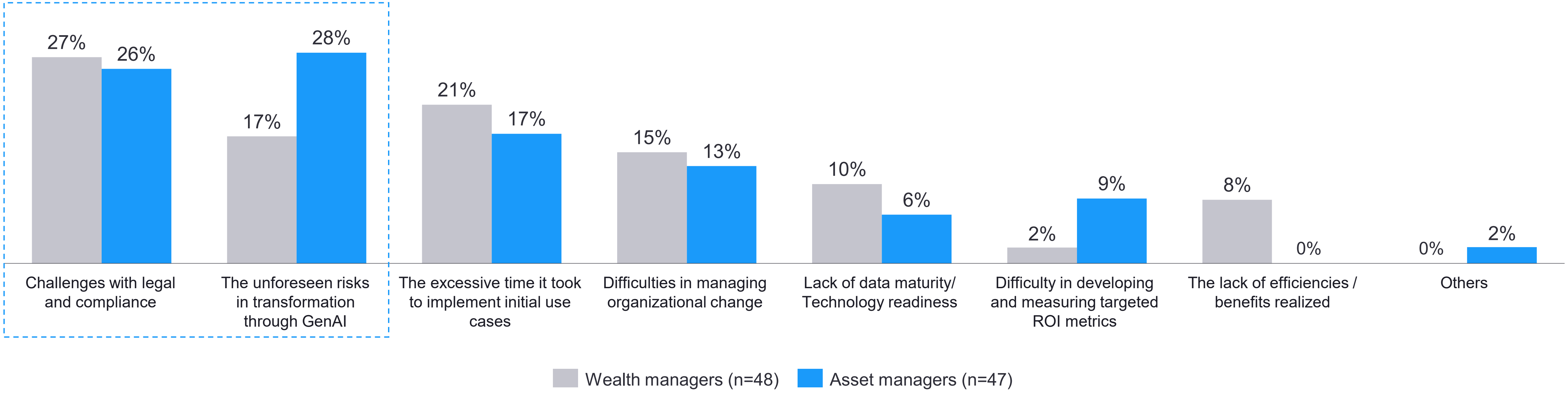
Commentary

- GenAI has most significantly impacted compliance and risk functions, with **36%** of wealth managers and **32%** of asset managers reporting a high level of impact in this area
- The second most impacted function is marketing, with **24%** of wealth managers and **32%** of asset managers indicating a high level of impact
- Following that, client communication and relationship management are also notably affected, with **20%** of wealth managers and **30%** of asset managers reporting a high level of impact in this area

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

Challenges with legal and compliance, along with unforeseen risks, were the key issues that most surprised firms during their GenAI transformation

“What challenges most surprised you about your GenAI transformation over the **past 1–2 years**?” (n=95)



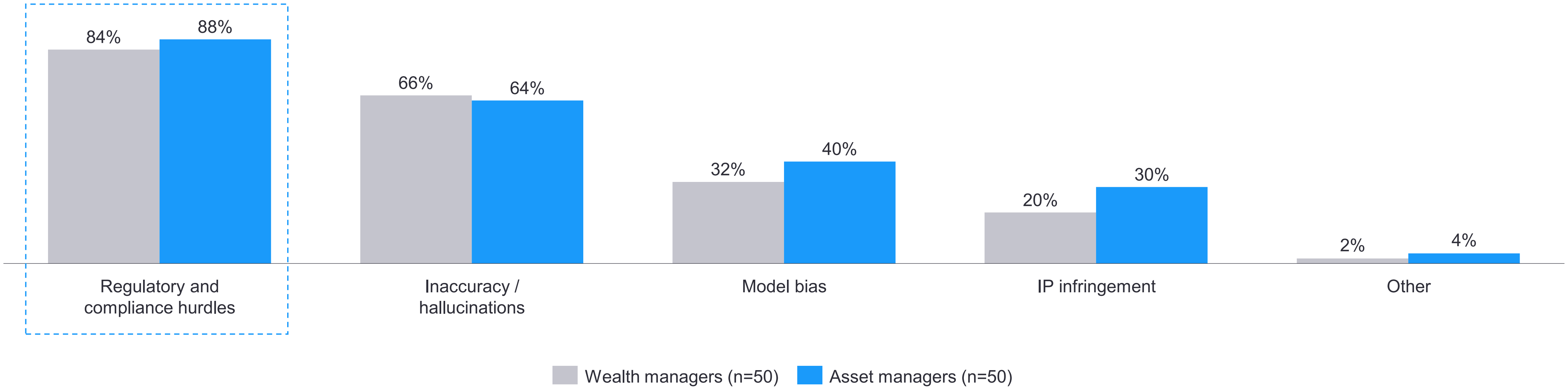
Commentary

- Although challenges with legal and compliance is the top selection among wealth managers, it is faced by only **23%** of RIA firms and **33%** of B/Ds. Additionally, wealth management firms with $11b+ of AUM experience these challenges, with **40%** and **28%** of firms, respectively
- Among asset managers, unforeseen risks in transformation through GenAI is the top challenge, affecting firms across all AuM ranges, with **at least 14%** encountering these issues. This challenge is most pronounced among firms in the top AuM range of $11t–$25t, where **50%** of firms have faced this issue

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

A majority of firms have experienced regulatory and compliance hurdles as well as inaccuracy/hallucinations when deploying GenAI

? "What are the 'key learnings' from AI technology adoption (i.e., are the GenAI-enabled tools trustworthy/useful enough to be deployed in production, or do they have issues that are stopping production readiness)?" (n=100)



