

Forging its own digital transformation path

Balancing resilience and innovation in Australia's 2025 digital transformation journey

Resilience and pragmatism shape the Australian agenda

While global financial services firms grapple with a universal set of pressures, a different transformation story is unfolding in Australia. The market is defined by a careful balancing act between world-class innovation and a deep-seated focus on foundational stability.

This creates a unique local dynamic where firms are simultaneously leading the charge in the application of analytics and the adoption of AI, yet are constrained by the heightened resilience mandated by recent legislation like the Security of Critical Infrastructure Act 2018 (SOCI Act) and APRA's Prudential Standard CPS 230 Operational Risk Management (2025). Investment is being channelled into improving the stakeholder experience over business expansion, and strategic trade-offs are charting a more deliberate course.

Methodology

Drawing on quantitative data from Broadridge's [2025 Digital Transformation & Next-Gen Technology Study](#) (594 respondents globally, including 51 in Australia), this report provides a dedicated Australian perspective. It combines this data with qualitative insights from senior Australian financial leaders to explore the challenges and opportunities that will shape the industry's future.

The fifth annual Broadridge Digital Transformation & Next-Gen Technology Study breaks down the sentiment, reflections, and actions of nearly 600 financial services technology and operations leaders from around the world and across wealth management, capital markets, and asset management firms, demystifying what's guiding each organization's transformation roadmap and exploring their unique approaches to data, AI, crypto, cybersecurity, personalization, and more. Broadridge commissioned Phronesis Partners to conduct this survey.

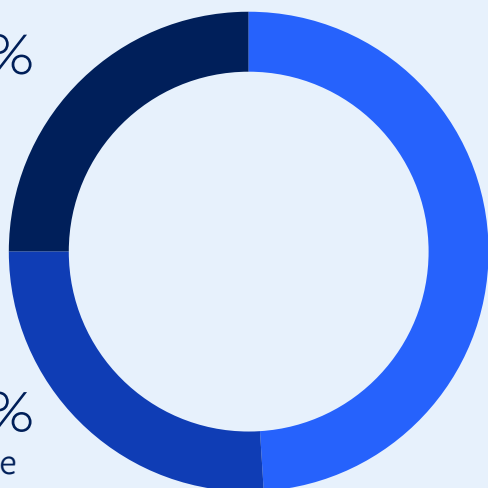
594 Total respondents

51 Australian respondents

26%
APAC

42%
North America

32%
Europe



Inside the report

4

Investment is driven by stakeholder experience,
followed by business benefit

page 09

Regulation and reality dictate the national cyber agenda

The heightened attention on cybersecurity is a defining characteristic of the Australian market, driven by a combination of stringent regulation and high-profile breaches. This creates a necessary “innovation tax” but is also yielding a greater sense of operational resilience and preparedness.

The focus on cybersecurity in Australia shapes investment, leadership psychology, and operational confidence to a degree not seen elsewhere. This has been driven to a tipping point by a demanding regulatory environment – most notably the Security of Critical Infrastructure Act 2018 (SOCI) and APRA’s Prudential Standard CPS 230 Operational Risk Management (2025).

These require financial services firms that own or operate “critical infrastructure” to implement comprehensive risk management programs, register critical assets, report cybersecurity incidents within strict timeframes, and cooperate with government directives to strengthen national security. Adding further pressure is the erosion of public trust following a series of recent, high-profile data breaches, including Latitude Financial in 2023 and Qantas in 2025, that have dominated national headlines.

The data reveals a clear defensive stance. Australian firms show higher adoption of cybersecurity technology than their global peers, and when asked for a magic wand to accelerate transformation, leaders’ top wish is for immunity against cyberattacks. This priority is significantly higher than their global peers (27% vs. 18%).

The heightened alert is translating into tangible results, with 70% of Australian firms confident they can recover from a cyber threat within three days, compared to 67% globally.

A close second in the “magic wand” question—selected by 25% of respondents—is the desire for a single, unified platform that runs front to back. This underscores the growing recognition that simplification and end-to-end visibility are critical not only for operational efficiency but also for managing risk in a complex regulatory environment. As firms look to modernise their infrastructure and reduce fragmentation, integrated platforms are emerging as a key enabler of both innovation and resilience.

“Front-to-back platforms help clients simplify operations, stay ahead of regulation, and scale innovation. Integrating data, technology, and workflows into a cohesive platform, leads to better investor experiences and focus on growth with a resilient, future-ready model. Simplifying the technology stack also strengthens their cybersecurity posture, reducing complexity and risk. Broadridge can help our clients achieve this,” explained Danielle Gerace, Australia Senior Country Officer at Broadridge.

Magic wand wish:

A mix of defence and ambition

If you had a magic wand to accelerate your firm’s digital transformation, what would you ask for?

