Exploring the factors influencing switching behaviour of the high-net-worth clients in a South African financial services organisation

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DECLARATION

I hereby declare that the assignment submitted herewith to the North-West University in partial fulfilment of the requirements for the Master of Business Administration (MBA) degree is my own original work. It has been text-edited in accordance with professional communication standards and has not been previously submitted to any other institution for evaluation purposes.

Zodwa Chabe

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Abstract

This study explores factors influencing the switching behaviour of high-net-worth clients in a South African financial services organisation. Using thematic and content analysis, it provides a comprehensive understanding of why clients consider switching and the strategic responses available to financial service organisations. Findings show that behavioural, relational, and contextual factors trigger switching in financial service organisations. It underlines the importance of adaptive private-banking strategies within global, continental, and national contexts, strengthening both theoretical and practical insight into client retention in private banking. It further highlights the role of visible, empathetic leadership in retention, and recommends comparative research on retention strategies across banks and markets, considering macroeconomic and regulatory influences, to develop a cross-institutional model. Lastly, it emphasises deepening understanding of client experiences and digital interactions in relationship management, prioritising emotional resonance and ethical trust over purely performance-based metrics.

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Abbreviations list

AI: Artificial Intelligence

CDT: Cognitive Dissonance Theory

ESG: Environmental Social and Governance

EET: Experience Economy Theory

HNW: High-Net-Worth

NWU: North West University

PPM: Push-Pull-Mooring

SERVQUAL: Service Quality

TPB: Theory of Planned Behaviour

POPIA: Protection of Personal Information

PPDDM: Push-Pull-Drag-Deter-Mooring framework

RMB: Rand Merchant Bank

RM: Relationship Manager

CSB: Consumer Switching Behaviour

Figure list

Figure 1: PPM Process of switching behaviour

Figure 2: PPDDM Process of switching behaviour

Keywords

High-net-worth clients

Private banking South Africa

Relationship management

Retention strategies

Switching behaviour

Switching intentions

CHAPTER 1: NATURE AND SCOPE OF THE STUDY

1.1 Introduction

The financial services sector operates within a complex and increasingly competitive environment, characterised by rapid technological innovation, globalisation, and evolving client expectations (Accenture, 2025; Allianz, 2023). In this context, private banking assumes a pivotal role by addressing the needs of high-net-worth (HNW) clients through bespoke wealth management solutions that transcend traditional financial services. These solutions frequently include succession planning, estate structuring, philanthropic investment, and portfolio diversification (Ho & Wong, 2023). The exclusivity of this market segment, combined with its profitability, makes it central to institutional strategy, where trust, confidentiality, and personalised engagement remain important (van Deventer & Redda, 2023).

Global datasets highlight the increasing economic significance of high-net-worth clients demographics. According to the 2025 World wealth report, the population of high-net-worth individuals experienced a growth rate of 5.1% in 2023 (Capgemini Research Institute, 2024). Middle East and Africa experienced a growth of 0.9% and 4.7% of high-net-worth individuals' wealth in 2024 (Capgemini Research Institute, 2024). As the global economy rebounded, high-net-worth wealth rose 4.7% to $86.8 trillion, and the high-net-worth population grew 5.1% to 22.8 million (Capgemini Research Institute, 2024). Corroborative analyses by Bain and Company (2023) and Capgemini Research Institute (2024) reveal that high-net-worth clients are increasingly seeking hybrid banking experiences that integrate the comprehensive advisement capabilities of human consultants with the seamless functionalities of digital platforms. Garaus *et* al., (2025) confirm that the disparity between client expectations and the current service delivery paradigm, termed the "experience gap," has emerged as a pivotal differentiator among private banking institutions on a global scale.

In the African setting, the coexistence of opportunities and challenges of switching is evident. According to Henley and Partners (2024; 2025), South Africa maintains its position as the continent's main centre for high-net-worth individuals, encompassing more than 37 percent of the African millionaire demographics, with Johannesburg, Cape Town and Durban exhibiting the highest densities. Nevertheless, the financial service industry is subjected to pressures from digital disruption, macroeconomic fluctuations, and evolving client loyalty paradigms. Research studies by Ngau *et al*. (2023) and Zhao *et al*. (2022) highlight that unmet service expectations, insufficient lifestyle benefits, and reputational problems are driving high-net-worth clients to diversify their assets. These trends

suggest that conventional concepts of client loyalty within private banking are diminishing, giving way to decision-making processes that are driven by experiential and value-orientated considerations.

In South Africa's volatile financial market, financial institutions need adaptive strategies to retain high-net-worth clients. Inequality, complex regulations, and fintech competition demand unique relationship management and engagement models (Momentum Investments, 2023; KPMG, 2022). Therefore, understanding the factors of high-net-worth client switching behaviour is crucial for competitiveness and trust. This study explores the factors influencing switching behaviour of the high-net-worth client in a South African financial services organisation, highlighting the need for adaptive private-banking strategies within global, continental, and national contexts.

This chapter is divided into 10 sections, of which section 1.1 introduces the chapter. Section 1.2 presents the background to the study. Section 1.3 states the problem of the study. Section1.4 defines the research aims and objectives of the study. Section1.5 formulates the research questions of the study. Section 1.6 specifies the scope and limitations of the study. Section 1.7 discusses the significance of the study. Section 1.8 explains the theoretical and conceptual frameworks of the study. Section 1.9 presents the structure of the study. Section 1.10 concludes the chapter.

1.2 Background of the study

The banking sector has transformed due to digital technology and competition from fintech and neobanks, shifting client perceptions of value and trust, especially in premium banking (Ho & Wong, 2023). The growing demand for customised services and advisory expertise is leading to fluctuating loyalty among high-net-worth clients. These clients rely on advisor-centric relationships for complex portfolios, influenced by relationship quality and trust (Ho & Wong, 2023). Research shows that service failures, competitor appeal, and digital experiences drive switching intentions, while costs affect actual decision (Zhao *et al*., 2025). Over two decades, the financial service industry changed due to globalisation, innovation, and client expectations (Accenture, 2025; KPMG, 2022). Private banking now offers bespoke solutions for high-net-worth clients with assets between $250 000 and $30 million, a lucrative and demanding segment (Avaloq, 2025; Capgemini Research Institute, 2024).

Within the South African financial landscape, high-net-worth clients are characterised based on local financial thresholds that more accurately represent the national economic context and income inequalities. For example, Standard Bank Private Banking (2025) identifies high-net-worth clients as those with annual income exceeding R1.1 million or owning investable assets exceeding R5 million. Similarly, Absa Wealth and Investment Management (2025) establishes an entry benchmark of R3 million in investable assets. Meanwhile, Nedbank Private Wealth (2025) and RMB Private Bank (2025) generally focus on individuals with assets exceeding R5 million or annual earnings over R1.5

million. These criteria underscore the adaptability of South African financial institutions in setting benchmarks that resonate with the changing distribution of wealth and purchasing power within the country.

As reported in the Africa wealth report by Henley and Partners (2025), South Africa remains the epicentre of wealth on the African continent, comprising 34% of Africa's total high-net-worth population. Within this context, Johannesburg at the top spot singularly accommodates 11 700 millionaires making the city to rank top as Africa's wealthiest city, followed in 2nd place is Cape Town with 8 500 millionaires (Henley & Partners, 2025). Thereby, reinforcing its status as a pivotal regional nucleus for wealth management. Nevertheless, this concentration of wealth makes the sector vulnerable to a series of contextual risks, including political instability, regulatory stringency, and socioeconomic disparity, as noted by Momentum Investments (2023). These challenges necessitate a continuous re-evaluation of service models by financial institutions to sustain competitiveness and maintain client trust.

Previous research posited that the bespoke characteristics of relationship banking, coupled with substantial switching costs, effectively ensured client retention over extended periods (van Deventer & Redda, 2023; Ho & Wong, 2023). However, contemporary studies have illuminated that factors such as dissatisfaction with services, reputational failures, and unfilled expectations serve as significant incentives for clients to switch service providers or reallocate their portfolios (Zhao *et al*., 2022; Ngau *et al*., 2023). In the context of South Africa, these behavioural and relational disturbances are further worsened by the digital transformation and increasing sophistication of clients. Research studies by Bain and Company (2023) and Lóska and Uotila (2024) highlight that high-net-worth clients now expect a seamless integration of digital efficiency with human advisory services, signalling a shift from simple transactional satisfaction to an emphasis on experiential value.

Within this framework, the imperative to understand the factors that influence the behaviour of switching high-net-worth clients has increased in urgency. By contextualising the study within the South African environment, this research seeks to explore the factors influencing switching behaviour of the high-net-worth clients in a South African financial services organisation. In addition, its objective is to provide actionable information for financial institutions operating in a rapidly changing competitive landscape.

1.3 Problem statement

The private banking segment, which serves high-net-worth clients with personalised services, has traditionally relied on strong relationships to maintain loyalty (Hidayat & Idrus, 2023). Despite historical loyalty due to deep ties and high switching costs, recent studies suggest fragility in retaining

high-net-worth individuals, as clients often engage in "silent switching" by moving assets quietly to rivals due to service shortcomings. The sector now emphasises not only wealth, but also experiential and relational quality, with modern client commitment depending on hybrid models that blend digital convenience with personal advice (Chumak, 2024). Existing research is notably restricted by its limited focus, as a significant portion of the scholarly work on switching behaviour has predominantly focused on general retail banking clients or has adopted a global perspective, overlooking the distinctive attributes of high-net-worth clients within emerging markets.

In South Africa, there is a research gap regarding the switching behaviour of high-net-worth clients, as empirical studies on behavioural, relational, and contextual influences on these clients' switching behaviour in South African financial services is limited, leaving a gap in understanding decision-making drivers for high-net-worth clients in emerging markets (Ngau *et* al., 2023; Zhao *et* al., 2022). This study explores how banking professionals construct meaning around the behavioural, relational, and contextual factors that influence switching among high-net-worth clients and, located within an interpretive paradigm, seeks to understand the subjective experiences, situated practices, and contextual nuances that shape client-bank interactions, with insights derived from participants' narratives offering direction for more relationally tuned and context-sensitive approaches to client retention.

1.4 Research aims and objectives

1.4.1 Research objective

To explore the behavioural, relational and contextual factors influence switching behaviour of the high-net-worth clients in a South African financial services organisation.

This aim responds to the growing global trend of client switching behaviour highlighted by Ngau *et* al. (2023) and Zhao *et* al. (2022), while also recognising the unique pressures shaping the South African financial services landscape. Within this environment, socio-economic volatility and increased competitive intensity continue to shape the private banking segment (Capgemini Research Institute, 2024; Momentum Investments, 2023). By focussing specifically on high-net-worth clients, a segment often overlooked in South African academic literature, this study seeks to strengthen both theoretical understanding and practical insight into high-net-worth client retention during a period of significant market change (Chai *et* al., 2024; Hussain *et* al., 2025).

1.4.2 Primary objective

Explore the factors influencing the switching behaviour of high-net-worth clients in a South African financial services organisation, with the aim of informing the development of strategic client retention and relationship management practices in the private banking environment.

1.4.3 Secondary objectives

1. To identify key behavioural triggers that motivate high-net-worth private banking clients to switch financial service organisation.
2. Explore the relational factors that influence high-net-worth client switching behaviour.
3. Explore contextual factors such as technological innovation, service quality, and competitive offering that impact switching decisions.
4. To recommend strategic client management measures that aim to improve retention and reduce switching risks among high-net-worth clients in the private banking segment.

1.5 Research questions

1.5.1 Research question

What are the behavioural, relational, technological and contextual factors that influence the switching behaviour of high-net-worth clients in a South African financial services organisation?

1.5.2 Secondary research questions

1. What behavioural triggers drive high-net-worth private banking clients to switch providers?

2. How do relational factors, such as trust, client retention, and emotional bonds, influence switching decisions among high-net-worth clients?

3. In what ways do contextual factors, such as technological innovation and perceived service quality, impact the willingness of high-net-worth clients to switch?

4. What strategic client management practices can financial service organisations implement to retain high-net-worth clients and minimise switching behaviour?

1.6 Scope and limitations of the study

This qualitative study outlines its scope by specifying the geographical context, target client population, organisational focus, and conceptual focus. Precisely defining the scope is imperative to maintaining focus and effectively addressing the research problem (Booth *et* al., 2021). Concurrently, recognising the study's limitations facilitates transparency concerning constraints in both design and interpretation of findings.

1.6.1 Geographical scope

The current study is conducted in South Africa, a country considered the continent's most advanced financial services hub (ADL, 2023). South Africa presents a distinctive environment and is characterised by an advanced banking infrastructure. (Momentum Investment, 2023). These advancements present both opportunities and risks for private banking organisations. Although the findings may offer insights applicable to other African markets, such as Nigeria or Kenya, identified as emerging hubs by the CFA Institute (2024), the main focus is on South Africa.

1.6.2 Client segment scope

This study focusses on high-net-worth clients within the domain of private banking. These individuals are characterised by possessing investable assets exceeding a specific threshold, typically established at R2 Million, although definitions may vary among different institutions (Krutham, 2024). The importance of this client group is attributed to its considerable profitability for financial service organisations (Bain & Company, 2023; Batmunkh, 2025) while concurrently necessitating elevated standards of service quality, reputation, and innovation (Roberts-Lombard *et* al., 2025). By focussing on high-net-worth clients, the research deliberately excludes the retail and mass-market segments, which have been more comprehensively examined in pre-existing studies (Batmunkh, 2025; Roberts-Lombard *et* al., 2025).

1.6.3 Organisational scope

The research is located within the framework of a large financial services organisation in South Africa, specifically within its private banking and wealth management division. Anonymity is maintained to safeguard institutional confidentiality and to uphold ethical standards. Although the insights generated may be applicable to other private banking institutions, the results remain context-specific, reflecting the practices, challenges, and client interactions unique to this organisation.

1.6.4 Conceptual scope

The study explores four interrelated categories of factors that influence the switching behaviour and retention of high-net-worth clients within the private banking sector.

Behavioural factors: Factors such as dissatisfaction, elevated fees, and unmet expectations have been empirically shown to influence the propensity to change behaviour of the high-net-worth clients, as documented in recent studies (Ngau *et* al., 2023; Zhao *et* al., 2022).

Relational factors: encompassing elements such as trust, communication and the quality of client relationships, serve as fundamental principles that historically support relationship

management and retention strategies within the area of private banking (Hidayat & Idrus, 2023).

Contextual factors: encompass technological advancements, service quality and cybersecurity, which progressively influence client satisfaction, loyalty, and switching behaviour within an evolving competitive environment (Accenture, 2025; KPMG, 2022; Capgemini Research Institute, 2024)

Implementation of retention strategies: which emphasises proactive engagement, personalised communication, and value-based relationship management, is crucial to retain client and reduce the risk of client attrition (Bain & Company, 2023; Krutham, 2024).

These interrelated factors collectively form the conceptual framework that guides this study, reflecting the perceptions of bank officials.

1.6.5 Limitations

This study focuses on a single financial service organisation in South Africa, offering insights but not generalisable to all private banking contexts (ADL, 2023). It examines high-net-worth clients, excluding general banking clients with simpler portfolios (Krutham, 2024). Using qualitative methods like semi-structured interviews, findings reflect participants' perceptions, not statistical patterns, limiting generalisability (Booth *et* al., 2021). The research captures a moment in time, not a constant behaviour state. It highlights behavioural, relational and contextual factors in client switching behaviours, omitting broader socio-political factors, and acknowledges its limitations but provides insights into an underexplored client segment in a significant financial context.

Furthermore, this study is limited by its employee-only perspective, as interviews were conducted exclusively with banking professionals within the financial services organisation. The study acknowledges that the perspectives of high-net-worth clients themselves were not directly captured, which represents a gap in the data. Thus, the findings reflect the perceptions and interpretations of banking professionals rather than the lived experiences of high-net-worth clients. Here, accessing high-net-worth clients directly for research purposes presents significant practical and ethical challenges, including concerns around confidentiality, anonymity, and the sensitivity of their financial information. Notwithstanding this limitation, the insights derived from banking professionals who interact directly with high-net-worth clients provide a grounded and contextually valid understanding of the factors influencing switching behaviour (Creswell & Creswell, 2023).

Future research should therefore consider incorporating the direct perspectives of high-net-worth clients to complement and validate the findings of this study.

1.7 Significance of the study

The significance of this research is rooted in its capacity to improve academic understanding, inform effective strategies for financial services organisations, and contribute to broader policy and social discussions. Taking into account the strategic importance of high-net-worth clients in private banking, along with the scarcity of research in South Africa, this study addresses both theoretical and practical deficiencies.

1.7.1 Academic contribution

Primarily, the study addresses the gap in literature concerning the switching behaviour of high-net-worth clients. This study explores this phenomenon within the South African setting, providing bank official insights about the challenges of retaining high-net-worth clients in the private banking segment. Secondly, the study broadens the application and interpretive depth of switching behaviour frameworks within the private banking context. Existing models such as the Push-Pull-Mooring (PPM) framework, the Theory of Planned Behaviour (TPB), the Push-Pull-Drag-Deter-Mooring Model (PPDDM), and the SERVQUAL framework have been predominantly applied in retail or general banking studies (Ngau *et* al., 2023; Zhao *et* al., 2022).

This research extends the relevance of aforementioned frameworks to high-net-worth clients in South Africa by exploring these frameworks through the perceptions of participants rather than through direct client data. In doing so, it provides a qualitative interpretation of how professionals in private banking understand the behavioural, relational, and contextual factors that influence client switching and retention. Moreover, this study contributes theoretically by integrating service quality (SERVQUAL) into traditional switching behaviour frameworks, highlighting how perceived deficiencies in reliability, empathy, and responsiveness may precipitate switching decisions.
This integrative approach strengthens the conceptual link between client experience, relational trust, and institutional retention in area previously underexplored in both the domestic and global literature.

This research responds to demands for studies in emerging markets, highlighting that Africa's number of millionaires is projected to increase by 65% over the next ten years (Henley & Partners, 2024). Notably, South Africa is home to more than 34% of the continent's millionaires playing a pivotal role in Africa's wealth landscape (Henley & Partners, 2025). The research enhances understanding of digital transformation and wealth management, highlighting the necessity of hybrid models for

retaining high-net-worth clients (Chumak, 2024; EY, 2025b). It provides insights into how South Africa's socio-economic instability affects the dynamics of high-net-worth client behaviour.