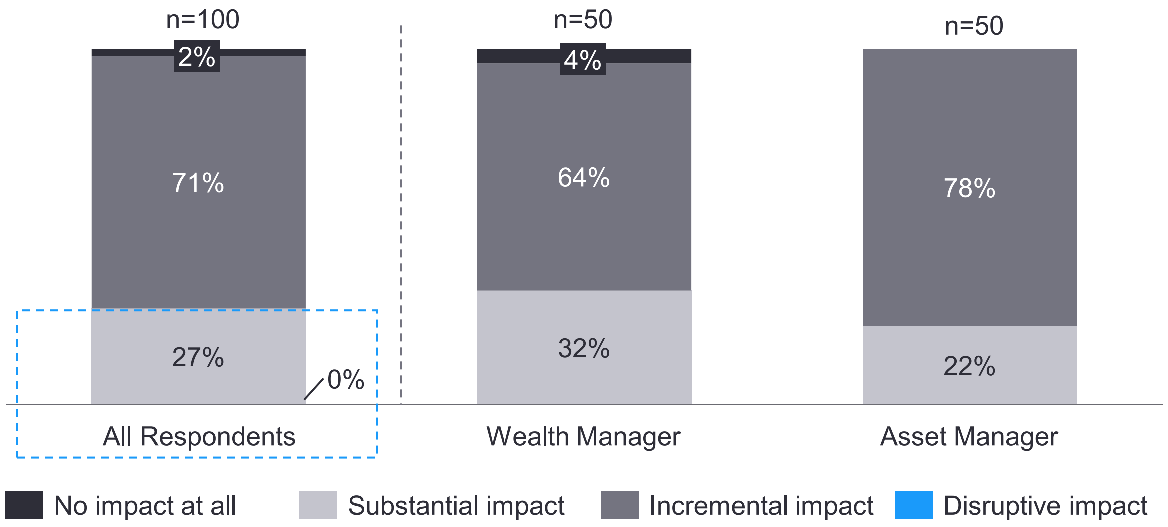
Commentary

- **90%** of RIA firms face regulatory and compliance hurdles, compared to only **74%** of B/Ds
  - **All wealth management firms** in the AuM range of $501m–10b encounter these challenges when deploying in production
- **At least 67%** of asset management firms with AuM of $501b+ expressed experiencing regulatory and compliance hurdles

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

46% of firms anticipate substantial or disruptive impact over the next 1–2 years vs. 27% who report experiencing similar impact in the past 1–2 years

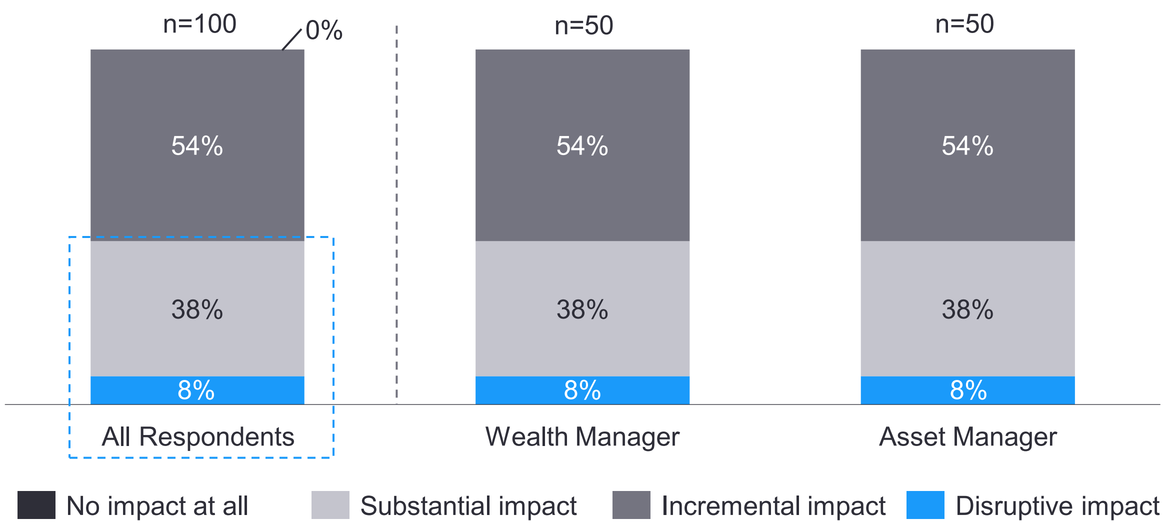
“How significant of an impact (e.g., revenue generation, cost optimization, time savings) has generative AI had on your firm over the **past 1–2 years**?” (n=100)



Commentary

- Among wealth managers, **65%** of RIA firms and **65%** B/Ds believe GenAI has had an incremental impact on their firms in the past 1–2 years

“How significant of an impact (e.g., revenue generation, cost optimization, time savings) do you expect generative AI to have on your firm over the **next 1–2 years**?” (n=100)



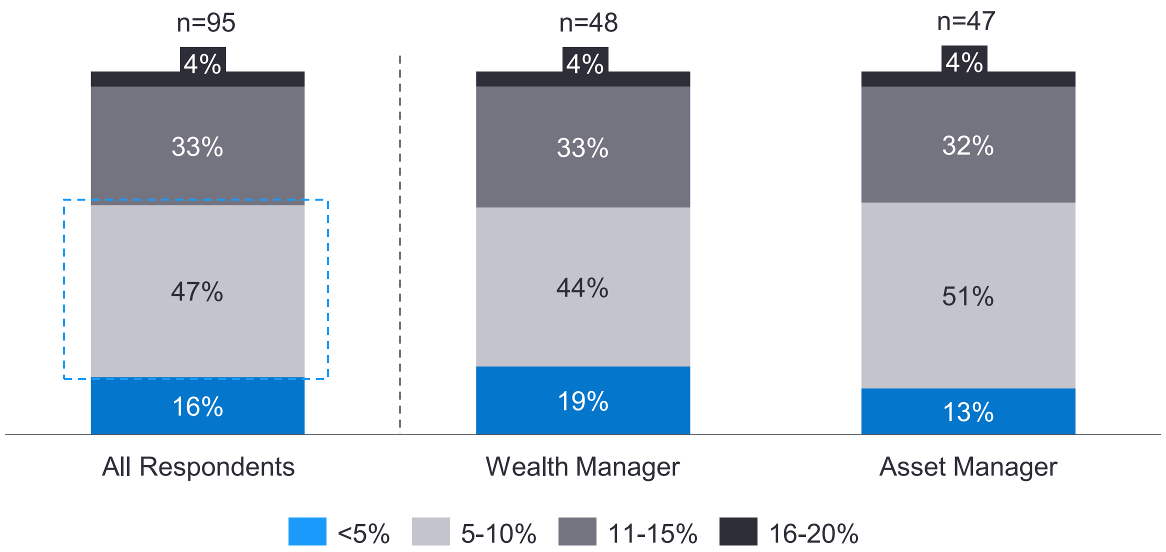
Commentary

- In contrast, the outlook changes for the next 1–2 years, with **61%** of RIA firms expecting GenAI to have an incremental impact, while only **42%** of B/Ds anticipate the same; 38% of RIA firms and 58% of B/Ds anticipate substantial or disruptive impact

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

Majority of respondents (47%) allocated 5%–10% of their resources to GenAI over the last 1–2 years; 41% expect to allocate 11%–15% over the next 1–2 years

