iCapital

2025 iCapital Global Advisor Survey

From Adoption to Optimization

We Heard From Advisors

Advisors worldwide are embracing alternatives, and their message is clear: with growing allocations, technology solutions are key. **The focus has shifted from "why alternatives" to scaling operations, personalizing client portfolios, and running efficient, risk-managed businesses**. iCapital's independent survey of 603 registered financial professionals—conducted across nine countries in the U.S., Europe, the Middle East, and APAC—was designed to better understand the current state of alternatives adoption and the evolving technology needs that support it.

Key Takeaways

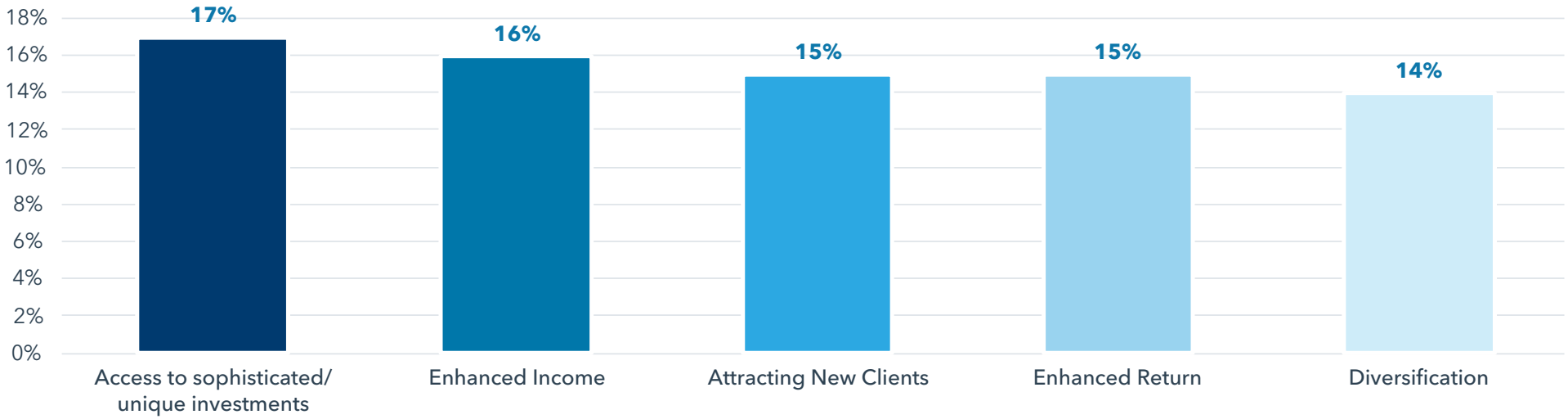
1. **Client experience remains the central focus** – shaping choices, exposing gaps, and guiding priorities.
2. **Education gaps remain** – especially around fund structures, technology, and execution.
3. **Allocating is harder than understanding** – liquidity, risk, and fit make implementation complex.
4. **Operational friction is the biggest barrier** – reporting, documentation, and eligibility slow things down.
5. **Legacy workflows can't keep up** – manual processes and disconnected systems are holding advisors back.

> "If you look at the current market conditions, you can see that classic stock markets and bonds offer fewer and fewer interesting opportunities. In comparison, alternative investments are in many cases the opportunity to achieve a higher return while better managing risk."
>
> **- Advisor Perspective**

Alternatives Are Strategic Imperatives

Which of the following describes why you use alternative investments (rank in order)?

Client growth now rivals access and diversification as a top reason to use alternatives. Attracting new clients is the #1 driver in both the U.S. and Middle East.



"Some clients want exclusivity and differentiated investment options, and Alternatives provide that."

- Advisor Perspective

Advisors are Committed to Alternatives

Over the next 12 months, do you plan to allocate more, less, or the same to alternative investments?

Advisors are holding firm–treating alternatives as a lasting part of the portfolio. In the U.S., interest in increasing allocations is twice as high as other regions.

96%

of Advisors Maintaining or Increasing Exposure to Alternatives

"Clients are becoming more comfortable with alternative assets, so we integrate them further into their portfolios."