1.7.2 Practical contribution

The study offers insights into client retention, highlighting competition in South Africa's private banking from fintech, asset management, and international banks (Capgemini Research Institute, 2024). Understanding behavioural triggers, trust, and digital expectations helps financial services create strategies to reduce high-net-worth client switching. It also addresses risk management, noting cyber and economic risks affecting client concerns about confidentiality and stability (Allianz, 2023; Zhao *et* al., 2023). This research helps to improve reputational safeguards and communication. Additionally, it supports innovation by analysing how intergenerational wealth transfer and ESG priorities drive demand for transparency and digital integration (KPMG, 2022). This guides the development of solutions aligned with client values.

1.7.3 Policy and societal contribution

In addition to theoretical and practical considerations, the research is of significance for both policy and social spheres. Retention of high-net-worth clients is crucial not only for financial service organisations but also for the broader South African economy. According to the CFA Institute (2024), the increasing switching of wealth across Africa poses potential risks of capital flight should local institutions be unable to retain their clients. Consequently, the insights derived from this study might assist policymakers and regulators in crafting supportive frameworks that foster client confidence while maintaining a balance between innovation, client protection, and financial stability.

1.8 Theoretical and conceptual frameworks

1.8.1 Theoretical and conceptual frameworks.

This study uses behavioural, relational, and contextual perspectives to explore the factors influencing high-net-worth clients' switching behaviour in a financial services organisation. It employs three models: the PPM, extended PPDDM, and TPB theories. The PPM model by Bansal *et* al., (2005) adds that switching stems from push factors (e.g., unmet expectations), pull factors (e.g., competitor offers), and mooring factors (e.g., trust and loyalty) as cited by Marx (2025). The PPDDM model, per Boakye *et* al. (2024), includes emotional and situational factors like banker relationships, convenience, and reputation that affect client retention. Ajzen's (1991) TPB theory considers attitudes, perceived control, and norms in switching intentions, reflecting clients' financial independence, service empowerment, and societal expectations (Georgiou *et* al., 2023; Bortne *et* al.,

2025). The SERVQUAL framework by Parasuraman *et* al. (1988) is used qualitatively to interpret service quality in terms of responsiveness, reliability, assurance, empathy, and tangibility, rather than quantifying satisfaction (Yesmin *et* al, 2023; Sugiarto & Octaviana, 2021; van Deventer & Redda, 2023).

Together, these theoretical frameworks provide a multidimensional interpretive lens to understand the experiences, perceptions, and motivations of high-net-worth clients from a bank professional perspective. This alignment enables a more thorough narrative about how behavioural triggers, relationship quality, and contextual factors impact switching behaviours. Additionally, these insights can guide the formulation of effective strategies for client retention in the realm of private banking.

1.8.2 Theoretical clarification

Push-Pull-Mooring (PPM) framework

The PPM framework is widely used in research on switching behaviour, especially in financial services. It categorises switching factors into push (negative aspects like poor service), pull (positive aspects like better offers), and mooring (obstacles like trust or cost) (Boakye *et* al., 2024; Krishnan & Raghuram (2024); Marx, 2025; Zhao *et* al., 2022).

The Push-Pull-Drag-Deter-Mooring (PPDDM)

The model enhances the PPM framework as an extension to understanding consumer switching behaviour (CSB) as indicated by Boakye *et* al. (*2024*). The model was developed to address critical gaps in the original PPM framework (Boakye *et* al., 2024). Unlike PPM, PPDDM address the drag effects such as positive origin/ firm factors and deter effects such as negative destination/competitor factors (Boakye *et* al., 2024). Thus, PPDDM suggests that the push effect refers to negative firm-related factors that prompt clients to defect to competing providers, while the pull effect denotes positive competitor-related factors that attract consumers to switch (Boakye *et* al., 2024). The drag effect encompasses positive or non-negative firm-related factors that retain or anchor consumers, thereby inhibiting switching, whereas the deter effect captures negative competitor-related factors that discourage consumers from changing providers (Boakye *et al*., 2024). Finally, the mooring effect comprises non-firm and non-competitor contextual factors that either facilitate or constrain switching behaviour (Boakye *et* al., 2024).

Theory of Planned Behaviour

The theory of planned behaviour (TPB) stipulates that behavioural patterns are influenced by attitudes, subjective norms, and perceived behavioural control (Ajzen, 1991 cited in Zhao *et* al*.,* 2022;

Georgiou *et* al., 2023; Bortne *et* al., 2025). Therefore, attitudes form part of behavioural triggers for switching decisions affected by peer networks, financial advisors, or perceptions of institutional stability (Georgiou *et* al., 2023). Thus, TPB outlines the intention to switch with the actual behaviour addressing the "intention-behaviour gap" as highlighted in contemporary financial services research (Ngau *et* al., 2023; Zhao 2025).

The SERVQUAL framework

The service quality framework known as SERVQUAL is a key model for understanding service quality in five dimensions: tangibles, reliability, responsiveness, assurance, and empathy (Shi & Shang, 2020; Sugiarto & Octaviana 2021). According to Shi and Shang (2020) the framework further organises the narratives about quality, responsiveness, and trust in relationships (Yesmin *et* al., 2023). Thus, assurance and empathy are crucial, highlighting interpersonal qualities valued by clients, such as trust and personal care.

1.8.3 Conceptual clarification

High-net-worth clients

High-net-worth clients are defined as individuals with significant investable assets, typically more than R2 million, though the thresholds vary by institution (Krutham, 2024). These clients are highly profitable for financial service organisations due to the complexity and value of services they require (Bain & Company, 2023). Chumak (2024) and Ho and Wong (2023) note that high-net-worth clients also have elevated expectations for personalisation, confidentiality, and trust.

Switching behaviour

Switching behaviour involves clients leaving or reducing engagement with a financial service provider and moving to another (Ngau *et* al., 2023). Switching may occur openly by closing accounts or subtly by reallocating assets while keeping ties (Zhao *et* al., 2023). Switching is often due to dissatisfaction with service or fees (Batmunkh, 2025; Garatsa *et* al., 2025).

Service quality

Service quality is crucial for client satisfaction and retention in financial service organisations, with reliability, responsiveness, assurance, and empathy consistently identified as its critical dimension (Yesmin *et* al., 2023; Sugiarto & Octaviana, 2021). Thus, any shortfall in these areas can lead to client switching.

Digital transformation

Digital advances are transforming financial services and reshaping how institutions engage clients. Fintech digital advances make digitally enabled hybrid service offerings to clients vital according to Capgemini Research Institute (2024). Thus, these digital advances are essential for enablement and competitiveness in retaining clients.

Hybrid service models

According to Accenture (2025) hybrid models refer to the blend of technology efficiency with human interactions. In agreement, Chumak (2024) states that client retention relies on hybrid service models that combines digital efficiency with human interaction. Thus, these new service models are vital to long-term relationships can sustain (KPMG, 2022; van Deventer & Redda, 2023; Ho & Wong, 2023).

1.9 Structure of the study

The dissertation is organised into five chapters

Chapter 1 introduces the nature and scope of the study, starting with outlining the background of the study and ending with the outlining of the structure of the study.

Chapter 2 presents a review of the literature including theoretical and empirical orientations of the study.

Chapter 3 discusses research methodology of the study, starting with research paradigm and ending with ethical considerations of the study.

Chapter 4 details data presentation, results and findings of the study.

Chapter 5 provides summary of the results of the study, conclusions drawn from the findings and recommendations of the study.

1.10 Conclusion

Chapter 1 has contextualised the study highlighting the problem statement, research objectives, and research questions, significance of the study and limitations of the study. Chapter 2 presents literature review relating to the study.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

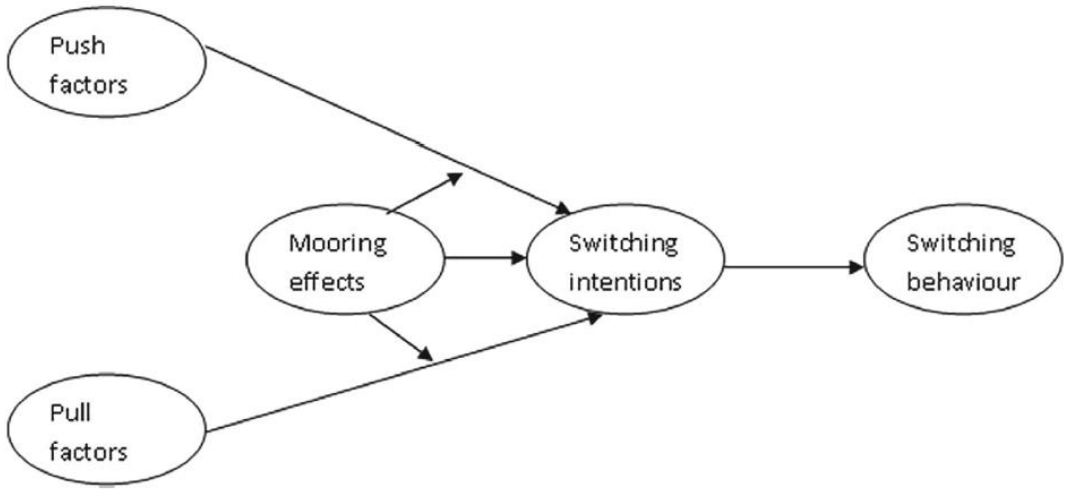
This chapter is divided into four sections. Section 2.1 introduces the chapter. Section 2.2 presents theoretical orientation of the study. Section 2.3 provides the empirical orientation of the study. Section 2.4 concludes the chapter.

2.2 Theoretical orientation of the study

2.2.1 Push-Pull-Mooring (PPM) framework

The push-pull-mooring (PPM) framework originates from Lee's (1966) migration theory, which conceptualised movement decisions as the interplay of push, pull, and mooring forces (Marx, 2025; Krishnan & Raghuram 2024, Boakye *et* al., 2024). This foundation was later extended to consumer behaviour by Bansal *et* al. (2005) as a central model for understanding service-switching decisions (Marx, 2025; Krishnan & Raghuram, 2024, Boakye *et* al., 2024). Figure 1 below depicts PPM process of switching behaviour.

Figure 1: PPM process of switching behaviour



Source: Bansal *et* al. (2005) as cited in Boakye *et* al. (2024)

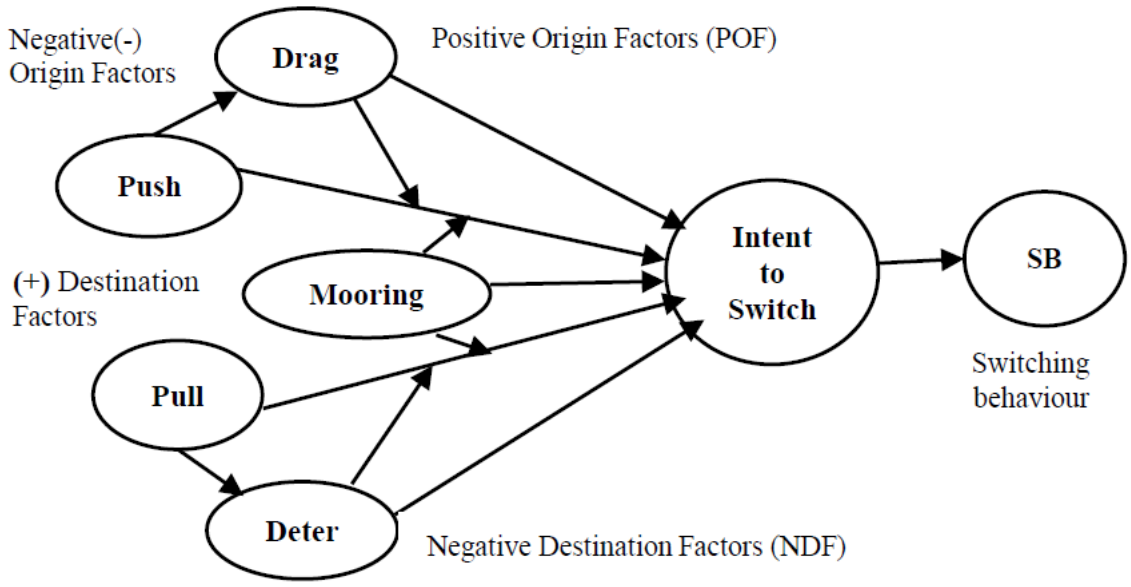
Contemporary research has continued to refine and apply this framework, with studies such as Zhao *et* al. (2022), Ngau *et* al. (2023) and Nugraha and Syafaruddin (2023) utilising PPM to explain switching across various service contexts. In the field of private and wealth management services, the model similarly provides a comprehensive lens through which to understand switching behaviour: push factors may include reputational risk or dissatisfaction with an existing institution (Ngau *et* al., 2023). The pull factors involve the attractiveness of competing fintech-enabled offerings; and mooring factors such as trust and long-standing relational ties may initially inhibit switching but tend

to weaken over time (Ngau *et* al., 2023). Collectively, the PPM model encapsulates the core dynamics of dissatisfaction, attraction, and resistance, offering a holistic explanation for high-net-worth client switching behaviour. Thus said, the strength of the PPM model lies in its ability to integrate dissatisfaction (push), attraction (pull) and relational barriers (mooring) into a single explanatory framework (Zhao *et* al., 2022). However, it does not fully capture expectation disconfirmation or peer influence, which are significant among high-net-worth clients (Ngau *et* al., 2023). For this reason, it is often complemented by models such as the PPDDM.

2.2.2 Push-Pull-Drag-Deter-Mooring (PPDDM) framework

The push-pull-drag-deter-mooring (PPDDM) was introduced by Boakye *et* al (2024) as an extension of traditional push-pull frameworks to more comprehensively explain customer defection processes. Figure 2 below illustrates PPDDM process towards switching behaviour.

Figure 2: PPDDM process of switching behaviour



Source: Boakye *et* al. (2024)

Boakye *et* al.'s (2024) framework distinguishes between push factors that drive clients from their current provider, pull factors that attract them to alternatives, and drag and deter mechanisms that speed up or hinder switching. Recent research has revealed that the applicability of PPDDM in financial services, with Ngau *et* al. (2023) and Capgemini Research Institute (2024) showing that poor service quality, reputational failures, and breaches of confidentiality are central triggers of defection in trust-sensitive environments. Within the private and wealth management services, these pressures are distinct.

Chumak (2024) and Lóska and Uotila (2024) find that clients increasingly expect hybrid models combining personalised advice with advanced digital tools, and unmet expectations significantly raise switching likelihood. Moreover, failures related to confidentiality, digital security, or innovation often generate negative client experiences, prompting these clients to diversify assets across multiple providers as a protective strategy (Henley & Partners, 2024; Momentum Investments 2023). Industry insights further reinforce these dynamics: Bain and Company (2023) highlights a rising expectation for proactive, innovative service delivery, while KPMG (2022) emphasises that intergenerational wealth transfer intensifies the demand for tailored, differentiated solutions. Collectively, these findings illustrate how the PPDDM captures the interplay of dissatisfaction, attraction, defection, and deterrence, offering a comprehensive explanation for provider reallocation and switching of these clients (Ngau *et* al., 2023). Thus said, the strength of this model is its ability to link service quality, expectations, and switching via disconfirmation, making it well suited to high-net-worth field (Garatsa *et* al., 2025; Ngau *et* al., 2023). Yet it has been used mainly in international and retail banking, with little validation in African settings (Ngau *et* al., 2023; Garatsa *et* al., 2025).

2.2.3 Theory of Planned Behaviour (TPB)

The TPB, introduced by Ajzen (1991), explains client decision-making and service behaviour through attitudes, subjective norms, and perceived behavioural control. Originating in psychology, this model has been recently applied to financial services switching by linking attitudes and intentions to behaviour (Zhao *et* al., 2022; Georgiou *et* al., 2023; Bortne *et* al., 2025). Moreover, subjective norms are social pressures shaping behaviour (Ajzen, 1991; Conner & McEachan, 2023). For high-net-worth clients, these arise from peer benchmarking, financial advisors, and global service standards. Consistent with Ajzen (1991) and Bortne *et* al., 2025, Capgemini Research Institute (2024) found that wealthy clients compare providers internationally and align choices with peers; whereas Bain and Company (2023) highlight that peer and advisor recommendations strongly drive switching because provider choice signals status and trust. Here, perceived behavioural control reflects clients' assessment of their ability to switch, especially the ease of moving assets and diversifying. Bortne *et* al. (2023) add that their resources, knowledge, and global networks further increase perceived control. Overall, TPB is useful for analysing switching of these clients because it integrates psychological and social drivers. Thus said, the strength of TPB lies in its ability to link attitudes, norms, and behaviour control with switching intentions, thereby clarifying the psychological mechanisms underpinning client behaviour (Ajzen, 1991; Zhao *et* al., 2022, Bortne *et* al., 2025).

2.2.4 SERVQUAL framework

The service quality framework known as SERVQUAL is a key model for understanding service quality in five dimensions: tangibles, reliability, responsiveness, assurance, and empathy (Yesmin *et* al., 2023; van Deventer & Redda, 2023). The framework further organises the narratives about quality, responsiveness, and trust in relationships (Yesmin *et* al., 2023). Thus, assurance and empathy are crucial, highlighting interpersonal qualities valued by clients, such as trust and personal care (van Deventer & Redda, 2023).

2.2.5 Client switching behaviour

Switching behaviour is when customers terminate their relationship with a current provider and move to a competitor (Zhao, 2025). It is a multi-stage process such as satisfaction deterioration, passive consideration, active evaluation, decision, and implementation rather than a single event (Zhao, 2025). However, according to Sheeran (2002) cited in Zhao (2025) switching intention does not equal switching behaviour, as it is a variance in the actual behaviour. In this regard, switching is shaped by several factors like service failures, high prices, poor reputation which drive customers away (Zhao, 2025). Puente-Cavazos *et* al. (2025) add that low switching costs in digital banking further accelerate defection, particularly among clients who perceive ease of migration as an enabler. Further to the aforementioned factors, switching triggers may also include competitor offers, appealing advertising, and other factors that can hinder or enable switching behaviour (Bansal *et* al., 2005; Zhao, 2025; Marx, 2025).