27% Immunity against cyberattacks

25% A single platform to be used front to back

14% Single source of data that can be leveraged

10% An easier way to deliver personalized experiences

Source: Broadridge 2025 Digital Transformation & Next-Gen Technology Study, Australia

“Cybersecurity in Australia has moved past hypotheticals. Leaders aren’t just asking if they will be attacked, but how quickly and confidently they can respond when it happens.”

»» David Runacres, Asia-Pacific President at Broadridge

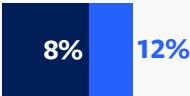
Cybersecurity is a primary focus for Australian firms

■ Globally ■ Australia

Firms currently using cybersecurity technology



Firms planning very high levels of investment in cybersecurity technology over the next two years



Firms citing growing cybersecurity risks as a top innovation inhibitor



Source: Broadridge 2025 Digital Transformation & Next-Gen Technology Study, Australia

“When it comes to cybersecurity, the tick box is the first important thing, but the second is aspiration. It is a mandatory requirement for any financial organisation to meet the deadlines, but the real work of uplifting your security comes after that.”

»» Head of Digital Services Delivery, Risk & Operation, neo bank

“I’m not worried about immunity because in a complex system, total immunity is almost impossible. My ‘magic wand’ wish would be to find vulnerabilities early so I can fix them. The mindset has to be a continuous cycle of ‘find it, fix it,’ because that is how you truly protect your customers.”

»» Head of Technology, Digital & Business Banking, commercial bank

Australian firms punch above their weight in analytics

The Australian market is a place where company capabilities outweigh confidence in the technology platforms that firms have adopted. Despite a cautious assessment of their own tools, firms have developed stronger data foundations and are outperforming their global peers in leveraging analytics to make real-time decisions.

A stark paradox defines the Australian approach to digital execution. Local firms take a more conservative view of their own platform maturity than their global peers, yet they are world-class in their ability to extract value from data. Just 33% of firms rate their cloud platforms as “Advanced”, and only 22% say the same for their ability to deliver seamless digital experiences.

Their modest self-assessment, however, belies extraordinary capabilities. An overwhelming majority of Australian firms (67%) use advanced analytics for real-time insights, placing them a full 23 percentage points ahead of the global average.

A stronger data infrastructure appears to be the main driver of this performance, as Australian firms report fewer issues with foundational challenges like data quality and data silos than their international counterparts.

“Australian firms may score themselves conservatively on platform maturity, but their advanced data architecture tells a different story,” shares Danielle Gerace. “The clear driver of their leadership in real-time analytics and decision-making lies in how well they’ve tackled the fundamentals of data quality, integration, and accessibility.”

Australian firms are outperforming their peers in the application of analytics

■ Globally ■ Australia

Firms that agree they use advanced analytics for real-time insights



Source: Broadridge 2025 Digital Transformation & Next-Gen Technology Study, Australia

Fewer data challenges may be contributing to their success

■ Globally ■ Australia

Firms that agree they have data quality issues



Firms that agree they are dealing with data silos



Source: Broadridge 2025 Digital Transformation & Next-Gen Technology Study, Australia

“If you have seen a traditional Aussie builder build a house, everything from the foundation to how they lay a brick is so solid but a bit slow. That’s how we approach our data foundations: we are so solid that we sometimes over-interpret the requirements.”

»» **Head of Digital Services Delivery, Risk & Operation, neo bank**

“You can’t solve for the whole organisation at once, but you can solve for one business capability. You reinvent one part of the organisation, and then another, and then another. You get so good at it that you can eventually do it for everything else.”

»» **Head of Technology, asset management firm**



Prioritising AI capability over short-term returns

The Australian story is one of a mature market focused on building the launchpad before lighting the rocket. Leaders are making a deliberate, strategic choice to secure their foundations before leveraging AI to generate measurable revenue.

Australian firms are leading the charge in AI adoption, reporting significantly higher use of both general AI (67% vs. 57% globally) and GenAI (45% vs. 31% globally). Leaders recognise the technology's tangible benefits and the impact on employee productivity (73% vs. 68% globally) and reducing operational costs (51% vs. 50% globally).

Despite the advanced adoption and optimism, when asked about their top transformation priorities, a telling 0% of Australian leaders chose "AI use cases with clear ROI."

"Australia is leaning into AI faster than most markets, with adoption prioritising building capability and resilience, not short-term returns," said Joseph Lo, Head of Enterprise Platforms at Broadridge.

Leaders see clear, tangible benefits in AI technology

■ Globally ■ Australia

Firms that believe AI will have a high or very high impact on employee productivity



Firms that believe AI will have a high or very high impact on reducing operational costs



Source: Broadridge 2025 Digital Transformation & Next-Gen Technology Study, Australia

"The real work of AI is getting the business to think differently — breaking it down into capabilities and treating them like products. That's the hard sell. It's why AI is ultimately a leadership problem, not a technology problem."

