

Research Article

Marketing Development Strategy for Wealth Management Products to Increase High Net Worth Individual (HNWI) Customers

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Abstract. This study aims to identify, examine and obtain analysis results regarding Retail Banking marketing management, Wealth Management marketing management, factors that may hinder the development of Wealth Management product marketing strategies, Wealth Management service product marketing development strategies in the future carried out by Permata Bank so that Bank Permata can increasing HNWI customers. The research method used is a qualitative method with a single case study approach. The research results show that there are inhibiting factors for the marketing of PermataBank's wealth management services, which consist of internal company factors (employee factors and product limitations factors); and external environmental factors (competitor factors and government regulatory factors). The marketing development strategy for wealth management products is carried out by PermataBank to increase HNWI customers by developing multichannel distribution, expanding strategic partnerships, implementing a strategy to expand the target of millennial customers and increasing the capabilities of frontliners (relationship managers).

Keywords: *Wealth Management, HNWI, Holistic Marketing Management, Marketing Strategy.*

A. INTRODUCTION

The world economy or global economy in general refers to an economy that is based on the national economies of all countries in the world. The global economy can also be seen as a global community economy and the national economy is the embodiment of the economic community in a country which then the economic community between these countries creates one global economy (Cooper, 1985). The global financial crisis in 2008, which was triggered by the crisis in housing loans, securities products, and the bankruptcy of several large companies in the United States, has affected the economic conditions of all countries in the world. Global economic recovery has passed quite a long time since the start of the global economic crisis in 2008 and is still being pursued today by various countries in the world (Mishkin, 2011).

Indonesia's economic growth in the last 6 (six) years (until the end of 2019 before the Covid-19 pandemic), which averaged above 5% per year, has given rise to a new middle class. Euromonitor International, an international market research company conducted research in 2018 with the finding that spending by the middle class in Indonesia is the largest among ASEAN countries, contributing nearly 30% of national consumption in 2018 (Suryahadi et al, 2020).

The pandemic, which is not over until entering 2021, has had an impact on economic activity and has affected predictions of national economic growth. A number of parties, both economists and the IMF, also predict Indonesia's economic growth will be no more than 5 percent in 2021 (Purba et al, 2021). However, in addition to the effects of the growth in the

number of middle class in the world before the pandemic era and national economic growth between 2008-2019, the number of individuals with upper middle class type assets ("rich people") which in this presentation will be the subject of research. The number of rich people in Indonesia who are included in the group of high net worth individuals or High Net Worth Individuals (hereinafter abbreviated as HNWI in this dissertation) (Klaus, 2022).

HNWIs are people who have financial assets of at least 1 million US\$. This group grows by an average of 7.5% annually. In 2018 the HNWI population in Indonesia reached 124,000 individuals with a total wealth of US\$ 700 billion. This figure includes the amount of funds raised by the government's Tax Amnesty policy for 2016-2017 (Capgemini Financial Services Analysis, 2018). The HNWI population in Indonesia then decreased by 4% at the end of 2020 compared to the end of 2019 (Capgemini World Wealth Report 25th Edition, 2021).

The growth of the middle class and HNWI has encouraged an increase in various national industrial activities. In general, this will have an impact on the Indonesian economy, especially in terms of demand and lifestyle (Indonesia, 2017). The middle class prefers an experiential lifestyle; looking for healthy food, healthy drinks, adding to the travel experience, and so on. In terms of increasing this lifestyle, it is no exception, including the increasing need for experience in the field of financial and banking services, giving rise to an extraordinary market. Furthermore, if there is demand, a supply response will follow (Dabholkar & Bagozzi, 2002).

The Indonesian government in running its economic system (especially in handling the provision of services in the financial sector) is assisted by financial institutions. These financial institutions are divided into two groups, namely banks and non-banks (insurance, pawnshops, securities companies, and financing institutions) (Fuadi, 2021). According to Law No. 10 of 1998 concerning Banking, what is meant by financial institutions are all entities that carry out activities in the financial sector such as withdrawing money from the public and channeling that money back to the community or investing their funds in securities in the financial market. Financial institutions offer a variety of financial services ranging from insurance, selling pension plans, to safekeeping of valuables, as well as providing payment mechanisms and fund transfers (Zain & Akbar, 2020).