Multiple theories explain the psychology of switching. First theory is expectation-confirmation theory (ECT) by Oliver (1980, 1993), which states that switching occurs when perceived service quality falls below expectations, causing negative disconfirmation and dissatisfaction (Zhao & Noman, 2025). Second theory is cognitive dissonance theory (CDT) by Festinger (1957) cited in Zhao *et* al. (2024). It argues that negative experiences create tension when customers' beliefs, feelings, and behaviours conflict, leading them to switch to reduce this tension (Zhao & Noman, 2025). Third theory is social exchange theory (SET) by Blau (1964) cited in Zhao (2024), which views switching as a social behaviour in which customers weigh costs and benefits of switching (Georgiou *et* al., 2023; Zhao, 2025). Thus said, switching is context-dependent: the same person may respond differently to switching triggers depending on attitudes, social pressures, and perceived control, underscoring the complex interaction of individual, social, and situational factors in determining whether dissatisfaction leads to switching (Georgiou *et* al., 2023).

2.2.6 Client switching behaviour in financial services sector

Switching behaviour in the financial services sector refers to the decision of clients to cease or reduce their engagement with one financial services organisation and transfer their business to an alternative provider (Zhao, 2025). This behaviour can occur openly, such as through account closure, or subtly, through the gradual reallocation of assets while retaining minimal ties with the incumbent institution (Ngau *et* al., 2023). Thus, switching behaviour in the financial services has traditionally been associated with dissatisfaction with service quality, fee structures, or unmet expectations (Batmunkh, 2025; Garatsa *et* al., 2025). The 2023 South African Retail Financial Customer Behaviour and Sentiment Report (FSCA, 2023) confirm this, showing that 28.1% of new customers in 2021 and 24.5% in 2022 switched from one bank to another bank. It further shows that an additional 9.8% of current customers have considered switching, with younger customers more likely to switch and women more likely to stay (FSCA, 2023).

In the financial service sector, there are multiple clients such as the retail clients and high-net-worth clients who would switch at any point of their banking experience. Unlike retail clients, whose decisions are often driven by cost or transactional needs, high-net-worth clients are influenced by a broader set of relational and contextual considerations as discussed under subsection 2.2.8.

2.2.7 Concept of relationship banking

Relationship banking is initially conceptualised as a mechanism through which financial institutions built long-term ties with clients to reduce information asymmetry and strengthen relational trust (Álvarez-Botas & González, 2023; van Deventer & Redda, 2023). Thus, relationship banking is framed as an approach centred on personalised services, close monitoring, and switching costs, which together were assumed to protect client retention (Álvarez-Botas & González, 2023; Chai *et* al., 2024). This view positioned relationship banking as a cornerstone of stability in financial intermediation, particularly for high-value clients where the cost of switching was perceived to be prohibitive (Zhao, 2025; Batmunkh, 2025).

Recent evidence has broadened the understanding that clients in private banking are long term clients and hardly switch service providers. Álvarez-Botas and González (2023) demonstrated that, in their large international study in 47 countries, relationship banking reduced loan spreads and collateral requirements, thus providing measurable economic benefits to clients. Similarly, Lóska and Uotila (2024) found that the informational advantages derived from strong banking relationships influenced corporate governance outcomes, including disclosure practices and earnings quality for financial services organisations and clients. These findings confirmed that while the foundational arguments

of relationship banking remained valid, its application in modern contexts has extended beyond reducing asymmetry to shaping governance, transparency, and the quality of financial decision-making that benefits clients (Álvarez-Botas & González, 2023; Lóska & Uotila, 2024).

2.2.8 Client switching behaviour in the relationship banking context

In the relationship banking context, switching goes beyond transactional disengagement and includes gradual asset reallocation, diversification of portfolio with financial service organisation, and the erosion of trust in long-term advisory relationships (Ngau *et* al., 2023). This confirms that switching behaviour in wealth management services is multidimensional, reflecting both financial and relational considerations. For high-net-worth clients, switching behaviour shows unique features unlike retail clients who often switch for pricing or convenience (Batmunkh, 2025; Garatsa *et* al., 2025). Here, these clients often engage in "silent switching," where funds are discreetly transferred to competitors while keeping nominal ties with their primary bank (Ngau *et* al., 2023). These clients typically have access to multiple providers, which increases the ease with which assets can be reallocated and makes retention more challenging for financial services organisations (Chai *et* al., 2024; Momentum Investments, 2023).

2.2.9 High-net-worth clients switching behaviour

High-net-worth clients are globally defined as persons owning investable assets between a minimum of $250 000 and $30 million (Avaloq, 2025; Capgemini Research Institute, 2024). These clients expect highly personalised, consistent interactions across digital and human channels of private and wealth management services. Yet financial services organisations struggle to add value to their banking experience when systems and data are fragmented, leading to inconsistent client experiences and a critical point of dissatisfaction when institutions fail to meet their demand for seamless access to timely, relevant insights (Capgemini Research Institute, 2024; Bhatnagar & Rajesh, 2025).

Allianz (2023) notes cyber threats and macroeconomic instability as amplifying client uncertainty, while Capgemini Research Institute (2024) underscores the intensified competition from fintech firms as a catalyst for switching behaviour of these clients. Furthermore, Accenture (2025) states that the demand for hybrid service models, which integrate digital convenience with personalised advisory support, is increasingly shaping these clients' decisions of whether to switch or not. Switching behaviour of these clients is of concern to financial service organisations due to their significant portfolios and their substantial impact on institutional profitability (Batmunkh, 2025). Zhao *et* al. (2022) and Zhao *et* al. (2023) emphasise that reputational lapses, breaches of confidentiality, or service inefficiencies are among the key factors that lead to switching among high-net-worth clients.

2.2.10 Behavioural dynamics of high-net-worth clients

The behavioural dynamics that characterise these clients are shaped by a multifaceted interaction of psychological, emotional, and experiential factors that collectively influence financial decision-making processes. Building on this, these clients base their financial decisions more on perceived trust, autonomy, and self-efficacy than on immediate economic incentives, with choices further shaped by behavioural confidence, subjective risk, and emotional attachment to financial providers (Ho & Wong, 2023). Collectively, patterns indicate that private banking operates within an "experience economy," in which nuanced dimensions of confidence, reassurance, and social recognition constitute critical drivers for the maintenance of long-term client relationships and the optimisation of client retention outcomes (Garaus *et* al., 2025; Chai *et* al., 2024). In a parallel vein, the World Wealth Report (Krutham, 2024) indicates that emotional dissatisfaction supersedes financial underperformance as a principal motivator for high-net-worth clients to transition between service providers.

Accenture (2025) indicates that, in the contemporary financial services environment, clients increasingly expect financial institutions to adopt a proactive stance in their interactions. Moreover, behavioural triggers such as responsiveness, recognition, and personalisation constitute critical factors of clients' propensity to switch providers (EY, 2025a). In this regard, changes in financial service providers are seldom motivated by price considerations alone; rather, high-net-worth clients typically decide to migrate when cumulative emotional dissatisfaction reaches a threshold or when trust deteriorates progressively over time (Ho & Wong, 2023; Zhao *et* al., 2023).

2.2.11 Factors influencing the switching behaviour of high-net-worth clients

Research in this phenomenon indicates that the decision to switch is not random but influenced by a combination of factors (Ngau *et* al., 2023). Thus, understanding the factors influencing switching behaviour is crucial for examining why high-net-worth clients leave financial institutions. Therefore, this subsection covers the factors influencing the switching behaviour of high-net-worth clients namely behavioural factors that influence switching behaviour starting with relational factors, ending with SERVQUAL contextual relevance.

Behavioural factors that influence switching behaviour

Behavioural factors are consistently identified as pivotal in explaining why high-net-worth clients consider switching financial service organisations, as they directly influence satisfaction, risk perceptions, and decision-making attitudes (Zhao *et* al., 2023; Tanuwijaya & Oktavia, 2023). Recent empirical studies confirm that these behavioural elements often act as the first triggers of switching

behaviour, preceding relational and technological influences (Ngau *et* al., 2023). Dissatisfaction, perceived risk, and behavioural readiness have emerged as the strongest drivers among wealthy clients in both developed and emerging markets (Zhao *et* al., 2023; Capgemini Research Institute, 2024). Collectively, these insights highlight that behavioural factors remain the foundation upon which other considerations such as trust and service innovation either reinforce or weaken switching intentions.

Dissatisfaction and service failure.

Persistent dissatisfaction is one of the strongest behavioural triggers of a client switch (Zhao *et* al., 2023; Batmunkh, 2025).

Tanuwijaya and Oktavia (2023) demonstrate that even loyal clients will reconsider relationships when service failures accumulate, while Mackay *et* al. (2025) emphasise that dissatisfaction is amplified when clients perceive inadequate responsiveness or lack of tailored attention. Ngau *et* al. (2023) highlights that for high-net-worth clients, dissatisfaction frequently results in "silent switching," in which assets are gradually reallocated without formal disengagement. Zhao *et* al. (2023) further argue that reputational breaches and confidentiality lapses are particularly intolerable for wealthy clients, as they undermine trust at the core of private financial services. Together, these discoveries suggest that dissatisfaction not only initiates disengagement but also sets the stage for heightened perceptions of risk.

Perceptions of risk and uncertainty.

Risk perceptions are central behavioural factors that influence switching decisions in environments marked by volatility. (Zhao *et* al., 2023; Batmunkh, 2025). Momentum Investment (2023) report that South African high-net-worth clients often cite political instability and macroeconomic uncertainty as drivers of diversification and switching. Allianz (2023) underscores cyber incidents as a behavioural risk that accelerates switching, while Ngau *et al*. (2023) demonstrate that perceived risks encourage clients to spread assets across multiple organisations rather than relying on a single provider. Bortne *et* al. (2025) adds that risk perceptions directly affect the confidence clients place in their ability to manage wealth transitions. These findings illustrate that risk perceptions transform dissatisfaction into actionable intentions and deepen the behavioural foundations of switching.

Attitudes and expectations.

Attitudes shape how high-net-worth clients evaluate their providers, especially in terms of exclusivity, confidentiality, and innovation (Zhao *et* al., 2023; Ho & Wong, 2023). Capgemini Research Institute (2024) highlights that wealthy clients benchmark South African institutions against

global competitors, expecting integrated digital platforms and advanced advisory capabilities. Chumak (2024) shows that expectations are increasingly defined by hybrid service models that blend technology with personalised advice, while Bain and Company (2023) report that clients expect proactive innovation in wealth management. When these expectations are not met, negative attitudes form, which intensify switching behaviour (Zhao *et* al., 2023; KPMG, 2022). This dynamic confirms that attitudes are not static but are shaped by evolving global standards, reinforcing the need to study them alongside decision-making biases.

Decision-making biases and self-efficacy.

Behavioural biases, such as status quo preference and loss aversion, often keep clients anchored to providers despite dissatisfaction (Zhao *et* al., 2023; Bortne *et* al., 2025). However, recent studies demonstrate that self-efficacy enables clients to overcome such inertia (Bortne *et* al., 2025).
Tanuwijaya and Octavia (2023) demonstrate that even loyal clients will reconsider relationships when service failures accumulate and further show that clients with greater confidence in their financial knowledge and digital competence are more likely to act on switching intentions. Dissatisfaction combined with behavioural readiness accelerates switching decisions (Tanuwijaya & Oktavia, 2023). Avaloq (2025) confirms that high-net-worth clients frequently pre-emptively switch in anticipation of future risks. Ngau *et* al. (2023) further explain that "silent switching" reflects the behavioural gap between intentions and actions, where clients gradually disengage instead of making abrupt changes. Together, these studies show that behavioural biases and self-efficacy interact dynamically with dissatisfaction, attitudes, and risk perceptions to shape the shifting outcomes.

Relational factors influencing switching behaviour

Relational factors remain central to understanding behaviour change among high-net-worth clients, as they emphasise the interpersonal dynamics of trust, reputation, and quality of relationships (Ho & Wong, 2023; van Deventer & Redda, 2023). These elements are often decisive in private financial services, where wealth management extends beyond transactional functions into long-term advisory partnerships (Ngau, *et* al., 2023). Recent studies confirm that high-net-worth clients view relational factors as the anchor of client retention, but also the main trigger of switching when expectations are not met (Tanuwijaya & Oktavia, 2023; Capgemini Research Institute, 2024).

Trust and confidentiality.

Trust is consistently cited as the cornerstone of high-net-worth client relationships, with breaches of confidentiality or security often resulting in immediate disengagement (Ho & Wong, 2023). Zhao *et* al. (2023) demonstrate that reputational risks and privacy concerns are particularly intolerable for

wealthy clients, who value discretion as part of their financial identity. Allianz (2023) identifies cyber incidents as direct threats to relational trust, while Bain and Company (2023) show that trust extends to the ability of advisors to anticipate client needs. Ngau *et* al. (2023) add that erosion of trust accelerates "silent switching," where clients shift wealth allocations while maintaining superficial ties. These discoveries confirm that trust and confidentiality act as fragile but decisive relational factors that influence switching behaviour.

Reputation and brand perceptions.

Reputation is another relational factor that significantly influences switching among high-net-worth clients (Zhao *et* al., 2023). Capgemini Research Institute (2024) reports that wealthy clients actively compare the reputational standing of local organisations with global competitors, where negative perceptions accelerate the switch. KPMG (2022) highlights how reputational capital is increasingly tied to ESG (environmental, social, and governance) performance, particularly for younger generations of high-net-worth clients engaged in intergenerational wealth transfer. Tanuwijaya and Oktavia (2023) support this by showing that dissatisfaction often coincides with reputational doubts, leading to eventual exit. Thus, reputation is no longer confined to financial performance, but now includes social responsibility, innovation, and resilience in turbulent contexts.

Quality of relationship and advisory competence.

The quality of advisory relationships is critical to retaining high-net-worth clients (Ho & Wong, 2023). Chumak (2024) demonstrates that wealthy clients demand a hybrid of technical expertise and personalised attention, while Bain and Company (2023) emphasise proactive and innovative engagement as a key relational expectation. Ho and Wong (2023) notes that weak advisory competence leads clients to question the value of maintaining long-term relationships, intensifying switching intentions. Similarly, Tanuwijaya and Oktavia (2023) confirms that unmet relational expectations, such as slow responsiveness or lack of tailored strategies, act as behavioural triggers despite long-standing ties. This shows that relationship quality, when inadequate, turns from a retention asset into a liability.

Contextual factors influencing the switching behaviour

Contextual factors refer to exogenic elements associated with services, such as technological integration, operational responsiveness, and competitive offerings, which influence perceptions of value among high-net-worth clients. The SERVQUAL framework delineates five key service dimensions: tangibility, reliability, responsiveness, assurance, and empathy, which collectively exert

a significant impact on customer satisfaction and retention (Yesmin *et* al., 2023; van Deventer & Redda, 2023). Recent literature in the field of banking underscores that responsiveness and reliability persist as the most significant dimensions influencing client perceptions of service quality (Batmunkh, 2025; van Deventer & Redda, 2023).

Research conducted by Van der Merwe *et* al., (2025) indicates that the efficiency and reliability of electronic banking services are robust predictors of client satisfaction within the private banking sectors. Henley and Partners (2025) have reported that innovations in service and technological personalisation are emerging as key differentiators in the domain of African wealth management. The Financial Sector Conduct Authority (FSCA) (2023) outlines digital expectations and ethical service conduct as essential to maintain client trust, highlighting that deficiencies in communication or digital responsiveness accelerate client attrition. The emphasis of the SERVQUAL model on responsiveness and empathy offers a pertinent theoretical framework for exploring these operational service deficiencies.

Contextual factors influencing switching behaviour

Contextual factors are related to the extrinsic, service-orientated and technological parameters that influence' the holistic experiences of clients and determine their switching behaviours. In the context of private banking, these factors include digitalisation, service responsiveness, technological integration, and personalisation, which collectively shape the perceived quality and reliability of service delivery (Capgemini Research Institute, 2024; Accenture, 2025). These elements often act as incentives or deterrents within the PPM framework, thus influencing the decision of high-net-worth clients to maintain or terminate their relationships with financial institutions (Marx, 2025; Zhao *et* al., 2023).

Digitalisation and technological innovation

The process of digital transformation has significantly altered the paradigm of client engagement (Accenture, 2025). Capgemini Research Institute (2024) notes that high-net-worth clients are progressively demanding bespoke digital platforms that facilitate real-time access to wealth management activities. Bain and Company (2023) underscored that hybrid banking models, which integrate digital efficiency with human advisory interactions, are emerging as the prevailing industry norm. In a study by Ngau *et* al. (2023), it is observed that insufficient digitalisation, manifested through system inefficiencies or suboptimal user experience detracts from perceived service quality and often serves as a catalyst for client attrition (Batmunkh, 2025).

Within the area of South African private banking, the FSCA (2023) elucidates the critical role of digital responsiveness and adherence to ethical service practices as foundational elements to maintain client trust. Furthermore, the report underscores that client dissatisfaction is mainly attributed to the failure of digital channels to meet relational expectations FSCA (2023). The FSCA (2023) further indicated that shortcomings in digital communication and long approval processes serve as indicators of institutional inefficiency. Hence, digitalisation has progressed beyond a simplistic technological advancement; it is now perceived as a relational expectation intimately linked to the perceived competence, transparency, and client care provided by the institution.

Service responsiveness and customisation

Service responsiveness is identified as a pivotal contextual determinant of client satisfaction and fidelity (Yesmin *et* al., 2023; Chai *et* al., 2024). Tanuwijaya and Oktavia (2023) demonstrated that delays in service provision or lack of responsiveness by relationship managers result in client frustration and disengagement. Tanuwijaya and Oktavia (2023) further observed that even robust client relationships have the potential to degrade when service responsiveness diminishes. In the realm of private banking, where the client places a high value on exclusivity and personalised attention, timely and proactive communication is indicative of respect and dependability (Ho & Wong, 2023; EY, 2025a).

The importance of customisation cannot be overstated. According to KPMG (2022), the provision of tailored advisory services, particularly those that integrate environmental, social, and governance preferences (ESG), along with intergenerational wealth planning, significantly improves the perceived quality of service. Consequently, responsiveness and customisation should be regarded not as mere operational conveniences but as fundamental relational touchpoints. Their absence not only leads to a decrease in customer satisfaction; but also accelerates client attrition by undermining trust and emotional connection.

