Top 6 tech trends shaping private markets in 2025

The private markets industry is undergoing significant transformation, driven by evolving market dynamics and technological advancements. Key trends include the consolidation of capital into mega-funds, the rise of semi-liquid and evergreen fund structures, and increasing investor expectations for seamless digital experiences. These trends create both opportunities and challenges, as fund managers must navigate the complexities of scaling operations, enhancing transparency, and meeting regulatory requirements.

Technology is a strategic imperative in private markets to achieve this transformation. In this article, Oliver Sinclair, Director of Technology for Markets at the Aztec Group, shares six tech trends we're seeing today, and what firms should be focusing on to keep their funds at the forefront of this technological revolution.

At Aztec Group, we provide cutting-edge fund administration technology and deep domain expertise to help managers thrive in this evolving landscape. Recognized by Private Equity Wire European Awards 2025 as Fund Administrator of the Year for Technology, we deliver innovative solutions tailored to the needs of private market investors. Our high-tech, high-touch approach ensures that we leverage the best available technology to provide exceptional client service.

AI-driven data aggregation: Enabling investment intelligence at scale

Managing vast amounts of structured and unstructured data is increasingly challenging for fund managers. AI-powered data aggregation enables real-time analysis of investment, risk, and market data, while Natural Language Processing (NLP) automates the extraction of key insights from investor reports and regulatory filings. Aggregated data supports advanced benchmarking, helping fund managers compare performance and identify trends.

According to Deloitte, 90% of the world's data has been created in the last two years, highlighting the importance of mastering data aggregation. However, the rapid increase in data volume and complexity can overwhelm traditional data

management systems, leading to inefficiencies and potential errors. AI tools automate the collection, processing, and analysis of multiple datasets from diverse sources. Machine learning algorithms identify patterns and inconsistencies in investment data, enhancing risk management and investment decision-making. Tools like Lantern ensure that fund data is processed accurately and reliably, providing the foundation for generating meaningful insights. The importance of data quality directly impacts the effectiveness of AI technologies, which are expected to scale significantly with ongoing investments.

Automation and AI in fund operations: Scaling with efficiency and accuracy

Automation and AI are critical for streamlining fund administration, improving accuracy, and ensuring regulatory compliance. Robotic Process Automation (RPA) can eliminate manual activities such as processing of capital notices and collection of documents for Fund of Funds, while AI-driven automation enhances investor onboarding and KYC/AML verification. Automated compliance tools ensure alignment with regulatory frameworks, reducing operational risk.

Despite the potential of AI and automation, only 30% of fund managers have integrated AI, and just a quarter have fully automated their back-office operations. This slow adoption can hinder efficiency and increase operational risks. Aztec Verify uses AI to automate multiple manual processes, providing a seamless digital onboarding experience for fund managers and their investors. This has vastly streamlined investor due diligence and the onboarding experience, allowing managers more time to focus on strategic decision-making.

Our clients seek a balance between technology-enabled services and a human touch, ensuring a white-glove client service from their fund administrator. The integration of AI and automation technologies is driving significant improvements in operational efficiency, accuracy, and compliance.

Scaling through global technology ecosystems

With private markets spanning multiple jurisdictions and asset classes, fund managers require seamless integration of enterprise platforms to handle multi-asset investment strategies while maintaining operational resilience. Cloud-based ecosystems such as Microsoft, Salesforce, and Workday improve operational efficiency by connecting core business functions. Automation tools for workflow

management and investor reporting reduce manual processes, enhancing fund manager productivity. AI-driven co-pilot solutions assist teams in navigating private markets software environments, automating reporting, and providing actionable insights.

These platforms accommodate increasing data volumes and user demands without requiring substantial new infrastructure. However, the complexity of integrating multiple technology platforms can create challenges in data management and operational efficiency.

Cloud-based solutions enhance collaboration among teams and clients, fostering a more agile response to market changes. Aztec uses major global ecosystems, allowing us to build a robust tech stack to service and collaborate with our clients, providing resilience and scale to our core operations. Last year, we introduced Microsoft Co-Pilot, empowering our teams to use AI-driven assistants to navigate complex software environments and improve overall efficiency.

Industry-specific software solutions: Tailoring technology for private markets

As private markets evolve, generic financial software lacks the depth required for fund managers to efficiently handle private equity, private credit, and real asset funds. Industry-leading platforms such as eFront Invest, Yardi, and Investran provide tailored functionality for private fund accounting, investor reporting, and performance tracking. AI-driven analytics and compliance automation ensures that fund managers meet evolving regulatory and reporting requirements. Integrated technology solutions allow fund managers to automate complex calculations, from loan valuations to investor distributions.

