

AAM Advisory: Diversifying its Proposition and Building the Client Base

Hubbis met recently with Eryk Lee, who since 2017 had been CFO of AAM Advisory until becoming CEO in May 2019. Since taking up the reins at the firm, Lee has been focusing on building the brand and establishing partnerships with firms operating in the Singapore wealth management industry, such as lawyers, accountants and external asset managers. The next phases of AAM's development include further expansion in the high-net-worth space, and into the surrounding region. When not working or spending time with his young family, Lee is a fitness fan, enjoying everything from basketball to high-intensity training.

ACCORDING TO THE FIRM'S LITERATURE, AAM ADVISORY WAS SET UP IN 2009 with the vision of

helping people plan for a better financial future, whilst protecting them and any loved ones. The website details how the firm has grown significantly in the past decade, helping more than 5,000 clients across 80 nationalities.

"We currently advise on over SGD1 billion of their collective wealth and protection needs through our team of over 30 experienced authorised financial planners in Singapore who not only have outstanding technical knowledge and experience, but also truly understand the evolving needs of our clients," Lee explains.

In 2016, AAM was acquired by Quilter, a leading London-listed wealth management business operating in the UK and through several international offices. Quilter managed GDP118.7 billion of investments on behalf of over 900,000 customers as of 30th September this year.

Broadening the client proposition

A core strength of the firm historically has been the expatriate client base, but since Lee took on the CEO role, he has been guiding the firm in a variety of new directions, as well. "We wanted to make sure that solid financial and investment advice can be made available to clients who do not have access to the private banks."

"This creates a gap for us in the mass affluent space all the way through to private banking level clients" Lee explains. "Our success in the last decade is driven largely by the strength of our in-house expertise in tax, pensions and investments, and how this expertise benefits clients residing in Singa-

pore who have invested in assets globally, regardless of whether they are Singaporeans, PRs or expats."

While the core of the business is Singapore residents, including of course the numerous well-to-do expats working or living there, Lee's drive is now to broaden this historic client base significantly.

Seeking new partners

"We are in Asia," he notes, "where there is great growth, and we have

been diversifying, meeting and working with partners, such as accountancy firms, law firms, and others, and leveraging our broad expertise through their client bases as well around the region. Working together, we complement each other in serving the needs of many Asian clients with global assets. Such partnerships ensure that clients receive the best service and advice, provided by different experts from different

Lee's Key Priorities

Lee says his first priority is a major overhaul of the marketing effort. "We are revamping the website and our whole marketing and branding protocol."

Lee and colleagues are also prioritising relationships with more external partners, and is expecting to reap the rewards next year, with notable success expected in a higher net worth space

"It is clear that we cannot simply rely on old ways of us getting a client in front of us," he explains. "We need to work more effectively with different people as we shift more into the HNWI segment. To achieve this, we need greater collaboration with partners and not simply referrals. There are many ways in which we can complement the services offered by firms such as lawyers, accountants or asset managers, and thereby help clients get a better and broader service."

To achieve this goal, Lee adds that the firm must ensure it offers the HNW clients more than just the product itself. "We need to ensure that their whole experience is enhanced, so we need to have a dedicated team who are committed to speed of execution, we also need to digitalise more, with for example fewer paper-based application forms, and offer a seamless experience with us across different media."

The third priority is to boost advisor numbers, "But this is not a numbers game," he notes, "this is quality driven expansion and diversification." ■



ERYK LEE
AAM Advisory

disciplines. We can reassure clients because we perform stringent due diligence to make sure that we select the best partner to work with them, as they grow and/or structure their wealth.”

Lee reports that the firm adopts a holistic approach to financial planning, “developing tailored strategies and implementing a personal plan for each client’s financial future, thereby offering bespoke investment and protection solutions for Singaporeans and expatriate residents working and living here and across the region.”

He reports that AAM’s success has been built on a solid investment proposition, the cornerstone of which is having a dedicated investment research team who are in place to drive investment decisions and ensure our clients are invested in robust and diversified portfolios that are appropriate for their circumstances, financial goals and tolerance for risk.

The AAM Investment Service, he adds, makes recommendations for the investment portfolios, monitors provides feedback and

Getting Personal with Eryk Lee

Singaporean Eryk Lee, CEO of AAM Advisory, joined the firm in 2017 and chairs the Investment Committee and Risk Committee. He is responsible for implementing strategies to grow the business while at the same time ensuring that the firm achieves the best customer outcomes. Prior to AAM, Lee spent more than 15 years in various financial institutions in the UK and Singapore, including Royal Bank of Scotland Singapore and HSBC in London.

He graduated from the University of London with an honours degree in Management and holds accreditation from the Institute of Singapore Chartered Accountants and is a Fellow member of the Association of Chartered Certified Accountants.

Married with three children of 13, 11 and nearly three, Lee says he tries to lead an active lifestyle and is a big believer that exercising helps prevent health problems in future. “I play basketball, I run, I go to gym and do high intensity interval training, as well as yoga, the last of these being for recovery. I used to play plenty of golf and look forward to getting back to that when I have more time again, perhaps upon retirement when I enjoy the fruit from my labour, coupled with solid financial planning in the early days.” ■

makes suggestions for adapting the portfolio in the future. “Our service works especially well for clients who have an interest in investments, or who even work in the investment industry but want the support of a professional, regulated financial company to provide ongoing advice,” he notes.

The firm’s AAM Advisory Wealth Solutions Team help clients organise their financial planning, to pre-empt key milestones in their lives, including moving to a new country, education, home purchases and property investment and planning for retirement.

“It is especially important,” Lee observes, “to ensure that the creeping globalisation of taxation

does not prevent these clients from achieving their goals and that they comply with regulations, to ensure that wealth is passed to the intended beneficiaries, and the impact of estate taxes is minimised. We offer multi-jurisdictional tax planning to help clients navigate the maze of global taxation.”

The firm also offers its AAM Wealth Solutions Seminar Series to help clients keep abreast of the latest regulatory and financial developments at home and abroad.

Plan, don’t prevaricate

“Too many people know they need to organise their financial planning,” Lee observes, “but they simply procrastinate because they

are so busy with work, family, life in general. So, part of our mission is to educate people and to help the different partners we work with. We also seek to educate them about how we see our role, which is to genuinely support the clients and offer them the best possible service and quality at the right price points.”

Lee explains that AAM avoids hefty upfront fees. “When a client joins us,” he elucidates, “they pay an ongoing service fee for the services that we offer, but they

can stop at any time. We take an independent approach before recommending any product and are fully transparent in terms of cost for the clients.

Open to all

AAM is agnostic as to which product suppliers it works with, as Lee notes it is not an agency-based business selling its own products. “Our advisors can work with anybody they choose, certainly not only Quilter funds, or products branded under Old Mutual Inter-

national, a subsidiary of Quilter,” he reports. “If, however, their product is better than anybody else’s, then we will recommend their products to our clients.”

Lee notes that MAS appears to be heading towards ending any financial incentives being paid directly from product provider to the advisors. “We would welcome that move,” he reports, “as AAM ceased such activity a long time ago. It will put the industry more on a level playing field and I am sure it would be the right step to take.” ■

