Earning Investors' Trust: Focus on Mexico

Information Is Essential
Trust and confidence in the financial system match global averages.

- **Trust in the Financial Services Industry**
  - Mexico: 57%
  - Global: 46%

- **Confidence in Receiving State-Sponsored Pension Benefits**
  - Mexico: 65%
  - Global: 68%

- **Believe Their Investment Firms Are Well Prepared to Manage Their Portfolio Through a Crisis**
  - Mexico: 64%
  - Global: 49%

Innovation and Tech Enhance Trust
Trust in the industry is driven by technological innovation, as well as the human touch that advisers provide.

- **Importance of Access to Tech vs Adviser**
  - Mexico: 64%
  - Global: 50%

- **Investors Would Consider the Use of AI to Select Investments**
  - Mexico: 49%
  - Global: 36%

- **Trust in Investment Advice From Humans Over Robo-Advisers**
  - Mexico: 80%
  - Global: 73%

Investors Want Greater Influence and Control
Performance, personalization, and social impact are high priorities for investors.

- **Consignations to Leave an Adviser**
  - Data security: 53%
  - Underperformance: 51%
  - Fees are too high: 44%

- **Have Interest in Personalized Investment Products**
  - Mexico: 95%
  - Global: 77%

Reason to Invest in ESG
- Express personal values/invest in making a positive impact
- Expect ESG investing to result in higher risk-adjusted returns

- **Mexico**
  - Express personal values/invest in making a positive impact: 41%
  - Expect ESG investing to result in higher risk-adjusted returns: 24%
  - Both: 34%

- **Global**
  - Express personal values/invest in making a positive impact: 47%
  - Expect ESG investing to result in higher risk-adjusted returns: 24%
  - Both: 29%
Credibility and Professionalism
How Investment Professionals and Firms Can Take Action

**CREDIBILITY**

1. **Maintain strong brand identity and follow through on brand promises**

   - **Preferences when hiring an investment firm**
     - People that can be counted on
     - A trusted brand
   
   **Mexico**
   - 2020: 31%
   - 2018: 54%

   **Global**
   - 2020: 49%
   - 2018: 54%

2. **Employ professionals with credentials from respected industry organizations**

   - Satisfied with the level of credentialing in the industry
   
   **Mexico**
   - 64%

   **Global**
   - 50%

3. **Stay focused on building a long-term track record to demonstrate competence and deliver value**

   - Important that adviser generates returns similar to or better than a target benchmark
   
   **Mexico**
   - 88%

   **Global**
   - 77%

4. **Adopt a code of conduct to reinforce your firm’s commitment to ethics**

   - Trust adviser more if they comply with a voluntary code of conduct
   
   **Mexico**
   - 97%

   **Global**
   - 84%

5. **Improve transparency and clarity regarding fees and conflicts of interest**

   - Level of adviser transparency
     - Very transparent
     - Transparent
     - Not transparent
   
   **Conflicts of Interest**
   
   **Mexico**
   - Fees: 56%
   - 39%
   
   **Global**
   - Fees: 46%
   - 43%

6. **Use clear language to demonstrate that client interests come first**

   - Investors in Mexico want investment reports
     - With more detail
     - With more customization
   
   **Mexico**
   - 53%

   **Global**
   - 47%

7. **Showcase your ongoing professional development to improve investment knowledge**

   - Believe continuing education leads to better portfolio management
   
   **Mexico**
   - 79%

   **Global**
   - 66%

8. **Demonstrate your dedication to the values that clients hold dear**

   - Adviser always puts clients’ interests first
   
   **Mexico**
   - 29%

   **Global**
   - 35%