

PINPOINTING ASIA'S PRIVATE BANKING TECHNOLOGY POTENTIAL

ADRIAN WILLIAMSON, MANAGING DIRECTOR FOR ERI BANKING SOFTWARE PTE LTD IN ASIA PACIFIC, EXPLAINS WHY THE ONLY EFFECTIVE WAY FOR VENDORS TO PROVIDE THE RIGHT INFRASTRUCTURE IN ASIAN PRIVATE BANKING IS TO TAKE A MARKET-BY-MARKET APPROACH.

The rapid growth in private banking across Asia has brought with it as many opportunities as it has challenges from a technology perspective. Yet these are often unique to the needs of individual financial institutions operating in a specific market.

The best way of giving each bank a competitive edge, explains Adrian Williamson, managing director for ERI in Asia Pacific, is to tailor the required infrastructure and systems to the stage of development and characteristics of each market.

This is highly sought after, he says, given that cost pressures and regulatory demands are driving consolidation, defensive strategies, or new ways of working.

THE LURE OF GREATER CHINA

For ERI, Greater China in particular offers significant potential. "We are eager to expand our reach in China and Taiwan, to understand the needs of the local private banks to know how we can add value to them" he says.

China's wealth management market will hit over US\$12 trillion in assets by end of 2014, up from US\$10 tril-

lion in 2013, according to estimates by Celent. Such growth fuels demand for private banking, and with it, the technology solutions to act as a support. "Rather than continuing to service these markets out of Singapore, now we need staff on the ground."

Yet Williamson is realistic about the firm's pace of expansion. "First, we need to understand the local markets and cultures to provide solutions."

REGIONAL DIFFERENCES

While Greater China offers possibly the most logical part of Asia to target, it certainly isn't the only market where Williamson sees attractive private banking opportunities – assuming the technology offering can match the needs of local players.

In more mature jurisdictions like Singapore, Hong Kong and Australia, for example, banks are competing on product offering, client experience and cost efficiency, he explains. "They need to leverage technology on product development, monitoring and maintaining security, and analysing Big Data."

By contrast, in emerging markets like Thailand, Malaysia, the Philippines and



Adrian Williamson

ERI BANKING SOFTWARE PTE LTD

Indonesia, compliance is a key issue. "Many processes get done manually," says Williamson, "which is time inefficient and prone to human error. Banks need to tackle these issues before they can move forward with their business."

There is also potential to help retail banks in some developing markets to create platforms for private banking. ■