

NEEDS OF OUR CUSTOMERS - SOME LESSONS FROM THE TURMOIL

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THE CURRENT FINANCIAL CRISIS IS LIKELY TO IMPACT THE ORDER OF PREFERENCE OF WEALTH MANAGEMENT CLIENTS

Ranking of criteria used by Wealth Management clients while choosing a provider

TRADITIONALLY

1. Quality of service
2. Confidentiality
3. Quality on investment advice
4. Image and reputation of the provider
5. Investment performance.....given hygiene factor
6. Pricing
7. Product range



GOING FORWARD

1. Safety ←
2. Investment performance ←
3. Quality of investment advice
4. Confidentiality
5. Pricing
6. Image and reputation of the provider
7. Quality of service
8. Product range

WE CAN EXPECT A SHIFT FROM DELEGATION TO PARTICIPATION

CLIENT SEGMENT	KEY TRAIT	SERVICE PARAMETERS
Delegators (outsourcers)	Seek low involvement solutions	Reliability, empathy, reassurance
Participators (hobby investors)	Work closely with advisor	Expertise, fun value, time & attention
Selectors (sophisticated investors)	Pick and choose themselves	Product innovation, highest standard of service delivery
UHMW	Institutionalised expectations	Superb professionalism, complexity management, flexibility



MANAGING GENERAL PERCEPTIONS OF CLIENTS IS LIKELY TO GET EVEN MORE CHALLENGING

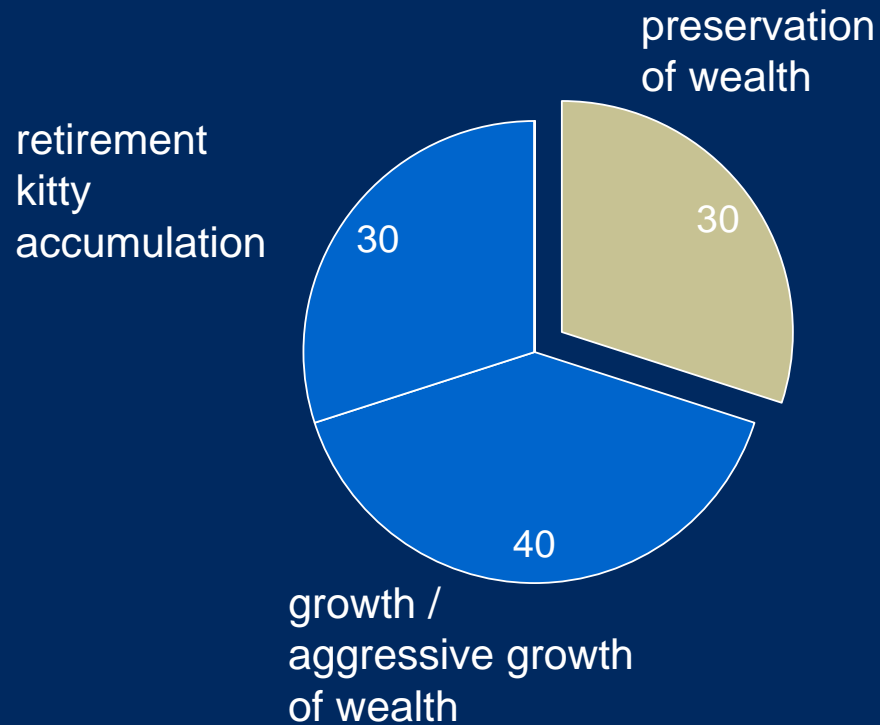
Client perceptions of Wealth Management providers

- Industry motivated by greed
- Firms putting their own interest ahead of clients
- Lack of internal controls to check client portfolio losses
- Reluctance to punish mis-selling
- Insufficient disclosure of risk
- Forced account churning
- Hidden charges
- High commissions

PRESERVATION OF WEALTH IS NOW THE KEY TO MAINTAINING CLIENT TRUST

Traditional objectives of WM clients

%

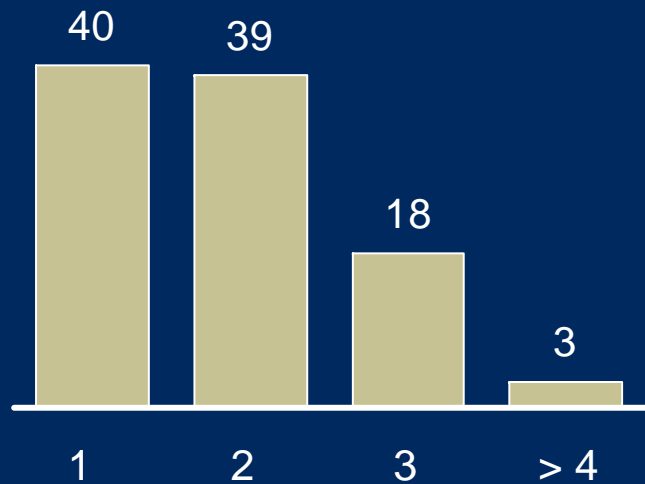


What do we need to offer.....

- Capital guaranteed structured notes
- Pure vanilla fixed coupon deposits
- Short term gold linked notes

IT COSTS 5 TIMES AS MUCH TO ADD NEW CLIENTS AS IT DOES TO RETAIN ONE EXISTING CLIENT

Number of providers used by WM clients
%



Focus on client retention.....

- Protect their interest and they will be with you
- Keep them involved all the time
- Ensure that you align your advice with their needs, and more importantly their aspirations and style
- Remember, only about 4-5% unhappy clients would actually tell you. They will simply switch...

KEY WEALTH MANAGEMENT TRENDS THAT ARE EMERGING IN THE CURRENT SCENARIO....

LEVERAGE IS OUT

PRESERVATION IS THE MANTRA

ONSHORE INVESTMENTS COULD RISE

'ME-BRIC' COULD BE THE PREFERRED INVESTMENT REGIONS

CLIENT INVOLVEMENT IS A MUST (MORE PARTICIPATORS)

REASSURANCE HELPS EVERYONE!

A GOLDEN CUSTOMER DEFINITION BY A GREAT MAN.....

“Customer is the most important aspect of any business

He is not an outsider but part of the business

Is doing the business a favour and not the other way around

Customer is almost never dependent upon the business – the business depends upon them

Customer is the purpose of any business and never an interruption

Customer satisfaction is the primary job of every business

Customer is the life-blood of any and every business and thus deserves the most courteous and attentive treatment”