

## ICI VIEWPOINTS

February 6, 2025

# 2025 ICI Innovate: How Technology Is Shaping Asset Management

*ICI President & CEO Eric J. Pan and Allspring Global Investments President Kate Burke in conversation at day one of 2025 ICI Innovate.*

At ICI's second annual Innovate conference, artificial intelligence (AI), new technologies, and digital assets dominated the panel sessions, discussions, and fireside chats. ICI's only conference dedicated exclusively to technology and innovation in the asset management industry, 2025 Innovate explored the tension inherent in advancing AI and pushing the technological envelope in the workplace—while ensuring the appropriate governance structures are in place. The conference featured industry experts and practitioners sharing advice and guidance for how firms can keep up with rapid technological changes and reach younger generations of investors.

Below are the key themes and trends that emerged from the conference:

### **Balancing Industry Curiosity with Regulatory Caution**

ICI President & CEO Eric J. Pan and Allspring Global Investments President Kate Burke kicked off the conference with a fireside chat discussing the future of AI in asset management.

Burke noted that despite lagging behind other industries in fully utilizing AI, the asset management industry is appropriately cautious in terms of how quickly it is applying technological changes. "The most important thing we have at the forefront of our decision-making is the question, 'is this good for our client?' By default, we're watching to see how it evolves before seeing how we implement it within our organizations," said Burke.

On the regulatory side, ICI President & CEO Eric J. Pan explained: "One of the challenges working with our regulators is getting them to give us more freedom to experiment and adopt new technology." He added regulators have many questions and concerns around emerging technologies, like tokenization, where regulators are waiting for the industry to act.

### **The Growth of Retail Alternative Investments**

*Panelists on stage during the session, A Comprehensive View of Retail Alternative Investments, at day one of 2025 ICI Innovate.*

A panel featuring Tara Blackburn from Hamilton Lane, Michael Andersen of iCapital, Mike Huisman of UMB Fund Services, and moderator Tom Wiedecker of Envision Financial Systems, provided a comprehensive overview of retail alternative investments and what managers need to oversee these increasingly popular investments. As Tara Blackburn shared, the other AI—alternative investments—are big and they are adding returns to retirement accounts. As ICI data show, the driving force behind the wave of interest in retail alternatives is the growing comfort in private markets among individual investors, particularly Millennial and Gen Z investors, who are attracted by these emerging products' diversification and performance benefits.

## **The Pervasiveness of Deepfakes**

*Northwestern University Assistant Professor Matt Groh explains how artificial intelligence is giving rise to increasingly sophisticated deepfakes.*

Deepfakes and distorted reality were the recurring themes on day two of the conference. In his Deepfakes and the Future of Business panel, Northwestern University Assistant Professor Matt Groh discussed how creating more realistic deepfakes has become exponentially easier. He shared his tips and best practices for identifying deepfake videos and photos, where deepfake creators are missing the mark at attempting to portray reality, and what businesses can do to respond to new opportunities and challenges. During a later session, U.S. Department of Justice attorneys Christoffer Lee and Donovan McKendrick spoke alongside Covington & Burling Partner Micaela McMurrough and moderator Peter Poulos of ICI on how criminals are using AI deepfakes and what businesses can do to protect themselves from a cybersecurity perspective.

*To demonstrate the sophistication of deepfake videos, ICI President & CEO Eric Pan appeared in a shockingly real AI-generated video that surprised the crowd.*

ICI's Chief Strategic Communications Officer Erica Richardson closed out the conference by reminding the audience that "in a world of deepfakes, younger generations want voices they know and trust. They value authenticity and shared experiences."

Join us next year at 2026 Innovate in Houston to explore the intersection between technology and fund operations!