

Perception of Advisors regarding the Factors influencing the Behaviour of Investors with respect to Wealth Management Service and Wealth Management Services Provider Selection

Ashish Arora¹ and Rashim Verma²

¹Assistant Professor, University Business School, Guru Nanak Dev University College, Punjab, India.

²Research Scholar, Guru Nanak Dev University, Amritsar, Punjab, India.

CITATION: Arora, Ashish and Verma, Rashim (2019), "Perception of Advisors regarding the Factors influencing the Behaviour of Investors with respect to Wealth Management Service and Wealth Management Services Provider Selection", *MERC Global's International Journal of Management*, Vol. 7, Issue 1, pp. 63-75.

ARTICLE HISTORY: Submitted: October 15, 2018, Revision received: November 12, 2018, Accepted: November 20, 2018

ARTICLE TYPE: Research paper

ABSTRACT

Wealth management is an integrated financial service offered by the banks, corporate registered advisors, and individually registered advisors covering the client's entire balance sheet. To strive for competitive differentiation, to cope with diverse challenges and to meet the ever changing needs of the clients, wealth managers have to come across different products, pricing and channels. The major demand of clients while availing wealth management services are greater breadth and depth of products. A further challenge is provided to wealth managers, when clients show a willingness to expand their wealth allocation widely across different asset classes and across different geographies. In India, although growth of wealth management services, especially in the last few years is phenomenal and wealth management industry has been flooded with lots of new facilities and innovations, but existing literature does not supplement it with research. Hardly any study discussed about segregation of clients into the high net worth and mass affluent investors and also studies relating to categorisation of advisors as bank financial advisors, independent financial advisors and corporate financial advisors and their perception regarding behaviour of high net worth and mass affluent investors with wealth management services and wealth management service provider selection are negligible. Therefore, an attempt has been made to study the perception of advisors regarding the factors influencing the behaviour of investors with respect to wealth management services and wealth management service provider selection.

KEYWORDS: Wealth management services, Financial advisors, Investment selection behaviour.

REFERENCES

1. Abratt, R. and Russell, J. (1999), "Relationship marketing in private banking in South Africa", *International Journal of Bank Marketing*, Vol. 17, Issue 1, pp. 5-19.
2. Beatty, S. E.; Mayer, M.; Coleman, J. E.; Reynolds, K.E. and Lee, J. (1996), "Customer-sales associate retail relationships", *Journal of Retailing*, Vol. 72, Issue 3, pp. 223-47.
3. Beaverstock, J. V. (2012), The privileged world city: private banking, wealth management and the bespoke servicing of the global super-rich, *International Handbook of Globalisation and World Cities*, pp. 378-389.
4. Beaverstock, J. V.; Hall, S. and Wainwright, T. (2013), "Servicing the super-rich: new financial elites and the rise of the private wealth management retail ecology", *Regional Studies*, Vol. 47, Issue 6, pp. 834-849.
5. Choudhury, K. (2013), "Service quality and customers' purchase intentions: an empirical study of the Indian banking sector", *International Journal of Bank Marketing*, Vol. 31, Issue 7, pp. 529-543.
6. Doran, J. S.; Peterson, D. R. and Wright, C. (2010), "Confidence, opinions of market efficiency, and investment behaviour of finance professors", *Journal of Financial Markets*, Vol. 13, Issue 1, pp. 174-195.

7. Doran, J. S.; Peterson, D. R. and Wright, C. (2010), "Confidence, opinions of market efficiency, and investment behaviour of finance professors", *Journal of Financial Markets*, Vol. 13, Issue 1, pp. 174-195.
8. Dufey, G. (2009), Private Banking in Asia - A Survey, Working paper presented at 22nd Australasian Finance and Banking Conference, August 28, 2009, available at: <http://ssrn.com/abstract=1463261>.
9. Gnani, D. V.; Ganesh, J. and Santhi, V. (2012), "A Study on the Individual Investor Behaviour with Special Reference to Geojit BNP Paribas Financial Service Ltd, Coimbatore", *International Journal of Research in Management & Technology*, Vol. 2, Issue 2, pp. 243-252.
10. Gonzalez-Carrasco, I.; Colomo-Palacios, R.; Lopez-Cuadrado, J. L.; Garcı, Á. and Ruiz-Mezcua, B. (2012), "PB-ADVISOR: A private banking multi-investment portfolio advisor", *Information Sciences*, 206, pp. 63-82.
11. Grover, H. (2015), "Review on Factors Influencing Investor's Wealth Management Behaviour", *The International Journal of Business & Management*, Vol. 3, Issue 4, pp. 336-343.
12. Hackethal, A.; Haliassos, M. and Jappelli, T. (2012), "Financial advisors: A case of babysitters?", *Journal of Banking & Finance*, Vol. 36, Issue 2, pp. 509-524.
13. Maude, D. (2006), *Global Private Banking and Wealth Management: the new realities*, Chichester: Wiley.
14. Maude, D. and Molyneux, P. (1996), *Private banking: maximising performance in a competitive market*, London: Euromoney.
15. Molyneux, P. and Omarini, A. (2005, August), Private Banking in Europe-Getting Clients and Keeping Them, In *Annual Conference of the European Association of University Teachers of Banking and Finance*, Cass Business School, City University, London, September.
16. Ramesh, A.; Murthy, S Sreenivasa and Kumar, P. Vijaya (2018), "An Exposition of Life Insurance Policies Buying Behaviour: A Study in Hyderabad", *MERC Global's International Journal of Management*, Vol. 6, Issue 1, pp. 01-12.
17. Stoughton, N. M.; Wu, Y. and Zechner, J. (2011), "Intermediated investment management", *The Journal of Finance*, Vol. 66, Issue 3, pp. 947-980.
18. Wu, C. R.; Lin, C. T. and Tsai, P. H. (2008), "Financial service of wealth management banking: Balanced scorecard approach", *Journal of Social Sciences*, Vol. 4, Issue 4, pp. 255-263.
19. Wu, C. R.; Lin, C. T. and Tsai, P. H. (2009), "Analysing alternatives in financial services for wealth management banks: the analytic network process and the balanced scorecard approach", *IMA Journal of Management Mathematics*, Vol. 20, Issue 3, pp. 303-321.
20. Wu, C. R.; Lin, C. T. and Tsai, P. H. (2010), "Evaluating business performance of wealth management banks", *European Journal of Operational Research*, Vol. 207, Issue 2, pp. 971-979.
21. Wu, C. R.; Lin, C. T. and Tsai, P. H. (2011), "Financial service sector performance measurement model: AHP sensitivity analysis and balanced scorecard approach", *The Service Industries Journal*, Vol. 31, Issue 5, pp. 695-711.
22. Yu, V. F. and Ting, H. I. (2011), "Identifying key factors affecting consumers' choice of wealth management services: an AHP approach", *The Service Industries Journal*, Vol. 31, Issue 6, pp. 929-939.