



## Differentiation Strategy in Private Banking Services in India: Identifying Role of Tangible Factors & Traits Affecting Service Levels

Ashish Arora<sup>1</sup>, Sushendra Kumar Misra<sup>2</sup> and Rashim Verma<sup>3</sup>

<sup>1</sup>Assistant Professor, Guru Nanak Dev University College, Jalandhar, Punjab, India.

<sup>2</sup>Registrar & Head- Center of Continuing Education,

Dr. B R Ambedkar National Institute of Technology Jalandhar, Punjab, India.

<sup>3</sup>Assistant Professor, Guru Nanak Dev University College, Jalandhar, Punjab, India.

(Corresponding author: Sushendra Kumar Misra)

(Received 5 June 2019, Revised 25 August 2019 Accepted 02 September 2019)

(Published by Research Trend, Website: [www.researchtrend.net](http://www.researchtrend.net))

**ABSTRACT:** Financial services being provided to financial elites have been markedly changed during last thirty-five years. Historically in UK, rich and HNW clients have been provided financial services particularly by private banks, like Lombard Odier, Coutts & Co. and Grindleys. Then arises sea change in this elite transaction sector when retail banks began offering private banking and premier accounts to rapidly increasing new and middle class segment. By imagining this deep valley of profits by transforming super rich customers into private banking clients, their services extended from 'traditional', established business model that rotate around deposit and payments, into newly emerging private banking industry where along with providing professional advices, efforts are being made for protection and growth of funds. In this paper, attempt has been made to find out important Traits and Tangible factors affecting selection behavior of investors while availing Private Banking Services (PBS). Results indicate that out of tangible factors mass affluent investors attach highest importance to investment management facilities like systematic investment plans, systematic withdrawal plan and systematic transfer plan while HNW investors assign highest importance to clarity and transparency in WMS provider terms and conditions. Mass affluent investors while looking for various traits associated with PBS attach highest importance to advisory fees charged while HNW investors attach highest importance to both initial expenses and exit expenses involved.

**Keywords:** Private Banking Services, Service Quality, Investors.

### I. INTRODUCTION

Private Banking Services (PBS) can be stated in terms of typical type of financial planning providing exclusive services to High Net worth (HNW) individuals and families with the goal of sustaining and expanding long-term wealth [1,2]. PBS mainly concerns with providing of high-quality financial and related services along with retail banking products like payment and account facilities. Provision of offering high quality services plus market segmentation fabricates the backbone of PBS. Pivotal factors of these services include: personal contact, anticipation of clients needs, tailoring services specifically according to clients' needs, developing long term relations, and discretion and investment performance. The term "private" refers to the service being performed by private banker on a more personal and one to one basis. PBS is a banking activity where HNW clients are provided with tailor-made financial advisory, management and investment services on a comprehensive and long-term basis. History evidenced that heart of PBS lies in developing closer and intense relations by adopting professional approach [3]. Importance of efficiency of services rather than on developing personal and friendly relations, thus suggesting that face to face interactions are preferred by customers who desire social and psychological benefits by establishing personal relationships with banks [4].

#### A. Private Banking and Retail Banking

Private banking arm is extension of retail banking arm of the banks because services are charged as a percentage of total amounts invested. Segmentation of market and provision of high relationship, risk compensation and commensurable returns constitute major components of private banking. Services which are being offered under PBS differ significantly from the services offered to customers in general as these services are offered for longer period investment projects of highly heterogeneous and complex nature [5]. While comparing to retail banking customers, customers qualifying to get private services are exceptional with respect to their economic status and large deposits. As a result, relationship banker found private banking customers require extraordinary and consistent levels of service quality [6]. Another significant difference between retail banking and PBS is of product offered where along with the retail banking products, high contact customers are also offered with portfolio management, investment advisory services, estate planning, trust services and tax advice. Mostly banks tend to have separate departments for each of these services.

#### B. Private Banking and Wealth Management Services

PBS, the term associated with Wealth Management Services can be suitably connected to individuals who have amassed wealth or begin to accumulate wealth,

while PBS is appropriately fitted with HNW individuals who already accumulated a remarkable amount of wealth. Thus, Private banking provided by banks though deeply related with wealth management services, forms an extensive, more exclusionary, subset of wealth management services. "PBS though started out as *personal banking*, became *private banking*, transformed into *private client services*, and finally evolved into *wealth management*" [3]. Private banking can rightly be remarked as ancestor of wealth management services, having a long pedigree, found its existence since seventeenth century in some of the private British banks [7].