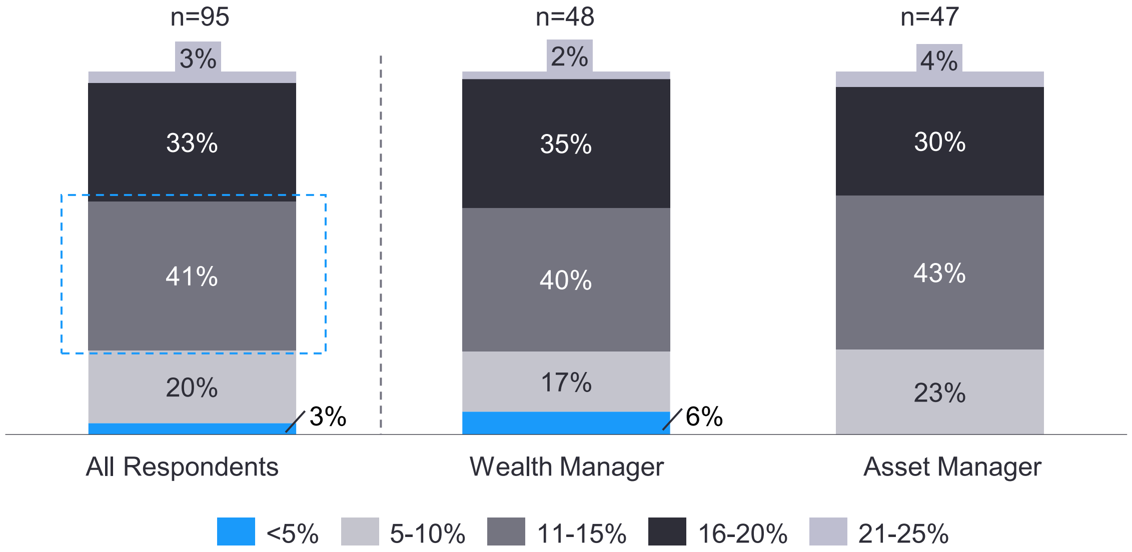
“Approximately what percentage of your **firm’s resources** was allocated to mobilizing the generative AI team over the **last 1–2 years**?” (n=95)



Commentary

- **47%** of RIA firms have allocated 5%–10% of their firm resources to mobilize their GenAI team, while **39%** of B/Ds have done the same
- In contrast, **44%** of B/Ds have allocated 11%–15% of their firm resources to mobilize their GenAI team, compared to only **27%** of RIA firms

Approximately what percentage of your **firm’s resources** do you expect will be allocated to mobilizing the generative AI team in over the **next 1–2 years**?” (n=95)



Commentary

- In the next 1–2 years, the allocation of resources to mobilize GenAI teams is expected to increase
  - Only **23%** of RIA firms and **6%** of B/Ds will allocate 5%–10% of their resources; In contrast, **43%** of RIA firms plan to allocate 11%–15% of their resources and **50%** of B/Ds will allocate 16%–20% of firm resources

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

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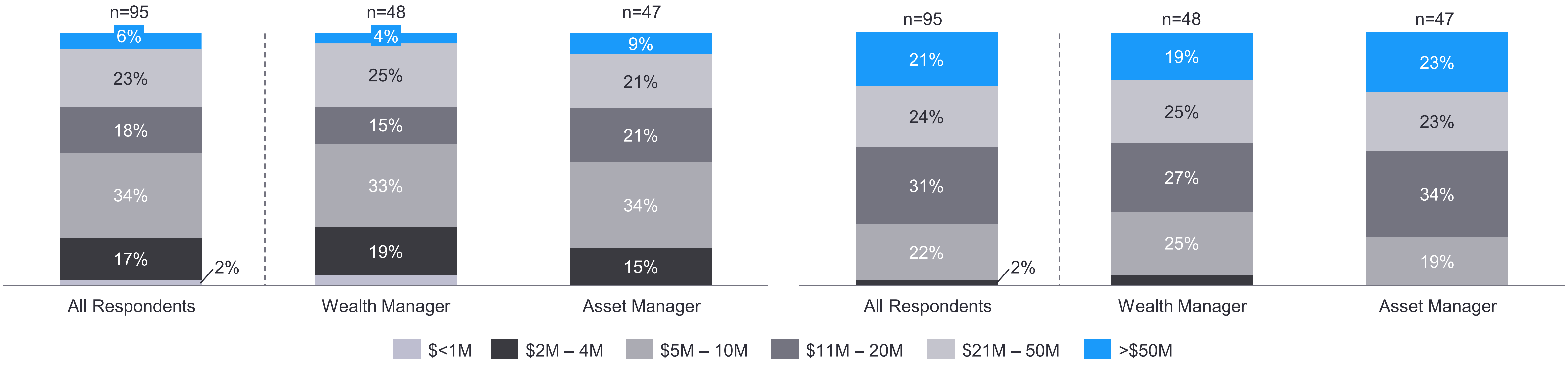
While ~50% of firms allocated a budget over $11m in the past 1–2 years, 75% of firms are expected to make this allocation in the next 1–2 years

? “In dollar amounts, approximately how much of your **firm’s budget** was allocated to mobilizing the generative AI team over the **last 1–2 years**?” (n=95)

? “In dollar amounts, approximately how much of your **firm’s budget** do you expect will be allocated to mobilizing the generative AI team over the **next 1–2 years**?” (n=95)



Commentary

- **~60%** of firms have mobilized a team solely focused on GenAI initiatives and all respondents are familiar with AI initiatives at their firm
- **37%** of RIA firms have allocated $5m–$10m of their firm budget to mobilize their GenAI team, while only **28%** of B/Ds have done the same
- In contrast, **28%** of B/Ds have allocated $21m–$50m for this purpose, compared to only **23%** of RIA firms

Commentary

- In the next 1–2 years, the allocation of budget to mobilize GenAI teams is expected to increase
  - Only **30%** of RIA firms and **17%** of B/Ds will allocate $5m–$10m of their budget to GenAI mobilization; **43%** of RIA firms and **44%** of B/Ds plan to allocate >$50m of their budget to these efforts