The function of this financial institution is basically as a service provider and as an intermediary between capital owners and the money market, and is responsible for channeling funds from investors to those who need funds. The presence of these financial institutions facilitates the flow of money in the economy (Levine, 1996). This is the main goal of financial institutions (funding institutions) to generate income. Bank financial institutions have a central role in maintaining the stability of the nation's economy under any conditions, including under conditions of pressure or global economic crisis (Hanson et al, 2011).

A company must strive for a sustainable competitive advantage in two ways: (1) continuously adapting to changes in external trends and activities and internal capabilities, competencies, and resources; (2) effectively formulating, implementing, and assessing various strategies that further strengthen these factors. (David, 2017). To respond to various challenges and to realize that there will be an increase in the need for banking services, especially from HNWI circles, the national banking system has added types of banking financial products and services in new business lines, namely Private Banking and Wealth Management. These two service business lines are profitable business lines for a bank (Maude, 2010).

The modern marketing concept adheres to the notion that marketing activities are carried out with a consumer or customer orientation. This concept is very popular, because in marketing activities this concept is built on the assumption and application of thought that customers know better what they need and want. Besides that, this concept was built oriented to the needs and desires of customers as the main target for the success of marketing activities

(Ali Hasan, 2013). Nonetheless, national banking in general has not been able to meet all the needs of HNWI's, so that Indonesian HNWI's still like to save their funds abroad and use Wealth Management services abroad, especially at multinational banks in Singapore (Serfiyani, 2021).

Customers tend to maximize value in making choices, within the constraints of search costs as well as knowledge, mobility, and revenue. Customers estimate which offer will deliver the highest perceived value and act on that estimate (Kotler & Keler, 2011). Therefore, it is important for banks in Indonesia to realize that there is a lifestyle trend among HNWI's; meet the needs of the best financial services for this group so as to increase customer and prospective customer trust and increase customers at the bank concerned, which in turn is expected to increase bank revenue (Nugraha, 2013).

As an intermediary institution that has a central role in supporting the development and growth of the national economy, PermataBank applies the principles of Good Corporate Governance (GCG), namely taking on responsibilities that reflect GCG values in order to maintain accountability in all business and operational activities. bank. According to Bank Permata's records, there are at least 40,000 priority customers or wealthy customers whose funds are managed by the company. Apart from priority customers, the company also manages funds from middle to lower customers, where they can also invest in Wealth Management products.

The Retail Banking report which oversees the Wealth Management business line, stated that to meet customer growth targets, Permata Bank will encourage business growth by increasing digital capabilities to be more adaptable and accelerate processes and services according to customer needs by prioritizing "Superior Products and Services", namely continue to update products and services by focusing on payment transactions, Wealth Management, and SME (Small Medium Enterprises) credit.

From the description above, it can be concluded that in general, banks in Indonesia, especially PermataBank, as actors in the national economy, will face challenges both from developments in the global economic situation, technological developments, and customer demands that are always increasing from time to time. The existence of the Bank will be greatly influenced by its ability to read changes in its external environment, both at the national and international levels; related to regionalization and globalization. Thus the researcher is interested in conducting scientific research on PermataBank nationally regarding the gap that occurs between the aim of being able to capture HNWI's needs or demand for experiential banking services such as those they get from Wealth Management services at multinational banks abroad and the fact that PermataBank has not been able to utilize demand in the national market as well as the bank's efforts to increase the number of HNWI customers in order to increase bank assets to the same level before 2016.