»» Head of Technology, asset management firm

Investment is driven by stakeholder experience, followed by business benefit

Australian firms are pursuing an inside-out transformation strategy, prioritising investments that both provide clear business benefit (20% vs. 16% globally) and improve the quality of their core customer and employee interactions. This approach emphasises disciplined, measured outcomes and avoids more speculative, top-line growth initiatives.

The motivations behind technology spending in Australia diverge significantly from global trends, reflecting a pragmatic blend of commercial discipline and human-centric priorities. While firms globally spread investment across a wider set of drivers, Australian leaders are sharpening their focus on stakeholders most directly linked to sustainable business performance: customers, employees, and the measurable benefits they bring to the bottom line.

The data reveals a clear strategic trade-off. Australian firms are far more likely to cite “Focus on customer experience” (16% vs. 13% globally) and “Improved employee confidence” (16% vs. 12% globally) as primary drivers for higher tech spending. At the same time, “Clear business benefit” ranks strongly as a motivator (20% vs. 16% globally).

Conversely, they are only half as likely to be motivated by “Business expansion/revenue opportunity” (6% vs. 12% globally).

This suggests a prevailing belief among Australian leaders that sustainable growth will come less from speculative expansion and more from combining business benefits with long-term trust, loyalty, and workforce confidence.

Investment is focused on improving the customer journey.

16% of firms cited “Focus on customer experience” as the primary driver for higher tech spending

Firms are also investing in their own people.

16% of firms cited “Improved employee confidence” as the primary driver for higher tech spending

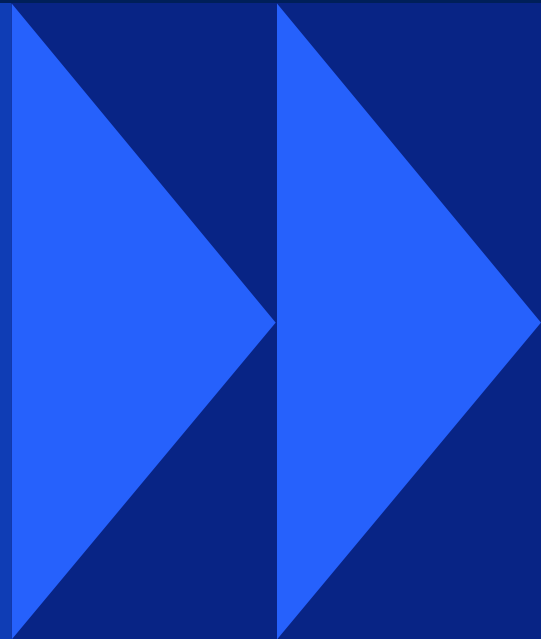
Firms are investing in supported business cases.

20% of firms cited “clear evidence of business benefit”

“Innovation, customer experience, and technology are converging very quickly. You have to invest in the technology to get the customer experience benefits.”

»» Head of Technology, Digital & Business Banking, commercial bank

Takeaways



The Australian readiness strategy

The data tells a clear story of a market that is not constrained by its challenges but is defined by them. Australian leaders are pursuing a cohesive and deliberate readiness strategy, building a resilient, data-rich foundation in the belief that sustainable growth will be the inevitable result.

Driven by stringent regulation and the memory of high-profile breaches, leaders are making a conscious and necessary choice to prioritise security and foundational stability.

This defensive position, however, is not a handbrake on innovation. Australian firms are outperforming their global peers in the practical application of analytics and leading the charge in AI adoption, demonstrating a clear capability to execute at the highest level.

But they are deferring the immediate monetisation of these advanced tools to play a longer game: building the capabilities, honing the processes, and strengthening stakeholder trust first.

This is a market that believes true value is created by getting the fundamentals right.

By shoring up their defences and building world-class data and AI capabilities, Australian leaders are less focused on the next quarter, and more on the next decade. The key challenge for leaders is to determine the right moment to shift from this foundational phase and start reaping the rewards of their long-term strategy.

“True transformation comes from laying strong foundations—prioritising trust, data quality, and resilience before accelerating into growth. By partnering with specialists who understand the complexities and interconnectivity of systems, financial services firms can ensure each step creates measurable progress across the front, middle, and back office,” stated Danielle Gerace, Broadridge.

“The Australian approach is solid, conservative, and step-by-step; we follow the rules. The US approach is creative, fast, and focused on leading from the front. You can see a clear divergence.”

Let's talk about your digital transformation

Visit us at Broadridge.com or call +61 2 9034 1700
to find out how we can help.

Contact us

Stay connected to the latest insights

