

Satisfying needs of middle class through private banking

According to Sipho Silinda, CEO of FNB Private Clients, South African banks have been ramping up efforts to offer compelling private banking services to cater for the unique needs of the country's middle class population.



© vladischern – 123RF.com

A report by the University of Cape Town's Unilever Institute of Strategic Marketing says that the number of black South Africans classified as middle class has been rising. The findings revealed that citizens in this bracket have significant spending power.

Changing financial needs

"The growth of the middle class has played a key role in the roll-out of private banking services over the years. As people continue to move up the income or wealth ladder, their financial needs start changing, so our intention is to assist and guide such individuals towards attaining financial independence," says Silinda.

"Private banking is ideal for this market because qualifying individuals gain access to benefits and solutions they could easily overlook without a private banker. Private bankers, assisted by a team of specialists, are better positioned to help clients make better financial decisions. We equally encourage clients to make use of private banking services, not only for convenience but to help improve their financial position."

Changing client needs

Silinda says institutions offering private banking services will need to keep up with the pace of change in their client's needs. "The success of the relationship largely depends on providing ideal or customised solutions to address financial angst. This will be achieved through closer relations between private bankers and individual clients."

His views are consistent with the findings of Deloitte's 2015 Wealth Management and Private Banking research report, which found that the global financial crisis has modified client relationship models from passive to becoming more pro-active. Deloitte states that even though multi-channel interaction can maximise client experience, private bankers will increasingly become the single point of contact between clients and the various experts within institutions.

For more, visit: <https://www.bizcommunity.com>