B. METHODS

This study uses a qualitative method. The main reason for using qualitative methods in this dissertation is to suit the objectives of this research, namely to examine complex and dynamic marketing development strategies, where the implementation of this marketing strategy will be examined whether it can be a driving factor in increasing the number of customers. Researchers think this research will be more effective using qualitative methods because a qualitative approach offers high flexibility and has the flexibility to obtain first-hand information (first-hand informants), to answer problems that are appropriate in this study. Meanwhile, qualitative research is considered more in line with the following considerations according to Sugiyono, (20 13) Qualitative research views objects as something dynamic, the result of thought construction and interpretation of observed symptoms, and is holistic (holistic) because every aspect of The object has a unity that cannot be separated. This is consistent with

the object of this study, namely PermataBank's wealth management marketing development strategy which is multi-aspect, dynamic in nature, and these aspects cannot be separated from one another.

C. RESULTS AND DISCUSSION

1. Factors that Can Interfere with the Marketing Activities of Wealth Management Products at Bank Permata

Factors that may hinder wealth management product marketing activities at PermataBank can be divided into 2 (two) categories, namely internal environmental factors and company external environmental factors as follows:

a. Internal Environmental Factors

1). Employee Factor

Employees are members of the organization who run the organization on a daily basis. Without them, the organization would be impossible. Employees are human capital for the organization. Organizations invest in workers in the context of training, experience, judgment, intelligence, relationships, and views (Lucas, 2010). Snipes et al. (2005) said that frontliners directly influence customer perceptions of all dimensions of the company's service quality. Employees who deal directly with customers have several roles at once (multiplicity of roles) known as boundary spanning (Wirtz & Lovelock, 2017). Lovelock further explained that boundary spanning can lead to conflict among employees, especially if the frontliners are physically and psychologically close to customers, just as frontline employees also have a close relationship with managers and co-workers. Consistent service delivery is a challenge for managers to manage properly, due to the complexity of frontliners' work which demands the fulfillment of productivity goals in addition to achieving service quality.

Frontliners who work without strict supervision often face situations where ethical standards can be compromised in the face of several conflicting demands or demands at the same time. Employees can commit acts that violate ethics or the company's code of conduct to cover up mistakes, increase company revenue, or to meet customer demands (Fitzsimmons & Stamper, 2014). To avoid the negative consequences of violating the ethical code and build a culture of integrity and maintain customer trust, top managers must have the tools to instill ethical behavior in their employees. Schwepker & Hartline (2005) proposed two approaches to controlling the employee's code of ethics, namely a formal approach through coercion to implement the code of ethics and punishment for violating the code of ethics; and an informal approach through discussions on ethics, internalizing the code of ethics and ethical climate in the workplace. Both of these ways can build ethical behavior and build a commitment to service quality and satisfaction.

PermataBank manages the achievement of branch performance and the individuals involved in it through performance management related to HR who are at the forefront (frontliners) in meeting customers in the form of providing a certification program for each Branch Manager (BM) and Branch Service Manager (BSM) in branches to be able to optimize branch performance both in terms of business and services, as well as operational risk management. PermataBank also carries out strict supervision, especially related to sales targets, services and operational risk management by creating supporting facilities, namely management information systems that are up-to-date, complete, integrated and easily accessible to all interested parties - to make it easier to see the performance of each branch.

Eduardus Tandelilin (expert) said that there are 3 (three) aspects to assess the competence of a RM in his work, namely aspects of knowledge, aspects of skills, and aspects of behavior as stated in the National Competency Work Standards. Indonesia (SKKNI) Financial Sector, Banking Sub Sector, Wealth Management. The wealth manager profession in

Indonesia is part of banking services so that the wealth management code of ethics is inseparable from the code of ethics for bankers in Indonesia. As quoted in the Indonesian Banker Ethical Standards book from the Indonesian Bankers Association (IBI), ethics or what is also known as Behavior is the elaboration of professional values and organizational behavior in carrying out its activities so that it becomes a guide for the organization and all its members (Indonesian Bankers Association 2017).

This Code of Ethics is one of the modules tested in the CWMA (Certified Wealth Manager) certification which is recognized by the BNSP National Professional Certification Agency. The Wealth Manager professional code of ethics consists of 9 (nine) points as follows:

- a). Providing services and services with full integrity
- b). Objective and transparent in providing professional services to customers
- c). Carry out duties and responsibilities based on the principle of prudence
- d). Provide investment advice, areas where the person concerned has permits and expertise
- e). Do not mis-sell or take actions that can tarnish the reputation of the institution it represents
- f). Understand, obey and comply with applicable local laws and regulations and act in good faith in carrying out their profession
- g). Maintain the confidentiality of customer and company data and information
- h). Carry out the wealth management process correctly and precisely
- i). Resolve customer requests or complaints quickly and precisely.