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

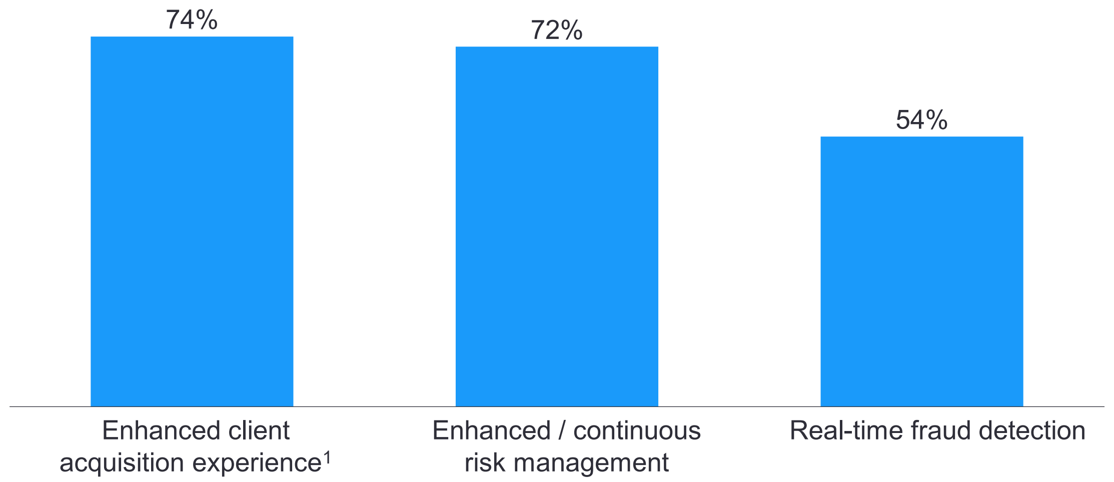
EY Parthenon

Top GenAI use cases for wealth and asset managers are enhanced client acquisition experience and enhanced/continuous risk management

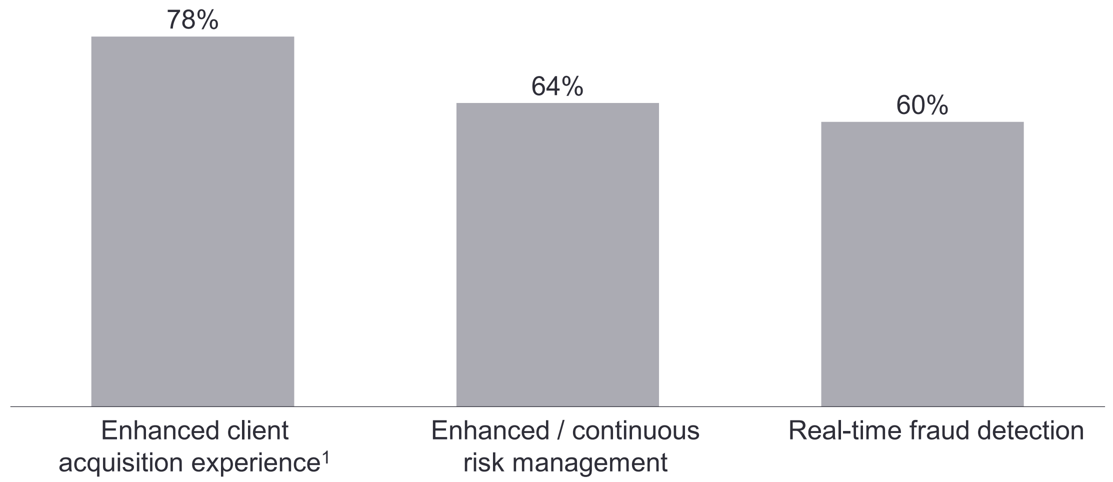
Top GenAI investments by firm type

“What types of generative AI investments/use cases/initiatives is your firm currently exploring? Please select all that apply.” (n=100)

Asset managers (n=50)



Wealth managers (n=50)



Commentary

- Across all AuM ranges, **at least 65%** of asset management firms are prioritizing enhanced client experience
- In contrast, **at least 70%** of asset management firms are prioritizing enhanced/ continuous risk management across all AuM ranges, except for the $6t–$10t range, where the focus drops to 33%

Commentary

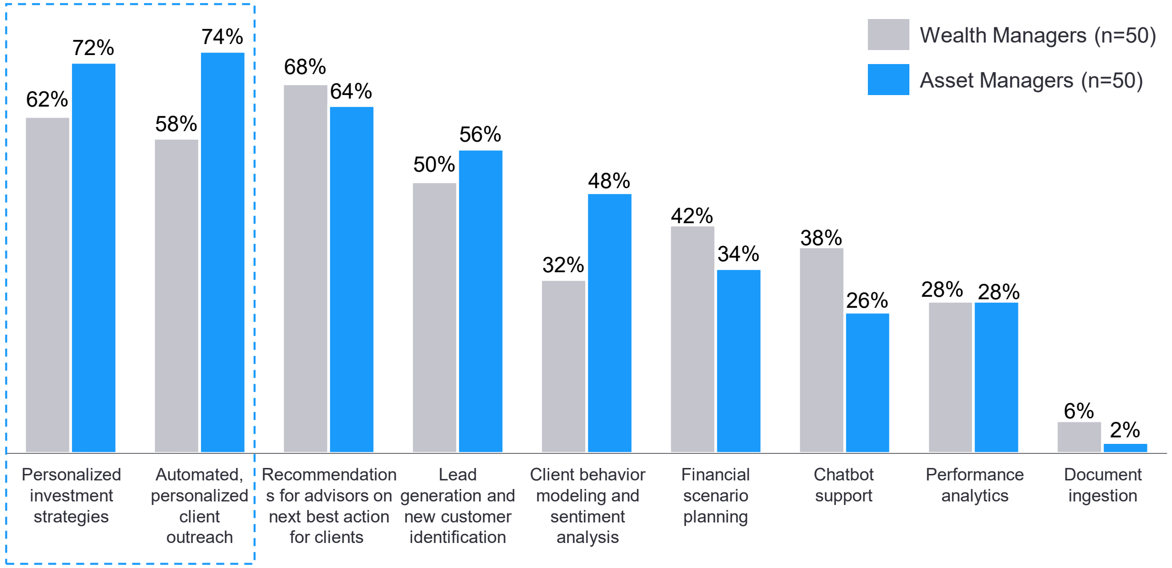
- Enhanced client experience is a top use case, with **81%** of RIA firms exploring it versus **74%** of B/Ds
  - Across all AuM ranges (except $501m–$1b), **at least 80%** of wealth management firms are prioritizing enhanced client experience