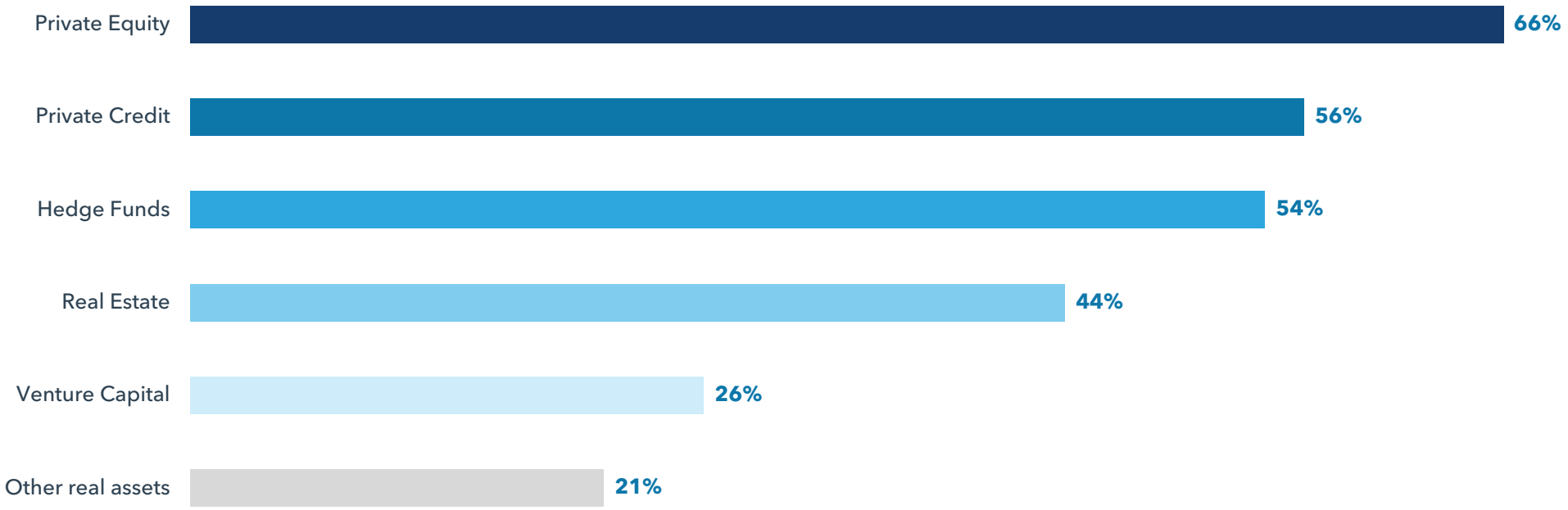
- Advisor Perspective

Private Equity, Private Credit, and Hedge Funds Anchor Advisor Allocations

Which of the following types of alternative investments are you most interested in allocating towards on behalf of your clients (select all that apply)?

Advisors favor private equity, credit, and hedge funds—highlighting a focus on private markets and income.

- U.S. shows lower interest in private credit (44%) and hedge funds (44%)
- APAC leads with stronger interest in private credit (71%) and hedge funds (70%)



