

# Technology Driving Transformation

Featuring: *Peter Zangari*, Global Head of Research and Product Development

I'm Peter Zangari. I run Research and Product Development at MSCI. Well, it's being transformed on many levels.

One, technology has improved the way that clients make their investment firms more efficient and at higher levels of productivity. Also, it improves the way that they build portfolios, the way they conduct research, the way that they communicate with their clients. So the impact of technology is pervasive in the institutions.

Over the past several years, algorithms that quite frankly have been around for an extended period of time are being used and they can benefit. Actually, they're exploited by the advances of technology.

Not too long ago, using technology and algorithms to electronically read text that's available was not a consideration. Nowadays at MSCI, what we're doing is we're using those algorithms, along with technology, to better read and glean insights from electronic data. And that has not only allowed us to scale greatly, but also improve the way that we communicate with our clients. Because historically, when you look at institutional investing, as well as retail investing, one looks at them as night and day, very different.

You have large institutions. They have steadfast technologies. They have long traditions of how they build their portfolios, how they manage those portfolios. And then you have the retail space, which is more fragmented. But in the retail space, I think of it as the individual space, a greater use of technology from the consumer side.

One can think of pressure that's being put on the larger institutions, those that manage billions of dollars, to upgrade and to enhance the technologies that they use. Because those individuals are also using technology and advances in technology in their personal life. And they see the power in terms of how smartphones have advanced, the power of how you can speak to a device that's maybe sitting in your kitchen and ask it a question, and in less than a second, provide you an answer.

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