1. Includes automated and hyper-personalized client prospecting, advisor enablement, marketing

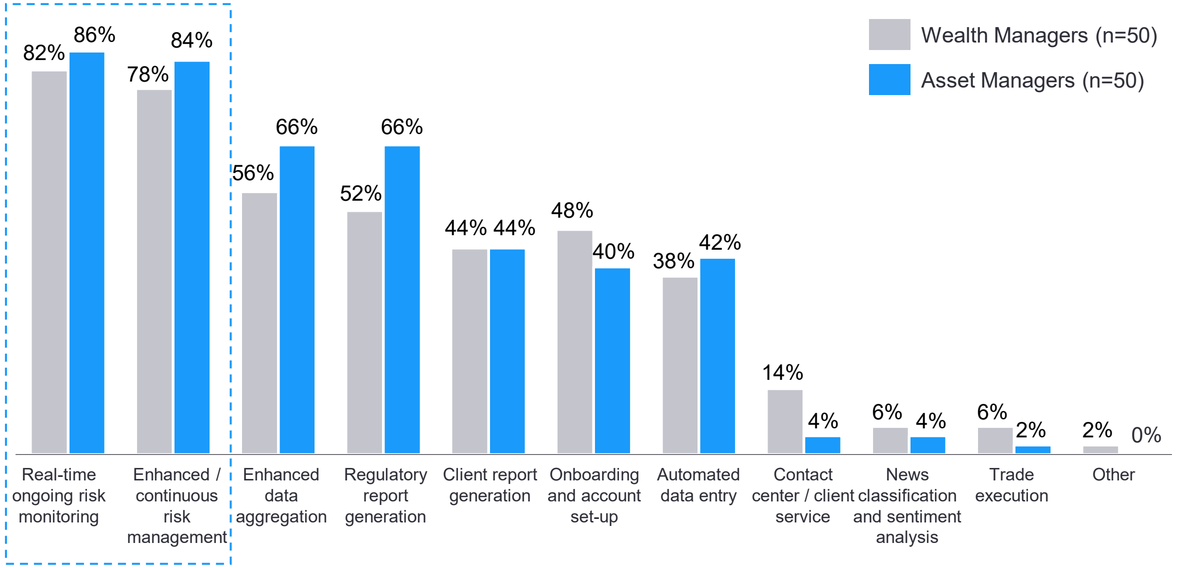
Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

Priorities for front-office positions include automated personalized strategies (67%) and real-time ongoing risk monitoring (84%) for back-office functions

“Where do you expect to prioritize investment across front-office (advisor and client assistant) functions? Please select all that apply.” (n=100)



“Where do you expect to prioritize investment across middle and back-office functions? Please select all that apply.” (n=100)



Commentary

- Personalized investment strategies are a key focus for wealth managers, especially among RIAs, where **65%** intend to prioritize this, compared to **58%** of B/Ds
- In contrast, automated client outreach is the primary focus for asset managers, with over **60%** prioritizing it across various AuM ranges

Commentary

- The ripple effect of top investment priorities in middle and back-office functions, including real-time ongoing risk monitoring, is evident across firms in all AuM ranges, with **at least 79%** prioritizing this initiative

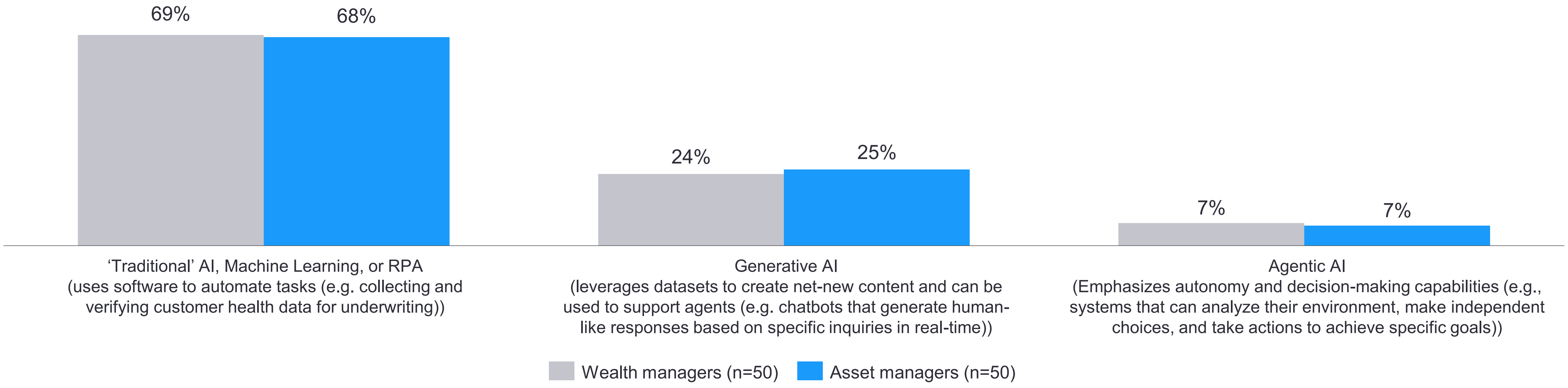
Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

Section 04

Emerging trends

~70% of firms utilize 'Traditional AI, Machine Learning, or RPA' technology, followed by GenAI at 24%; only 7% of firms report utilizing agentic AI

"AI technology can be used in different ways: Traditional AI, machine learning, or robotic process automation (RPA), generative AI, agentic AI — In implementing AI technology, which of the following levels reflects the way your company is using AI? Please note that your responses should sum up to a total of 100%." (n=100)