### C. Players in Private Banking

A decade ago, many private advisors masked themselves, known by very few people. Today every player in investment and banking feel happy to call himself as wealth manager and it becomes very difficult to name a single financial institution which is not targeting this industry. Depending upon the stipulated entry requirements and the financial institution, the complexity and level of private banking differs and as the complexity of products increases, degree of personalized service also increases. As compared to mass affluent, ultra HNW investors require more personalized service because of their demand of more complex products [8]. There are huge differences in between players in terms of client served and product and services being offered, difference in distribution channels, difference in value chain, scale and coverage. There are also a number of players who are stretching their activities and are providing private banking to wide range of investors mainly including insurance companies, accountancy companies and attorneys. Thus traditionally dominated by stock brokers, now private banking is target area of every financial institution consisting of two main models:

1. *North American model* where full-service, discount brokers and money managers having target area of investments rather than deposit gathering dominates the industry with emphasis on a transaction driven, commission-based business model.

2. *European model* where universal and traditional private banks having ability to provide inclusive list of product and services. The emphasis in this model is on a fee-based business and model has been adopted by number of private banking in India.

## II. REVIEW OF LITERATURE

Study of financial market has been a subject of a multichannel analysis but inquiry into PBS area is sporadic. Literature exhibited few researches in the area when researchers talked about PBS. Literature evidenced service quality as a strategic force in WM industry. Service quality is of high priority in PBS as PBS is highly professionalized section and for achieving trust and confidence of client, banker should adopt highly intense relationship oriented marketing approach and for achieving customer satisfaction there is need to adopt the appropriate structure and systems ensuring splendid service quality [9].

Another research talked about service quality in PBS where researchers to examine the influence of quality of service on customer satisfaction in WM industry, used

two distinct methodological perspectives viz. SERVQUAL and Technical/Functional Quality model [9,10,11]. Total of 300 questionnaires were administered on private banking customers of USA and South America international bank. 65 usable questionnaires were analyzed. Customer satisfaction was taken as a dependent variable and measured using OLS regression model. In order to predict customer satisfaction, both models were compared using two moderators (Communication and Service failure) of the service-quality/customer-satisfaction relationship. Overall findings were of importance to service managers as they strived to identify efficient and effective approaches for improving quality. Results indicated that as private banking was well represented by HNW investors; technical/functional quality model was better able to identify satisfaction, as customers have concern for delivery of services in private banking similar to finding as indicated [12]. They also concluded that HNW customers involving high expectations and standard, gives more importance to functional quality to differentiate service providers and also argued that service failure and the type of communication between private banker and consumers influenced the effects of quality on satisfaction.

Service quality remains a subject of strategic importance in financial sector. PSB in Asia adopted an Individual depth interview with two bankers having more than 20 years of financial service experience and focus group study with 5 bankers having diversified experience with banking or credit functions and presently serving in banks of Indonesia, Malaysia, Taiwan, and Vietnam. The paper concluded with the remarks that banker should be professionally competent, technically strong and should know the clients well. Researcher had also discussed the issue of cross selling of the products as satisfied client do refer friends, relative the products of the banks and also tend to use other product and services but there is great risk for the private banker as any loophole in other banking products and services will bring bad image to private banking business [13]. Success of the portfolio management depends on trust between client and the wealth manager [14]. Cross sectional analysis of various private bankers working in various institutions based on clear segmentation of various practitioners as specialist working at private bank and family offices, and private wealth advisors has been performed [15]. By analyzing the opinion of 159 European advisors, researcher found that Wealth managers, though aware of limitations of traditional investment approaches, didn't make substantial use of modern asset allocation models because of inherent complexity attached with it. Research results attached greater emphasis to variable financial sophistication as clients' segmentation based on financial sophistication has the best discriminatory power with respect to customer satisfaction [16]. The significant contribution to PBS is made by researcher in Taiwan where they had applied different techniques to assess the performance and ranking of WM Banks [18-20]. An effective framework using both Analytic hierarchy process (AHP) and Technique for Order of Preference by Similarity to Ideal Solution (TOPSIS) methods has been applied to analyze organizational