One of PermataBank's RM/RMP duties listed in the job description is to provide professional advice and advice to customers, which aims to maximize the performance of their assets, known as active asset allocation. RM/RMP's active asset allocation activities with customers are in the form of monitoring and evaluating the progress of customer investments in wealth management products, to help customers make investment decisions when needed. Investment decisions can be in the form of decisions to increase investment funds (top up), withdraw all or part of the investment (redeem), and transfer investment instruments (switching). RM/RMP in fact often do not have enough time to carry out monitoring tasks in the context of active asset allocation, which can result in customers being late in making investment decisions that should be made. RM/RMP must make time allocations in such a way as to carry out their roles as service roles, administrative and operational roles as well as sales roles. This is commonly experienced by RM/RMP both at PermataBank and at other banks that sell wealth management products, and adds to the level of stress due to fears it will lead to complaints from customers.

An RM/RMP must provide it in an area where the person concerned has permission and expertise (Code of Ethics point 4), where the expertise in question is knowledge and competence and official permission from the authorized institution and conducts transactions in the area under his control. Matters related to wealth manager licenses and expertise, namely wealth managers develop knowledge and skills on an ongoing basis and pass the assessment required by the regulator. PermataBank provides wealth management training to RM, Branch Managers and Area Managers internally, and does not carry out formal CWMA certification. As far as the author has observed through observation and interviews, the formal CWMA certification at PermataBank is reward in nature, that is, it is only given to selected RMs based on annual performance.

2). Factors Limiting the Range of Wealth Management Products

Morgan Stanley Research in the 2020 Global Wealth Management Report revealed that wealth management institutions before the Covid-19 pandemic had benefited from the growth in wealth of HNWI customers. This has offset the decline in interest margins and offset losses from inefficiencies in the operating model. After the pandemic has passed, wealth management

institutions need to act now to position their businesses to capture long-term growth in the "new normal". To be successful, wealth management institutions must consolidate and promote growth through diversified product offerings and take advantage of inorganic opportunities in the form of sustainable investing.

The author is of the opinion that the structural drivers that support the growth of the wealth management business will still be there, including an increasing number of younger generation customers (millennials), where on average this generation is more interested in sustainable investment than the previous generation. The Covid-19 pandemic can accelerate this, because these millennial customer investments are more involved with wider social impacts. Wealth managers who develop more sophisticated propositions and assist clients on their sustainable investment journey will be the winners in this area. The growing awareness to consume environmentally friendly products has led to the consideration that all aspects of life must be supported by this value, including investment. This is the background for the birth of investment products based on environmental friendliness, or widely known as 'green investment' products.

Traditional investments provide value by turning investor capital into investment opportunities that have risks commensurate with expected returns, while sustainable investments balance traditional investments with ESG (environment and social governance) insights in the aim of increasing long-term returns. Currently in Indonesia this sustainable investment model is not widely known and domestic investment instruments are still very limited.

From the author's observations, PermataBank has limited choices of wealth management products, especially for HNWI, due to the following reasons:

- a). The bancassurance products offered are still limited to the products of one domestic strategic partner, namely Astra Life's (exclusive partnership)
- b). Restrictions on marketing from regulators, as referral agents or as sub-agents selling offshore financial products or global investment.

The author is of the opinion that since restrictions came into effect in 2008 as a result of subprime mortgages which resulted in the global financial crisis, banks providing wealth management product services in Indonesia have been looking for alternatives to increase fee-based income through products that generate the largest revenue, namely bancassurance products. This will have an impact on not meeting the needs of HNWI investors, due to an unbalanced investment portfolio. In the opinion of the author, this second factor is PermataBank's biggest inhibiting factor in efforts to increase the number of its HNWI customers.