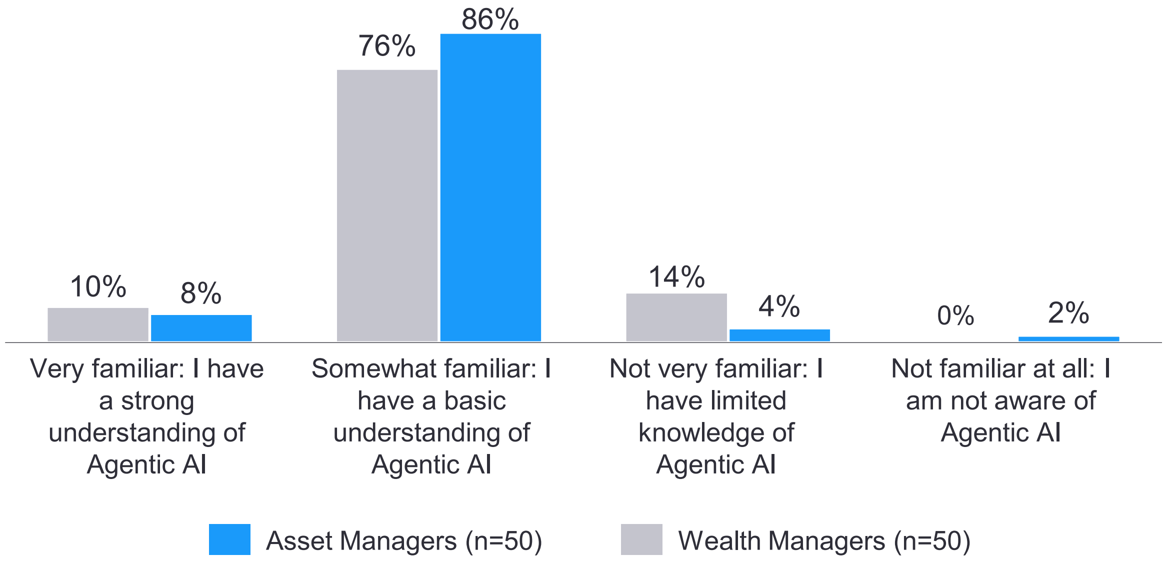
Commentary

- **58%** of RIAs state that traditional AI, machine learning or RPA accounts for **70%+** of AI usage compared to **47%** of BDs and **56%** of asset managers
- In contrast, **80%** of asset managers state that agentic AI accounts for **<10%** of AI usage versus **79%** of wealth managers

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

90% of respondents have a basic or strong understanding of agentic AI, and 78% of firms have either identified or are in the process of identifying use cases for it

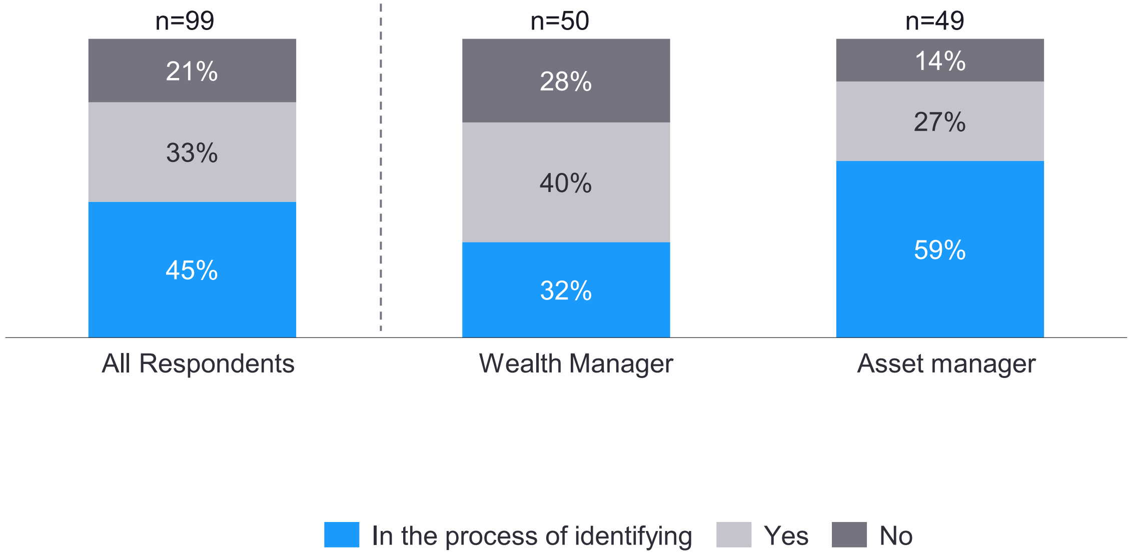
“How familiar are you with agentic AI?” (n=100)



Commentary

- **33%** of asset managers with $6t–$10t AuM have a strong understanding of agentic AI
- **84%** of B/Ds and **70%** of RIAs have a basic understanding of agentic AI

“Has your organization identified any specific use cases for it?” (n=99)



Commentary

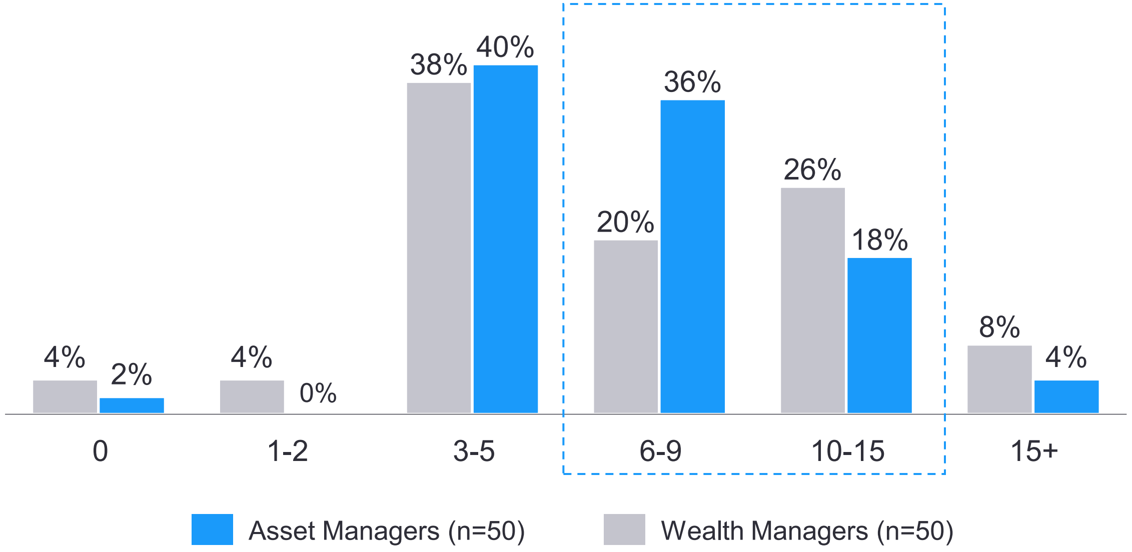
- **66%** of asset managers with an AuM of $6t–$10t and **50%** of asset managers with an AuM of $11t–$25t have identified use cases for agentic AI
- **32%** of RIAs and **21%** of B/Ds have also identified use cases for agentic AI

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

EY Parthenon

95% of firms have already implemented at least three use cases, and 99% expect to implement an additional three or more use cases in the next two years