performance of banks in Taiwan. Researchers proposed a model based on four dimensions of financial services derived from Balanced Score card. Application of AHP and TOPSIS models helps in constructing an evaluation approach that can guide decision makers or administrators with a valuable source to evaluate organizational performance [17]. Taking the same variables, which researchers have adopted in study conducted in major triggers and factors affecting investment decisions were analyzed by where researcher investigated empirical data of six focus groups of customers and eleven financial expert interviews to explore reasons influencing behavior in Finland private banking sector [21]. Result indicate that if clients were assured of their confidentiality, they would be more willing to trust and easily disclose personal and financial position and consequently cooperate with the financial advisors to avail WMS. Bad loans also affect the quality service [22]. There is vast amount of investment selection literature, both at the global level and at Indian level regarding factors affecting investment behavior, however, when we talk about PBS, there is a huge gap. So attempt has been made to find out differentiating factors that affect selection behavior of investors while availing PBS [23].

### III. RESEARCH METHODOLOGY

#### A. Objective of the Study

To study the perception of investors regarding the importance of various tangible factors and traits associated with PBS while availing these services.

#### B. Sample

As per the requirement of the study, the respondents consist of two types of Investors viz.: mass affluent and HNW investors.

Mass Affluent Investors: *Any investor who has invested in any of the product offered under Private Banking during the period starting from 1<sup>st</sup> of Jan, 2018 to 31<sup>st</sup> Dec, 2018 and whose individual investment at the time of study was less than ` 15 lacs and less`.*

HNW Investors: *Any investor who has invested in the product offered under Private Banking during the period starting from 1<sup>st</sup> of Jan, 2018 to 31<sup>st</sup> December, 2018 and whose individual investment at the time of study was ` 15 lacs and more`.*

The study has been conducted in major cities of Punjab as Jalandhar, Ludhiana, Amritsar and Chandigarh as major Private Bankers are located in these regions only. Since it is not feasible for enlisting entire universe of investors, the list of the investors is prepared with the help of Private Banker there after sample of investors has been selected from this prepared list. Investors after being connected over phone, introduced regarding the research and the objectives of the project. From the list of 610 investors, 600 investors are being contacted, out of which 550 investors from different cities agree to be the part of the project. 50 questionnaires are found to be incomplete in some or the other respect. So out of 550 respondents, responses of 500 investors are valid and taken into consideration, which consists of 290 mass affluent investors and 210 HNW investors.

#### C. Hypothesis

1.  $H_0$ : The relative importance of tangible factors attached with PBS Providers influencing selection of PBS is not significantly different across various categories of investors.

$H_A$ : The relative importance of tangible factors attached with PBS Providers influencing selection of PBS is significantly different across various categories of investors.

2.  $H_0$ : The relative importance of traits associated with PBS influencing selection of PBS is not significantly different across various categories of Investors.

$H_A$ : The relative importance of traits associated with PBS influencing selection of PBS is significantly different across various categories of Investors.

### IV. RESULTS AND DISCUSSION

#### 1 Importance of Construct 'Tangible Factors attached with PBS Provider'

Tangible factors attached with PBS providers also play a dominant role in the selection process. Table 1 depicts importance attached by investors to tangible factors while selecting PBS provider.

It can be inferred from the table that mass affluent investors attach highest importance to *investment management facilities like systematic investment plans, systematic withdrawal plan and systematic transfer plan* (M = 4.37, SD = 0.69) followed by *clarity and transparency in PBS providers' terms and conditions* (M = 4.28, SD = 0.65) and *office ambience* (M = 4.23, SD = 0.87). Whereas, HNW investors attach highest importance to *clarity and transparency in PBS providers terms and conditions* (M = 4.22, SD = 0.82) followed by *easier and hassle free investment process* (M = 4.14, SD = 0.94) and *office ambience* (M = 3.95, SD = 0.98). Least preference is given to *office location* by mass affluent investors (M = 2.78, SD = 1.10) and HNW investors (M = 2.72, SD = 1.14).

#### B. Importance of Construct 'Traits Associated with PBS'

Various traits associated with PBS are an important criterion affecting selection behavior. Table 2 depicts investors' attitude towards the construct Traits associated with PBS.