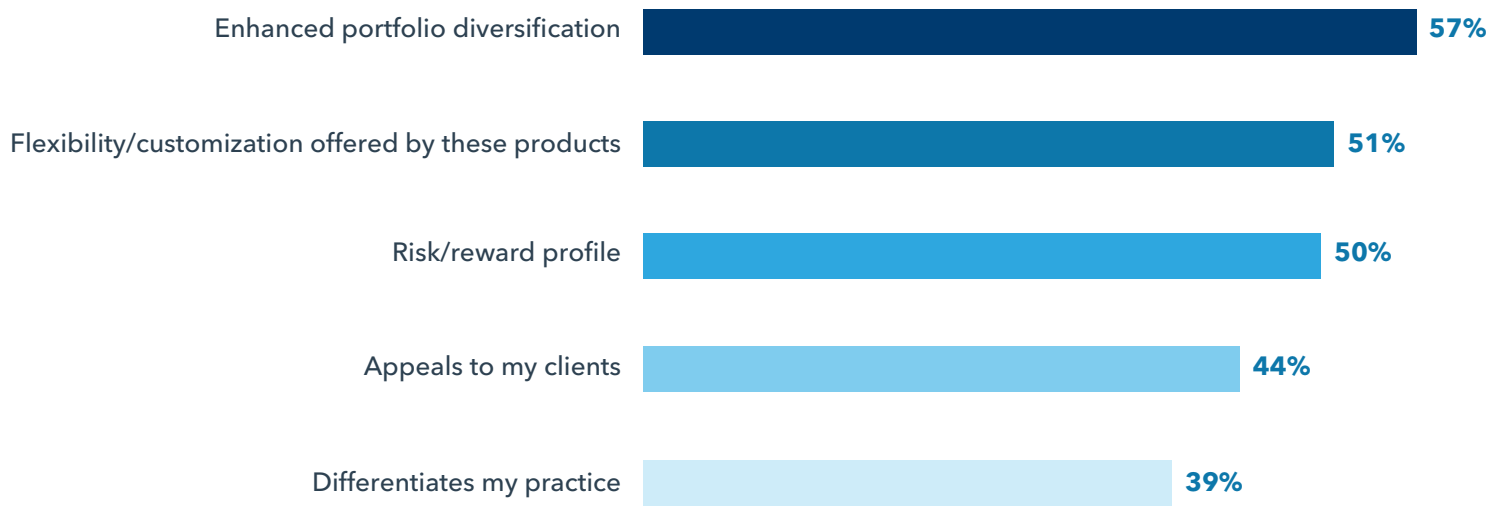
"Alternative investments are a growing part of modern portfolio strategies."

- Advisor Perspective

Structured Investments Support Personalization and Value

Which of the following describes why you use Structured Investments (select all that apply)?

51% of Advisors surveyed use structured investments to deliver personalized client outcomes—balancing protection, growth, and income while aligning portfolios with client preferences and firm strategy.



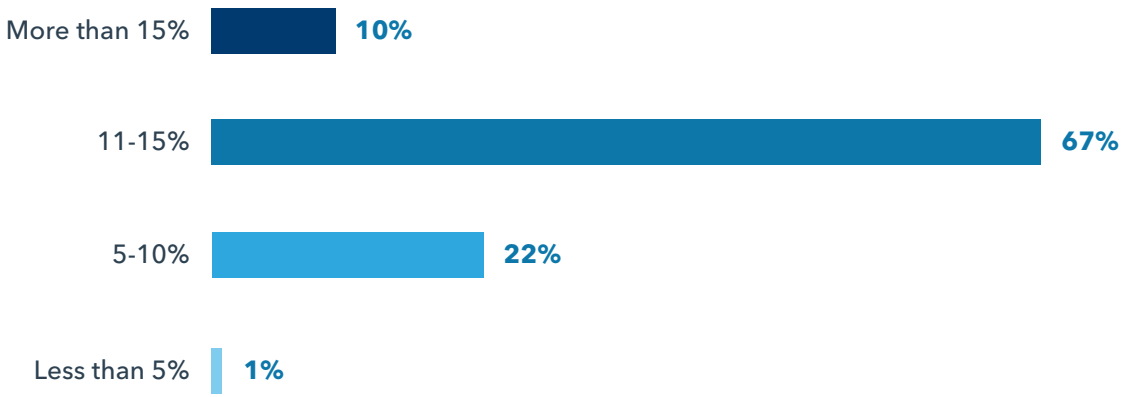
"Structured notes and annuities are playing a bigger role in my strategy now."

- Advisor Perspective

Evergreen Strategies Are Becoming a Core Allocation

What do you anticipate will be your client's average exposure to evergreen strategies in the next two years?

77% say evergreens will make up 10% or more of their portfolios—this isn't a test run. This is a shift.



