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More HNW investors happy with planners during crisis

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High net worth (HNW) investors are more satisfied with the service they receive from a financial planner than a personal relationship manager and private banker, according to a new report.

The Investment Trends/Centric Wealth High Net Worth Investor Report, which surveyed more than 1,600 HNWs or investors with more than \$1 million in investable assets, found respondents are generally satisfied with the service from financial planners.

The report found respondents rated this higher than the service received from a personal relationship manager, investment banker, or accountant specifically for tax purposes.

In addition, the report found the level of satisfaction with financial planners from HNWs had increased in 2009, with 24 per cent of respondents rating the service 'very good' -- a 4 per cent increase on the previous year.

The number of HNWs that rated financial planners' services between 'average', 'poor' or 'very poor' also fell.

Importantly, those HNWs investors are looking for additional advice beyond what they are already receive from their planners. The report found more than half of respondents want more advice across a range of investment areas.

"What you traditionally tend to see is that relationships with accountants and banks form very early in someone's [accumulation for wealth] and the influence of financial planners becomes stronger and stronger," said Mark Johnston, principal at Investment Trends.

"Historically, what then happens is they reach a threshold and then there's a greater relationship with the full service broker and private bank relationships. What's changed is more people with over \$1 million are saying 'a financial planner is a major part of my strategy'. Planners have made a lot more inroads."

John McMurdo, chief executive at Centric Wealth, said while HNW clients want more, they place a large amount of emphasis on the integrity of the planner.

"The areas that high net worth clients say they are most concerned about is honesty, expertise and building on the relationship," he said.

He added one of the key reasons behind this trend is the ability of financial planners to provide a range of services including portfolio construction and also provide access to a range of sophisticated investment products.

Michael Hobbs

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