Mass affluent investors attach highest importance to *advisory fees charged* (M = 4.40, SD = 0.69) followed by *initial investment involved* (M = 4.37, SD = 0.69) and *maintenance expenses involved* (M = 4.24, SD = 0.77). Laby, A.B. also highlighted importance of fees charged and registration of advisors. On the other hand, HNW investors while looking for various traits associated with PBS attach highest importance to both *initial expenses* (M = 4.17, SD = 0.93) and *exit expenses* involved (M = 4.17, SD = 0.94) followed by *experience of wealth manager* (M = 3.95, SD = 0.98). Banjo, in his article suggested for a formal written outline of the services the advisor will be providing and fees to be charged. Mass affluent assign lowest importance to *asset quality in portfolio* (M = 2.78, SD = 1.10) and HNW investors also assign lowest importance to *asset quality in portfolio* (M = 2.72, SD = 1.14).

**Table 1: Importance given by Investors to construct ‘Tangible factors attached with PBS providers’.**

Sr. No.	Tangible factors attached with PBS Providers	Mass Affluent Investors Mean (SD) (N=290)	High Net Worth Investors Mean (SD) (N=210)
1.	Paperless Investment process	2.98 (1.20)	2.91(1.22)
2.	Office Ambience	4.23 (0.87)	3.95 (0.98)
3.	Flexibility in operating hours as per the convenience of the customers	4.16 (0.88)	3.88 (0.91)
4.	Adequate and experienced personnel for good customer service	3.84 (1.15)	3.72 (1.12)
5.	Call centres and Toll free number provisions	3.99 (1.01)	3.89 (0.94)
6.	Office Location	2.78 (1.10)	2.72 (1.14)
7.	Clarity and transparency in PBS providers' terms and conditions.	4.28 (0.65)	4.22 (0.82)
8.	Easier and hassle free investment process	4.20 (0.82)	4.14 (0.94)
9.	Wider investment management facilities like Systematic investment plans, systematic withdrawal plan and systematic transfer plan	4.37 (0.69)	3.92 (1.04)
10.	Localized operations	2.98 (1.20)	2.97 (1.24)
11.	Parking space	3.03 (1.16)	3.06 (1.14)
12.	Online research tools	3.71 (1.11)	3.56 (1.16)
13.	Investment calculators	3.54 (1.12)	3.39 (1.08)
14.	Access to wealth management reports	3.65 (1.12)	3.85 (1.02)
15.	Well explained Promotional and information material associated with services	3.56 (1.16)	3.28 (1.07)
16.	Well informed websites	3.63 (1.09)	3.32 (1.10)

**Table 2: Importance given by Investor to Construct ‘Traits Associated with PBS’.**

Sr. No.	Traits Associated with PBS	Mass Affluent Investors Mean (SD) (N=290)	High Net Worth Investors Mean (SD) (N=210)
1.	Maintenance expenses involved	4.24 (0.77)	3.90 (1.04)
2.	Initial Expenses involved	4.37 (0.77)	4.17 (0.93)
3.	Number of services offered	3.84 (1.15)	3.61 (1.16)
4.	Income tax benefits	3.55 (1.18)	3.51 (1.18)
5.	Growth Prospects	3.60 (1.12)	3.40 (1.09)
6.	Risk coverage	3.78 (1.10)	3.88 (1.03)
7.	Maturity profile of the assets in portfolio	2.99 (1.11)	3.09 (1.10)
8.	Asset quality in portfolio	2.78 (1.10)	2.72 (1.14)
9.	Exit expenses involved	4.13 (0.86)	4.17 (0.94)
10.	Product Depth	2.88 (1.18)	2.90 (1.22)
11.	Initial Investment involved	4.37 (0.69)	3.92 (1.04)
12.	Minimum ticket size of portfolio	3.04 (1.23)	2.94 (1.23)
13.	Capital gain tax benefit	3.47 (1.17)	3.22 (1.09)
14.	Return performance	3.59 (1.05)	3.33 (1.09)
15.	Experience of Wealth manager	4.23 (0.87)	3.95 (0.98)
16.	Value added services provided like Priority Services	4.16 (0.88)	3.88 (0.91)
17.	Advisory fees charged	4.40 (0.69)	3.92 (1.04)
18.	Product Breadth	3.17 (1.27)	3.23 (1.28)

*C. Application of Independent Sample t-test to Tangibles Factors attached with PBS Provider affecting Investors' Decision of Selecting PBS*

In order to analyse the difference in the buying pattern and decision making process of the investors, independent sample t-tests are applied. The inferences are drawn between mass affluent and HNW investors with respect to their buying pattern and decision process in different aspects of selection of PBS. Here, the independent sample t-test is applied in order to test the significance of difference between investors in terms of various aspects of tangible factors attached with PBS provider.

