



Without Trust, Business Will Suffer

Case Study #11

Scenario

Occasionally, we are willing to pay premium prices to dine out at a Michelin star restaurant for its culinary rarity and delight. But our repeated visits are contingent on the quality and value of the last meals we ate there. When the quality and value proposition are diminishing at possibly even the slightest hint, we will dine out elsewhere – there are ample alternatives.

The same is true of the products and services we provide to our customers. The price our customers pay is a function of quality, performance, durability, and value. We cannot take our customers for granted especially if the competition is intense.

The issue is this: **if our products and services are of an inferior quality, our standing in the marketplace diminishes** and it will not give us the stature to speak into the lives of those we do business with. Few people will trust us when what we sell for money is inferior, much less the word of life we intend to impart, even well-meaning and with best intention.

The St. James's Place Group (SJP) was founded in 1991 by Sir Mark Weinberg with the backing of Jacob Rothschild of the Rothschild family. The business set itself up as a provider of elite financial advice to wealthy clients but was always dogged by allegations that its charges were excessive.

SJP was fined £250,000 by the City watchdog in 2003 for “serious” inadequacies in its record keeping. Back in 2019, fourteen former footballers sued SJP for £15 million alleging they got bad advice on tax and investment schemes. **SJP has been criticised for years for high-pressure sales tactics** that saw advisers given lavish incentives ranging from Montblanc pens and Mulberry bags to all-expenses paid holidays.

The top partners were given cruises, diamond encrusted cufflinks and broaches. *Yahoo Finance 28.2.2024*
SJP's full year 2023 results brought another blow to its shareholders. Its share price fell some 63% for the past year. SJP announced a pre-tax provision for potential refunds to its clients – thanks to a regulatory crackdown. That relates to claims that clients did not receive sufficient services to justify the fees paid to financial advisors under the SJP's umbrella. In the clubby, comfortable world dishing out advice to the wealthy, **SJP has lost the trust of the market – and potentially its clients.** *Financial Times 29.2.2024*



WHAT DO WE DO?

How can we deliver quality products and services to retain customers' loyalty, trust, and confidence?



PROVERBS 10:9

“He who walks in integrity walks securely, but he who perverts his ways will be found out.”