Integration of technology and service

Integration of technological advances with human advisory services has become a pivotal aspect of contemporary private banking. According to KPMG (2022), high-net-worth clients demand seamless transitions between digital interfaces and human touchpoints, placing a premium on institutions that excel in both efficiency and empathy. Allianz (2023) cautions that vulnerabilities in cybersecurity and disruptions in system operations may significantly undermine client confidence, especially in high-trust sectors such as wealth management. Bain and Company (2023) underscores that the success of private banks hinges on their ability to harmonise automation with personalisation, ensuring that digital tools enhance rather than replace relationship-based engagement, a finding

empirically supported by Lóska and Uotila (2024) who demonstrated that augmenting human services with digital technologies creates sustainable competitive advantage. In contrast, when these systems are misaligned, particularly when automation usurps meaningful human contact, clients may disengage subtly, a phenomenon described by Ngau *et* al. (2023) as "silent switching."

Strategic intentions and retention considerations

Retention of clients in the private banking segment transcends mere transactional satisfaction, embodying a strategic incorporation of behavioural, relational, and experiential factors (Chai *et* al., 2024; Ho & Wong, 2023). Two theoretical frameworks, namely TPB and the Experience Economy Theory (EET), offer a comprehensive, multidimensional basis for elucidating the intentions that support retention strategies among high-net-worth clients.

Behavioural intention and perceived control: The Theory of Planned Behaviour

The Theory of Planned Behaviour (TPB), as conceptualised by Ajzen (1991), posits that behavioural intention is influenced by three pivotal components: attitude towards behaviour, subjective norms, and perceived behavioural control (Bortne *et* al., 2025; Georgiou *et* al., 2023). In the context of private banking, this model is instrumental in clarifying the decision-making processes that underlie client retention and switching behaviours (Georgiou *et* al., 2023; Zhao *et* al., 2022). Attitude may encapsulate a client's overall evaluation of the bank's trustworthiness and competence; subjective norms might encompass the influence exerted by peers, social status, or financial advisors; and perceived control frequently manifests itself as clients' perceived autonomy in managing their wealth portfolios.

Murimbika (2024) has documented that the reinforcement of these behavioural drivers occurs when banking institutions maintain regulatory transparency and exhibit ethical consistency. In a similar vein, Accenture (2025) explains that engagement driven by empathy and interactions centred on human advisory perspectives enhance perceived behavioural control of clients by allowing them to make well-informed financial decisions. These conclusions align with the observations of the CFA Institute (2024), which underscore that adaptive relationship management and proactive value creation are crucial to retain high-net-worth clients who demand both technical precision and emotional reassurance.

Experience economy and emotional retention

The TPB provides a cognitive behavioural framework for understanding retention, as established in the preceding discussion. However, the Eperience Economy Theory (EET), as introduced by Pine and Gilmore (1999) cited in Garaus *et* al. (2025), extends this understanding by emphasising the

emotional aspects of customer loyalty. According to this theoretical construct, clients derive significant value from experiences that engage them on emotional, intellectual, and social levels, transcending mere satisfaction to foster a sense of identity and belonging. In the context of private banking, these experiences are manifested through personalised service encounters, exclusive events, and symbolic interactions that reinforce the client's self-concept (Ho & Wong, 2023; EY, 2025a).

Research conducted by Garaus *et* al. (2025) identifies that experiential engagement is realised through four distinct dimensions: entertainment, education, aesthetics and leisure activity. Each of these dimensions contributes significantly to perceived value and fosters long-term attachment. Garaus *et* al. (2025) further elucidate that the experience economy represents a paradigm shift from mere transactional interactions to the creation of expressive value. In this context, consumers prioritise meaningful engagements with brands that resonate with their personal identity. This phenomenon is of particular significance in the realm of private banking, where attributes such as exclusivity, discretion, and customised services are instrumental in cultivating emotional loyalty (Ho & Wong, 2023).

Recent studies corroborate this evolutionary trend. Garaus *et* al., (2025) highlights an emerging "experience gap" between digital efficiency and emotional connection, warning that technological solutions alone are insufficient to maintain loyalty among high-net-worth clients. Banks must design hybrid experiences that combine personalised service with emotional resonance. In a similar vein, Dagaşaner and Karaatmaca (2025) determined that the perceived quality of the online service that encompasses functional, mechanical, and human aspects directly influences customer satisfaction and long-term engagement, thus affirming the persistent importance of experiential value within digital environments.

Integrating behavioural and experiential perspectives for retention

Integration of TPB and EET facilitates a comprehensive understanding of the retention dynamics of high-net-worth clients (Garaus *et* al., 2025; Chai *et* al., 2024). The TPB explicates the mechanisms of rational intention formation, whereas the EET encompasses the affective and symbolic engagements that underpin client loyalty. Their combined application elucidates that effective retention strategies require the alignment of trust, empowerment, and emotional resonance. As articulated by Garaus *et* al. (2025) and further supported by Accenture (2025) and Lóska and Uotila (2024), this dual approach ensures that clients maintain a state of not only satisfaction, but also psychological investment in their banking relationships.

In this context, retention should not be conceptualised as a passive outcome but as a strategic construct shaped by perceived behavioural control. This is defined as the cognitive ability to manage one's

financial choices, alongside experiential immersion, which denotes the emotional satisfaction derived from the relationship. For high-net-worth clients, distinguished by complex wealth portfolios and diverse expectations, the intersection of these factors is pivotal in determining ongoing loyalty and advocacy (EY, 2025a).

SERVQUAL and contextual relevance

The SERVQUAL model retains substantial relevance in the examination of contextual variables within the private banking sector, with its five dimensions reliability, responsiveness, assurance, empathy, and tangibility continue to serve as pivotal benchmarks for clients when appraising service quality (Yesmin *et* al., 2023; van Deventer & Redda, 2023). Nevertheless, significant advances have been made in these dimensions in the context of modern private banking. For example, Van der Merwe *et* al. (2025) has elucidated that the reliability of electronic banking services and digital responsiveness have become paramount factors influencing client satisfaction. Henley and Partners (2025) have highlighted service innovation and technological personalisation as burgeoning distinguishing elements within the wealth management sector in Africa. The integration of SERVQUAL's foundational dimensions with contemporary digital anticipations provides an all-encompassing framework for analysing the contextual factors of client switching behaviour.

2.3 Empirical orientation of the study

Empirical studies show extensive switching in retail and private banking. Ngau *et* al.'s (2023) states that clients identify service quality, fees, trust, digital innovation, and product diversity as main switching drivers. Here, for these clients switching often reflects dissatisfaction with wealth structuring, advisory fees, or portfolio performance. Chai *et* al. (2024) argue that satisfaction alone does not ensure loyalty when clients want personalised value and long-term engagement; satisfied these clients may still switch if intimacy or exclusivity decline. Similarly, Batmunkh (2025) and Garatsa *et* al. (2025) find that trust, effective service recovery, and the perceived importance of the relationship predict retention better than satisfaction alone. Digital transformation also shapes switching, mobile and AI-assisted interfaces let these clients assess both financial outcomes and digital interaction quality. Lóska and Uotila (2024) show that app usability, recommendation algorithms, and reward systems create "digital anchoring" that influences behaviour. Batmunkh (2025) find that task complexity and users' digital skills affect app switching in mobile environments.

2.3.1 Empirical studies on the switching behaviour of high-net-worth clients

Empirical studies are essential to contextualise the factors that influence client switching and provide evidence on the way high-net-worth clients respond to service-related, relational dynamics. Research

consistently indicates that the switching behaviour of high-net-worth clients is motivated by dissatisfaction, attraction to alternatives, and the fragility of relational ties (Ngau *et* al., 2023; Zhao *et* al., 2023; Marx, 2025).

2.3.2 Global context

Globally, switching behaviour among high-net-worth clients is increasingly linked to digitalisation, rising expectations, and stronger competition (Ngau *et* al., 2023; Batmunkh, 2025). Capgemini Research Institute (2024) notes that these clients benchmark providers against international best practice, leaving when digital or advisory services disappoint. Bain and Company (2023) and Lóska and Uotila (2024) confirm that clients now expect hybrid models that combine digital tools with personalised advice, and unmet expectations often trigger silent switching. Chumak (2024) and KPMG (2022) find that hybrid models integrating ESG-focused investments are decisive for retention and switching. KPMG (2022) further shows that intergenerational wealth transfers have shifted switching drivers, as younger clients prioritise innovation and values alignment, a finding reinforced by EY (2025b) who identifies five specific strategies for capturing next generation high-net-worth clients. Collectively, these studies indicate that globally, switching is driven less by financial costs and more by evolving service expectations and reputational standards.

2.3.3 African context

In Africa, research indicates a systemic volatility and institutional weaknesses as key drivers of switching behaviour. Garatsa *et* al. (2025), Henley and Partners (2024) and Ngau *et* al. (2023) demonstrate that wealthy clients diversify across multiple institutions to hedge against political and macroeconomic instability, while unreliable services and limited innovation push clients further towards switching (Batmunkh, 2025). Tanuwijaya and Octavia (2023) find that although relational trust matters greatly, poor service responsiveness and weak digital innovation undermine retention. Furthermore, the study links dissatisfaction with reputational weaknesses, leading to switching. Overall, African contexts face a dual challenge: systemic instability heightens risk perceptions, while underdeveloped digital and advisory capabilities weaken client retention.

2.3.4 South African context

In South Africa, empirical evidence highlights how behavioural, relational, and technological factors shape high-net-worth switching. Momentum Investment (2023) cite political uncertainty, regulatory changes, and macroeconomic risks as key behavioural drivers of diversification and exit, while Ngau *et* al. (2023) find that wealthy clients frequently engage in silent switching, gradually reallocating assets when dissatisfied with service. Rising competition from global fintechs and international asset

managers is intensifying pressure on local institutions (Capgemini Research Institute, 2024), with Van der Merwe *et* al. (2025) confirming that digital responsiveness and service reliability have become critical retention factors in South African private banking. Bain and Company (2023) report that these clients increasingly expect proactive innovation, ESG integration, and seamless digital advisory. Local service failures, especially in responsiveness and customisation, remain among the strongest switching triggers (Tanuwijaya & Oktavia, 2023), a finding consistent with Roberts-Lombard *et* al. (2025) and Van der Merwe *et* al. (2025) who identify service quality deficiencies and rational dissatisfaction as primary switching drivers in the South African context. Collectively, these studies indicate that, although South Africa reflects global patterns, systemic risks and service weaknesses intensify switching.

2.3.5 Gaps in the literature on high-net-worth client switching behaviour

Although research on client switching behaviour is growing, substantial gaps remain regarding high-net-worth clients in financial services. Most global studies focus on retail clients, overlooking the distinct expectations of wealthy individuals shaped by global exposure and sophisticated service needs (Bain & Company, 2023). Capgemini Research Institute (2024) notes that most industry research aggregates data across segments, obscuring the unique switching dynamics of high-net-worth clients. This highlights a lack of segment-specific empirical research on the retention and disengagement patterns of wealthy clients.

The second gap concerns methodological biases. Studies such as Tanuwijaya and Oktavia (2023) and Batmunkh (2025) mainly use quantitative methods, yielding useful statistical correlations but offering limited insight into the nuanced motivations of high-net-worth clients. Likewise, Garatsa *et* al. (2025) notes that African research often relies on surveys of general banking clients, with few qualitative studies involving high-net-worth individuals or the participants who manage their portfolios. As a result, the lived experiences of these clients and their advisors are under-represented in current literature.

Third, despite research on behavioural, relational, and technological factors, contextual analysis remains limited. Ngau *et* al. (2023) show that systemic risks such as political instability and economic uncertainty drive switching in Africa, yet few studies link these pressures with micro-level relational or technological factors. Similarly, FSCA (2023) confirm that South African research often addresses macroeconomic instability without connecting it to service quality or digital innovation. Thus, this

reveals a gap in multi-level frameworks integrating systemic, organisational, and relational perspectives in the South African high-net-worth context.

A fourth gap relates to the differences between developed and emerging markets. Research in developed economies tends to emphasise service innovation, ESG integration, and digital sophistication as the dominant switching drivers (Capgemini Research Institute, 2024; KPMG, 2022). By contrast, emerging market studies, particularly within Africa, highlight systemic risks, limited digital adoption, and service inconsistencies as central factors (Garatsa *et* al., 2025; Tanuwijaya & Oktavia, 2023). However, very few comparative analyses explicitly contrast these contexts, which is a missed opportunity to illustrate how high-net-worth client behaviour is shaped by both global expectations and local realities, particularly in South Africa where clients evaluate providers against global standards while operating within a volatile domestic environment (Ngau *et* al., 2023).

Despite progress in research on client switching in financial services, important gaps remain regarding these clients in South Africa. Classical models such as PPM (Nugraha & Syafaruddin, 2023; Marx 2025) and TPB (Bortne *et* al, 2025; Conner & McEachan, 2023) laid the conceptual groundwork but predate the technological transformation, digital disruption, and ESG-driven investment demands now reshaping the sector. Recent studies identify new switching drivers, including fintech competition, digital wealth platforms, and sustainability-focused advisory services (Ngau *et* al., 2023; Garatsa *et* al., 2025; Puente-Cavazos *et* al., 2025), but these are fragmented and focus mainly on global or retail banking, leaving major gaps in understanding the South African high-net-worth segment. Addressing these gaps is essential, as Creswell and Creswell (2023) stress that identifying knowledge gaps clarifies a study's contribution, while Saunders *et* al. (2023) note that addressing such gaps underpins research relevance and originality.

This study directly addresses these gaps by exploring the perspectives of bank personnel on high-net-worth clients' switching behaviour in South Africa's financial services. Existing frameworks overlook factors such as digital transformation, cross-border wealth mobility, and ESG-driven choices. Post-2019 research underscores the need to reassess these dynamics in light of COVID-19 and South Africa's instability (Accenture, 2025; Ngau *et* al., 2023). Thus said, prior studies also fail to integrate segment specificity, methodological diversity, and contextual depth, limiting academic and practical progress. Here, this research responds to Creswell and Creswell's (2023) call to bridge conceptual and practical insights and aligns with Saunders *et* al.'s (2023) emphasis on rigorous, relevant research.

2.4 Conclusions

This chapter explored the phenomenon of high-net-worth client switching within financial services, emphasising its multifaceted nature across behavioural, relational, and contextual factors It also clarified how these dimensions influence the retention of high-net-worth clients. Chapter 3 presents the research methodology, detailing the research design, target population, sampling procedures, data collection and analysis methods, as well as ethical considerations, validity, and rigour.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology of the study. It is divided into 11 sections, of which section 3.1 introduces the study. Section 3.2 describes the research paradigm. Section 3.3 presents the research approach. Section 3.4 presents the research design. Section 3.5 outlines the population, sample, and sampling strategy. Section 3.6 explains how participants were recruited. Section 3.7 details the data collection methods used. Section 3.8 describes the process of data management and analysis. Section 3.9 addresses the trustworthiness of the study. Section 3.10 discusses the ethical considerations. Section 3.11 concludes the chapter.

3.2 Research paradigm

The study adopted an interpretivist paradigm (Creswell & Creswell, 2023; Saunders *et* al., 2023), to guide its philosophical approach to understanding factors influencing switching behaviour as perceived by participants. Interpretivism assumes that reality is socially constructed and that multiple subjective realities coexist (Creswell & Creswell, 2023). Here, switching behaviour is seen as constructed through participants' interpretations, observations, and interactions with high-net-worth clients. Knowledge is thus viewed as co-constructed through dynamic interaction between the researcher and participants. Insights into factors influencing high-net-worth clients arise from exploring how participants subjectively interpret and articulate their observations of client interactions and behaviours. This philosophical approach values the depth of participants' perspectives and recognises that their understandings are shaped by their experiences working with the high-net-worth clients. Within this paradigm, the researcher takes an active, participatory role, explicitly embracing reflexivity and transparency about how personal experiences and perspectives influence the co-construction of knowledge with participants (Creswell & Poth, 2025; Enworo, 2023).

3.3 Research approach

The study adopted a qualitative research approach grounded in the interpretivist paradigm, which seeks to understand the subjective meanings and lived experiences of participants within their contextual environments (Creswell & Poth 2025; Saunders *et* al., 2023). A qualitative approach allowed an in-depth exploration of factors affecting switching behaviour among high-net-worth clients as seen by participants in the study. Thus, the approach further offered clear insights into the experiences of participants dealing with high-net-worth client. Here, the approach allowed patterns and theoretical insights to emerge from participants' narratives about high-net-worth clients' banking experiences.

3.4 Research design

The study adopted an exploratory design (Creswell & Poth, 2025; Saunders *et* al., 2023). This design was particularly suitable for the study to gain in-depth insights of the factors influencing the high-net-worth clients switching behaviour from the participants involved in the study (Creswell & Poth, 2025). Here, the design allowed the researcher to explore participants' experiences working with high-net-worth clients. In line with this design, the researcher explored how participants interpret high-net-worth client switching behaviour triggers that includes but not limited to organisational influences, and service dynamics they experience in their banking contexts.

3.4.1 Limitations of the design

The qualitative exploratory design, while insightful, has limitations. Findings from a small group of participants cannot extend to all financial services or high-net-worth clients, and insights are context-specific to South Africa (Creswell & Poth, 2025; Saunders *et* al., 2023). The qualitative exploratory approach is also time-consuming, requiring extensive interviews and analysis which inevitably limits participant numbers (Saunders *et* al., 2023). Replicability is also challenging since results depend on specific experiences and interpretations, though triangulation and audit trails enhanced credibility (Creswell & Poth, 2025; Saunders *et* al., 2023). Additionally, as a constraint of the study, subjectivity of the researcher is acknowledged, as personal biases can influence findings even with reflexivity and transparency (Clark *et* al., 2021). Despite these limitations and constraints, the design offered in-depth insights into high-net-worth clients' switching behaviours as perceived by the participants in this study.

3.5 Population, sample, and sampling strategy

3.5.1 Population

A population is the complete set relevant to a study (Creswell & Poth, 2025). In this study, the target population comprised 118 banking professionals drawn from a South African financial services organisation serving high-net-worth private banking clients. The targeted population included provincial and business unit heads, relationship managers, and support staff who provided strategic and operational high-net-worth client management insights. The targeted population offered reliable perspectives on high-net-worth clients switching behaviour (Bell *et* al., 2022; Saunders *et* al., 2023). Concentrating on this targeted population therefore ensured that the findings of the study were deeply rooted in professional expertise and practical real-world experience of the participants in dealing with high-net-worth clients.