The trend during the pandemic has made investors focus more on debt, as the government has issued so many sovereign bonds to prop up the country's finances, while at the same time, volatility has caused the stock market to weaken and become unstable. If PermataBank only has local mutual fund products, the wealth management business may not run well. According to the author's observation, PermataBank is forced to only focus on seizing opportunities in fixed income mutual fund instruments, and at the same time expects regulators to open up more mutual fund and unit trust activities or global mutual funds, especially sharia-based ones. The author believes that the Bank must be able to offer alternative wealth management investments that allow retail and HNWI investors to invest overseas, such as in the US, in China and Hong Kong. The limited range of wealth management products offered by PermataBank is closely related to the regulator, in this case the Financial Services Authority, which will be discussed further in the next section (regulatory factors).

b. Task Environment Factors

1). Customer Factors (Customers)

The knowledge, understanding, and access of the Indonesian people to financial institutions and financial products and services is still low and not evenly distributed in every sector of the financial industry. The level of financial literacy of the Indonesian population is divided into four parts as follows:

- a). Well literate, namely having knowledge and confidence about financial service institutions and financial products, including features, benefits and risks, rights and obligations related to financial products and services, and having skills in using financial products and services.
- b). Sufficient literate, having knowledge and confidence about financial service institutions and financial products and services, including features, benefits and risks, rights and obligations related to financial products and services.
- c). Less literate, only having knowledge about financial service institutions, financial products and services.
- d). Not literate, do not have knowledge and confidence in financial institutions and financial products and services, and do not have skills in using financial products and services.

The author believes that public financial literacy will provide great benefits for the financial services sector, including PermataBank. Financial institutions and the public need each other, so that the higher the level of public financial literacy, the more people will take advantage of PermataBank's wealth management products and services. PermataBank has an interest in participating in the OJK scheme to increase public financial literacy, including increasing the community's financial inclusion index. PermataBank, which has aggressively developed digital banking, can take advantage of this technology and have a greater chance of reaching prospective customers outside urban areas.

PermataBank carries out customer education which is carried out through customer interaction with frontliners, as well as through other communication channels, namely through the official Permata bank website in the form of periodic issuance of educational bulletins. Periodic bulletins contain information regarding tips for conducting digital transactions safely, information on developments in fraud modes related to financial services, banking data confidentiality, and the latest developments in the world of digital banking including knowledge and information on wealth management products. PermataBank has been educating the public and has been part of its marketing activities through the #BicaraUang campaign or movement since 2017. Through the #BicaraUang movement, PermataBank has provided an introduction to the concept of finance and its management for Indonesian people.

2). Competitor Factor

Banking institutions face challenges in almost all of their business bases, in addition to challenges in their main business, namely channeling loans to secondary business banks as providers of means of payment. Threats to bank business performance are also increasing in line with slowing economic growth and potential sectors for bank business. The digital era brings a new direction for the future of the banking industry in Indonesia, this era also brings changes and a bigger impact on the Indonesian economy. PermataBank does not only compete with other banks, but also with financial technology companies, the competition has also become wider with the entry of various foreign e-commerce companies to Indonesia which has changed the map of trade competition. The marketing environment for PermataBank's wealth management products that can influence the marketing of wealth management products can be explained as follows:

- a). Industry Competitors. PermataBank's competitors in the national banking industry consist of fellow banks providing wealth management financial services, both foreign banks operating in Indonesia, state-owned banks, other national private banks, and Global Banking. According to Shivani Gupta's writing on the Global report Data released in October 2019, rising employment rates and predictably strong retail investment growth will further fuel the rise of wealthy individuals in Indonesia over the next four years.
- b). Market Competitors. In addition to competing with industry players, PermataBank faces market competitors with increasingly rapid technological developments. Several competitors can be classified as follows: Non-Bank Financial Institutions (IKNB), Securities Companies, Non-Bank Mutual Fund Supermarkets and Financial Institutions, Online Mutual Fund Seller e-marketplaces.

PermataBank is currently facing a hyper-competitive position in its function as an intermediary institution, which results in a smaller potential for the wealth management market owned by the Bank.

