

# The Great Wealth Transfer:

Building trust and relationships across generations

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## A generational shift:

Over the last two decades (2000-2024),

# ~CHF2trillion

Increase in Swiss wealth


Swiss inheritances currently  
~CHF100bn annually,  
rising each year



Source: <https://www.scb.com/en/ch/newsroom/2024/05/inheritances-fall-on-the-move> and <https://data.snb.ch/en/topics/wealth/inheritanceandtax> and "Les héritages et les impôts : Que nous apprennent les données?" by Markus Brühmann HEC Lausanne, November 2024. <https://people.unil.ch/wealthandtax/research/2024/11/5/science%5F2-successions-2411.pdf>

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## Painting a picture of the Swiss landscape



<b>\$709,612</b> average wealth in Switzerland in 2023 per adult <sup>1</sup>	<b>67</b> Swiss 2023 Gini index, down 4.6% since 2008. US index 75, Germany 68, Belgium 46 <sup>1</sup>	<b>8</b> countries (including Switzerland) where private pensions are fully exempt from taxes <sup>2</sup>
<b>\$171,035</b> Median wealth in Switzerland in 2023 <sup>1</sup>	<b>\$2.6 trillion</b> Switzerland is the largest wealth booking center in the world in 2023 <sup>3</sup>	<b>1.05m</b> Swiss \$Millionaires <sup>1</sup>
<b>CHF3.1 trillion</b> in total Swiss Household financial assets, more than the CHF 2.7tr in real estate <sup>4</sup>	<b>16%</b> wealth share of the top 0.01% <sup>5</sup>	<b>31.4%</b> wealth share of top 1% <sup>6</sup>

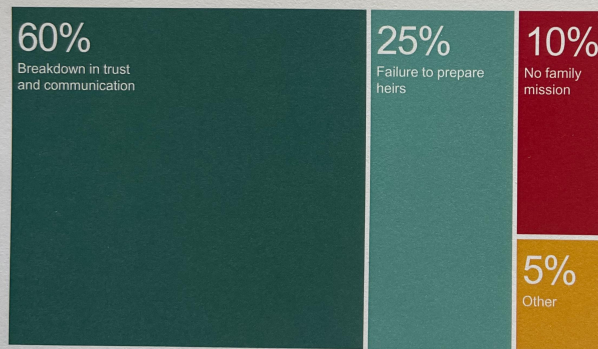
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Sources: <sup>1</sup>UBS Global Wealth report 2024. <sup>2</sup>OECD Tax Policy Studies "Inheritance Taxation in OECD Countries" 2021. <sup>3</sup>BCG Global Wealth report 2024 "The Great Era Unfolds" (July 2024). <sup>4</sup>SNB <https://data.snb.ch/en/topics/wealth/inheritanceandtax>. <sup>5</sup>ETH Zurich "Tracking and taxing the super-rich: Insights from the Swiss Rich Lists" (February 2023). <sup>6</sup>World Inequality Database.

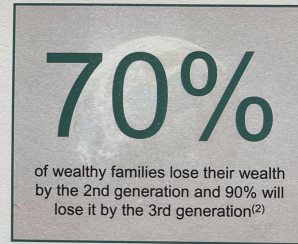


## Communication and trust are crucial

Reasons family wealth is lost<sup>(1)</sup>



Recap:



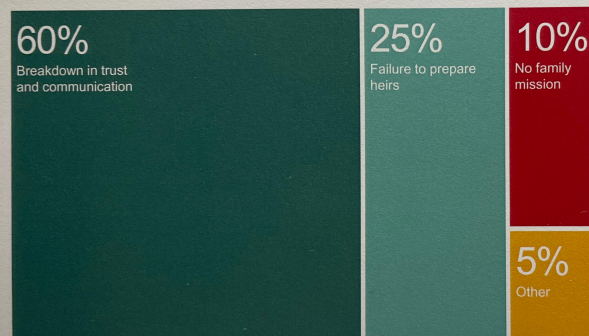
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1. Source: Roy Williams and Vic Preisser, 2010, Preparing Heirs: Five Steps to a Successful Transition of Family Wealth and Values, Vanguard.  
2. Source: The Williams Group

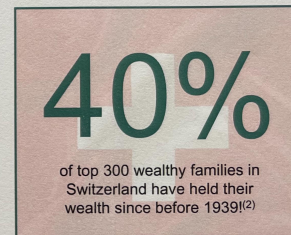
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## Communication and trust are crucial- Switzerland is special

Reasons family wealth is lost<sup>(1)</sup>



Swiss data:



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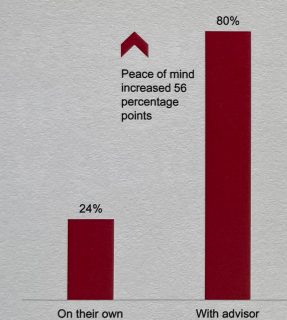
1. Source: Roy Williams and Vic Preisser, 2010, Preparing Heirs: Five Steps to a Successful Transition of Family Wealth and Values, Vanguard.  
2. Source: <https://people.virginia.edu/~vpreisser/2024/11/05/ancestral-wealth-successors-2411.pdf> (Slide 13: "40% des plus grandes fortunes suisses remontant à avant 1939.")