3.5.2 Sample

A sample represents a carefully selected subset of the target population from which research data is gathered (Creswell & Creswell, 2023; Bell *et* al., 2022). For qualitative inquiry, the selected sample should provide rich, comprehensive perspectives on the phenomenon under study rather than statistical representativeness (Saunders *et* al., 2023). From a target population of 118 banking professionals, 20 participants were purposively selected, representing approximately 17% of the population. This study used a sample of 20 participants from private banking and wealth management, comprising 2 Provincial Heads, 5 Private Banking Heads (Business Unit Heads), and 13 Relationship Managers (RMs), collectively offering strategic and operational insights into high-net-worth client switching behaviour. Owing to availability, a relationship manager was substituted by a support staff member, maintaining the sample at 20 participants.

3.5.3 Sampling strategy

This study employed purposive sampling to select participants with in-depth knowledge and experience of high-net-worth clients switching behaviour. Purposive sampling was particularly appropriate for this study as it enabled the selection of information-rich participants within a specialised client segment, offering context-specific insights and nuanced perspectives (Saunders *et* al., 2023; Creswell & Creswell, 2023). This sampling method enabled the researcher to collect relevant data and generate valuable experience-based evidence aligned with the research questions of the study (Ngau *et* al., 2023). Participants were selected based on specific criteria including years of experience and direct exposure to high-net-worth client interactions.

3.5.4 Sample size limitations

Purposive sampling enriches qualitative data but limits statistical generalisation to the broader population of high-net-worth clients (Bell *et* al., 2022; Saunders *et* al., 2023). The focus is therefore on transferability, with detailed insights applicable to similar private banking contexts. The study's sample of 20 participants was considered appropriate for qualitative inquiry, as data saturation was reached whereby no new insights emerged beyond the core themes identified (Saunders *et* al., 2023; Creswell & Poth, 2025). This validates the adequacy of the sample size, emphasising depth of understanding over statistical representation. The purposive focus on information-rich participants ensured that the findings were grounded in direct professional experience with high-net-worth clients, strengthening the contextual relevance of the study.

3.6 Participant recruitment strategy

3.6.1 Recruitment rationale

Recruitment represents a pivotal phase in qualitative research as it determines the extent to which participants can provide information-rich insights relevant to the research questions (Bell *et* al., 2022). For this study, only participants who interact directly with high-net-worth clients were selected given their central role in private and wealth management services. These participants were strategically positioned to provide insights into the factors influencing high-net-worth client switching behaviour, and their professional expertise and first-hand involvement in private banking operations ensured that the data collected was contextually valid and practically relevant.

3.6.2 Recruitment process

Participants were recruited using gatekeeper access provided to the researcher by the financial services organisation under study. A formal permission letter was obtained in compliance with the organisational protocols and policies, as recommended by Creswell and Poth (2025). Once approval was granted, participants who met the inclusion criteria outlined in Section 3.5.4 were identified with the help of the relevant line managers. These selected participants received an email outlining the study's purpose, objectives, and their expected role. The email confirmed that participation was voluntary, that their information would be kept confidential, their anonymity would be guaranteed, and that they could withdraw from the study without adverse consequences (Creswell & Poth, 2025). Written consent was obtained before data collection commenced through semi-structured interviews.

3.6.3 Communication and scheduling

Participants' interviews were scheduled at a time and location convenient for them. In alignment with ethical research practices, participants were offered the option of conducting interviews in person at the organisation's premises or virtually via MS Teams. This flexible approach minimised disruptions to participants' professional responsibilities while respecting their availability, thus enhancing participation and data quality (Bell *et* al., 2022; Saunders *et* al., 2023)

3.7 Data collection methods

Data collection in qualitative research focuses on obtaining comprehensive, detailed, and contextually relevant insights from participants (Creswell & Poth, 2025). For data collection, this study used semi-structured interviews and literature reviews.

3.7.1 Semi-structured interviews

During the data collection process, semi-structured interviews helped the researcher to uncover the meanings participants attach to high-net-worth client experiences (Flick, 2023).
They further helped the researcher to generate rich narratives that strengthened the validity of the data (Silverman, 2022). Thus, they supported a rigorous yet adaptable exploration of factors influencing high-net-worth clients' switching behaviour.

To ensure consistency across interviews while allowing flexibility for participants to express their viewpoints, the researcher used an interview guide as the data collection instrument. The interview guide was structured into five sections in line with the research questions of the study. Section A comprised general questions directed at all participants. Section B was directed at Provincial Heads and Business Unit Heads. Section C was directed at Relationship Managers. Section D was directed at Support Staff. Section E comprised a closing question directed at all participants, providing an opportunity to share any additional insights on high-net-worth client switching behaviour not previously discussed.

Sample questions used in the interview guide included the following:
1. From your experience, what do high-net-worth clients value most in their private banking relationships?
2. What are the key factors that shape trust between high-net-worth clients and a financial service organisation?
3. What strategies support high-net-worth client retention?
4. Have you had a high-net-worth client who considered switching in the past 12 months?
5. What are the top reasons why high-net-worth clients consider switching banks?
6. How do you identify early signs of high-net-worth client disengagement?

The guide enabled the researcher to collect data timeously in accordance with the interview schedule and to prepare the collected data for analysis. Interviews were recorded to ensure the precision and completeness of data captured. Creswell and Poth (2025) highlight that transcription represents a critical stage in preparing the data for analysis. To enrich data capturing, the researcher used field notes to capture non-verbal cues and contextual observations during interviews (Creswell & Poth, 2025). The triangulation of transcripts with field notes enhanced the interpretation of the data and strengthened the credibility of the findings (Saunders *et* al., 2023).

3.7.2 Literature reviews

Literature reviews were used as an additional data collection technique for the study, enabling the researcher to identify and synthesise existing knowledge relevant to the research questions (Creswell & Poth, 2025; Saunders *et* al., 2023). The researcher reviewed literature from peer reviewed articles, industry reports, and financial services literature sources that grounded the study. Academic sources such as peer reviewed journal articles and books provided theoretical grounding, while industry reports from organisations offered current, data-driven perspectives on factors influencing switching behaviour among high-net-worth clients.

3.8 Data management and analysis

3.8.1 Data management

Interview recordings were securely stored in encrypted folders with access protected by strong password authentication. Transcripts were anonymised using pseudonyms to remove any identifying information, in compliance with the provisions of the Protection of Personal Information Act (POPIA) No. 4 of 2013, which promotes the safeguarding of personal data and sets out minimum standards for data processing. Access to raw data was restricted solely to the researcher, and all data was securely stored on a password-protected encrypted digital storage system under the North-West University (NWU) OneDrive. In accordance with the ethical standards of NWU and the financial services organisation, all data will be kept for a minimum period of five years post-study completion, after which all electronic files will be permanently deleted and hard copy materials securely shredded and destroyed. Data was analysed using Atlas.ti, which facilitated structured and systematic coding in accordance with established qualitative coding procedures (Saldaña, 2021). No external data analysts were engaged; all transcription review, coding, and analysis was conducted independently by the researcher to preserve confidentiality and data integrity.

3.8.2 Data analysis process and tools

In analysing the data collected, the researcher employed thematic analysis for data collected through interviews and content analysis for data collected through literature reviews (Creswell & Poth, 2025; Saunders *et* al., 2023). The coding process was guided by established qualitative coding procedures to systematically identify and organise meaningful patterns within the data (Saldaña, 2021).

3.8.2.1 Thematic analysis of the data

Thematic analysis was employed to interpret the qualitative data gathered through semi-structured interviews (Braun & Clarke, 2022; Creswell & Poth, 2025).

The researcher followed the six-phase framework of Braun and Clarke (2022), which provided a rigorous yet flexible process for analysing data collected from interviews with the participants.

In the first phase, the researcher familiarised themselves with the data through repeated reading of transcripts and field notes, noting initial observations relevant to the research questions. In the second phase, the data was systematically coded using Atlas.ti following established coding procedures to capture meaningful features relevant to the factors influencing high-net-worth client switching behaviour, with codes then collated into broader categories in preparation for theme development (Saldaña, 2021). In the third phase, codes were collated into potential themes, gathering all data relevant to each theme. In the fourth phase, themes were reviewed and refined to ensure they accurately represented the data set. In the fifth phase, each theme was clearly defined and named, identifying its essence in relation to the research questions. In the sixth phase, the final report was produced through the selection of compelling extract examples, relating the analysis back to the research questions and existing literature of the study.

Interview recordings were transcribed verbatim by the researcher to ensure accuracy and completeness of the data captured. The researcher used Atlas.ti to systematically track codes and themes, enabling a comparative analysis of participants' views on factors influencing the switching behaviour of high-net-worth clients.

3.8.2.2 Content analysis of the data

Content analysis was used by the researcher to analyse data obtained from reviewing literature associated with the study as indicated in subsection 3.7.2 under section 3.7. Content analysis involved coding and categorisation of data to identify recurring themes (Kuckartz & Rädiker, 2023; Creswell & Poth, 2025). This analytic approach helped the researcher to reduce large volumes of text from literature sources to meaningful categories representing the themes, moving beyond description to interpretation through structured and transparent coding (Creswell and Poth, 2025; Kuckartz & Rädiker, 2023).

To analyse data collected through literature reviews, the researcher followed a three-step content analysis process:

Selection of data: The researcher sourced the data using academic databases including Google Scholar, EBSCOhost, and Scopus, using keywords such as 'high-net-worth clients' and 'switching behaviour' to obtain relevant peer reviewed literature.

Coding of data: The researcher selected texts from literature sources aligned with the objectives and research questions of the study outlined in sections 1.4 and 1.5 of Chapter 1.

Synthesis into themes: The researcher used coded data to identify and document distinct themes emerging from the data. data.

3.9 Trustworthiness of the study

To ensure trustworthiness of the study, the researcher incorporated credibility, transferability, dependability, and confirmability as core indicators of trustworthiness (Ahmed, 2024; Enworo, 2023).

3.9.1 Credibility

Credibility within qualitative inquiry strengthens confidence in the trustworthiness of the study (Creswell & Poth, 2025; Ahmed 2024). Credibility is understood as the degree to which the research accurately reflects participants' perspectives and lived experiences (Ahmed, 2024; Enworo, 2023). For this study, credibility was ensured by conducting in-depth, semi-structured interviews with carefully selected participants who hold relevant professional roles and experience in managing high-net-worth clients. This ensured that data was drawn from informed sources, and credibility was further strengthened by consulting credible literature sources relevant to the study.

3.9.2 Transferability

Transferability is defined as the degree to which research results can be applied to alternative contexts or settings (Ahmed, 2024; Creswell & Creswell, 2023). In this study, transferability was addressed by providing detailed contextual descriptions of the research setting, participant roles, and organisational dynamics. This allows readers to evaluate the relevance of the results to similar contexts and compare findings across diverse empirical settings (Ngau *et* al., 2023; Saunders *et* al., 2023).

3.9.3 Dependability

Dependability is the counterpart to reliability, emphasising stable and consistent research processes (Ahmed, 2024; Enworo, 2023). Dependability is achieved through audit trails and documentation for retracing and assessing the consistency of data collection and analysis methods (Saunders *et* al., 2023; Flick, 2023). In this study, dependability was maintained by using audit trails to cover all research phases including design, interview guides, coding frameworks, and theme development, ensuring a logical, traceable, and well-documented research process (Saldaña, 2021; Naeem *et* al., 2023).

3.9.4 Confirmability

Confirmability is reinforced through reflexivity (Ahmed, 2024; Enworo, 2023; Creswell & Poth, 2025). The researcher maintained reflective field notes throughout the study to acknowledge and to limit personal biases and subjective interference. Furthermore, coding and thematic development were conducted by the researcher using Atlas.ti following the framework of Braun and Clarke (2022), enabling structured organisation of data and enhancing objectivity in interpretation.

3.10 Ethical considerations

The researcher adhered strictly to ethical guidelines as prescribed by Creswell and Poth (2025) and the North-West University Ethics Policy.

3.10.1 Ethical clearance

Ethical clearance was obtained from NWU's Research Ethics Committee prior to data collection. In addition, a formal gatekeeper permission was secured from an executive within the financial services organisation under study, authorising access to internal personnel for research purposes.

3.10.2 Informed consent

As part of the recruitment process, the researcher ensured that all participants received an email outlining the study's purpose, objectives, and their expected role in the study. Written informed consent was obtained from all participants before the commencement of data collection, confirming that participation was voluntary and that participants could withdraw from the study at any time without adverse consequences (Creswell & Poth, 2025; Saunders *et* al., 2023).

3.10.3 Confidentiality

To ensure the confidentiality of participants, the researcher expunged all identifying information from the transcripts and utilised pseudonyms to protect participant identity (Creswell & Poth, 2025). Furthermore, the researcher employed thematic reporting of the results to prevent the direct identification of participants.

3.10.4 Anonymity

To ensure the anonymity of participants, all electronic data was stored in an encrypted format accessible only to the researcher and the supervisor (Saunders *et* al., 2023). The researcher securely stored all data using password protection on the NWU OneDrive account, and the data will be kept for a period of five years, after which all digital files will be permanently deleted in line with POPIA and NWU guidelines.

3.10.5 Avoiding harm

The researcher took deliberate measures to ensure that no harm was caused to participants throughout the study. Participation was voluntary and participants were assured that their responses would be used solely for academic purposes. Participants were informed that they could withdraw from the study at any point without negative consequences, thus safeguarding their wellbeing throughout the research process (Creswell & Poth, 2025; Bell *et* al., 2022).

3.11 Conclusions

This chapter discussed the research methodology of the study starting with research paradigm and ending with the ethical considerations of the study. The next chapter presents research results and findings of the study.

CHAPTER 4: DATA PRESENTATION, RESULTS AND FINDINGS

4.1 Introduction

This chapter is about data presentation, results and findings. It is broken down into five (5) sections of which section 4.1 introduces the chapter. Section 4.2 presents the demographics of the participants. Section 4.3 discusses the results from interviews. Section 4.4 presents results from the literature review focusing on industry report. Section 4.5 provides research findings of the study and finally, section 4.6 concludes the chapter.

4.2 Demographic profile of participants

4.2.1 Overview of participants

The profile of participants in the study included 18 banking professionals drawn from wealth and private banking segments. Participants ranged from front-line to strategic influencers in managing high-net-worth clients. Participants were chosen because the researcher wanted to obtain varying perspectives of the factors influencing switching behaviour of the high-net-worth clients. Here, the researcher established that participants are aware of the factors ranging from service quality to competitor offering influencing the switching behaviour. The participant profile comprised predominantly Relationship Managers at 61%, followed by Heads of Private Banking at 22%, Executives in Private Banking at 11%, and Support Bankers at 6%.

4.2.2 Gender distribution

The sample consisted of 13 female participants and 5 male participants, representing 72% and 28% of the sample respectively. This distribution is indicative of the gender composition observed in numerous private banking teams, where roles involving direct client interaction frequently exhibit female representation.

4.2.3 Years of banking experience

The participants brought diverse industry experience, enriching the insights obtained. Specifically, 10 had 5-10 years representing 55% of the sample, 3 had over 10 years representing 17% of the sample, and 5 had 1-5 years of experience representing 28% of the sample. Most had significant exposure to high-net-worth client management, aligning with the study's criteria.

4.2.4 Regional representation

The participants rendered services to clients in significant regions of South Africa, thus exemplifying the diverse contexts of private banking markets in various provincial jurisdictions.

4.3 Research results from interviews

The participants rendered services to clients in significant regions of South Africa, thus exemplifying the diverse contexts of private banking markets in various provincial jurisdictions. The majority of participants were from the Western Cape at 23%, followed by Gauteng North at 18%, Gauteng South at 17%, National Office at 12%, Limpopo at 12%, and KwaZulu-Natal, Mpumalanga, and North West each at 6%.

4.3.1 Client experience as a switching factor

During the interviews, participants mentioned client experience as a factor influencing switching behaviour of the high-net-worth clients. The researcher established that service responsiveness, personalised engagement, trust, professional accessibility, competitive value, and digital support are key attributes valued by high-net-worth clients, illustrating how their expectations influence switching behaviours. Here, service quality was the most valued attribute at 20%, followed by responsiveness and relationship manager expertise each at 18%, pricing and concessions at 16%, and trust and confidentiality and digital experience each at 14%.

4.3.2 Behavioural drivers of switching

Participants indicated that high-net-worth clients exhibit a low threshold of dissatisfaction and tend to defect rapidly to alternative providers when private banking services do not meet their expectations. Interview data suggest that these clients place a premium on reliable and consistent execution and that perceived breaches of promise constitute a critical trigger for switching behaviour. As one participant noted, “If a banker commits to something and does not deliver, that expectation gap becomes a trigger for exit.” (RM004).

In addition, the findings indicate a pronounced preference among high-net-worth clients for participatory decision-making processes and collaborative advisory relationships, as opposed to unilateral recommendations. Exclusion from major financial decisions has been reported to erode trust and substantially increase the possibility of client attrition. Even minor operational errors were found to generate uncertainty and compromise client retention. As one participant observed, “They don’t always complain, they just stop responding. You only notice it when transactions reduce, or they start moving investments elsewhere.” (RM005).

Communication deficiencies such as delayed responses, insufficient feedback, or prolonged periods without contact were interpreted by participants as indications of low priority status, thus further incentivising provider change. As one participant noted, “With high-net-worth clients, silence can be detrimental; if progress or decisions are not communicated promptly, clients assume inactivity and

may begin exploring alternative options." (Head003). In general, loyalty within this client segment appears to be predominantly driven by perceived value and service performance, rather than by affective attachment or purely relational forms of loyalty.

4.3.3 Relational dynamics influencing switching

The interviews underscored the decisive impact of relationship quality and personal involvement on client retention or defection. Strong relationships markedly reduce attrition risk, while weak ties increase the chance that clients switch providers. As one participant observed, "Our clients do not merely purchase a product; they acquire peace of mind. The relationship must resemble a partnership rather than a simple sales pitch." (Exec001). Personal involvement is the main driver of loyalty, outweighing brand identity. Clients strongly want to be understood and value advisors who grasp their personal and financial context "their world." As one participant noted, "Clients demonstrate loyalty when they perceive that they are understood. It hinges not on the frequency of meetings but on the ability to anticipate their needs effectively." (Head003).

Participants confirmed that high-net-worth clients are highly sensitive to empathy and quickly detect its presence or absence in professional interactions. Proactive, anticipatory communication emerged as a key differentiator in competitive markets, offering an advantage by identifying and predicting client needs early. As one participant stated, "If I become uncommunicative, I lose leverage. These clients are used to being prioritised; silence equals neglect." (RM002). This approach improves perceived service quality and helps establish, strengthen, and sustain client trust. A holistic understanding that goes beyond financial metrics is essential: high-net-worth individuals prefer advisors who understand their wider circumstances, priorities, and life context.