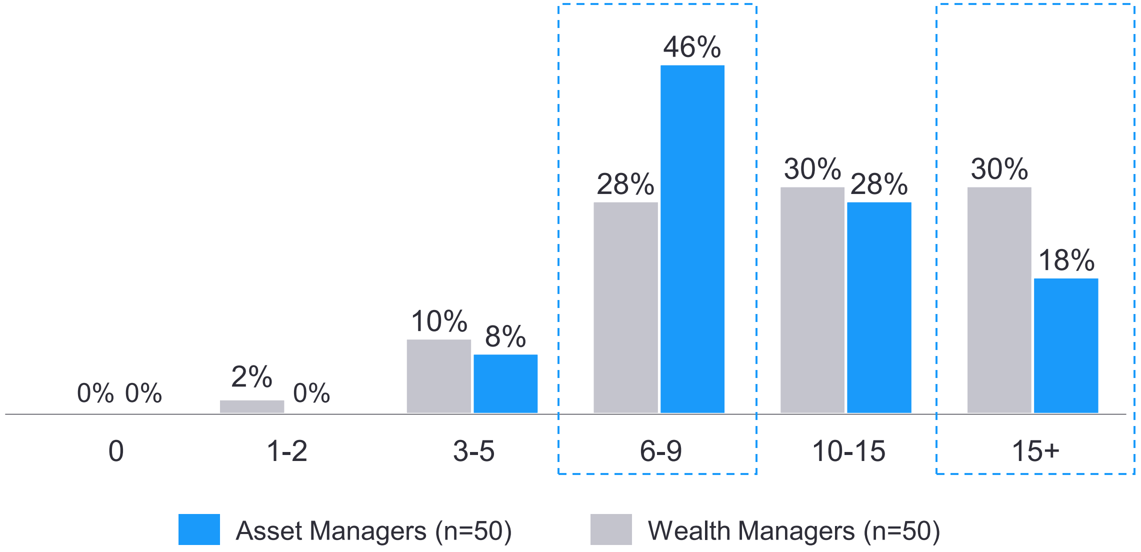
? “What is the total number of GenAI models/use cases that your firm has already implemented/has put into production?” (n=100)



Commentary

- **10%** of wealth managers with AuM above $25b have implemented 15 or more use cases in the past two years
- **50%** of asset managers with AuM of $501b–$1t have implemented 6–9 use cases, while **36%** of those with AuM of $2t–$5t represent the second highest in this category

? “What is the total number of GenAI models/use cases that your firm expects to implement/put into production in the next ~2 years?” (n=100)



Commentary

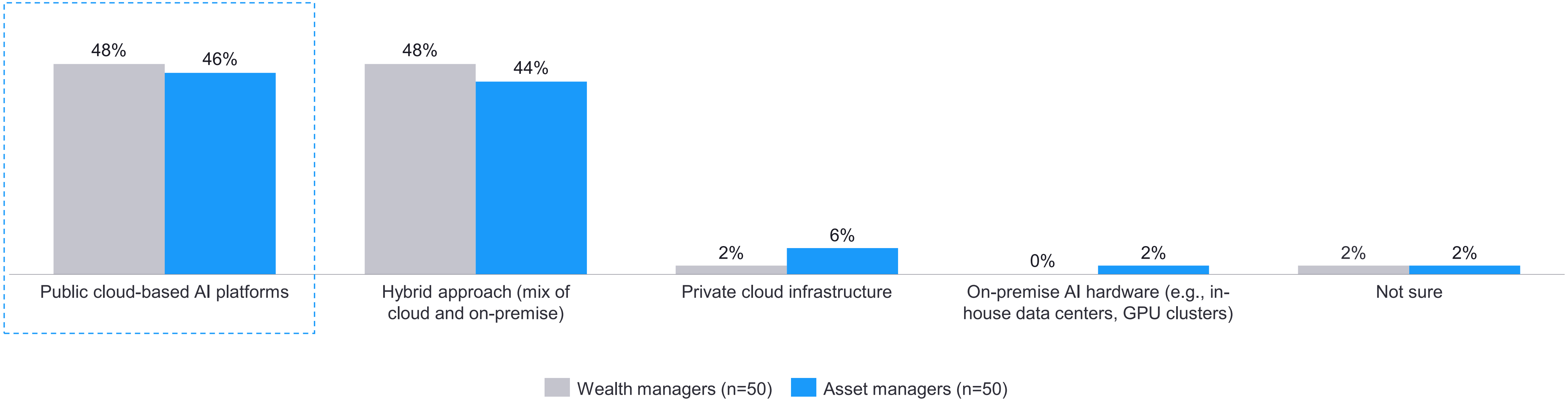
- **35%** of wealth managers with AuM above $25b plan to implement 15 or more use cases in the next two years, signaling a broad focus on GenAI
- In contrast, **60%** of asset managers with AuM of $101b–$500b are focused on implementing 6–9 use cases in the same period, reflecting a more targeted approach

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

EY Parthenon

Most firms primarily use ‘Public cloud-based AI platforms’ and ‘Hybrid approach’ infrastructures for GenAI workloads

“What type of infrastructure does your organization primarily use for generative AI workloads?” (n=100)



