

## **Banks target retiring Boomers; Services aimed at mobile consumers with big wallets**

National Post

14 Sep 2007

FP2

Jonathan Chevreau

Canada's big banks have always coveted mass-affluent customers. This week, three have made announcements aimed at online traders, global travellers and, of course, Baby Boomers.

The Retiring Boomers poll released yesterday by RBC Financial Group finds 53% of Canadians still in the workforce fret they won't have enough money to retire. By contrast, only 36% of retirees worry about money.

Pollsters Ipsos-Reid interviewed 2,037 Canadians between 50 and 69 with household assets of at least \$100,000. (As I've written before, those now 61 to 69 are not technically part of the post-war Baby Boom and should be labelled "pre-Boomers" but we digress.)

The poll affirms that the older we get, the more we worry about health rather than money. Only 41% of pre-retirees worry about their future health, compared with 51% of retirees.

Once retired, family considerations also trump financial ones. "It's telling that money is not top of mind for two-thirds of retirees when they think about the future," says Mike Reed, who is RBC's head of retirement and affluent client strategy.

In my experience, few Boomers are ready to retire, which means most of us still care more about wealth than health.

Enter HSBC Bank's new Premier service, which it claims is "the first truly global personal banking service for the world's 200 million mass-affluent and internationally mobile consumers."

HSBC Canada spokeswoman Sharon Wilks assures me the bank doesn't throw out the descriptor "first" lightly. "We literally can't find anything like this level of service" among competitive offerings, she said in an interview. HSBC Holdings PLC is the world's third-largest bank (behind Citigroup and Bank of America).

HSBC Premier is being rolled out in 35 countries, including Canada.

HSBC says Premier offers seamless cross-border banking. For the first time, they say, customers can take their accounts, credit history and banking relationships with them wherever they choose to live and work.

Supporting them are 250 international Premier Centers located in most of the world's biggest cities, plus 6,000 branches tied into the service.

Included is a credit card with offers from 6,000 merchants, an Internet site that lets you manage all HSBC accounts around the world, and pre-approved mortgages for up to

three properties home and abroad. There is also a globally accessible phone number for emergency assistance (1-908-PREMIER.)

HSBC estimates there are 200 million mass-affluent consumers worldwide, including three million in Canada. Their numbers are rising by 20% a year. To cater to the two million it has already signed up for Premier, HSBC has set up a Global Training Academy. Some 5,000 HSBC Premier "Relationship Managers" will serve them, along with 3,000 support staff.

Depending on your wealth, the service will cost upward of \$28/month in Canada, says Tracy Redies, an HSBC Bank Canada vice-president.

A similarly upscale audience is the target of BMO Investor-Line, which has announced its MyLink service. This gives the bank's online brokerage customers personalized messages customized to their investment holdings. President and CEO Connie Stefankiewicz says investors automatically receive a message when their portfolio needs rebalancing. They are told how the asset mix has deviated from the original investment plan and provides the option of immediate rebalancing to rectify this.

Among the items that will spark an alert are expiring bonds, GIC maturity notices and changes in analyst ratings on their stocks.

BMO cites research from Investor Economics Inc. that the online investing industry will grow at 7.9% a year.

--- - Chevreau blogs at [www.wealthyboomer.ca](http://www.wealthyboomer.ca)

[jchevreau@nationalpost.com](mailto:jchevreau@nationalpost.com)

Illustration:

- Black & White Photo: Stephanie McGehee, Reuters File Photo / AN HSBC BANK IN KUWAIT: The bank's Premier service lets customers take their accounts, credit history and banking relationships with them no matter where they live and work. Other banks are rolling out similar products.