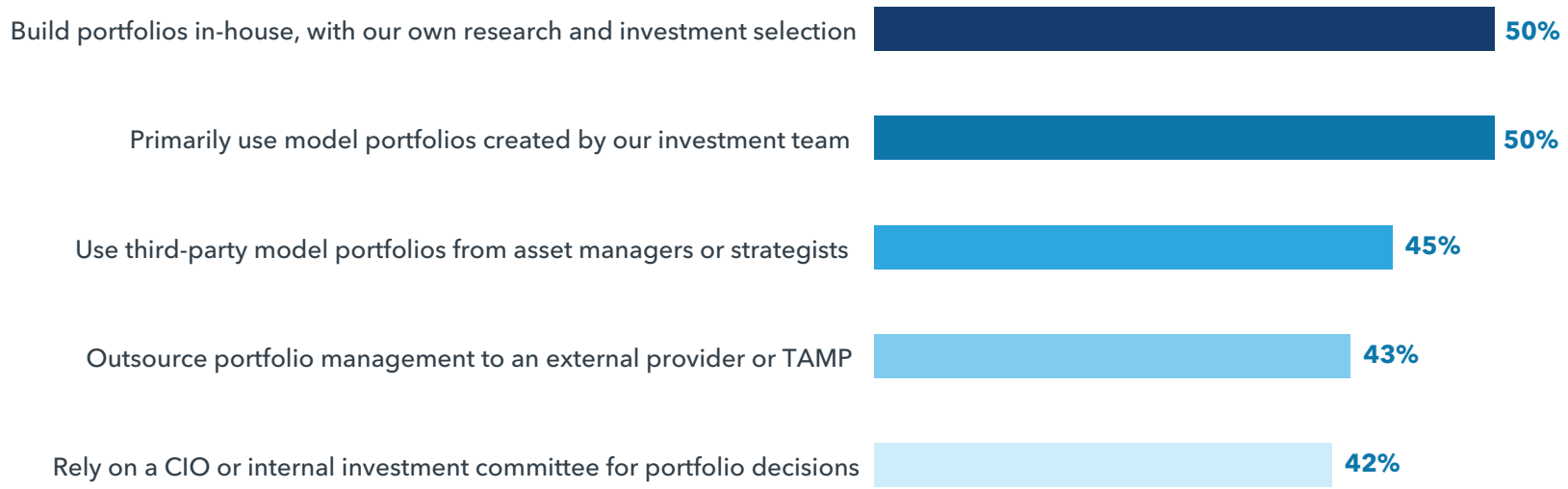
"We develop comprehensive portfolios by combining the availability of liquid assets with the future growth of illiquid assets."

- Advisor Perspective

Portfolio Construction Approaches Vary

Which of the following best describes how your firm constructs client portfolios?

No single model dominates—advisors blend in-house portfolios, platform models, TAMPs, and committee input to meet diverse client needs. To support this flexibility, they need tech and data systems that can meet them where they are.



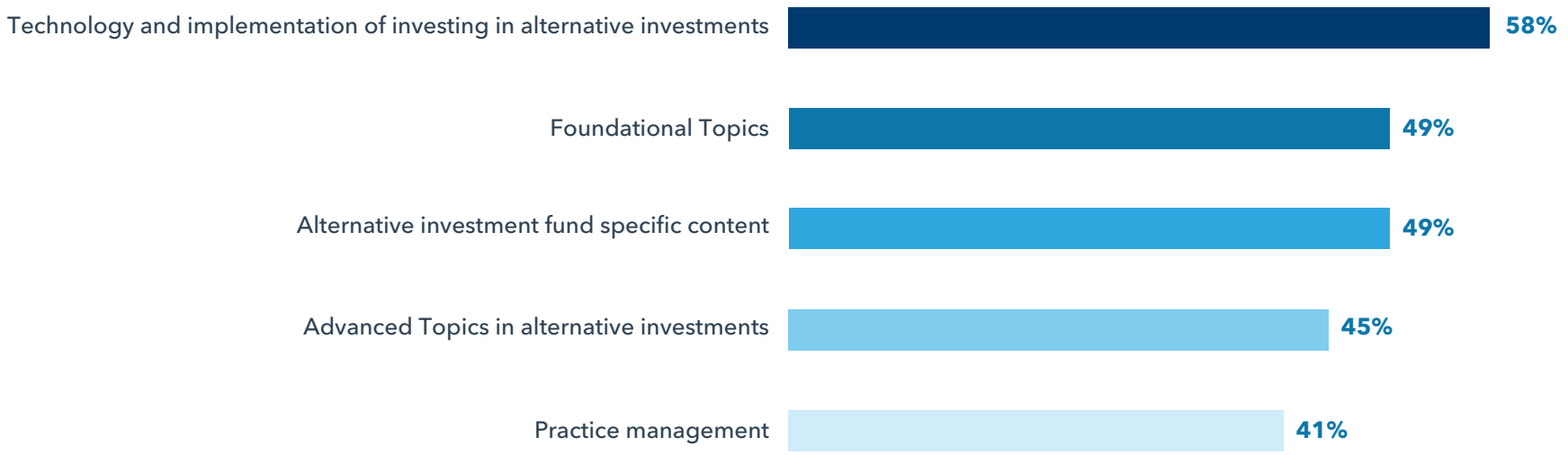
"The key factors for us are staying true to our investment strategy and making sure the portfolio reflects our clients' timeline and financial objectives."