The researcher found that comprehensive knowledge of clients' situations enhances professionals' ability to foresee and mitigate future problems. As one participant noted, "Once a client starts to quiet down, it's already a red flag. They stop sharing and by the time they move their funds, it is too late." (RM002). Participants also reported consistently high expectations around accessibility: banking professionals are expected to be reachable within reasonable time frames and delayed, or inadequate responses are often linked to dissatisfaction and may trigger formal or informal complaints. As one participant observed, "When a client knows that you will answer their call at any time, that is when they stay. It's not about money; it's about access and reliability." (RM005).

4.3.4 Contextual service factors affecting switching

Participants reported that a range of operational, technological and structural factors exert a substantial influence on the client experience within the financial services sector. Service quality and

operational efficiency are considered a switching trigger, with turnaround time identified as particularly outstanding, since clients systematically benchmark performance against competing institutions. As one participant noted, “When a client must call twice for the same issue or wait days for feedback, they start comparing our service with competitors. In private banking, time is a form of respect.” (RM004). Even minor operational delays are perceived as sufficient to elicit dissatisfaction, especially among high-net-worth clients.

Technology emerged as a bidirectional determinant, functioning as either a facilitating factor or a barrier to the delivery of a positive client experience. In addition, participants indicated that suboptimal digital interfaces or process designs prompt clients to question the institution’s status as a premium bank, as these clients increasingly expect seamless and fully integrated digital interactions and tend to regard any deviation from this anticipated standard as unacceptable. As one participant observed, “The game has changed; clients compare us not only with other banks but with the overall efficiency of their digital experiences.” (Exec001).

With regard to client requirements and service customisation, participants consistently underscored the limitations of homogeneous, standardised service delivery models. The researcher noted that a “one-size-fits-all” approach is perceived as inappropriate for this segment of clients, given that clients who prefer bespoke solutions are inclined to change providers if their customised needs are not adequately addressed. As one participant noted, “Certain clients prefer to engage in discussions about investments on a weekly basis, whereas others prioritise the assurance that matters are managed discreetly. The error lies in adopting a uniform approach.” (RM006).

Furthermore, shortcomings in support infrastructures were identified as an additional source of dissatisfaction: indicating that clients expressed a strong aversion to fragmented or poorly coordinated service encounters, highlighting the need for integrated support mechanisms and a clearly delineated single point of accountability. As one participant observed, “Sometimes it is not the relationship manager’s fault. If internal teams are slow or systems are not integrated, the client still blames the banker. That’s how service breakdowns become personal.” (Exec002).

4.3.5 Retention strategies and value-proposition levers

This theme highlights client-retention strategies emphasised by participants, notably personalisation and customised solutions. Several participants stated that personalisation is the key differentiator: clients want to feel prioritised, and customised offers reinforce their commitment. As one participant noted, “They do not want to feel like another number; each interaction must demonstrate an understanding of their lifestyle, investment patterns, and priorities.” (RM001). Proactive

communication was also deemed crucial; regular check-ins were said to prevent issues from escalating, to build trust, and reduce client attrition. As one participant observed, “When clients don’t hear from us, they assume something is wrong even when everything is fine.” (RM002).

Trust and transparency were identified as vital for retaining high-net-worth clients, with participants noting that clear pricing and decision-making processes enhance loyalty. As one participant stated, “Trust is not built by the institution; it is built by the banker. Clients trust people, not logos.” (Exec001). Private banking heads remarked that trust functions as the core “currency” in private banking relationships. As one participant noted, “Our clients desire assurance that their information is secure and that the information provided regarding pricing or lending conditions is equitable. The moment they perceive inconsistency, trust deteriorates.” (Head002).

Competitive pricing and perceived value were also seen as important. Relationship managers indicated that favourable concessions can quickly secure loyalty and that pricing and value propositions should match the client’s overall financial contribution. As one participant observed, “Clients don’t always switch because of rates, they switch because they feel they weren’t offered the same deal others got.” (RM008). Another participant noted, “Even if the rates are not the best, it’s transparency that counts. Tell them why, they will stay.” (Head003).

Finally, the researcher observed that ongoing engagement and ancillary benefits matter, particularly value-added services such as travel or lifestyle benefits for high-net-worth clients. As one participant noted, “Clients remember how you made them feel, not the interest rate you gave them.” (RM009). A support banker concluded that sustained engagement fosters a sense of affiliation and belonging to the bank. As one participant observed, “Retention is earned every day, not through what we offer, but through how we show up.” (Head004).

4.4 Results from literature review

This section presents the results of content analysis conducted on industry reports, from which the following themes were concluded.

4.4.1 Behavioural factors of switching behaviour

Content analysis of industry reports reveals that behavioural signals often emerge before relational or contextual issues, serving as early warnings of defection. The analysis consistently identified unmet expectations as the main cause of switching. The CSG (2025) report finds that 72% of high-net-worth clients perceive a gap between expected and received services, indicating a growing premium-delivery shortfall. This finding is consistent with the interview data, where participants confirmed that clients quietly begin comparing institutions when expectations around turnaround times or

lending rates are not met. PwC (2025) similarly links defection to slow responses, poor service, and weak personalisation, which aligns with participants' observations that communication deficiencies and lack of personalisation are primary switching triggers.

Trust erosion emerged as a major behavioural trigger in the content analysis, with high-net-worth clients increasingly choosing banking partners based on stability, governance, and reputation (Knight Frank, 2025). This corroborates the interview findings, where participants noted that even minor service issues such as slow communication or administrative errors can quickly undermine client trust. The UBS (2025) report shows that geopolitical risk and market volatility increase trust sensitivity and drive moves to perceived safer institutions, which is consistent with participants' observations regarding South African clients' sensitivity to macroeconomic instability.

The content analysis further revealed that client empowerment has become a core norm, with high-net-worth individuals strongly preferring platforms offering consolidated wealth visibility, real-time analytics, and high decision-making autonomy (RFI Global, 2025). This finding supports the interview data, where participants noted that clients who feel excluded from major financial decisions are more likely to switch providers. Accenture (2025) reports greater switching when clients face institutional rigidity or perceive weak pricing transparency and investment disclosure, which aligns with participants' observations that pricing fairness and value perception are primary switching drivers.

Perceptions of pricing fairness and value, especially lending terms, advisory fees, and investment performance, are primary switching drivers identified in the content analysis (PwC, 2025). This is consistent with the interview findings, where participants confirmed that clients continuously assess whether their portfolio size and relationship tenure merit preferential pricing or enhanced benefits. The content analysis further revealed that emotional exhaustion is a key non-financial driver of switching behaviour, with the CSG (2025) report finding that emotional friction from process inefficiencies, recurrent errors, or inconsistent service predicts switching more strongly than price. This corroborates the interview data, where participants observed that dissatisfaction builds up over time through accumulated negative experiences rather than singular events.

4.4.2 Relational factors of switching behaviour

Content analysis of industry reports shows that trust-based relationships shape interactions between high-net-worth clients and private banks, making relationship managers the main basis of retention and switching. The Krutham (2025) survey finds that clients judge private banks primarily on relational performance, including advanced financial expertise, broad product knowledge, and high-

quality strategic advice, and further concludes that weak relational competence fuels dissatisfaction, erodes confidence, and increases attrition, especially when clients feel more knowledgeable than their bankers. This is consistent with the interview findings, where participants confirmed that the quality of advisory relationships is critical to retaining high-net-worth clients and that clients who feel undervalued or poorly advised begin exploring alternative institutions.

The content analysis further revealed that clients now expect relationship managers to act as strategic partners, offering proactive wealth structuring and anticipatory, opportunity-focused advice (Capgemini Research Institute, 2025). This finding is consistent with the interview data, where participants emphasised that proactive, anticipatory communication emerged as a key differentiator in competitive markets. The CSG (2026) report identifies empathy as one of the three most critical drivers of relationship quality, with 63% of high-net-worth clients valuing bankers who understand them beyond their portfolio. This aligns with the interview findings, where participants confirmed that high-net-worth clients are highly sensitive to empathy and quickly detect its presence or absence in professional interactions.

The content analysis identified proactive, consistent, and timely communication as building trust, improving retention, and meeting high-net-worth clients' expectations through updates, early risk alerts, and forward-looking outreach (RFI Global, 2026). This is consistent with the interview findings, where participants noted that communication deficiencies such as delayed responses, insufficient feedback, or prolonged periods without contact were interpreted by clients as indications of low priority status. PwC (2025) shows that inconsistent or late communication sharply raises client loss risk, which corroborates the interview data, where participants observed that clients who feel ignored or undervalued promptly seek alternative providers.

The content analysis further revealed that personalised engagement is now the baseline, with McKinsey (2025) reporting that it triples client satisfaction and reduces attrition. This finding supports the interview data, where participants emphasised that personalisation is the key differentiator, as clients want to feel prioritised and customised offers reinforce their commitment. Here, the content analysis shows that access to relationship managers, often via hybrid digital-human models, is critical, as delays are a major reason high-net-worth clients switch providers (CSG, 2025; UBS, 2025). This is consistent with the interview findings, where participants noted that banking professionals are expected to be reachable within reasonable time frames and that delayed or inadequate responses are often linked to dissatisfaction and may trigger formal or informal complaints.

4.4.3 Contextual factors of switching behaviour

Industry reports show that digital capability, regulation, innovation, security, and competitiveness drive high-net-worth individuals' switching by shaping perceptions of institutional stability, sophistication, and value. The CSG (2026) report finds that 68% of high-net-worth clients prioritise digital quality when choosing banks, and 54% switch due to outdated platforms. This is consistent with the interview findings, where participants noted that suboptimal digital interfaces or process designs prompt clients to question the institution's status as a premium bank. PwC (2025) similarly highlights the importance of seamless digital onboarding, loan approvals, and investment processes for retention, which corroborates the interview data, where participants confirmed that turnaround time is identified as a particularly outstanding switching trigger.

Findings from industry reports further revealed that high-net-worth clients expect seamless integration across digital, mobile, branch, and relationship manager channels. The Krutham (2025) report notes that inconsistent experiences and repeated information requests create friction and can trigger switching. This finding is consistent with the interview data, where participants noted that clients expressed a strong aversion to fragmented or poorly coordinated service encounters, highlighting the need for integrated support mechanisms and a clearly delineated single point of accountability. PwC (2025) adds that these clients want smooth transitions between human advisors and digital tools, yet many banks still operate siloed systems, which aligns with the interview findings, where participants observed that misalignment between digital and human service delivery generates dissatisfaction.

Technological sophistication emerged as an increasingly decisive contextual factor in the industry reports, with Accenture (2025) reporting that 61% of wealthy clients prefer banks using AI for portfolio management and pricing and view technological sophistication as a reason to switch. This corroborates the interview data, where participants confirmed that technology emerged as a bidirectional determinant, functioning as either a facilitating factor or a barrier to the delivery of a positive client experience. The CSG (2026) report shows that AI-driven personalisation and predictive strategies increase loyalty, while institutions that lag in innovation lose more clients. This is consistent with the interview findings, where participants noted that clients increasingly expect seamless and fully integrated digital interactions and tend to regard any deviation from this anticipated standard as unacceptable.

Security concerns are identified in industry reports as a leading reason high-net-worth clients switch financial providers, with cyber risk identified as a top driver of provider reassessment (UBS, 2025; Knight Frank, 2025). This finding corroborates the interview data, where participants noted that a

single real or perceived security lapse can erase years of trust. Here, industry reports show that competition is shifting toward more comprehensive, differentiated value propositions, with clients now comparing fees, lending margins, investment performance, digital capabilities, and manager expertise (Krutham, 2025). This is consistent with the interview findings, where participants confirmed that concessional rates, tailored terms, and favourable pricing remained decisive contextual factors influencing switching decisions.

Wealth migration, political instability, and stricter regulations are identified in industry reports as drivers of clients toward financially and institutionally stable service providers (Henley & Partners, 2025). This corroborates the interview data, where participants noted that external factors such as macroeconomic changes, cybersecurity incidents, and competitor innovations significantly influence how clients assess stability and reliability. Here, inflation, changing credit risk profiles, and global regulatory scrutiny lead clients to prefer counterparties with strong risk-mitigation, transparency, and governance standards (UBS, 2025; PwC, 2025). This is consistent with the interview findings, where participants observed that contextual sensitivity has transitioned from being optional to a strategic imperative for client retention in the South African financial landscape.

4.4.4 Retention strategies of high-net-worth clients

Industry reports show that retaining high-net-worth clients depends on personalised experiences, empowered relationship managers, clear value communication, and effective trust repair. McKinsey (2025) links hyper-personalised interactions using data and AI for tailored advice and timely outreach to higher loyalty and lower attrition. This is consistent with the interview findings, where participants emphasised that personalisation is the key differentiator, as clients want to feel prioritised and customised offers reinforce their commitment. Accenture (2025) similarly emphasises timely, tailored proposals, while Capgemini Research Institute (2025) advises combining digital tools with relationship managers to meet customised service expectations, which corroborates the interview data, where participants noted that ongoing engagement and ancillary benefits matter particularly to high-net-worth clients.

Findings from industry reports further revealed that targeted signature moments during onboarding and key life events build emotional loyalty and a sense of exclusivity, shielding clients from competitors (Capgemini Research Institute, 2025; CSG, 2026). This finding is consistent with the interview data, where participants noted that sustained engagement fosters a sense of affiliation and belonging to the bank. Capgemini Research Institute (2025) finds that investing in these moments lifts retention more than incremental service improvements, which aligns with the interview findings,

where participants observed that clients remember how they were made to feel rather than the interest rate they were given.

Empowering relationship managers by cutting administrative work, providing analytics, and granting decision-making authority emerged as a critical retention strategy in industry reports. McKinsey (2025) recommends freeing relationship managers from routine tasks through automation and AI to focus on advice and relationships, while PwC (2025) finds that banks giving pricing and credit authority to relationship managers better retain high-net-worth clients. This corroborates the interview data, where participants noted that clients who feel excluded from major financial decisions are more likely to switch providers. RFI Global (2026) shows that empowerment, backed by clear escalation procedures, boosts client confidence and reduces post-issue attrition, which is consistent with the interview findings, where participants emphasised that responsiveness and clear communication were seen as key signals of reliability.

Tiered propositions linking client benefits to segment and portfolio size are identified in industry reports as essential retention tools. Krutham (2025) and PwC (2025) report that high-net-worth clients expect tailored pricing, favourable lending rates, and exclusive advantages tied to portfolio value, and that ambiguity or perceived unfairness drives client migration. This is consistent with the interview findings, where participants confirmed that competitive pricing and perceived value are important retention levers and that pricing and value propositions should match the client's overall financial contribution. EY (2025b) finds that transparent pricing and benefit allocation reduce disputes and build trust, which corroborates the interview data, where participants noted that clear pricing and decision-making processes enhance loyalty.

Trust erosion is identified in industry reports as reshaping the industry and requiring proactive risk management and rapid trust repair through clear communication, remediation, and executive escalation. Knight Frank (2025) and UBS (2025) show that strong fraud response, transparent governance, and visible remediation restore high-net-worth client confidence. This finding corroborates the interview data, where participants noted that trust functions as the core currency in private banking relationships and that once trust is broken, retention becomes almost impossible. Industry reports further support ecosystem partner networks, lifestyle benefits, and investment access to extend value beyond traditional banking and deepen loyalty. McKinsey (2025) finds that value ecosystems increase bank relevance and switching costs through perceived value, while Capgemini Research Institute (2025) and Accenture (2025) show that curated third-party privileges such as travel and concierge services, combined with core banking benefits, effectively retain high-net-worth clients. This is consistent with the interview findings, where participants observed that value-added

services such as travel or lifestyle benefits matter particularly to high-net-worth clients and that sustained engagement fosters a sense of affiliation and belonging to the bank.

4.5 The study findings

This section presents findings from a thematic analysis of interview data and a content analysis of industry reports. Five themes emerged from the interviews and four from the reports. Each theme is examined in detail and supported with evidence from both key informant interviews and industry sources.

4.5.1 Behavioural factors influencing switching behaviour

The study found that high-net-worth clients switch banks mainly due to unmet expectations, poor communication, dissatisfaction, lack of personalisation, weak service quality, and eroded trust. Echoing Zhao *et* al. (2023) and Bain and Company (2023), recurring unresponsiveness, inconsistent service, and poor proactive engagement matter more than isolated service failures, gradually undermining confidence. As one participant noted, “Dissatisfaction builds up over time, especially when clients feel that we are reactive instead of anticipating their needs.” (Exec002). Feeling ignored or undervalued prompts clients to seek alternatives, consistent with expectation confirmation theory, which links satisfaction and loyalty to how well experiences match expectations (Bhatnagar & Rajesh, 2025). For these clients, unmet expectations of exclusivity, convenience, and relational warmth create cognitive dissonance and eventual disengagement. As one participant observed, “It’s the small things, delayed callbacks, generic advice, errors on loan accounts, they add up and become the reason why they explore alternatives.” (RM009).

Dissatisfaction and negative value judgments, including price perceptions, customer service frustrations, and unmet expectations, act as push factors that strongly increase switching intention (Boakye *et* al., 2024). As one participant noted, “Most high-net-worth clients will not argue about service lapses, they simply start comparing us with competitors, and when they find something better, they transition quietly.” (Head001). Behavioural literature confirms that internal evaluations of value, fairness, and expectation fulfilment drive switching or retention (Sugiarto & Octaviana, 2021). Switching behaviour therefore arises from evaluative processes developed over time, not random decisions.

4.5.2 Relational factors influencing client loyalty

Analysis identified core themes of client relationship, communication, loyalty, relationship management, relationship quality, and trust underscoring client-banker interdependence. High-net-worth clients prioritise interpersonal depth over relationship length; communication breakdowns

signal decline as transactional contact erodes emotional bonds. As one participant observed, “The phenomenon of client attrition does not occur as an immediate event; it is precipitated by incremental deterioration in the relationship, manifesting as reduced engagement, delayed responses, or a perceived decline in our understanding of their circumstances.” (RM006). The study also found silent switching and split banking, reflecting relational fatigue rather than explicit complaints, supporting Ho and Wong (2023): in high-engagement services, clients seldom voice dissatisfaction but gradually disengage before exit. As one participant noted, “They don’t necessarily leave; they split. It’s a quiet way of saying that they’re no longer all in.” (RM006).