3). Regulatory Factors

a). Regulations related to wealth management products

At the end of 2019, the Association of National Banks (Perbanas) requested that regulations regarding the sale of offshore wealth management products or foreign financial products be relaxed again. The author is of the opinion that with domestic banking liquidity tight, which is on average at 90% (LPS Press Release August 2020), the opening of the domestic financial market to global financial products can increase domestic liquidity. Wealth management customers wishing to buy foreign securities are forced to transfer their money to bank accounts overseas in order to be able to buy foreign stocks or other foreign investment instruments of interest. The author also believes that this relaxation of regulations can increase the competitiveness of national banking, especially PermataBank.

Indonesia is currently utilizing Automatic Exchange of Information (AEOI), which is an automatic information exchange system facility that is used to identify and monitor potential domestic and foreign taxes. In Indonesia, the application of the AEOI system is contained in Minister of Finance Regulation (PMK) Number 39/PMK.03/2017 concerning Procedures for Exchange of Information. Implementation of Automatic Exchange Information in Indonesia will be like in other countries - where all countries that are members of the AEOI will send and receive initial information every year, without having to submit special requests. Indonesia's membership in AEOI allows the Indonesian Directorate General of Taxes to track financial information of Indonesian Citizens (WNI) living in Malaysia or Singapore, and vice versa. The Government's concern regarding the savings of Indonesian Citizens who do not comply with the obligation to pay taxes has been resolved. The author is of the opinion that it is time for the regulations for banking as selling agents of foreign financial products to be relaxed, in order to provide an opportunity for the national banking industry providing wealth management products to earn income outside of interest margins.

b). Regulations relating to the competence of wealth managers

The competitiveness of national banks in global financial competition is also related to the competence of salespeople for wealth management products, namely RM and RMP. Currently there are several OJK regulations relating to the marketing of wealth management products, namely risk management, permits and/or certification as follows:

- [1].POJK No. V7 /POJK.03/2016 Concerning the Application of Risk Management in Commercial Banks Performing Prime Customer Services
- [2].POJK No. 17/POJK.04/2019 concerning Licensing of Mutual Fund Selling Agent Representatives.

[3]. POJK No. 20/POJK.04/2018 concerning Licensing of Underwriter Representatives and Broker-Dealer Representatives

The certifications that are mandatory for RM / RMP are WAPERD and WPPE-P where regulations are still divided into several separate rules. The Certified Wealth management (CWM) Competency Test for RM/RMP has not been regulated in the form of regulations, and is still optional or non-mandatory. Eduardus Tandelilin (expert) expressed his opinion that the regulator is expected to have a regulation that is comprehensive (not separate) covering all mandatory provisions for marketers of banking wealth management products. The author is of the opinion that the RM/RMP Competency Test must be regulated in regulations as mandatory to increase the capacity and capability of a RM/RMP. The organizers of the wealth management competency test in Indonesia are currently carried out by CWMA and LSPP, where CWMA apart from being the organizer of the RM Competency Test also acts as the organizer of RM competency training. The Banking Professional Certification Institute (LSPP) is an organization that administers the RM Competency Test which has been recommended by the National Professional Certification Agency (BNSP). Currently, the organizers of the wealth management training program appointed by LSPP are the Master of Management at Gajah Mada University, Priority Banking School, and the Indonesian Banking Development Institute (LPPI) as the official training provider. The author believes that the regulator can issue regulations governing the official body that organizes the wealth management Competency Test activities so that it is separate from the institution administering the training program, to prevent conflicts of interest between the Competency Test organizers and the training organizers.

