



Innovation in the Retail Investment Market - UK - October 2019

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This report looks at the following areas:

- The potential of thematic investing
- Robo-advisers need to reinforce the message of affordability and accessibility



“Innovation has a huge role to play in the democratisation of investments. Traditionally an old-fashioned world, consumer and provider perceptions towards automation in investing will be slow to change but a first step is to better communicate the strengths of robo-services when it comes to accessibility and affordability. Beyond technology, a new approach can be explored with thematic investing.”

Irene Salazar, Senior Financial Services Analyst

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- The facts
- The implications
- Robo-advisers need to reinforce the message of affordability and accessibility
- The facts
- The implications

THE MARKET – WHAT YOU NEED TO KNOW

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- Stocks and shares ISAs grow in volume and value
- Interest rates and savings ratios remain at historic lows
- FCA looks to improve competition on investment platforms

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- Investment services in the FCA’s regulatory sandbox

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LAUNCH ACTIVITY AND INNOVATION

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- ... with more expected to follow suit ...
- ... but others are moving away from robo-advice
- Investment services in the FCA’s regulatory sandbox
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THE CONSUMER – WHAT YOU NEED TO KNOW

- Stocks and shares ISAs are the most common investment products
- Saving for the long term is the most common goal
- Perceptions are markedly different depending on provider type
- Human advisers are generally perceived to be superior to robo-advisers
- Fees and pricing are the main differentiator when choosing a provider
- Majority of investors/potential investors interested in thematic investing

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- **Online-only platforms and robo-advisers associated with innovation**

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