

Blockchain Technology will Revolutionize Retirement Investments Market, Claim Experts

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Blockchain technology has taken the world by storm, with its robust framework based on security, privacy and speed. After being launched as an underlying platform for Bitcoin and other cryptocurrencies, the innovative tech has evolved into the most preferred technology of recent times.

The platform has spread its wings across myriad of business sectors, right from healthcare and agriculture, to virtual gaming and e-commerce. All major economies around the world have adopted blockchain, and are thriving to find ways to implement it in various departments.

One of the sectors which blockchain has impacted the most is banking and finance. Several industry giants have jumped into the distributed ledger game, making it the hot cake for the sector. Banks like HSBC, JPMorgan and Bank of America have placed heavy bets on the platform, infusing much-needed capital for research and development. For instance, HSBC developed a blockchain based platform for forex transactions, through which it executed transactions worth over \$250 billion, in 2018 alone.

In this sector, the niche segment of retirement investments is all set to be revolutionized by blockchain technology. The tech is still seeing its early days in the segment, but it has displayed a lot of potentials already. It is expected to up-end the way advisors in this industry conduct business.

Executive Director of the retirement plans provider at Spark Institute, Tim Rouse has claimed that there is a lot of curiosity around the innovative tech, and it has shown considerable potential for the market.

Blockchain provides innovative ways for the financial sector to record transactions, which enhances efficiency while reducing costs and time consumption. The level of immutable data encryption and cyber-

The global financial sector is taking giant strides in the direction to capitalise on the blockchain. The retirement industry has invested about \$552 million in 2018 itself, which accounted for about 37% of the total investments which stood at \$1.5 billion. As per the data released by IDC, the investments in blockchain technology are expected to increase to a mammoth \$11.7 billion in the next three years.

There are about 401,000 record keepers in the segment, which are now adopting blockchain technology. Once the adoption is completed on a large scale, the industry will expectedly witness considerable positive changes, one of them being enhanced efficiency in recording transactions, which until now had been a major concern for the market.

Apart from the retirement industry, several other segments are also being revolutionized through blockchain. HSBC's adoption of blockchain in forex transactions is one example. Another is global payments, as segment leader VISA Inc. announced earlier this month that it will be integrating blockchain technology with its global operations, to facilitate cryptocurrencies as a payment instrument. American technology behemoth IBM has also entered the blockchain based payments space, by launching its global payments platform World Wire, in collaboration with Stellar.

The blockchain boom has continued to grow tremendously over the past few months. The technology is also now potentially operational in e-commerce, as giants like Amazon, MasterCard and Accenture announced a collaboration last year to create a blockchain based platform focused on e-commerce supply chain management. Chinese e-commerce giant Alibaba has also adopted the tech in its own operations and is working in partnership with blockchain start-ups to develop potent solutions.

Karla Gill, Chief Information and Innovation Officer at ICMA-RC, a record keeper focused on retirement plans for public institutions, stated that though the company is not desperate to implement the innovative tech immediately, it is evaluating the ways blockchain can be implemented in the sector to improve efficiency and costs. ICMA-RC manages retirement assets, worth about \$54 billion, for over a million customers.