- Advisor Perspective

Education is a Top Priority

What topics on alternative investments would be of interest to you (select all that apply)?

Advisors continue to prioritize education, with foundational and fund-specific content still in high demand. But technology and implementation are rising fast—signaling a shift toward learning that supports real-world execution and scale.



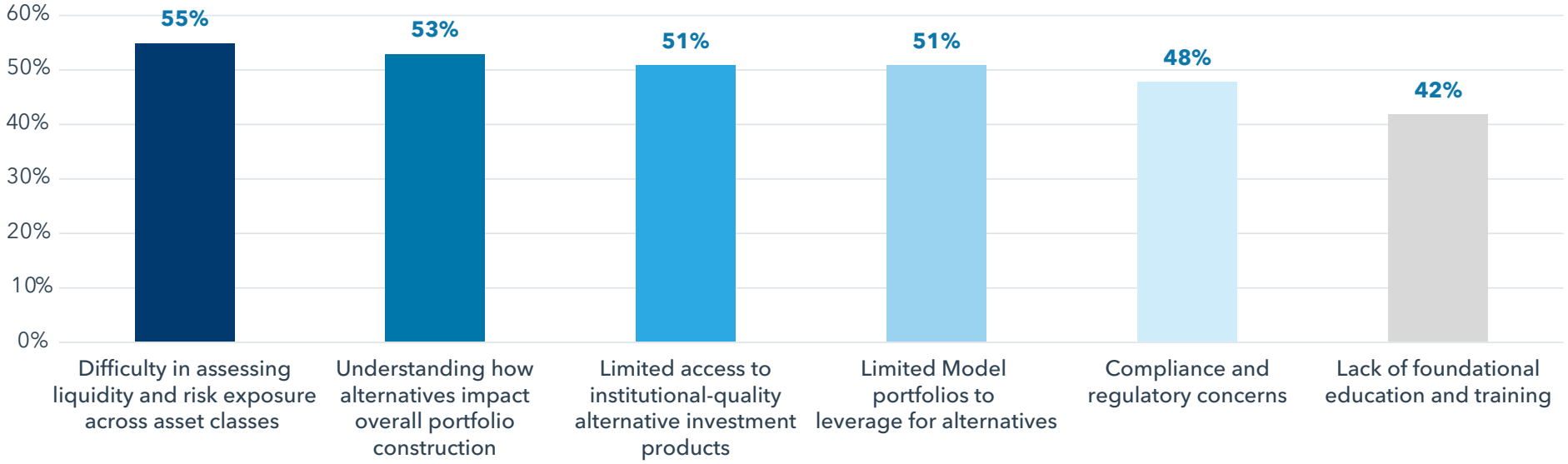
"We are getting better client education on alternatives which makes it easier to integrate into our portfolios."

- Advisor Perspective

Learning Needs Emphasize Alternative Integration

What are the biggest challenges in incorporating alternatives into your firm's investment models and asset allocation strategies (select three)?

