

October 6, 2017

## **AVIVA'S WEALTHIFY DEAL FIRES STARTING GUN FOR UK ROBO ACQUISITION RACE**

On Thursday, Aviva announced an agreement to acquire a majority shareholding in Wealthify Group Limited. Wealthify is a low cost, 'robo' investment service which aims to make investment affordable and accessible to the UK mass market.

**DigitalWealthInsights.com** believe this news will be the start of an M&A drive in the robo advice sector. **DigitalWealthInsights.com** comprises a team of independent experts who have spent over two decades of experience in analysing financial technology and have reviewed many of the UK's leading robo propositions.

**Ian McKenna, Director at DigitalWealthInsights.com, said of the deal:** "The acquisition by Aviva of a majority stake in Wealthify has significant implications for the whole UK robo advice community and wider personal savings market. I expect the deal will spark much more M&A in the sector as others try to identify and assess quality propositions to add to their offering."

"This move by the world's 12th largest insurer and major asset manager is far more significant than the previous investment by LV= in Wealth Wizards and other UK robo deals. Aviva has a far greater degree of scale and partnerships that can be leveraged to the advantage of both businesses. Aviva has been a real leader in the digital revolution with the London digital garage having set the trend now being followed by many of their peers.

"With this acquisition Aviva is emulating Black Rock and other US institutions who acquired robo firms early rather than build their own in order that they could quickly partner with other financial institutions. This move will cause Aviva's peers to question if they are now at a commercial disadvantage particularly when trying to build partnerships with building societies and other savings institutions. It could also have significant impact on the asset management community. Do Aviva Investors had a significant advantage over their peers with an innovative new route to market?

## PRESS RELEASE

"There are unlikely to be enough robo advisers to supply demand from all the institutions who will wish to acquire one so they can maintain their competitive position. Institutions will, however, need to have a clear understanding of what represents the good the bad and the ugly in this sector.

"The deal may also unlock opportunities for Aviva to deliver other products such as life and personal lines insurers to the attractive Generation X and Millennial demographics targeted by Wealthify.

"While the deal opens many opportunities, the hard work is yet to be done and it will be two to three years before we can see the benefits reflected in Aviva results."

A comprehensive and independent analysis of many of the UK's leading digital wealth propositions can be accessed at [www.digitalwealthinsights.com](http://www.digitalwealthinsights.com)

**-ENDS-**

**For further information, contact:**

<b>Matthew Morris</b> <b>Carr Consulting &amp; Communications</b> <a href="mailto:matthew@carrcandc.co.uk">matthew@carrcandc.co.uk</a> <b>T: 07717 420693</b>	<b>Kevin Carr</b> <b>Carr Consulting &amp; Communications</b> <a href="mailto:kevin@carrcandc.co.uk">kevin@carrcandc.co.uk</a> <b>T: 07887 838811</b>	<b>Ian McKenna</b> <b>F&amp;TRC</b> <a href="mailto:Ian.mckenna@ftrc.co.uk">Ian.mckenna@ftrc.co.uk</a> <b>T: 020 3713 4567</b>
--	--	---

### **Notes to editors** **About F&TRC**

DigitalWealthInsights.com is a part of F&TRC. Established in 1995, the Finance & Technology Research Centre (F&TRC) is a specialist research consultancy.

The company has four key areas of activity:

- Facilitating industry collaboration in the life assurance and long term savings industries via a range of forums which bring together leading players from manufacturing, distribution and support services to identify where working together can achieve better outcomes for consumers and the industry
- Research and benchmarking through the delivery of software and ratings to help financial advisers compare the quality of financial products, available at [www.advisersoftware.com](http://www.advisersoftware.com)
- The workplace version of Quality Analyser is based on responses to over 4,000 questions on an organisations pension proposition. No charge is made to pension providers for participating in this service
- Insight reports which focus on key strategic issues such as the future of financial advice and how organisations can enhance the quality of their services to consumers
- Bespoke consultancy on any of the above