



WARWICK WEALTH



Marc Wiese, MD Warwick Wealth



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Warwick Wealth: “Relax. We’re Here for You”

PRODUCTION: David Napier

By proactively reaching out to all clients as the pandemic raged during the tough months of 2020, Warwick Wealth has continued to build its formidable brand and grow business significantly. MD Marc Wiese talks to Enterprise Africa about making people feel comfortable and building trust.

// In the beautiful and lush afternoon shadow of Table Mountain National Park, between Wynberg and Constantia – where the Cape Dutch manors line the streets and Geissorhiza radian flowers grow in well-kept gardens – one of the country's leading wealth management specialists is feverishly reaching out to its large client base, reassuring any with worry on their mind that their pensions, investments and financial plans are safe and sound during the Covid pandemic.

Warwick Wealth MD, Marc Wiese, sits in his office proudly talking of a difficult, but brilliant year. The pandemic wreaked havoc across markets, jobs were cut, spending power reduced; but Warwick Wealth realised one of its strongest years since establishment in 2002.

By taking a proactive stance during a bleak period both economically and in general terms, Warwick was able to drive its position as an industry-leader.

"We are here for you, don't stress, we are keeping an eye on your investments, it's our job – relax," says Wiese, a man with more than a decade of financial management experience.

"A lot of financial advisors are reactive – they are great financial advisors, but they are reactive," he states. "They're not in a medium-sized corporate like Warwick where there are rules and regulations that dictate working flows and patterns. You have to call your top 100 clients – there is no way around it; we measure

// WHEN YOU ARE LOOKING AFTER SOMEONE'S FINANCIAL PLAN AND YOU ARE LOOKING AFTER THEIR FINANCIAL FUTURE, IT'S A VERY IMPORTANT THING //

it. By having these very strong customer care obligations, we allow for a more proactive approach. Too many advisors go with the 'if you need something, you call me' approach which is not ideal. We have taken a proactive approach to communicating with our clients."

By setting up digitally during the country's first period of lockdown, Warwick's client engagement was uninterrupted and the company managed to successfully marry reassurance of clients with continued focus on growth.

"We went into the first lockdown and managed to get set up digitally very quickly. That gave us a massive advantage in that we were able to spend time servicing clients. Stock markets had fallen by up to 40% depending on which market you look at, the Rand weakened which absorbed a large part of the blow on the South African side, but we changed the expectations from our wealth specialist teams and we said 'go and speak to clients, whether through Zoom or phone'. We put a lot of effort in speaking to a large part of our client base. That created a lot of positivity for clients as many of our competitors did not do that and they saw it as a holiday," says Wiese.

But for many financial advisors and wealth specialists, face-to-face meetings are still the bread and butter of the industry, they are essential in building the key element between advisor and client – trust. Like the entire global monetary system, trust is the keystone. Warwick Wealth promotes professionalism and quality as two of its most important characteristics and both of these feed into advancement of trust.

NEW NORMAL?

"When you are looking after someone's financial plan and you are looking after their financial future, it's a very important thing," admits Wiese. "It's not something like short-term insurance or a rental agreement. For something like this, you need to build trust and building trust is much more difficult to do electronically.

// OUR CLIENT SERVICING MODEL, OUR PRODUCT MODEL, OUR FUND RANGE ARE ALL THERE – WE HAVE SPENT 20 YEARS BUILDING THAT AND GETTING IT RIGHT. THE FOUNDATIONS OF THE BUSINESS ARE ROCK SOLID //

When you sit with someone, you can see their body language, you can look them in the eye properly and that is where they open up. In my opinion, you can have a broader and more valuable chat, and that helps build trust. Ultimately, that is what financial services is all about. Building trust and the client knowing that you are there for them is 70% of the battle."

In April, President Ramaphosa encouraged South Africans to forge a new economy for a new global reality as the country moves beyond the pandemic. "We have to both recover the ground that we have lost due to the Coronavirus pandemic, and to gain new ground by placing our economy on a fundamentally different growth trajectory," he said. The important element taken by most was that his emphasis was very much on the future and leaving 2020 and the pandemic as a memory.