2. PermataBank has implemented a holistic marketing development strategy for wealth management products to increase HNWI customers

PermataBank has a marketing management development strategy to increase the number of its HNWI customers through the following strategies:

a. Multichannel distribution development strategy

Technological developments and changing consumer behavior have encouraged the national banking industry to carry out digital transformation. Apart from increasing the number of branch offices, distribution through digital platforms will continue to be carried out by PermataBank on an ongoing basis. Widespread digital banking development was carried out by the national banking industry after the OJK issued POJK No.12/POJK.03/2018 which granted licenses for banks to open digital banking and video banking services to customers. Digital banking services enable the opening of massive bank accounts, and are expected to significantly increase the opening of new accounts. Foreign banks operating in Indonesia have digitized the entire investment consulting process on portable devices such as the iPad, to ensure that the investment risk level matches the investor's risk profile. In addition to digitizing the consulting process, this tool can efficiently create customized offering illustrations, it can also meet the expectations of increasingly sophisticated HNWIs, thereby enhancing the customer experience.

The author believes that digital channels will play an important role in the distribution of wealth management at PermataBank, because it makes it easy for customers to complete not only the process of opening accounts and transactions, but must be able to provide features related to the customer's financial planning. National private banks have been slower in developing their technological arrangements compared to foreign banks operating in Indonesia.

The author is of the opinion that regulators must be more responsive in responding to leading technological developments such as cloud computing infrastructure services to improve the quality of bank services for the community, as well as develop business by national

banks. Current government regulations regarding the implementation of cloud computing services in the Indonesian banking and financial industry are still limited to Government Regulation No. 82 of 2012 concerning the Implementation of Electronic Systems and Transactions which requires that data related to financial data or financial transactions must be stored in Indonesia, this regulation has not provide concrete clarity regarding what data may be stored in cloud computing.

b. Partnership Expansion Strategy

Bank competition with fintech companies, which currently number more than 160 companies (May 2020 Edition Public Info OJK), has encouraged PermataBank to expand partnerships, both with e-commerce and fintech companies with the ultimate goal of gaining strong customer loyalty. In addition, PermataBank plans to expand cooperation with e-wallet companies. Currently, the e-wallets partnered with PermataBank are Dana and OVO. E-wallet companies have broad access to both physical and online merchants, so that e-wallets are the mainstay of all monetary transactions in Southeast Asia, including Indonesia. The convenience offered by e-wallets and attractive discount features opens up opportunities to gain strong customer loyalty as a basis for offering other financial services such as loans and investments, therefore, it is very important for the Bank to identify the right e-wallet to partner with. PermataBank plans to launch e-money in the form of a prepaid card which will be launched in early 2021. E-Money (electronic money) or electronic money is a means of payment stored electronically in a media server or chip. E-Money can be used for various types of payments such as paying for public transportation tickets, toll road fares and shopping at shops that work with e-Money issuers.

c. Millennial Customer Target Expansion Strategy

The Indonesian population is dominated by millennials, namely residents born in the 1980-2000 range of 33.75%, with an almost equal number of men and women (<https://www.kemenpppa.go.id>). As the largest population, the millennial generation will play a major role in the demographic bonus era. This generation will take control of the wheel of development, especially in the economic sector, which is expected to be able to lead the Indonesian nation towards a more advanced and dynamic development. For financial institutions such as banks, the millennial generation promises great potential. Millennials, who at the beginning of their work still had income that was not as big as the generation above, but in the future are believed to be a potential target market, especially those who are the successors to businesses or family wealth from the previous generation. Banking needs to build relationships with these young customers from an early age, to cultivate and build trust. The Financial Services Authority has opened a discourse to allow teenagers to open securities accounts and become stock investors in the Capital Market. This is done for early capital market literacy to deepen the domestic capital market. One of the breakthroughs being considered by the OJK is drafting a regulation that will enable youth to open securities accounts and become investors, even though they do not yet have an ID card.

PermataBank in the 2019 Annual Report discloses the implementation of a business strategy going forward to be "different" to win business competition, through different product offerings (including, but not limited to e-bonds, e-mutual funds, PermataMe, Permata Mobile Cash, Permata e -Value Chain, API Banking), different delivery channels (PermataMobile X) and different target markets (millennial generation or what is called Highly Educated Not Rich Yet). The author is of the opinion that almost all banks have determined a new promising target market, namely the millennial segment. PermataBank must be able to conduct market research that studies the needs of the millennial generation in order to be able to implement a business strategy to be "different" according to what is targeted in its annual report.

