

Retail and Private Banking client advisory



The advisor is the central figure between the client and the Bank's internal services.

What types of advisory are available to clients and what are the differences between them? To answer these and a host of other questions, we sat down with two of our client advisors.

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You both work in the area of client advisory. Can you explain the differences between Retail and Private Banking clients?

First of all, it is worth noting that

there are various categories of banking institution on the Swiss financial market. Some banks offer services that cater exclusively to the everyday needs of individuals and families (Retail Banking), including the keeping of accounts, payment transactions, savings management and basic pension provision. Others only address wealthier clients (Private Banking) and are primarily concerned with asset management and tailored financial advice. Then there are banks that specialise in corporate clients (Corporate Banking), while others, such as BPS (SUISSE), are defined as "universal", meaning that they provide services aimed at all three types of clients. This formula allows us as advisors to have a wide range of products and services at our disposal, but also enables us to call on our specialist colleagues to best meet the varied needs of our clients. It also means that our clients only need to turn to a single bank, regardless of their needs.

Having said that, going back to your original question, the main differences between Retail and Private Banking are the assets and the volume of individual transactions – which are more modest in the case of the Retail Banking clients. However, the latter are characterised by a higher frequency of transactions – in other words, "more modest" is not necessarily synonymous with straightforward and simple.

Both of you: what are the main activities of an advisor?

The most important activities are without a doubt hosting and preparing for meetings with clients. A key aspect of this is the "visit report", which is prepared at the end of each consultation. This document serves as an up-to-date log of the activities carried out on behalf of the client, the needs identified and the strategies discussed. Our daily routine also involves assisting clients over the phone, replying to countless e-mails, and monitoring cash flows and payments. It is essential that we constantly strive to create networks and acquire new clients.

We have to make sure that we seize the opportunity to expand our own network of clients, reaching out to existing satisfied clients, other professionals or personal acquaintances. Advisors can take proactive measures to do this, but can also benefit passively from word of mouth, which happens automatically once a relationship of trust has been established. That is why the professionalism shown by advisors plays such a key role. Other important activities include carrying out compliance checks (Anti-Money Laundering – AML) and monitoring financial deadlines and mortgage charges/mortgages. Should we identify any concerns in this regard, we invite the client to a meeting to decide together how to proceed. Throughout all of this, we are supported by our assistants, who offer vital assistance in our daily business. Last, but by no means least, an advisor needs to make a concerted effort to stay abreast of the latest financial news and current affairs that could have an impact on market performance and client investments.

**Paola: AML is very important and forms part of due diligence.
Can you give us an insight into what this entails?**

Due diligence refers to the search for/collection of, examination of and verification of client information/data. This includes AML checks – in other words, the set of regulated activities intended to prevent, identify and report money laundering and the financing of terrorism. We are obliged to carry out in-depth checks of transactions that exceed certain amounts or are executed at suspicious frequencies or with suspicious origins or interested parties. In order to justify transactions that could be considered questionable, we can turn to the KYC (know your customer) document, which we draw up when opening the relationship, and which is to be updated regularly and contains all the information pertaining to the client, including their family circumstances and employment and financial situation.

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Ivan: what are the objectives of a financial advisor?

The main objective is undoubtedly to satisfy our clients with regard to their risk appetite – our top priority is to get to know their needs in order to offer them the most suitable products and services. It is also important to protect and educate clients: an advisor has the skills to provide clear and comprehensive explanations and illustrate opportunities and risks, all while ensuring that their client has understood the information provided to them. This aids the achievement of another objective – client retention; after all, a satisfied client is a loyal client. In relation to the Bank, we have a series of qualitative objectives – such as the continuous updating of client information, the renewal of risk profiles and the thorough drafting of visit reports – and quantitative objectives, such as the generation of new money, the provision of services and the processing of open issues.

Paola: what are the characteristics of a good advisor?

You need to be a good listener, be open and show empathy. It goes without saying that you need to have good technical and communication skills, but also be willing to stay up to date with the latest developments and regularly engage in training. This is supported by the federally accredited certification that we as advisors must obtain and which must be renewed on a regular basis taking refresher courses. Problem solving is also

extremely important, as is the ability to work collaboratively, with both clients and colleagues alike. The advisor plays the role of intermediary between the outside world and the world within the Bank. Serving clients and satisfying their needs in the best possible way requires the involvement of several parties, each of which has different characteristics and needs.

Ivan: how do you prepare for a consultation with an existing/potential client?

As mentioned earlier, preparation is key. In the case of existing clients, you would re-read previous visit reports, carefully check over their portfolio, monitor any deadlines and assess whether any changes need to be made. These steps are useful for drawing up and justifying possible new proposals/strategies to be discussed together during the meeting. In the case of potential (prospective) clients, though, the preparation is different. With the aim of conducting thorough due diligence afterwards and then drafting a detailed KYC or as part of any AML checks, as much information as possible should be gathered, starting with that in the public domain through databases and search engines. Good preparation allows you to determine the plausibility of the information that emerges during the initial meeting. Furthermore, since you do not have a thorough understanding of a prospective client's needs, it is good to be prepared for every eventuality and to bring along investment ideas, flyers and fee schedules.

Paola: how has the role of Retail advisor changed in the last ten years?

- 3 An ageing population, technological developments, and the uncertainty of macroeconomic scenarios and geopolitical balances have revolutionised the world of financial consulting. We are now met with a new generation of clients and new needs to satisfy. Throughout all of this, technology plays a key role: many services are now automated, while there is also greater competition with regard to products and services. It is often not enough to offer standardised solutions; clients are demanding more and more and require a high level of customisation – here, the role of advisor and the relational component are vital. At the legislative level, our sector is constantly evolving and is subject to increasingly rigorous controls. For clients, this translates to greater protection, whereas for advisors, it means more paperwork.

Ivan: And what about the role of Private advisor?

Our work has become more complex. When it comes to protecting clients, as Paola already explained, the increase in legislation has meant that it takes longer to complete certain tasks, significantly increasing the skills required of us as advisors. With regard to the ageing population, wealthier clients are increasingly aware of the importance of future asset management, and as a result, there is a greater willingness to educate the next generation. In general, clients have more and more sources of information at their disposal, which allows them to prepare, make comparisons between various institutions and assess risks and benefits autonomously. This enables them to be more prepared, informed and able to better identify and express their own needs. Therefore, compared to the past, clients are more involved and tend to intervene more. Advisory continues to play an important role, but it has increasingly taken on the characteristics of a more complex, but nonetheless stimulating, exchange.

And finally, what did you do before you took on your current role?

Paola: I started my career at BPS (SUISSE) in 2006 after completing my Master's degree in Business and Economics. I spent five years working in the Asset Management Service, followed by eleven years in the Investment Advisory Service. Since 2022, I have been a Retail Banking advisor. Thanks to my experience in the field of investments, I am very familiar with the world of finance; knowledge that comes in handy when advising individual clients.

Ivan: My career in banking began in 1998 when I completed dual training for young talents at a leading Swiss institution, upon the completion of which I became an asset manager. After this, alongside working, I attended a vocational university, majoring in finance, and after graduating, I became a fully fledged Private advisor. Years later, I achieved a further internationally recognised financial certification, which allowed me to deepen my knowledge of regulatory and financial aspects at European level. For almost five years, I have been working at BPS (SUISSE) in Chiasso as Head of Private Banking and, since the beginning of 2024, I have also held the position of Deputy Branch Manager.

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