Alternatives at the Core: Alternatives Adoption Growing Globally as Client Conversations Turn to Portfolio Construction

Our global survey of wealth managers and fund selectors reveals that respondents increasingly view alternatives as an integral component of high-net-worth investors' portfolio strategies. As interest in alts accelerates, more wealth managers are stepping up as alts leaders and engaging clients in deeper conversations around risk, liquidity needs, and how alternatives can help achieve their distinct investing goals.

Alternatives are viewed as a core part of high-net-worth investors' portfolio strategy with adoption expected to accelerate

69%

of wealth managers who use alternatives agree that the asset class should be at the core of a portfolio strategy for high-net-worth investors.

76%

believe that client interest in alternatives will accelerate moving forward.

Most wealth managers who use alts say **a double-digit allocation to alternative investments is optimal.** One-quarter advocate for a **16–20%** exposure, while another **30%** believe the ideal range lies between **21%–30%**.

The survey signals the rising use of alternatives across vehicle types over the next 1-2 years: **54%** expect greater use of liquid alternatives, **61%** expect more ever-green fund usage, and **46%** foresee increasing drawdown fund utilization.

Alts are reshaping wealth manager-client conversations, with hedging risk and portfolio goals top-of-mind

73%
say client conversations have evolved from what alts are to which ones may be suitable for their portfolio goals.

76%
say alternatives have enhanced client conversations about portfolio construction.

77%
of alts users report the macro environment has led them to view alternatives as relevant for both risk management and returns.

80%
say getting a deep understanding of their clients' liquidity needs has helped them implement alternatives more effectively.

71%
say self-funding/reinvesting proceeds is a straightforward way to expand clients' alternatives allocations.

Spotlight on Alts Power Users

The proportion of wealth managers who are emerging as alts leaders increased to **40%** globally from **26%** in North America in 2024. "Power Users" are wealth managers who scored highly on our proprietary Brookfield Alts Index, indicating strong current alternatives usage deployed broadly across a variety of alts vehicles and products.

Advisors Stepping Up to Meet the Moment

- Power Users' current average alts allocation is double that of survey respondents who classify as mid-level alts users (**22%** compared to **12%**).
- **87%** expect investor interest in alts to accelerate moving forward (compared to **76%** of all wealth managers surveyed).
- In the next 1-2 years, **76%** expect client allocations into evergreen funds to increase, **66%** foresee increased client allocations into drawdown funds, and **60%** anticipate increases to liquid alts.
- Power Users are more likely to expand clients' alts allocations through investing in additional asset classes (cited by **86%** of Power Users vs. **77%** of wealth managers who use alts) and in different vehicle types (**69%** vs. **56%**).
- When introducing alts to a client for the first time, **76%** start with a specific portfolio objective, compared to **65%** of all wealth managers who use alts.
- Significantly more Power Users (**79%**) agree that educational materials have propelled their use of alts, and **81%** say that portfolio construction support is one of the most valuable resources an alts partner can provide.

Education has boosted alts adoption and wealth managers are eager for portfolio construction support

71%
say client concerns about alts are easily allayed through education.

67%
say that educational materials have propelled their use of alternatives.

77%
agree that portfolio construction support is one of the most valuable resources an alternatives partner can provide.

82%
highly value alternative investing partners who have specialized alternatives expertise.

Wealth managers continue to play a crucial role in alternatives usage and implementation

61%
agree that their clients may be open to investing in less-familiar products when their wealth manager provides clear guidance.

78%
say individual investor access to alternatives will drive more reliance on professional guidance.

79%
say private assets can help wealth managers to tap into specific niches that clients are interested in.

Wealth managers view alternatives expertise as essential for client satisfaction, differentiation and practice growth

73%
agree that becoming an alts expert will be a meaningful driver to growing their book of business.

80%
say alts expertise is a "must have."

70%
agree that wealth managers without a strong alts offering may be at a competitive disadvantage.

Top benefits of alts implementation can include enabling clients to meet specific goals, improving absolute return, increasing client satisfaction and differentiating their practice from competitors.

Compared to 2024, more advisors in North America are seeing the benefits of alternatives

Increasing client satisfaction **48% vs. 39%**

Enabling clients to meet specific goals **41% vs. 34%**

Differentiating their practices **51% vs. 39%**

Fund selectors reinforce broader industry push to prioritize alts impact on portfolios over standalone performance alone

67%
agree that alts due diligence today focuses more on portfolio role and how they perform relative to other asset classes than on standalone performance.

80%
say increasingly alts are evaluated on how they improve overall portfolio outcomes than strictly performance.

62%
agree that portfolio construction support is one of the most valuable resources an alternatives partner can provide.

As alternatives continue to gain traction and move into the mainstream of portfolio conversations, these findings highlight the pivotal role of education, expertise, and tailored guidance. Wealth managers who confidently integrate alternatives into portfolio strategies—and engage clients in informed, goal-oriented discussions—may be best positioned to drive client satisfaction, differentiate their practice, and capture new growth in an evolving wealth management landscape.

Survey Demographics

660
total respondents in US, Canada, UK and Switzerland: 600 wealth managers and 60 fund selectors

92%
use alternatives

FIRM AUM
At least US $500 million in firm AUM

TEAM BOOK OF BUSINESS AUM
At least US $100 million

Alternatives involve significant risks and may not suit all investors; outcomes are not guaranteed.

Brookfield-commissioned survey of select investors; results may not be representative of the broader investor population.

Survey Methodology

Brookfield commissioned CoreData Research to conduct an online survey of 600 wealth managers with an average practice AUM of US $657 million and 60 fund selectors responsible for evaluating alternative asset managers/products for firm platforms in the US, Canada, the UK and Switzerland from February to April 2026.

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