"In this new digital world, technology is going to be a large part of how we service clients going forward, but I believe there is no substitute for face-to-face interaction. Right now, if our clients are older, or it's not safe for us to see them or them to see us then 100%, make use of digital solutions. But a lot

of people don't have laptops or a very old computer – we have to adapt. As we start getting back into more of a normal situation, we are most certainly going to see most of these clients face-to-face – I feel it is really important, as long as it is safe to do so," says Wiese.

Now more than ever, the advice of an experienced financial planner or wealth manager can mean the difference between financial independence and the need to carry on working beyond retirement age. Too many fall foul of habits including taking on too much debt, investing in inadequate retirement funds, not making use of tax deductions, not planning effectively for education and health costs, not understanding investment products, not being adequately covered by insurance and many more. For this reason, Warwick is looking to boost its

profile and expand aggressively across the country to help more people make the most of their wealth.

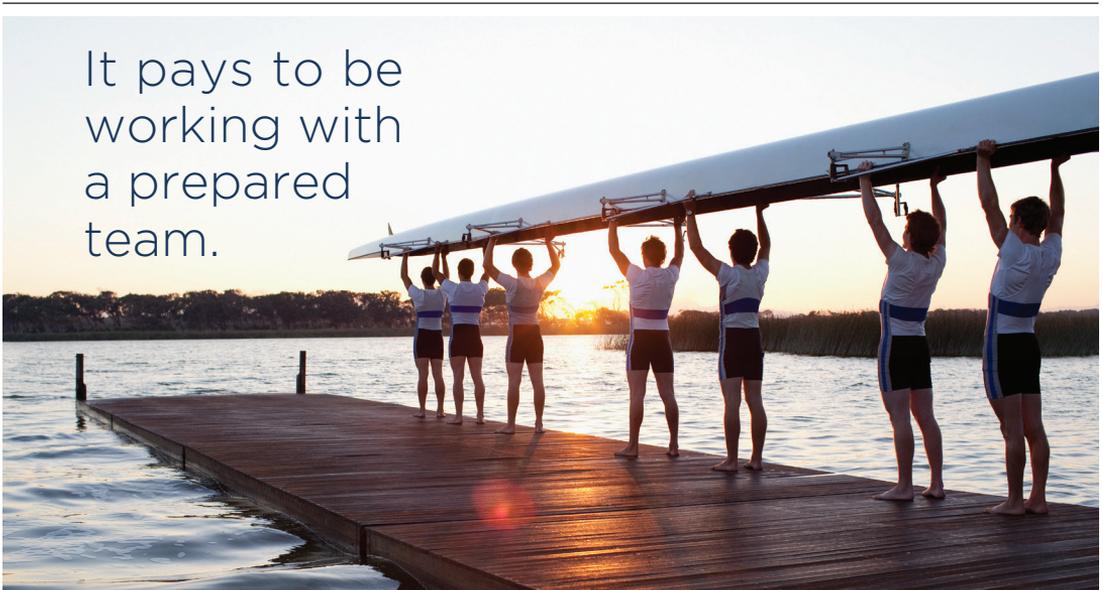
This expansion will come in two forms. Firstly, by taking on the books of independent financial advisors (IFAs) who are looking to retire or exit the industry but who value the ongoing security of their client's portfolio, and secondly by investing in organic growth through sponsorship of sporting initiatives. Labelled the Warwick Professional Network and the Warwick Lifestyle Network, Wiese believes growth through these large linkages will continue strongly.

"We are pushing hard into our Lifestyle Network which we believe is the largest grassroots sport network in South Africa," details Wiese. "We have relationships with more than 800 retirement or sports organisations

across the country which we have been building for the past 20 years. We are expanding that quite rapidly into high end golf courses and we have agreed sponsorships for some really top courses including: Erinvale, Steenberg, Westlake, Stellenbosch, Pinnacle Point, De Zalze and many more around the country. We are growing that Lifestyle Network into elite golf courses and reinvesting into clubs so that we can be there for them when they do not have other sources of revenue.

Wiese also recently met with the Western Cape Bridge Association, based in Green Point, and renewed a long-lasting partnership, agreeing to sponsor the association for a further three years. Although the company is still unable to get in front of people in the same way as before, this commitment unlocks future potential for engagement.

It pays to be working with a prepared team.