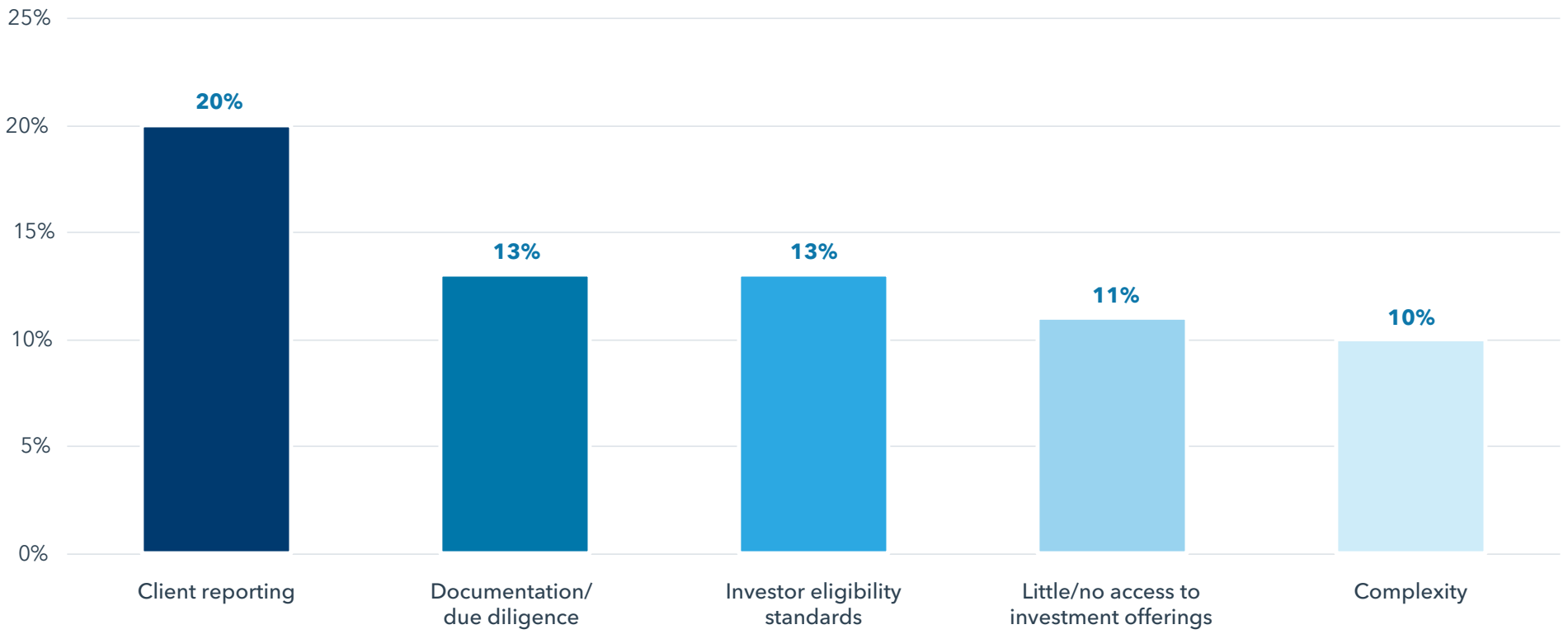
Advisors face challenges applying alternatives—especially around risk, liquidity, and portfolio impact. They also seek support with compliance and access to institutional-grade models, pointing to a need for education that goes beyond the basics. APAC trends mirrored the global average; U.S. prioritized compliance, while the Middle East ranked limited models as the top issue.



Execution is a Key Barrier to Scaling Alternatives

Which of the following are barriers to using alternative investments more (rank in order)?

