The Future of Private Client Advisory in Switzerland

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There are two sorts of advisors…

There are two sorts of advisors…

Those who already know that changes occur…

There are two sorts of advisors…

Those who already know that changes occur…

and…

There are two sorts of advisors…

Those who already know that changes occur…

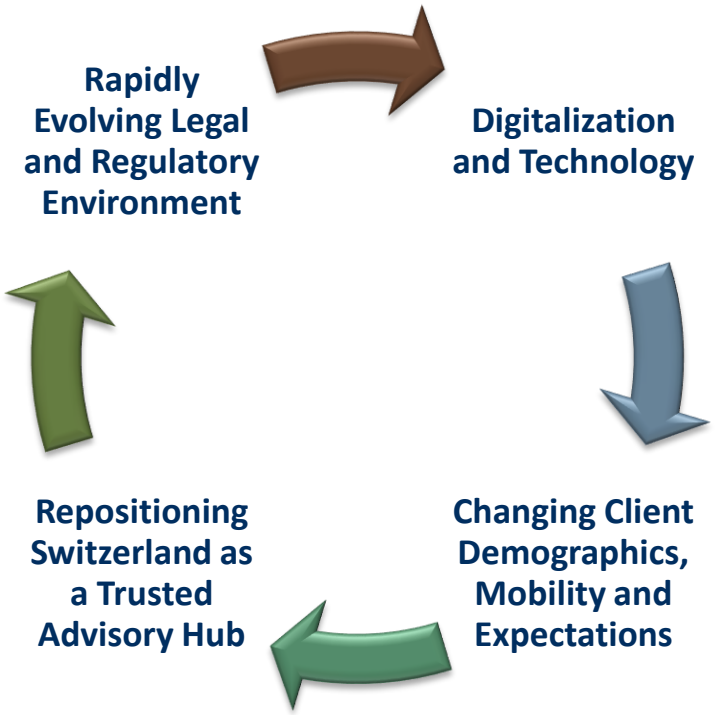
and…

Those who are going to find out the hard way

Switzerland: SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
• Global reputation for discretion and stability • Strong legal & financial infrastructure • Skilled, multilingual workforce • Trusted regulatory environment • Neutral, politically stable jurisdiction • Excellent life quality	• High advisory and compliance costs • Fragmented advisory ecosystem • Limited agility in adapting to new client needs • Conservative digital transformation pace	• Rise of globally mobile, next-gen clients • Digital tools (AI, blockchain, apps, portals) • Succession and family governance focus • Growing need for asset protection	• Heightened global transparency requirements • Regulatory overload (esp. for smaller players) • Global perception that Switzerland is weak and/or opportunistic (“cherry picking”) • Competitive pressure from other wealth hubs • Cyber/data security concerns • War for top talent

4 key challenges



Rapidly Evolving Legal and Regulatory Environment

Facts:

- The private client advisory landscape is increasingly shaped by domestic reforms and international pressure (e.g., OECD, EU, FATF).
- The general trend is to turn up the heat on taxpayers and their advisors.
- Complexity is increasing.

Implications :

- There will be more changes in AML obligations and transparency standards (AEOI, UBO registers, crypto).
- "*Substance over form*" and economic reality requirements prevail over "*it looks good on paper*".
- Tax authorities are becoming more sophisticated and more aggressive. Advisors are being increasingly targeted.

Consequences:

- Legal and tax structuring must be as simple as possible. Clients must be able to effectively "live" a structure – especially on the long run.
- The assumption that the authorities may not notice something is a poor basis for advice.
- Advisors must be aware of their own vulnerability.
- If all else fails, be prepared to litigate.

Digitalization and the Role of Technology

Facts:

- The integration of digital tools is reshaping how advisors interact with clients and how they analyze and manage data.
- The data are “out there”.
- AI in wealth planning, blockchain, online tools may replace certain personal services.

Implications :

- Being up to date is a comparative advantage.
- Clients are no longer be willing to pay the same fees for certain services.
- Leaks happen.
- AI cannot make real recommendations, provide a “gut feeling”, think out of the box, etc.

Consequences:

- The advisor’s personality, experience and expertise become even more valuable.
- Expect that everything that one says or writes can be exposed to the public.
- Embrace AI and technology as being a part of the job.

Changing Client Demographics, Mobility and Expectations

Facts:

- Generational shift: Younger HNWIs demand more holistic, impact-driven, and tech-savvy advisory services.
- The changing geopolitical environment has an immediate impact on many clients.
- Cross-border mobility is very high.

Implications :

- Younger clients frequently lack the business experience.
- Sustainable succession planning for international families is crucial.
- Tax is not always the driver, but rather stability, security, reputation, etc. Many clients ask for a “Plan B”.
- Multijurisdictional issues arise a lot.

Consequences:

- Structures and products must be sustainable and stable, and they must make sense from an overall family perspective.
- Financial education for young clients.
- Key planning points: Residence planning, tax treaties, pre-immigration structuring, and the risks of accidental tax residency or CRS mismatches.
- Having no proper tax residence anywhere is toxic.

Repositioning Switzerland as a Trusted Advisory Hub

Facts:

- Switzerland is expensive and the competition is fierce.
- It also has a history of tax and financial scandals.
- The world is currently a very uncertain place.
- Switzerland has an excellent reputation for autonomy, stability, security, quality of life.

Implications :

- Clients value high quality services and long-term trust.
- They are looking for stability, legal certainty etc.

Consequences:

- Swiss service providers must not only provide tax and financial optimization but also act as strategic family advisors.
- Interdisciplinary approach (finance, law, tax).
- Integrity is essential.

« Complexity leads to fragility. Fragility leads to instability. Instability leads to unpredictability. »

Bernard Wicht

« Plans are worthless, but planning is everything. »

Dwight D. Eisenhower