The Tangibles Factors attached with PBS provider also play very important role in selection process of PBS by

the investors. The importance of tangible factors influences the investment decision of the investors. Table 3 depicts results of independent sample t-test results to check the 1<sup>st</sup> Hypothesis. Results indicate that there exists significant difference between Mass Affluent and HNW investors in term of importance of various tangible factors like office ambience, flexibility in operating hours as per the convenience of the customers, wider investment management facilities like systematic investment plans, systematic withdrawal plan and systematic transfer plan, access to wealth management reports, well explained promotional and information material associated with services and well informed websites.

**Table 3: Independent Sample t-Test Results with respect to construct “Tangibles Factors Attached with PBS Providers”.**

Sr. No.	Tangible Factors Attached with PBS Providers	Mass Affluent Investors Mean ( SD) (N=290)	High Net Worth Investors Mean (SD) (N=210)	P value	Remark
1.	Paperless Investment process	2.98 (1.20)	2.91(1.22)	0.543	No Significant Difference
2.	Office Ambience	4.23 (0.87)	3.95 (0.98)	0.001	Significant Difference
3.	Flexibility in operating hours as per the convenience of the customers	4.16 (0.88)	3.88 (0.91)	0.001	Significant Difference
4.	Adequate and experienced personnel for good customer service	3.84 (1.15)	3.72 (1.12)	0.255	No Significant Difference
5.	Call centre and Toll free number provisions	3.99 (1.01)	3.89 (0.94)	0.260	No Significant Difference
6.	Office Location	2.78 (1.10)	2.72 (1.14)	0.607	No Significant Difference
7.	Clarity and transparency in PBS providers' terms and conditions.	4.28 (0.65)	4.22 (0.82)	0.335	No Significant Difference
8.	Easier and hassle free investment process	4.20 (0.82)	4.14 (0.94)	0.499	No Significant Difference
9.	Wider investment management facilities like Systematic investment plans, systematic withdrawal plan and systematic transfer plan	4.37 (0.69)	3.92 (1.04)	0.000	Significant Difference
10.	Localized operations	2.98 (1.20)	2.97 (1.24)	0.968	No Significant Difference
11.	Parking space	3.03 (1.16)	3.06 (1.14)	0.741	No Significant Difference
12.	Online research tools	3.71 (1.11)	3.56 (1.16)	0.138	No Significant Difference
13.	Investment calculators	3.54 (1.12)	3.39 (1.08)	0.122	No Significant Difference
14.	Access to wealth management reports	3.65 (1.12)	3.85 (1.02)	0.042	Significant Difference
15.	Well explained Promotional and information material associated with services	3.56 (1.16)	3.28 (1.07)	0.006	Significant Difference
16.	Well informed websites	3.63 (1.09)	3.32 (1.10)	0.002	Significant Difference

No significant difference exist in case of factors like paperless investment process, adequate and experienced personnel for good customer service, call centres and toll free number provisions, office location, clarity and transparency in PBS provider terms and conditions, easier and hassle free investment process, localized operations, parking space, online research tools and investment calculators.

*D. Application of Independent Sample t-test to Traits Associated with PBS affecting Investor's Decision of Selecting PBS*

The various traits associated with PBS also play very important role in selection process of PBS by the investors. In order to analyze the difference, if any, between the relative importance's attached to various

Traits attached with PBS across different categories of investors is tested by checking 2<sup>nd</sup> hypothesis. Results indicate that there exists significant difference between mass affluent and HNW investors in term of importance attached to various traits like maintenance expenses involved, initial investment involved, capital gain tax benefit, return performance, experience of wealth manager, value added services provided like priority service and advisory fees charged. No significant difference exist in case of factors like initial expenses involved, income tax benefits, growth prospects, risk coverage, maturity profile of the assets in portfolio, asset quality in portfolio, exit expenses involved, product depth, minimum ticket size of portfolio and product breadth.