Our client service is underpinned by strong industry-specific partnerships and software solutions tailored to address the unique needs of the sector. We have a long-standing relationship with eFront, using and developing solutions in partnership with them, including eFront Invest and eFront Debt for fund accounting and loan administration, and Investment Café for investor communications all with native integration. Yardi offers comprehensive solutions for property management, accounting, and tenant relations. These systems provide tools for portfolio management, investor reporting, and risk assessment, enabling enhanced operational performance for alternative funds.

Smaller vendors like Bank Clarity and Accelex offer specialist functions that can be integrated into the core environment to provide seamless end-to-end system-managed processes. The reliance on generic financial software can limit the ability to address the unique needs of private markets, but the development of industry-specific software solutions is enabling fund managers to optimise operations and meet regulatory requirements more effectively.

Digital collaboration: enhancing GP transparency and LP experience

Institutional LPs and high net worth individuals (HNWIs) increasingly expect digital-first experiences, with on-demand access to fund performance, capital activity, and compliance data. Investor portals provide a dynamic digital workspace for real-time reporting, document sharing, and investor engagement. AI-powered communication tools, such as chatbots and automated reporting, enhance investor servicing by reducing response times and improving transparency. Blockchain technology is being explored for investor verification and secure digital fund transactions, ensuring data integrity.

Maintaining personal relationships through digital channels is the new normal, with video calls and collaborative tools like Microsoft Teams enabling real-time communication. Platforms like Aztec Connect provide an industry-specific, dynamic digital workspace for effective collaboration between our teams and clients. The platform’s user-friendly interface ensures efficient project management and task organization, facilitating best practice workflows while allowing seamless document and information sharing.

Aztec Invest, combined with Aztec Verify, offers a seamless investor experience platform, providing digital portal access to investors across the full lifecycle, from onboarding to ongoing reporting and servicing. The increasing demand for digital-first experiences can strain existing technology infrastructure and resources, but the adoption of digital investor collaboration tools is enhancing transparency, engagement, and overall investor experience.

Cybersecurity and compliance: Protecting investor data and fund integrity

With digital transformation accelerating in private markets, fund managers must prioritise security to mitigate fraud risks and meet stringent compliance

requirements. AI-driven fraud detection systems identify suspicious activity and flag potential security breaches. Regulatory automation tools ensure compliance with frameworks such as the European Union's Digital Operational Resilience Act (DORA) and AI Act. Biometric authentication and blockchain-enhanced digital identity verification secures investor transactions.

Cybersecurity threats are skyrocketing, with PwC reporting that the number of businesses experiencing data breaches valued at more than $1 million has increased from 27% to 36%. Implementing robust and layered security measures, coupled with educating clients and employees about potential threats, can substantially reduce the risk of fraud. Aztec Verify and Aztec Connect help fund managers keep data safe and secure. Recent security incidents, such as the emerging threat of deep fake AI emulation, highlight the importance of putting these controls in place.

Our high-tech, high-touch approach is designed to provide tailored solutions for clients' evolving needs. The increasing sophistication of cyber threats poses significant risks to data security and compliance, but advances in AI-driven fraud detection and regulatory automation are enhancing security and compliance measures.

Technology is defining the future of private markets

Private markets are undergoing fundamental shifts, requiring fund managers to scale operations, enhance transparency, and meet investor expectations at an unprecedented level. Technology is the foundation for achieving these goals, enabling efficiency, compliance, and innovation. The rapid increase in data volume and complexity, the slow adoption of AI and automation, the complexity of integrating multiple technology platforms, the reliance on generic financial software, the increasing demand for digital-first experiences, and the increasing sophistication of cyber threats all present challenges.

However, advances in AI and machine learning, the integration of AI and automation technologies, the adoption of cloud-based ecosystems and AI-driven solutions, the development of industry-specific software solutions, the adoption of digital investor collaboration tools, and advances in AI-driven fraud detection and regulatory automation all provide opportunities.

At Aztec Group, we provide fund managers with the expertise, infrastructure, and

automation needed to thrive in this changing landscape. Whether managing mega-funds, adapting to semi-liquid strategies, or optimizing multi-asset fund operations, our technology solutions empower firms to navigate the future with confidence. Our high-tech, high-touch approach ensures that we leverage the best available technology to provide exceptional client service.

As winners of the Fund Administrator of the Year – Technology award at the Private Equity Wire European Awards 2025, we remain committed to innovation in private market fund administration. Contact us today to learn how Aztec's technology solutions can support your fund operations at scale.