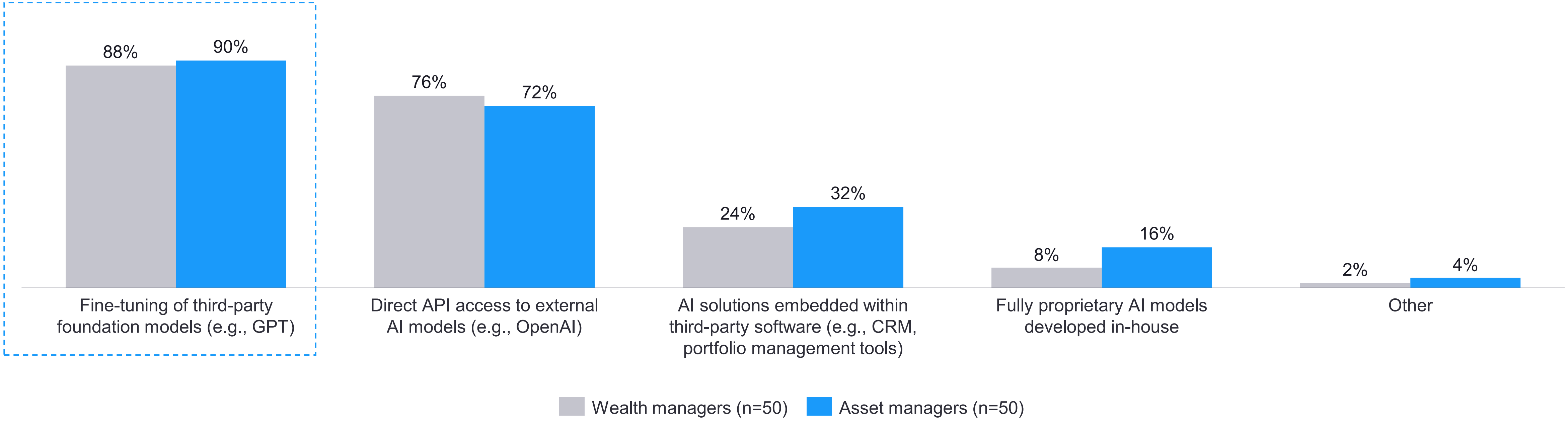
Commentary

- **58%** of B/Ds leverage a **hybrid approach** for GenAI workloads, while **55%** of Registered Investment Advisors (RIAs) slightly favor a **public cloud-based AI platform**
- Among asset managers, adoption of a **hybrid approach** is most significant among those in the highest assets under management (AuM) category, with **100%** of managers in the $11t–$25t range utilizing the strategy

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

Most organizations deploy generative AI models by fine-tuning third-party foundation models (89%), followed by direct API access (74%)

"How does your organization primarily deploy generative AI models? Select all that apply." (n=100)



Commentary

- The deployment of GenAI models by **fine-tuning third-party foundation models** is widespread among both asset and wealth managers across various AuM ranges
  - However, the use of **fully proprietary AI models developed in-house** is more prevalent at higher AuM ranges; specifically, **12%** of RIAs with an AuM of over $25b, **6%** of B/Ds with an AuM of $25b and **50%** of asset managers with an AuM of $11t–$25t report their adoption

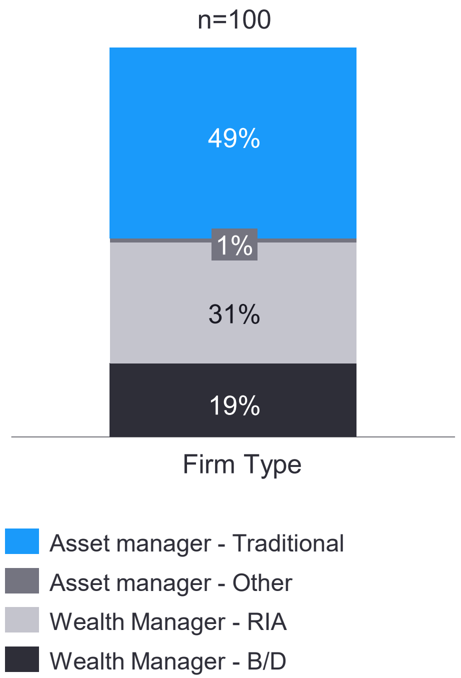
Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

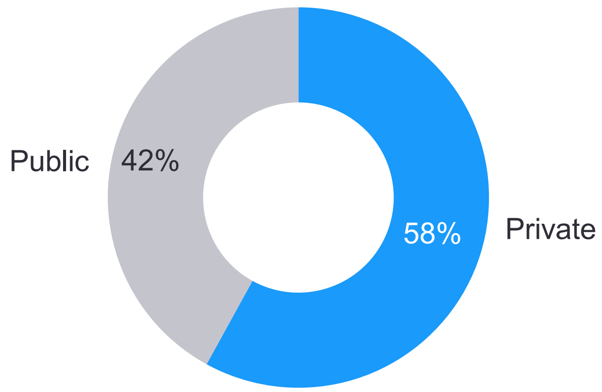
Section 05

Demographics overview

Surveyed institutional investor demographics

Surveyed wealth and asset managers are primarily represented by respondents from the US, with the majority coming from private firms (n=100)



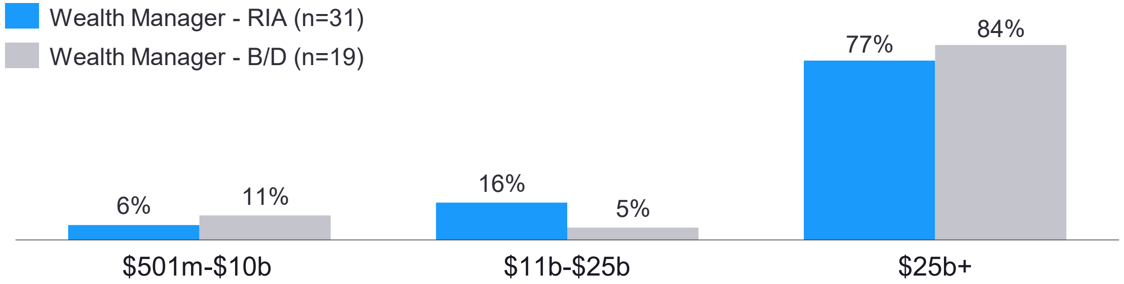


- **62%** of wealth manager respondents are private firms, compared to **54%** of asset manager respondents
  - Among the private wealth management firms, **71%** are RIA firms, while the remainder are Broker/Dealer (B/D) firms

Source: EY-Parthenon Wealth and Asset managers Generative AI Survey March 2025 (n=100)

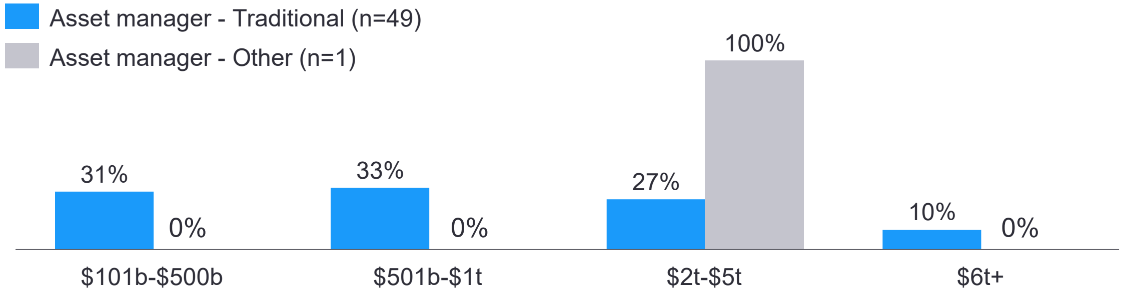
80% of surveyed *wealth managers' institutions* have AUM exceeding $25b

"What is the size of your institution's AUM base?" (n=50)



90% of surveyed *asset managers' institutions* have AUM less than $5t

"What is the size of your institution's AUM base?" (n=50)



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