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THE MERGER PLAN

In 2020, while others languished, Warwick Wealth was on the front foot, thriving with mergers of many successful financial advisory practices. A proven growth strategy for Warwick, offering merger opportunities to IFAs provides major benefits for both parties.

"I am confident in saying that Warwick offers the best succession plan deal in the financial services industry in all of South Africa," states Wiese.

"Many financial advisors looking to exit the industry have decided that now is the perfect time to join Warwick through what we call our merger plan. Effectively, this means they transfer and entrust their clients to Warwick and they can retire, but they also have the confidence of knowing that those clients will be well looked after. They know a professional and very focussed private wealth business will be taking care of their financial and retirement needs. They have built their business usually over many years and they know

they can get the best possible exit deal in South Africa for that business. Our deal allows for a minimum P/E (price to earnings ratio) of 10 on the business. Should they pass away, we would transfer any wealth to their named beneficiary – in most cases, a spouse."

A recently completed merger saw Warwick Wealth partner with Graham Hewett Independent Financial Advisors, a Gauteng-based practice founded in 1996. Asked about his experience dealing with Warwick during the merger, Graham Hewett was clear: "I am extremely happy with the merger process and onboarding of my clients. It was done professionally, and Warwick has shown they have the clients' interests at heart."

The company has followed this mode for some time and was busy rolling out the Professional Network at the start of 2020 when Wiese previously told Enterprise Africa about achieving 'exceptional growth' by employing the merger plan strategy.

// I AM CONFIDENT IN STATING THAT WARWICK OFFERS THE BEST SUCCESSION PLAN DEAL IN THE FINANCIAL SERVICES INDUSTRY IN ALL OF SOUTH AFRICA //

"We have had one of our best years on record – it's remarkable, as there have been so many businesses struggling. We had in excess of R1.5 billion join us and that is a decent year. All things considered, we are thankful and we feel privileged."

Alongside the Professional and Lifestyle Network promotion, Warwick is offering a franchise-type model which will see it open new offices in previously underserved regions of South Africa.

"Our client servicing model, our product model, our fund range are all there – we have spent 20 years building that and getting it right. The foundations of the business are rock solid.

// WE AIM TO BUILD A SUSTAINABLE AND EXCITING BUSINESS IN AN AMAZING COUNTRY //





“We have recently opened a second office in Gauteng in Benoni, we have opened a second office in Port Elizabeth, we have opened an office in East London on a franchise model and those are for IFAs or those working for a large corporate who want the backing of a larger business while having the independence to run their own practice. Compliance, business administration, succession planning is all built in,” details Wiese. “We’ve been testing it for the past couple of years and we believe we have the recipe right. We are promoting this model vigorously into the market and we are talking about growing the Warwick offices across the country. We want to give IFAs the ability to operate under a larger business while enjoying the independence to run their business.”

The target for Warwick is to realise the opening of another 15-20 offices as a minimum over the next three to five years. While specific locations are not yet confirmed, discussions are ongoing

around the country. By promoting this franchise model and tying it in with the continued absorption of smaller IFA business, Warwick will continue to build a powerful brand.

BLUE & RED

With blue and red Warwick sponsorship boards displayed proudly across the Lifestyle Network footprint, the brand is now well-recognised. Organic growth and referrals remain strong, and Wiese puts this down to the proactive approach.

“We are working hard,” he smiles. “We have professionals out there servicing clients every single day – talking to clients, talking to IFAs; we have invested into high-quality people so we can service our clients and we are getting great feedback.

“We are looking after our clients well, we are offering a great deal to IFAs who join us or retire, and we have grown strongly, so it is an exciting time in our business. We are reinvesting into South Africa, into our people, and into our

footprint. We aim to create jobs and we aim to build a sustainable and exciting business in an amazing country - we want to take and create the positives.”

From the office in the Alphen Estate in Cape Town, where the blue and red Geissorhiza radians blossom in flower beds, the blue and red of Warwick Wealth is shining brightly. Across South Africa, this powerful brand – steeped in quality and professionalism – is continuing to safeguard and grow its clients’ wealth.

“As Warwick, client care is core to who we are. We are one of the fastest growing companies in financial services in South Africa through providing IFAs with the best possible succession plans when they are looking to exit the industry or providing financial advisors a larger brand to sit behind them while they operate independently,” Wiese concludes. **E**

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