Loyalty and relationship management therefore depend on bankers sustaining emotional proximity through proactive contact, even when clients appear less engaged. As one participant stated, “Loyalty in private banking is emotional before it is financial. Once the emotional connection breaks, the client starts looking elsewhere.” (Exec002). The findings reinforce the trust-commitment model: long-term retention rests on mutual commitment, perceived relationship equity, and satisfaction. As one participant observed, “Our clients are loyal until they feel unseen. A simple lapse, such as not acknowledging a milestone, can ruin years of goodwill.” (Head003).

Relational dynamics especially the strength and quality of client-banker interactions were key predictors of switching. Thus said, weakened attributes such as poor customer service, acted as push factors that significantly increased switching intention (Boakye *et* al., 2024). As one participant noted, “If the banker leaves, the relationship and trust leave too. Clients rarely stay behind.” (RM006). This aligns with SERVQUAL evidence that empathy, assurance, and responsiveness are the main relational drivers of satisfaction and loyalty in banking (Sugiarto & Octaviana, 2021). Thus, the client-banker relationship is a central lever for customer retention in financial institutions.

4.5.3 Contextual factors influencing switching decisions

High-net-worth client loyalty also depends on digital capability, service reputation, security, and competitive concessions. Participants emphasised seamless digital and omnichannel access, where any delay signals incompetence, consistent with Bortne *et* al. (2025) on digital self-efficacy and switching. As one participant observed, “Our context determines our relevance. When we fail to read what is happening around the client economically, socially, and even emotionally we become replaceable.” (Head003). In South African high-net-worth banking, this supports Dandapani *et* al. (2018) cited in Bortne *et* al. (2025), who argue that technology-led interactions heighten loyalty risks.

A single real or perceived security lapse can erase years of trust, echoing Zhao *et* al. (2023) on reputational damage as a key switching driver. As one participant noted, “Clients are anxious about

fraud on their accounts. If something goes wrong even if it is not our fault, they lose faith in the entire system." (Head003). Concessional rates, tailored terms, and favourable pricing remained decisive, aligning with Batmunkh (2025) and Garatsa *et* al. (2025), who show marginal pricing and unmet expectations prompt switching, and Zhao (2025), who finds dissatisfaction rarely causes defection unless switching costs are low or digital migration is easy. This is further supported by Puente-Cavazos *et* al. (2025), who demonstrated that low switching costs in digital banking significantly accelerate provider migration among high-net-worthclients. As one participant observed, "When a client discovers that another bank is offering better concessions even marginally, they start doing the maths. Once the logic aligns with the emotion, the decision is made." (Exec001).

Participants noted that clients switch when the process seems effortless, not impulsively. As one participant stated, "Clients are no longer fully loyal. They split their portfolios into one bank for lending, another for investment, and another for travel rewards. Retention today means maintaining relevance in at least one of these spheres." (RM009). Thus said, contextual conditions in the service environment functioned as drag factors in this study: when evaluated positively, they reduced switching intention by offsetting push forces (Boakye *et* al., 2024). In addition, banking research likewise shows that tangibles, reliability, and system accessibility shape customer satisfaction and behaviour (Sugiarto & Octaviana, 2021), indicating that strengthening these attributes can buffer against switching triggers.

4.5.4 Client experience

The findings indicate that client experience strongly influences on switching behaviour in this study. Adverse service encounters particularly dissatisfaction at critical touchpoints and with perceptions when high-net-worth clients interact with the financial service organisation, including relationship manager engagements, perceived value, physical and digital service provisions, emotional responses, and expectation fulfilment operated as push factors that significantly increased clients' switching intentions (Boakye *et* al., 2024). As one participant noted, "High-net-worth clients value personalised attention. It's not enough to just process your request quickly, they want to feel that we understand their needs and anticipate their next move." (Head003).

This pattern aligns with the broader banking literature, which emphasises that service quality and the overall service encounter are key factors of customer satisfaction and subsequent retention outcomes (Sugiarto & Octaviana, 2021). As one participant observed, "A singular exemplary interaction does not define quality; rather, it is the capacity to consistently provide the same level of care, irrespective of the point of contact of the client." (Head001). Furthermore, participants noted that even minor service lapses are perceived as significant by high-net-worth clients, as they are accustomed to

premium experiences across all aspects of their lives. As one participant stated, “They are used to being treated exceptionally everywhere else, travel, hospitality, retail, so when the bank fails to match that experience, it feels personal to them.” (RM004).

Collectively, these findings suggest that client experience functions as a central psychological and evaluative framework through which customers determine whether to maintain or terminate their relationship with a financial institution. As one participant concluded, “Our clients don’t leave because of price; they leave because we didn’t meet the service promise. For them, quality equals loyalty.” (Head003).

4.5.5 Retention strategic measure

Retention of high-net-worth clients relies on deep relationships, personalised value, responsiveness, and visible leadership. Participants emphasised that understanding each client’s identity, financial journey, and family needs drive loyalty, aligning with Garaus *et* al. (2025) argument that clients seek memorable, tailored experiences and Bain and Company’s (2023) finding that affluent clients prioritise bespoke interactions over efficiency. As one participant noted, “Every client is a relationship waiting to be deepened, not a transaction waiting to close.” (Head001). Responsiveness and clear communication were seen as key signals of reliability, supporting Zhao *et* al. (2023), who show that transparency limits trust damage from service failures. As one participant observed, “We must reach out before they do.” (Head002).

Trust was linked to predictability and ethical stewardship, reflecting Zhao’s (2025) multidimensional trust model and Zhao *et* al.’s (2023) evidence that trust mediates the effect of service quality on switching intention. As one participant stated, “Once trust breaks, retention becomes impossible; you cannot negotiate your way back into credibility.” (RM007). Participants also noted that personalised digital platforms can deepen emotional connection, consistent with CSG (2025), who found that digital self-efficacy shapes switching behaviour and expectations of advanced service. As one participant observed, “Clients love the app for convenience but still expect to reach a person who knows their portfolio; technology is not a substitute for empathy.” (Head002). Artificial Intelligence, analytics, and personalised dashboards help institutions anticipate needs and reinforce exclusivity.

Access to leadership was a critical retention factor, with executive visibility and responsiveness signalling institutional commitment to client relationships (Ho & Wong, 2023; Chai *et* al., 2024). As one participant noted, “Retention is not a programme, it is a daily practice to show the client that they matter.” (Head002). Overall, sustainable retention depends less on reactive tactics and more on a

client-partnership culture that combines high service quality with low perceived effort. As one participant concluded, “If you care, they will stay. If you only sell, they will leave.” (RM004).

Retention strategies are most effective when firms strengthen positive service attributes that act as drag factors. Strong drag factors such as perceived value and high service quality moderate and reduce the impact of push factors like dissatisfaction or poor service experiences (Boakye *et* al., 2024). As one participant observed, “We retain clients by being dependable, not dazzling.” (RM012). Banking research supports this: higher service quality increases satisfaction, encourages repeat usage, and strengthens retention (Sugiarto & Octaviana, 2021). Thus, enhancing service quality and value perception is a practical retention strategy in competitive financial markets.

4.6 Management implications

This section presents the management implications of the study emanating from the results and findings discussed in this chapter. In this regard, the study generates several practical implications for executives in private banking, relationship managers, and organisational decision-makers seeking to enhance client retention and satisfaction. The observed results indicate that, within the private banking context, specific dimensions of the client experience, namely service quality, responsiveness, relationship manager competence, concessions, and the quality of digital interactions constitute critical levers of retention. Deficiencies in any of these dimensions substantially increase the risk of client defection to competing financial service organisations. The following discussion outlines how management can reduce switching triggers and reinforce client retention.

4.6.1 Use client experience to mitigate switching

High-net-worth clients switching behaviour is not rarely triggered by a single experience failure, rather it results from accumulated dissatisfaction across multiple experience dimensions. The five client experience components found in this study includes service quality, responsiveness, relationship manager quality, rate concessions and digital experience; collectively determine switching.

Management actions:

Establish client experience and retention as an integrated, enterprise-wide strategic priority at the strategic level, with clearly defined executive ownership and accountability. Then, systematically map the client switching risk across the end-to-end client journey to find the specific touch points at which experience deficiencies most often precipitate defection. Monitor performance concurrently across all five dimensions, as deterioration in any single dimension increases overall vulnerability.

Acknowledge that superior performance in one dimension cannot offset or remediate material deficiencies in the others.

4.6.2 Eliminate service quality issues that cause customers to switch.

Service failures (transaction errors, inconsistent experiences, broken commitments) create acute switching triggers, particularly when clients pay premium fees expecting superior service.

Management actions:

Establish zero-tolerance policies for critical service failures (e.g., substantive errors, breaches of confidentiality, and major delays). Develop and implement standardised service recovery protocols that explicitly authorise and equip personnel to remediate such failures immediately at the point of occurrence. Assign dedicated client retention specialists to intervene with clients experiencing substantial service-related problems. Systematically monitor, classify, and analyse service quality complaints as leading indicators of client switching risk.

4.6.3 Develop mechanisms that improve organisational responsiveness to reduce the main driver of switching.

Inadequate responsiveness which includes delayed replies, unaddressed inquiries, and limited availability during critical periods constitutes the most frequently cited trigger for switching. Such behaviour implicitly communicates to the client that “you are not a priority.”.

Management actions:

Implement service delivery tiered models in which relationship managers concentrate on high-complexity client interactions, while dedicated support teams address standardised or low-complexity inquiries. Calibrate client portfolio sizes to ensure substantive responsiveness by setting up and enforcing maximum client-to-relationship-manager ratios. Specify formal service level commitments for response times (e.g., urgent matters: same-day response; non-urgent inquiries: response within 24 hours) and systematically monitor adherence. Continuously track declines in responsiveness as a leading indicator of elevated client switching risk.

4.6.4 Prevent switching through relationship manager quality and continuity

Relationship managers form the central relational mechanism underpinning client retention. Deficient relationship manager quality or elevated turnover rates generate the greatest risk of client attrition, particularly during transitional phases in which clients must reconstruct interpersonal and advisory relationships.

Management actions:

Prioritise the development and assessment of emotional intelligence and interpersonal competence in parallel with technical proficiency. Subsequently, implement comprehensive training programmes targeting core socio-emotional competencies, including empathy, effective communication, and the management of challenging or high-stakes interactions.

4.6.5 Use strategic concessions to reduce client switching

Concessions can function either as a deterrent to client switching when they address legitimate and substantiated client concerns, or as an inadvertent incentive for switching behaviour when they are extended primarily in response to switching threats. The core managerial challenge is to employ concessions in a strategically disciplined manner that does not generate unsustainable expectations or precedents.

Management actions:

Establishing formal concession policies that delineate clear approval thresholds and authority levels, calibrated to client economic value, strategic importance, and relationship tenure. Structuring concessions to explicitly support relationship deepening (e.g., fee reductions or preferential terms contingent upon asset consolidation or increased product penetration). Systematically monitoring and analysing concession requests as a leading indicator of switching risk; frequent or escalating requests may signal active competitive benchmarking or evaluation by the client. Lastly identifying and remediating structural issues: if fee-related concessions become routine or widespread, this may indicate a misalignment between the firm's pricing model and the client's perceived value, necessitating review of pricing strategy, value communication, and/or service offering design.

4.7 Chapter summary

This chapter presented the data, results and findings of the study. From thematic analysis of interview data and content analysis of industry reports, four key themes emerged, namely behavioural factors, relational factors, contextual factors, and retention strategies influencing the switching behaviour of high-net-worth clients in a South African financial services organisation. The results revealed that high-net-worth clients exhibit a low threshold of dissatisfaction and tend to defect rapidly to alternative providers when private banking services do not meet their expectations. Behavioural, relational, and contextual factors were found to interact dynamically in shaping switching decisions, with client experience emerging as a central psychological and evaluative framework through which clients determine whether to maintain or terminate their relationship with a financial institution. Retention strategies that combine personalised engagement, proactive communication, trust building,

and competitive value propositions were identified as the most effective mechanisms for mitigating switching risk among high-net-worth clients. Chapter 5 presents the summary of findings, conclusions, and recommendations of the study.

CHAPTER 5: SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS.

5.1 Introduction

This chapter presents the summary of findings, conclusions, and recommendations. It is divided into nine sections, of which Section 5.1 introduces the chapter. Section 5.2 presents the summary of findings of the study. Section 5.3 discusses the theoretical implications of the study. Section 5.4 presents the practical implications of the study. Section 5.5 discusses the policy implications of the study. Section 5.6 addresses the generalisability of the findings. Section 5.7 outlines the contribution to the body of knowledge. Section 5.8 provides recommendations for future research. Section 5.9 concludes the chapter.

5.2 Summary of findings

This research examined the factors affecting switching behaviour among high-net-worth clients within a South African financial services organisation. The investigation was aimed at four primary objectives, each providing insights that underscore the intricate nature of client loyalty and attrition dynamics in the context of private banking.

5.2.1 Behavioural factors influencing switching behaviour

The study found that behavioural factors constitute the primary triggers of switching behaviour among high-net-worth clients. Unmet expectations, poor communication, dissatisfaction, lack of personalisation, weak service quality, and eroded trust were identified as the main behavioural drivers of switching. Here, participants confirmed that high-net-worth clients exhibit a low threshold of dissatisfaction and tend to defect rapidly to alternative providers when private banking services do not meet their expectations. The study further found that dissatisfaction operates as a latent behavioural indicator, with clients internalising negative experiences until a consistent pattern emerges that rationalises disengagement. This phenomenon, described by participants as silent switching, highlights that high-net-worth clients often maintain professional composure while mentally preparing to disengage. Pricing fairness and value perception were also identified as primary behavioural switching drivers, with clients continuously assessing whether their portfolio size and relationship tenure merit preferential pricing or enhanced benefits.

5.2.2 Relational factors influencing client loyalty

The study found that relational factors are decisive determinants of client retention or defection among high-net-worth clients. Relationship quality, trust, loyalty, and relationship management were identified as the core relational factors influencing switching behaviour. Participants confirmed that

high-net-worth clients prioritise interpersonal depth over relationship length, and that communication breakdowns signal decline as transactional contact erodes emotional bonds. The study further found that loyalty within this client segment is emotional before it is financial, and that once the emotional connection breaks, clients start looking elsewhere. Trust was identified as the most critical relational factor, with participants noting that once trust is broken, retention becomes almost impossible. Thus, silent switching and split banking were found to reflect relational fatigue rather than explicit complaints, with clients gradually disengaging before exit.

5.2.3 Contextual factors influencing switching decisions

The study found that contextual factors significantly shape client perceptions of institutional value and switching decisions among high-net-worth clients. Digital capability, service responsiveness, security, and competitive concessions were identified as the primary contextual factors influencing switching behaviour. Participants confirmed that seamless digital and omnichannel access is increasingly expected by high-net-worth clients, and that any delay signals incompetence. The study further found that a single real or perceived security lapse can erase years of trust, and that concessional rates, tailored terms, and favourable pricing remained decisive contextual factors influencing switching decisions. Thus, macroeconomic volatility, political instability, and regulatory changes were also identified as contextual factors that drive high-net-worth clients toward financially and institutionally stable service providers.

5.2.4 Client experience as a switching factor

The study found that client experience strongly influences switching behaviour among high-net-worth clients. Adverse service encounters, particularly dissatisfaction at critical touchpoints, operated as push factors that significantly increased clients' switching intentions. Here, participants confirmed that high-net-worth clients assess service quality through pivotal moments of truth, critical touchpoints at which the bank either substantiates or undermines its relationship credibility. The study further found that client experience functions as a central psychological and evaluative framework through which clients determine whether to maintain or terminate their relationship with a financial institution. Thus, service quality, responsiveness, relationship manager expertise, pricing and concessions, trust and confidentiality, and digital experience were identified as the key attributes that collectively determine switching behaviour among high-net-worth clients.

5.2.5 Retention strategic measures

The study found that retention of high-net-worth clients relies on deep relationships, personalised value, responsiveness, and visible leadership. Personalised engagement, proactive communication,

trust building, and competitive value propositions were identified as the most effective retention strategies for mitigating switching risk among high-net-worth clients. Participants confirmed that understanding each client's identity, financial journey, and family needs drives loyalty, and that responsiveness and clear communication are key signals of reliability. The study further found that personalised digital platforms can deepen emotional connection, and that access to leadership is a critical retention factor. Thus, sustainable retention depends less on reactive tactics and more on a client-partnership culture that combines high service quality with low perceived effort.

5.3 Theoretical implications

The study contributes to the theoretical understanding of switching behaviour among high-net-worth clients in the South African private banking context. The findings extend the application of the PPM framework, the PPDDM model, the TPB, and the SERVQUAL framework beyond their traditional retail banking contexts to the private banking environment. The study validates the relevance of these frameworks in explaining the switching behaviour of high-net-worth clients, while also highlighting their limitations in fully capturing the complexity of switching decisions in the private banking context.

The PPM framework is validated by the study's findings, which confirm that push factors such as unmet expectations, poor communication, and service failures, pull factors such as competitor offerings and digital innovation, and mooring factors such as trust and long-standing relational ties collectively explain the switching behaviour of high-net-worth clients. This is consistent with Krishnan and Raghuram's (2024) systematic review confirming PPM's applicability across diverse service switching contexts. The study extends the PPM framework by demonstrating that mooring factors such as trust and relational ties are particularly decisive in the private banking context, where relational depth and emotional connection are more influential than in retail banking.

The PPDDM model is similarly validated by the study's findings, which confirm that drag factors such as perceived value and high service quality moderate and reduce the impact of push factors such as dissatisfaction or poor service experiences. The study extends the PPDDM model by demonstrating that drag factors are particularly influential in the private banking context, where personalised engagement, proactive communication, and competitive value propositions function as powerful retention mechanisms that offset switching triggers.

The TPB is validated by the study's findings, which confirm that attitudes, subjective norms, and perceived behavioural control collectively explain the switching intentions of high-net-worth clients,

consistent with Conner and McEachan (2023) whose meta-analysis confirms the longitudinal validity of TPB across service contexts. The study extends the TPB by demonstrating that subjective norms, including peer benchmarking, financial advisor recommendations, and global service standards, are particularly influential in the private banking context, where provider choice signals status and trust. Thus, the SERVQUAL framework is validated by the study's findings, which confirm that responsiveness, empathy, assurance, reliability, and tangibility collectively explain the service quality perceptions of high-net-worth clients. The study extends the SERVQUAL framework by demonstrating that responsiveness and empathy are the most critical dimensions of service quality in the private banking context, where clients associate timely and personalised service with competence and care.