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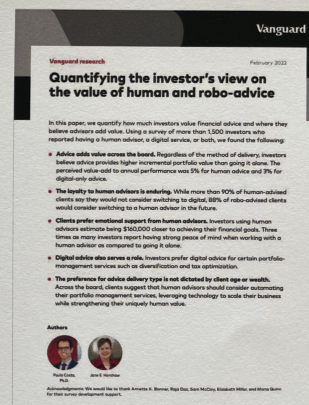
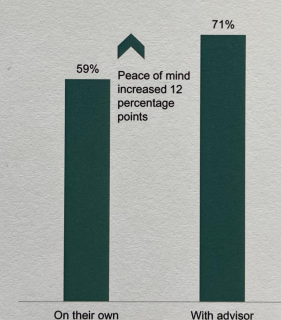
## Human advice retains the advantage

Peace of mind added

Human-advised



Digital-advised



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Source: Vanguard Research: Quantifying the investor's view on the value of human and robo-advice, 2022, Paulo Costa, Ph.D. and Jane E. Henshaw.

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# A Framework for the Great Swiss Wealth Transfer

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## Elements of success



### Engagement

- 1 Prepare and Identify opportunities
- 2 Engage primary clients
- 3 Bring the next generation into the conversation
- 4 Agree ongoing ways of working



### Proposition

- 1 Hone your advice and service offers
- 2 Develop your business model
- 3 Embrace technology

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## 2 Engage primary clients

Dealing with objections: The Spectrum of action

Education, not disclosing CHF AUM, Preparedness

What we do for the primary clients, deeper preparedness & responsibilities, Bring in some CHF AUM Numbers

Implementation of smaller gifted portfolios

Deeper planning for Beneficiaries

Significant gifting / estate planning

Preparation

Implementation

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Engagement





### 3 Bring the next generation into the conversation



Plan with primary clients



Have the engagement



Follow up

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### 1 Hone your advice and service offers

Articulating value: Baby Boomers

#### Client Needs:

- Financial Legacy, well-being of their children, cohesive purpose for family wealth.
- Need an adviser with excellent listening skills, with empathy around the delicate topics.

#### Positioning your value

- Maximise Financial Security (and preparing for retirement if not already there).
- Peace of Mind and Confidence in the future.
- Use of technology to show (not just tell).
- Solid plans to avoid them outliving wealth.
- Safe spending strategies.

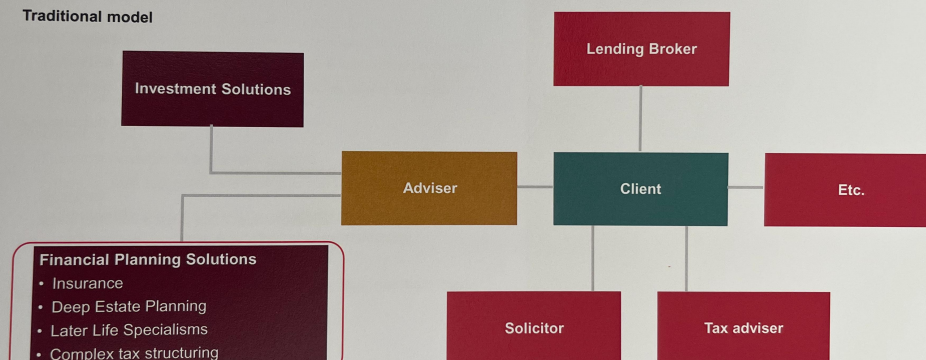
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### 2 Develop your business model

Partnering and Specialisms

Traditional model



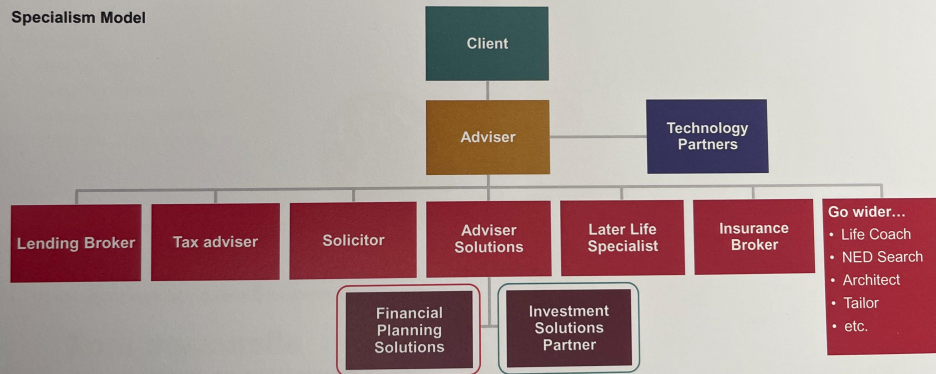
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## 2 Develop your business model

### Partnering and Specialisms

#### Specialism Model



## Important information

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