**Table 4: Independent Sample t-Test Results with respect to construct ‘Traits associated with PBS’.**

Sr. No.	Traits	Mass Affluent Investors Mean (SD) (N=290)	High Net Worth Investors Mean (SD) (N=210)	P value	Remarks
1.	Maintenance expenses involved	4.24 (0.77)	3.90 (1.04)	0.000	Significant Difference
2.	Initial Expenses involved	4.22 (0.77)	4.17 (0.93)	0.452	No Significant Difference
3.	Number of services offered	3.84 (1.15)	3.61 (1.16)	0.030	Significant Difference
4.	Income tax benefits	3.55 (1.18)	3.51 (1.18)	0.750	No Significant Difference
5.	Growth Prospects	3.60 (1.12)	3.40 (1.09)	0.052	No Significant Difference
6.	Risk coverage	3.78 (1.10)	3.88 (1.03)	0.280	No Significant Difference
7.	Maturity profile of the assets in portfolio	2.99 (1.11)	3.09 (1.10)	0.322	No Significant Difference
8.	Asset quality in portfolio	2.78 (1.10)	2.72 (1.14)	0.607	No Significant Difference
9.	Exit expenses involved	4.13 (0.86)	4.17 (0.94)	0.692	No Significant Difference
10.	Product Depth	2.88 (1.18)	2.90 (1.22)	0.883	No Significant Difference
11.	Initial Investment involved	4.37 (0.69)	3.92 (1.04)	0.000	Significant Difference
12.	Minimum ticket size of portfolio	3.04 (1.23)	2.94 (1.23)	0.359	No Significant Difference
13.	Capital gain tax benefit	3.47 (1.17)	3.22 (1.09)	0.016	Significant Difference
14.	Return performance	3.59 (1.05)	3.33 (1.09)	0.008	Significant Difference
15.	Experience of Wealth manager	4.23 (0.87)	3.95 (0.98)	0.001	Significant Difference
16.	Value added services provided like Priority Services	4.16 (0.88)	3.88 (0.91)	0.001	Significant Difference
17.	Advisory fees charged	4.40 (0.69)	3.92 (1.04)	0.000	Significant Difference
18.	Product Breadth	3.17 (1.27)	3.23 (1.28)	0.626	No Significant Difference

#### IV. CONCLUSIONS AND FUTURE SCOPE

##### A. Tangibles Factors attached with PBS providers

- Importance scale when applied to various tangibles attached with PBS providers, indicate that mass affluent investors attach highest importance to investment management facilities like systematic investment plans, systematic withdrawal plan and systematic transfer plan while HNW investors attach highest importance to clarity and transparency in PBS provider terms and conditions. Least preference is given to office location by mass affluent and HNW investors.
- There exist significant different between the perceptions of mass affluent and HNW investors with respect to importance of tangibles attached with PBS providers as mass affluent investors give more importance to office ambience, flexibility in operating hours as per the convenience of the customer, wider investment management facilities like systematic investment plans, systematic withdrawal plan and systematic transfer plan, well informed websites, well explained promotional and information material associated with services while HNW investors assigned highest importance to access to wealth management reports.

##### B. Traits associated with PBS

- Out of various variables attached with traits associated with PBS, results indicate that mass affluent investors attach highest importance to advisory fees charged while HNW investors while looking for various traits attached with PBS attach highest importance to both initial expenses and exit expenses involved. Both mass affluent and HNW investors attach lowest importance to asset quality in portfolio.
- Mass affluent and HNW investors vary in their perception with respect to importance attach to various traits associated with PBS as mass affluent investors in comparison to HNW investors assign higher importance to maintenance expenses involved, number of services offered, initial investment involved, capital gain tax benefit, return performance and experience of wealth manager, value added services provided like priority services and advisory fees charged.

The study recommends development of more accessibility in terms of investment management, withdrawal and transfer plans for the mass affluent investors and at the same time developing and reflecting more clarity and transparency in terms and conditions for HNW investors. Targeted efforts towards mass affluent investors should highlight more on advisory fees charges while targeting HNW investors

more focus should be on initial and exit expenses. It is also recommended that mass affluent investors should be provided more clarity on minimum initial investment along with charges and also ancillary services offered. PBS providers should discourage widespread churning of the portfolio and should encourage the HNW to invest in accordance with the scheme objectives rather than influence of service providers.

**Conflict of Interest:** There is no conflict of interest.

#### ACKNOWLEDGMENT

The authors wish to convey our heartfelt thanks to our institute for providing better research environment for successfully completing our research. Also, we would like to extend our sincere thanks to all authors of reference.

