

New Benchmarking Survey on Data Modernization from BetaNXT Reveals Growing Investment and Competing Priorities at Data-Minded Financial Services Firms

As Firms Tackle Legacy ‘Data Chaos’ and Pursue AI Adoption, Industry Pioneers Demonstrate the Value of Focusing on Fundamentals, Talent Strategy and External Partners

New York, NY—May 6, 2025—[BetaNXT](#), a leading provider of wealth management technology solutions with real-time data capabilities and an enhanced advisor experience, has published its inaugural [Data Modernization Benchmarking Survey: Tracking Investment and Wealth Management Decision-Makers’ Views and Progress on Data Modernization](#).

Conducted in partnership with Wealth Management IQ, the in-depth study examines the current state and future direction of data modernization in the investment and wealth management space—through the perspectives, priorities and challenges reported by top decision-makers and influencers.

Industry Pulse Check: A Universal Priority

The survey finds that data modernization is an industry-wide priority receiving a growing amount of focus and investment:

- 94% of firms have begun or completed data modernization efforts
- 82% say data modernization is important to their firms’ success over the next three years
- 64% will increase their spend on data modernization this year

Defining Data Modernization: Update, Integrate and Innovate—All at Once

While most firms agree on the importance of data modernization, asking respondents to define what “data modernization” means reveals a complex picture of competing priorities. Half of respondents (50%) say replacing outdated legacy technology systems is the top aspect of data modernization, while 44% call out leveraging AI and other new technologies. Easing the process of data integration also emerged as a key goal for half of respondents. At a macro level, firms are challenged to simultaneously update, integrate and innovate throughout their data modernization efforts.

“Like many industries, the financial services sector is energized by the idea of advanced technologies like artificial intelligence, generative AI and machine learning, but firms are quickly discovering that they can only successfully deploy these new solutions if their underlying data foundation can support them,” said **Bob Santella, CEO of BetaNXT**.

“Together with Wealth Management IQ, we have tapped into how our industry is approaching

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the critical task of modernizing data infrastructures. Our research identifies real-world best practices for how firms can accelerate their progress and achieve their goals in a future-proof way.”

Overlooked Fundamentals: Security and Governance

One cautionary takeaway from the survey is that many firms are overlooking crucial data fundamentals in their rush to deploy AI and innovate. Only 39% prioritize improving security as a key aspect of data modernization, and even fewer (33%) prioritize improving data governance and quality.

“We have seen firsthand how challenging it is for our clients to tackle these critical issues on their own. That was top-of-mind as we developed [BetaNXT DataXChange](#)—we have built a universally adoptable data management platform with multi-layered security and a strong governance framework embedded upfront,” said **Jonathan Reeve, Chief Product Officer at BetaNXT**. “Our open-architecture ecosystem serves as a springboard for faster modernization and easier integration overall. By doing the heavy lifting for our clients, we help fuel their long-term growth and innovation.”

The Data Dream Team: Internal Leaders and External Partners

The No. 1 data-related challenge is a lack of data expertise, reported by 46% of respondents. A forward-thinking 37% of firms have hired Chief Data Officers to help cover this skill gap, and they are experiencing the benefits through greater team alignment and faster advancement. Firms who utilize vendor solutions for their data management needs (71%) are also more likely to be advanced in their modernization efforts.

These findings indicate that internal talent and external partners are crucial for modernization success.

The Risk of Not Modernizing: The Domino Effect of Data Chaos

Firms who wish to stay one step ahead must recognize the importance of establishing a modern data foundation. The risk of not modernizing is captured by the 68% of respondents who say data-related challenges create or complicate other challenges for their businesses. This downstream domino effect of foundational data chaos underscores the urgency of data modernization.

Clean, optimized data is key in enabling firms to achieve their business goals, power innovation and ultimately deliver better experiences for advisors and investors.

To download the full survey results, please visit www.wealthmanagement.com/betanxt.

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The survey's key takeaways will be discussed in more detail during a *WealthManagement.com* webinar, "Data Modernization Benchmarking Survey: The Winning Strategies of Data-Minded Leaders," on May 15, 2025, at 2 p.m. ET. To register, please visit: <https://now.wealthmanagement.com/DataModernizationBenchmarkingSurvey>

The survey data collection was conducted by Wealth Management IQ between February 3 and February 23, 2025, during which 420 completed responses were received. Of those, 244 responses came from representatives of firms with at least \$100 million in assets under management and were personally involved in data modernization purchasing and/or strategy decisions. Approximately 65% of respondents are financial advisors, and 21% are in executive leadership roles across RIAs, independent broker-dealers, hybrid firms, banks, asset managers and other organizations.

About BetaNXT

BetaNXT powers the future of Connected Wealth by investing in platforms, products and partnerships to accelerate growth. It is a leading provider of frictionless wealth management enterprise solutions, real-time data capabilities and an enhanced advisor experience. Through its software, data, and operations-as-a-service approach, BetaNXT empowers its clients with flexible, efficient and connected solutions that anticipate their changing needs. BetaNXT's comprehensive model reduces enterprise cost, streamlines operations processes, increases advisor productivity and strengthens the investor experience. Together with BetaNXT, wealth management firms are transforming their platforms into game-changing differentiators that enable enterprise scale and stimulate commercial growth. For more information visit www.betanxt.com.

About Wealth Management IQ

Wealth Management IQ is a dedicated division of Informa Connect that provides research, content creation, and marketing services to the wealth and asset management communities.

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