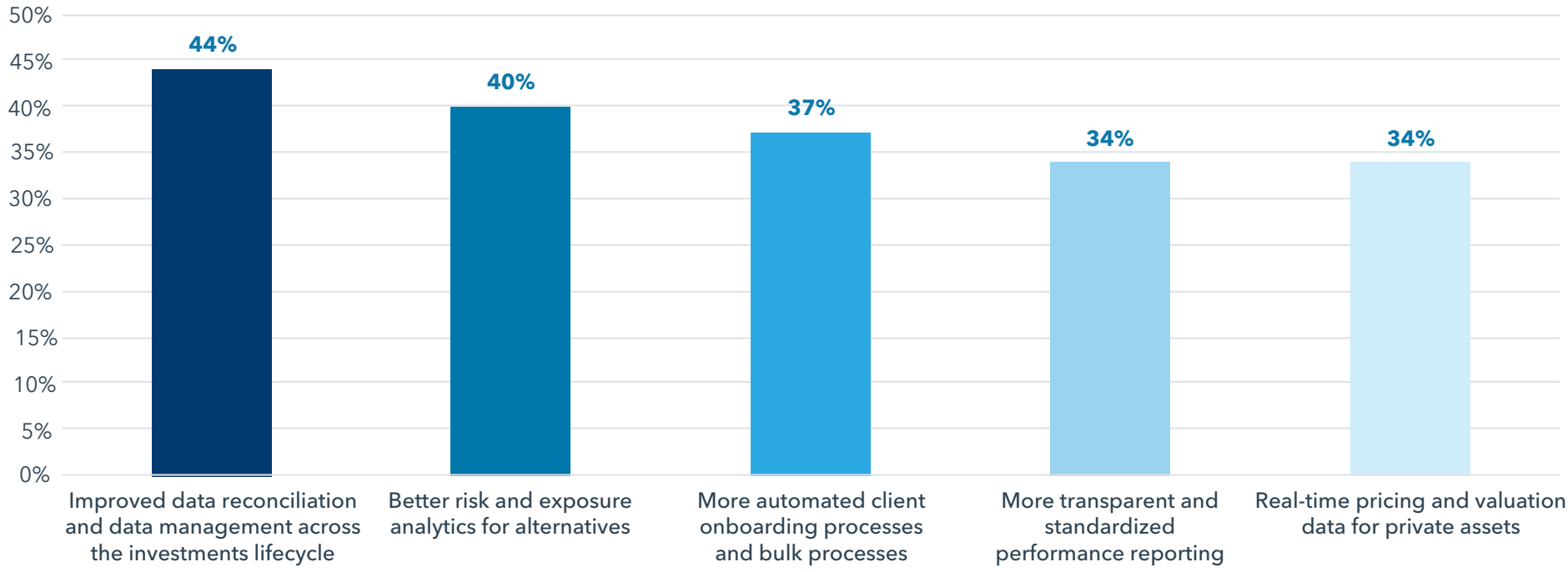
Operational friction is a top barrier to broader alternatives adoption—led by client reporting and documentation. Regulatory hurdles like investor eligibility remain a challenge. Technology is the unlock. Advisors are ready to grow—but only if scale doesn't mean added complexity.



Advisors Seek Tools to Eliminate Friction

What improvements in data and reporting would most enhance your firm's ability to manage alternative investments (select up to two)?

Advisors see the biggest data and reporting gaps in reconciliation (44%), risk analytics (40%), and onboarding (37%). They're also calling for more transparent reporting and real-time pricing—highlighting the need for connected infrastructure across the full investment lifecycle.



Survey Methodology

In 2023, iCapital sponsored the U.S. Financial Advisor Survey to better understand Advisor adoption of alternatives.

Building on that foundation, the 2025 iCapital Global Advisor Survey expands the scope—capturing a global view of Advisor behavior while diving deeper into the operational and technology needs of firms.

The survey was conducted in the first quarter of 2025 by a third-party research firm using telephone interviews with online follow-up. Respondents included financial professionals across channels—private wealth, national and regional broker-dealers, independent BDs, and RIAs—spanning a range of AUM levels of those actively engaged in alternative investing. The survey engaged 603 respondents across nine countries in the U.S., Europe, the Middle East, and APAC.

This report includes an aggregate global view of advisor insights. Regional reports will follow, offering localized perspectives to deepen regional insight.

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iCapital sponsored research completed first quarter 2025. A third-party research firm conducted a telephone survey of 603 financial professionals across a mix of channels, including private wealth, national and regional broker dealers (BDs), independent BDs and RIAs. We had 603 respondents across the U.S., Europe, Middle East, and APAC, covering nine countries. Additional information available upon request.

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