#### REFERENCES

- [1]. Gao, S., Wang, H., Wang, Y., Shen, W., & Yeung, S. (2005). Web-service-agents-based family wealth management system. *Expert Systems with Applications*, 29(1), 219-228.
- [2]. Moehliman, M. (2004). What is wealth management?-The greatest enemy of financial independence is the basic human nature of providers and consumers. *Dental Economics*, 94, 138-138.
- [3]. Foehn, P. (2004). Client valuation in private banking: results of a case study in Switzerland. *Managing Service Quality: An International Journal*, 14(2/3), 195-204.
- [4]. Clark, M.S., & Mills, J. (1993). The difference between communal and exchange relationships: What it is and is not. *Personality and Social Psychology Bulletin*, 19(6), 684-691.
- [5]. Åkerlund, H. (2005). Fading customer relationships in professional services. *Managing Service Quality: An International Journal*, 15(2), 156-171.
- [6]. Lassar, W.M., Manolis, C., & Winsor, R.D. (2000). Service quality perspectives and satisfaction in private banking. *Journal of services marketing*, 14(3), 244-271.
- [7]. Maude, D., & Molyneux, P. (1996). *Private banking: maximising performance in a competitive market*. London: Euromoney.
- [8]. Molyneux, P. & Omarini, A. (2005). 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*.
- [9]. Horn, C., & Rudolf, M. (2011). Service quality in the private banking business. *Financial Markets and Portfolio Management*, 25(2), 173-195.
- [10]. Parasuraman, A., Zeithaml, V.A., & Berry, L.L. (1988). Servqual: A multiple-item scale for measuring consumer perc. *Journal of retailing*, 64(1), 14-40.
- [11]. Groenroos, C. (1990). *Service Management and Marketing*. Lexington, MA: Lexington Books.
- [12]. Mittal, B., & Lassar, W.M. (1998). Why do customers switch? The dynamics of satisfaction versus loyalty. *Journal of services marketing*, 12(3), 177-194.
- [13]. Ang, S.K. (2010). A qualitative study on the challenges of private banking in Asia. *The Journal of Wealth Management*, 12(4), 68-77.
- [14]. Viswacheda, D.V., Anthony, P., Chang, R., & On, C.K. (2012). Development of a Semantic Multi-Agent Based Intelligent Ethical Wealth Management Planner. *International Journal of Computer Theory and Engineering*, 4(6), 876-879.
- [15]. Schröder, D. (2013). Asset allocation in private wealth management: Theory versus practice. *Journal of Asset Management*, 14(3), 162-181.
- [16]. Jansen, C., & Hackethal, A. (2008). How to Meet Private Investors' Advisory Needs. Paper presented at 20th Australasian Finance & Banking Conference 2007. Available at <http://ssrn.com/abstract=1009194>.
- [17]. Wu, C.R., Lin, C.T., & Tsai, P.H. (2008). Financial service of wealth management banking: Balanced scorecard approach. *Journal of social sciences*, 4(4), 255-263.
- [18]. Wu, C.R., Lin, C.T., & 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*, 20(3), 303-321.
- [19]. Wu, C.R., Lin, C.T., & Tsai, P.H. (2010). Evaluating business performance of wealth management banks. *European Journal of Operational Research*, 207(2), 971-979.
- [20]. Wu, C.R., Lin, C.T., & Tsai, P.H. (2011). Financial service sector performance measurement model: AHP sensitivity analysis and balanced scorecard approach. *The Service Industries Journal*, 31(5), 695-711.
- [21]. Sunikka, A. and Peura-Kapanen, L. (2008). Investment triggers and trust - A comparative study of perceptions of consumers and financial experts. Proceedings of the IAREP/SABE 2008 World Meeting at LUISS, Rome, Italy, 3-6. September 2008. LUISS University Press.
- [22]. Misra S.K. and Rana, R. (2019). Non- Performing Asset of Public and Private Sector Bank in India: A descriptive Lacks clarity Study. *International Journal of Emerging Technologies*, 10(2): 371-375.
- [23]. Sunikka, A. (2009). Predominantly Electronic or Personal Service Delivery? A Case in the Wealth Management Context. Paper presented at 17<sup>th</sup> European Conference on Information Systems (ECIS), Verona, Italy, 8-10 June, 2009. Available at <https://aaltodoc.aalto.fi/handle/123456789/9013>

**How to cite this article:** Arora, A., Misra, S.K., Verma. R. (2019). Differentiation Strategy in Private Banking Services in India: Identifying Role of Tangible Factors & Traits Affecting Service Levels. *International Journal of Emerging Technologies*, 10(3): 16-22.