5.4 Practical implications

The study generates several practical implications for executives in private banking, relationship managers, and organisational decision-makers seeking to enhance client retention and reduce switching risk among high-net-worth clients. The findings indicate that within the private banking context, specific dimensions of the client experience, namely service quality, responsiveness, relationship manager competence, concessions, and the quality of digital interactions, constitute critical levers of retention. Deficiencies in any of these dimensions substantially increase the risk of client defection to competing financial service organisations.

The study implies that financial institutions should establish client experience and retention as an integrated, enterprise-wide strategic priority, with clearly defined executive ownership and accountability. Institutions should systematically map the client switching risk across the end-to-end client journey to identify the specific touchpoints at which experience deficiencies most often precipitate defection. Performance should be monitored concurrently across all client experience dimensions, as deterioration in any single dimension increases overall vulnerability.

The findings further imply that financial institutions should eliminate service quality issues that cause clients to switch by establishing zero-tolerance policies for critical service failures, including substantive errors, breaches of confidentiality, and major delays. Standardised service recovery protocols should be developed and implemented, explicitly authorising and equipping personnel to remediate such failures immediately at the point of occurrence. Dedicated client retention specialists should be assigned to intervene with clients experiencing substantial service-related problems.

The study implies that financial institutions should develop mechanisms that improve organisational responsiveness, as inadequate responsiveness constitutes the most frequently cited trigger for switching. Tiered service delivery models should be implemented, in which relationship managers concentrate on high-complexity client interactions, while dedicated support teams address standardised or low-complexity inquiries. Formal service level commitments for response times should be specified and systematically monitored as leading indicators of elevated client switching risk.

The findings further imply that financial institutions should prevent switching through relationship manager quality and continuity, as relationship managers form the central relational mechanism underpinning client retention. The development and assessment of emotional intelligence and interpersonal competence should be prioritised in parallel with technical proficiency. Comprehensive training programmes targeting core socio-emotional competencies, including empathy, effective communication, and the management of challenging interactions, should be implemented to strengthen relationship manager capabilities.

The study implies that financial institutions should use strategic concessions to reduce client switching, as concessions can function either as a deterrent to client switching or as an inadvertent incentive for switching behaviour when extended primarily in response to switching threats. Formal concession policies should be established, delineating clear approval thresholds and authority levels, calibrated to client economic value, strategic importance, and relationship tenure. Concession requests should be systematically monitored and analysed as leading indicators of switching risk, as frequent or escalating requests may signal active competitive benchmarking or evaluation by the client.

5.5 Policy implications

The study generates several policy implications for regulators, policymakers, and financial services organisations operating within the South African private banking context. The findings indicate that the retention of high-net-worth clients is not only a strategic concern for financial institutions but also a broader socioeconomic issue with significant implications for capital retention, wealth management, and financial stability within South Africa.

Policymakers and regulators should develop supportive frameworks that foster client confidence in the South African financial services sector, while maintaining a balance between innovation, client protection, and financial stability. Regulatory frameworks should explicitly address the unique needs

and expectations of high-net-worth clients, including provisions for digital service standards, data protection, and cybersecurity, as these factors significantly influence switching decisions among this client segment.

The findings further imply that regulators should consider the implications of wealth migration and capital flight resulting from high-net-worth client switching. As noted by the CFA Institute (2024), the increasing switching of wealth across Africa poses potential risks of capital flight should local institutions be unable to retain their clients. Policymakers should therefore develop frameworks that incentivise financial institutions to invest in client retention strategies, particularly those that address the behavioural, relational, and contextual factors identified in this study.

The Protection of Personal Information Act (POPIA) should be strengthened and consistently enforced to address the confidentiality and data security concerns of high-net-worth clients. Breaches of confidentiality and cybersecurity incidents were identified as significant switching triggers in this study. Financial institutions should therefore be required to demonstrate compliance with POPIA provisions as a condition of operating in the private banking segment.

The findings further imply that regulators should consider the implications of digital transformation on the switching behaviour of high-net-worth clients. Regulatory frameworks should be updated to address the unique challenges and opportunities presented by digital banking, including provisions for omnichannel service delivery, AI-driven personalisation, and digital wealth management platforms. Regulators should encourage financial institutions to invest in digital innovation while ensuring that digital transformation does not compromise the relational and personalised dimensions of private banking that high-net-worth clients value most.

Policymakers should also consider the broader socioeconomic implications of high-net-worth client switching, including the impact on employment, tax revenues, and economic growth. Financial institutions that successfully retain high-net-worth clients contribute significantly to the South African economy through the creation of employment opportunities, the generation of tax revenues, and the facilitation of investment and economic growth. Thus, policymakers should develop frameworks that support the retention of high-net-worth clients within the South African financial services sector, recognising the broader socioeconomic benefits of client retention in private banking.

5.6 Generalisability of findings

While the findings offer rich and contextually grounded insights into the factors influencing switching behaviour among high-net-worth clients, the generalisability of the findings is subject to certain limitations. The findings are not statistically generalisable to all private banking contexts, as the study focused on a single financial services organisation in South Africa. However, the findings offer analytical generalisability, in that the insights derived from the study may be applicable to similar private banking contexts in South Africa and other emerging markets where high-net-worth client switching behaviour is influenced by comparable behavioural, relational, and contextual factors.

The findings are particularly applicable to financial institutions operating in emerging markets characterised by macroeconomic volatility, digital transformation, and intensifying competition from fintech disruptors and international wealth management entities. Thus, the insights derived from this study may inform the development of context-sensitive client retention strategies in similar private banking environments across Africa, where the high-net-worth population is projected to grow significantly in the coming years (Henley & Partners, 2025).

The qualitative nature of the study enhances the transferability of the findings, as the detailed contextual descriptions of the research setting, participant roles, and organisational dynamics allow readers to evaluate the relevance of the findings to similar contexts. Future research should therefore consider replicating this study in other private banking contexts, both within South Africa and across other African markets, to further validate and extend the findings of this study.

5.7 Contribution to the body of knowledge

This study contributes to the body of knowledge on switching behaviour among high-net-worth clients in the South African private banking context. The study addresses a significant gap in the existing literature by providing empirical insights into the behavioural, relational, and contextual factors that influence switching decisions among high-net-worth clients in an emerging market context.

The study contributes theoretically by extending the application of the PPM framework, the PPDDM model, the TPB, and the SERVQUAL framework to the private banking context, while demonstrating their limitations in fully capturing the complexity of switching decisions in private banking. The study further contributes methodologically by demonstrating the value of an interpretive qualitative approach in exploring switching behaviour from the perspective of banking professionals,

providing a grounded and contextually valid understanding of the factors influencing high-net-worth client switching behaviour.

Practically, the study provides actionable insights for financial institutions seeking to enhance client retention and reduce switching risk, identifying service quality, responsiveness, relationship manager competence, concessions, and digital interactions as critical levers of retention in the private banking environment.

5.8 Recommendations for future research

The study explores high-net-worth clients' behavioural changes in a South African bank, focussing on the experience economy and emotional value's effects on loyalty and prestige perception. It identifies issues like silent switching, multi-banking, partial loyalty, trust erosion, and service quality variability. Future research should address UHNW clients' exclusivity, bank credibility, trust, succession planning, family office competition, global mobility impact, digital self-efficacy, cyber perceptions, and demographic effects on digital engagement. The study highlights the role of leadership in retention through visibility and empathy and suggests comparing retention strategies across banks and markets, considering macroeconomic and regulatory influences, to create a cross-institutional model. It emphasises improving the understanding of client experiences and transformations of digital interactions in wealth management, focussing on emotional resonance and ethical trust over performance metrics in private banking.

Practical recommendations for financial institutions include personalised engagement, digital integration, trust-building, and cultural alignment. Future research should explore the experience economy, silent switching, digital self-efficacy, and ultra-high-net-worth client dynamics. Ultimately, client retention goes beyond service quality; it requires human connection, trust, and shared value creation. Financial institutions should invest in relationships, align digital innovation with empathy, and ensure transparency to foster loyalty. Recommendations include enhancing relationship quality through personalization, as client loyalty is tied to being recognised as individuals, not just account numbers. Actions include developing personalised engagement strategies with milestone-based communication, recognising long-standing clients beyond financial rewards, and training Relationship Managers in emotional intelligence to enhance interactions. This aligns with Pine and Gilmore's experience economy theory cited in Garaus *et al*. (2025), emphasising emotional engagement as a key competitive advantage in the service industry.

5.9 Conclusion of the study

This study concludes that client switching among high-net-worth individuals in a South African financial services firm is driven by multiple factors, notably service quality, relationship management expertise, responsiveness, concession offers, and digital and security efficiency. Reducing switching requires a multidimensional strategy that strengthens relationship quality, manages expectations, and enables early intervention. Financial organisation can lower attrition by maintaining continuity of relationship managers, managing pricing expectations via ongoing competitive benchmarking, using proactive early warning systems, and embedding responsiveness as a core capability. The results show that subjective norms and relationship-related factors have the strongest impact on switching, confirming that retail and corporate banking remain relationship-centric despite technological advances. Firms that embed these client experience elements into an integrated switching-prevention framework, rather than treating them as isolated functional improvements, are more likely to achieve stronger retention in competitive markets.

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APPENDIX

Appendix 1: **Interview Guide**

Subject: Invitation to participate in a research study on HNW client switching behaviour.

Dear Participant,

Thank you for agreeing to take part in this study.

My name is Zodwa Chabe, and I am a student number 44744293. I am an MBA student at the North-West University Business School. I am conducting a research study on exploring factors influencing the switching behaviour of High-Net-Worth (HNW) in a large South African financial service organisation.

This interview guide is designed to enable semi-structured interviews with selected internal participants encompassing various hierarchical levels within this South African large financial services organisation. The purpose is to explore the behavioural, relational, and contextual determinants that affect HNW client switching decisions from the viewpoint of relationship banking professionals.

You are eligible to participate because of your role as a:

• Business Unit Head / Relationship Manager / Support Staff Member

Participation will include a single semi-structured interview with a duration of approximately 45–60 minutes, conducted either in person or through Zoom/Microsoft Teams. Your identity will be maintained in strict confidentiality, and you have the right to withdraw from the study at any point without any negative consequences.

Before we start, I need to confirm that you are willing to participate in this study. Kindly inform me should you have any questions or concerns.

SECTION A – GENERAL QUESTIONS (ALL PARTICIPANTS)

1.From your experience, what do HNW clients value most in their private banking relationships?

2.What are the key factors that shape trust between HNW clients and a financial service organisation?

3. How would one characterise a service that is tailored to individual needs or driven by relational dynamics?

SECTION B – PROVINCIAL HEAD / HEADS OF BUSINESS UNITS

1. What strategies support HNW client retention?

2.How do organisational structures, or service models affect HNW client retention?

3.How have digital innovations changed what HNW clients expect from their banking experience?

4.What factors influence HNW client retention strategies?

5.Do you think HNW client dissatisfaction with internal turnaround times (e.g. credit approvals) contributes to switching?

SECTION C – RELATIONSHIP MANAGERS

1. Have you had an HNW client who considered switching in the past 12 months?

2. What are the top reasons why HNW clients consider switching banks?

3. How do you identify early signs of HNW client disengagement?

4. Can you share a scenario where you stopped a HNW client from switching?

5. Do clients often mention competitor offerings when expressing dissatisfaction or intent to switch?

SECTION D – SUPPORT STAFF

1. From your experience, what operational or service issues could lead to HNW client dissatisfaction?

2. Have you ever encountered a case where an HNW client was considering switching? What did you observe?

3. What changes or improvements do you think would help support HNW client retention more effectively?

4. Do you receive notifications when a HNW client expresses dissatisfaction or intentions to switch?

5. Do relationship managers provide you with feedback concerning client dissatisfaction associated with support processes?

SECTION E - CLOSING QUESTION (ALL PARTICIPANTS)

Is there anything else you think is important to understand about HNW client switching behaviours that we have not discussed?

Appendix 2: Informed Consent

NWU BUSINESS SCHOOL

08 August 2025

INFORMED CONSENT FORM

Name: Zodwa Chabe
Email address: 44744293@mynwu.ac.za

DEAR PARTICIPANT

PROTECTION OF PERSONA INFORMATION ACT (POPIA) COMPLIANCE STATEMENT

In accordance with the Protection of Personal Information Act 4 of 2013 (POPIA), I hereby inform you of the following:

- The purpose of collecting and processing your personal information is to conduct research for academic purposes, specifically for the study titled "exploring factors influencing HNW client switching behaviour in a South African financial services organisation".
- Your consent is obtained through this informed consent form, and the processing of your personal information is necessary for the legitimate purpose of conducting this research study.
- I will take all reasonable steps to protect your personal information and ensure confidentiality. Your data will be stored securely, and access will be limited to the researcher.
- You have the right to access, correct or object to the processing of your personal information and you may also withdraw your consent at any time.

INFORMED CONSENT TO PARTICIPATE IN AN INTERVIEW

This informed consent statement confirms the following information related to the academic business science MBA and subsequent research on exploring factors influencing HNW client switching behaviour in a South African financial services organisation. The study aims to contribute to a deeper understanding of behavioural, relational, and contextual factors impacting client retention strategies within the private banking sector in South Africa.

This study forms part of a mini dissertation to be submitted in partial fulfilment of the Master of Business Administration requirement at the North-West University. It is an internationally accredited degree that requires adherence to strict ethical standards as a prerequisite to conducting this research.

AABS AMBA ACCREDITED SABSA

A non-probability purposive sampling approach was employed to identify suitable participants based on their expertise, experiential knowledge, and professional engagement within the private banking sector. You have been selected owing to your position within a South African large financial services organisation and your proximity to client retention and service delivery.

1. This research will adopt a qualitative case study design, employing semi-structured interviews to gather your perspectives and insights.
2. The interview is expected to last approximately 45 to 60 minutes and may be conducted either in-person or virtually (via Microsoft Teams or Zoom).
3. Should you experience any discomfort or wish to withdraw from the interview at any point, you have the freedom to do so without encountering any negative repercussions.
4. In the event that you perceive a potential conflict of interest (e.g., reporting lines), you may request to be interviewed by an independent individual not associated with your performance management.
5. With your permission, the interview shall be audio recorded for the purposes of transcription and analysis.
6. Your identity will be excluded from any transcripts or research outputs.
7. The data collected will be anonymised through the assignment of pseudonyms, and no identifiable characteristics will be disclosed.
8. Data will be securely stored on an encrypted, password-protected drive, accessible solely by the researcher and academic supervisor.
9. In conformity with the Protection of Personal Information Act (POPIA) and the Promotion of Access to Information Act (PAIA), all data will be handled with confidentiality and retained for a duration of five years, following which it will be permanently expunged and/or destroyed.
10. No external transcriptionists or data analysts will contribute to this study. The researcher will independently perform all transcription and analysis. Where relevant, excerpts may be incorporated into the final research report or future scholarly publications.
11. Nonetheless, participant anonymity will be always preserved.

RESEARCHER COMMITMENT TO PROTECT PARTICIPANT' PERSONAL INFORMATION

I hereby commit to protect your personal information in accordance with the Protection of Persoal Information Act 4 of 2013 (POPIA). By participating in this study, you consent to the collection, processing and analysis of your personal information for the purpose of this research. I will ensure that your personal information is handled with care and in accordance with the provisions of POPIA. Anonymised transcriptions and data analysis will be retained in compliance with Section 14 of the South African Constitution and the eight principles of the South African Protection of Personal Information Act 4 of 2013 (POPIA).

This research follows a strict ethical clearance from the NWU EMSREC Research Ethics Committee, and gatekeeper authorisation from the executive representing the data-owning business unit.

	Supervisor	Researcher
Title, name & surname	Dr	Mrs
Full Names	Khali Mofuoa	Zodwa Chabe
Function in Project	Principal Researcher	Researcher
Telephone		

PARTICIPANT DECLARATION AND PERMISSIONS

DECLARATION

I hereby declare that I have read and understood the content of the Informed Consent Statement and give my full consent to the researcher to use the information gathered in her MBA dissertation and subsequent research.

Declaration by participant

By signing below, I _____ agree to participate in the research study exploring factors influencing HNW client switching behaviour in a South African financial services organisation.

I declare that:

I have read this information/it was explained to me by the researcher in a language with which I am fluent and comfortable in. The research was clearly explained to me. I have had a chance to ask clarity-seeking questions to the researcher and all my questions have been answered. I understand that taking part in this study is voluntary and I have not been pressured to take part. I may choose to leave the study at any time and will not be handled in a negative way if I do so. I may be asked to leave the study before it has finished if the researcher feels it is in the best interest, or if I do not follow the study plan, as agreed to.

Signed at: _____ on: _____

Signature of participant

_____

Declaration by researcher

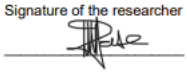
I, Zodwa Chabe declare that:

- I explained the information in this document to the participant
- I did/did not use an interpreter
- I encouraged them to ask questions and took adequate time to answer them, or I was available should they want to ask any further questions.

- I am satisfied that they adequately understand all aspects of the research, as described above.
- I am satisfied that they had time to discuss it with others if they wished to do so.

Signed at: Potchefstroom On: 08 August 2025

Signature of the researcher



Appendix 3: Editing Certificate

CERTIFICATE OF EDITING: Mini-dissertation submitted in partial fulfilment of the requirements for the degree *Master of Business Administration* at the North-West University

15 May 2026

CANDIDATE: Z Chabe **Student number:** 44744293

Title:Exploring the factors influencing switching behaviour of the high-net-worth clients in a South African financial services organisation

orcid.org/0009-0007-8339-8665 Supervisor: Dr. K Mofuoa

I have edited this mini-dissertation and would certify that all aspects of the linguistic expression (grammar, style, paragraphing, spelling, and vocabulary) are now of a standard that is to be expected from a document at this level and of this nature.

I am totally satisfied with all the language aspects of the document as it now stands.

Professor Damian Garside
MA (Manchester) Ph D (Cape Town)
Associate Professor of Communication
NWU (Mahikeng Campus) (retired)
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