Wealth management business indicators according to Murwarni and Pandeiro, in Komalasari et.al, (2020) consist of:

- 1). Market share (outlets and ATMs, product features and customer trust);
- 2). Products (investment and insurance products, safe and growing investments, alternative investment products outside of conventional products);
- 3). Relationship Officer (professional, easy to meet and consult, proactive in providing alternative solutions and updating customer privileges and asset portfolios).
- d. HR Development Strategy

The author is of the opinion that the relationship officer or RM/RMP is one indicator of PermataBank's wealth management which plays a key role, and the level of capability and competence must always be increased. RM/RMP must be equipped with the technology used in serving HNWI customers. Wealth management & private banking service providers in the 1990s were dominated by foreign banks doing business in Indonesia, which dominated around 80% (eighty percent) of the market share of the wealth management business in Indonesia (Komalasari et.al, 2020). Wealth management services provided by local banks began to emerge in the 2000s, so that the market share of national banks began to increase. The author notes that currently there are more than 1V (fifteen) banks that provide wealth management services and products that are registered with the OJK, namely as follows:

- 1). State-owned banks consist of Bank Mandiri, BNI, BRI and BTN
- 2). National Private Banks consist of BCA, Panin, OCBC NISP, CIMB Niaga, Bank Mega, Bank Permata
- 3). Foreign Banks operating in Indonesia consist of regulations, Standard Chartered Bank, HSBC, DBS, UOB, Commonwealth, PermataBank,

PermataBank's RM/RMP faces competition from RM/RMP from local banks and foreign RM/RMP banks operating in Indonesia, in addition to Foreign Private Bankers from other countries who regularly and regularly come to Indonesia to meet their customers. The majority of Foreign Private Banking entering the Private Banking and Wealth management market in Indonesia are Private Bankers with offices in Singapore, so that the Relationship Managers or Private Bankers are mostly domiciled in Singapore. Efforts must be made in addition to deepening the RM/RMP 'personal relationship' with its customers, the Bank must try to align the ability level of RM /RMP with foreign bankers, through serious efforts in updating and up-grading the capabilities of RM/RMP. The two important things mentioned above should be pursued by wealth management service providers in Indonesia, namely as a means to realize the convenience of HNWI customers in making transactions, which will ultimately generate income (fee-based income) and long-term sources of funds (source of funds). for Banks providing wealth management services in Indonesia.

The following is an overview of the wealth management product development strategy proposed by the author:

Table 1 Marketing Development Strategy for Wealth Management Products

Marketing strategy	Marketing Development Strategy
1. Multichannel Distribution	1. Development of Non-Branch Channels; upgrading Permata Mobile-X with the latest technology equipped with features for purchasing, switching and selling wealth management products (mutual funds, bancassurance and bonds); branch opening
2. Cooperation with strategic partners	2. Fintech companies other than insurance companies. Adding to the range of wealth management products offered

3. Improving the competence of Frontliners	3. Developing a tandem culture between Branch Managers and Senior RMs, Senior RMs and Junior RMs. Equip RM with the latest technological devices to serve the needs of Priority customers
4. Priority, Preferred, and Regular Customer STP	4. Expanding the target of millennial customers

D. CONCLUSION

It is difficult for PermataBank's retail banking to emerge its competitive advantage, because currently PermataBank's retail banking marketing management serves 2 (two) customer segments that have different characteristics and needs, namely: the individual customer segment and the Small Medium Enterprise (SME/UMKM) customer segment. The marketing of PermataBank's wealth management products is currently unable to attract more HNWI customers, the majority of frontliners services are provided to the mass and mass affluent customer segments. There are factors inhibiting the marketing of PermataBank's wealth management services, which consist of internal company factors (employee factors and product limitations factors); and external environmental factors (competitor factors and government regulatory factors). The marketing development strategy for wealth management products carried out by PermataBank to increase HNWI customers is as follows: (1) by developing multichannel distribution, (2) expanding strategic partnerships, (3) implementing a strategy to expand the target of millennial customers, and (4) increasing the capabilities of frontliners (relationships). manager)

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