

# Getting more active about advisory

*Enhancing the advisory offering while hiring more capable front-line staff are key components to VP Bank's growth plans in 2017, says Thomas Rupf.*

One of the main goals of Liechtenstein-headquartered VP Bank is to further expand its advisory offering in Asia this year.

## TOP-NOTCH SOLUTIONS

The tailor-made platform, introduced together with an external provider, aims to help the bank's investment

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“We are in process of implementing a new advisory platform for our relationship managers (RMs), who can use it to become much more proactive and client-oriented with their advice,” says Thomas Rupf, deputy managing director and head of investment advisory and treasury at VP Bank (Singapore) Ltd in Asia.

experts stay up-to-date with the latest market developments, as well as to receive interesting investment ideas and proposals.

It is far more efficient and productive which helps the firm's RMs to spend more time focusing on their clients. Apart from advisory services, Rupf says



**THOMAS RUPF**  
VP Bank (Singapore) Ltd

he would also like to drive discretionary mandates higher. Yet he acknowledges that those efforts would be better accomplished by persuading clients to try

out advisory mandates services first. Nevertheless, it is always the client's choice, he adds. It needs to be the right product for the right client.

"Clients appreciate a guided and well-structured advisory approach where they can be ensured that they are kept up-to-date about the relevant market developments which may have an impact on their portfolios," he explains.

In Asia, despite the historical reluctance among clients to pay for advice, there is an expectation that it will gradually follow the European trend.

To get there, understanding the client is a basic pre-requisite for providing professional advice.

In line with this, VP Bank's process is to first identify a client's needs and then

play private bank which clearly focus on client's needs instead of being forced to sell their own products."

## FUND SOLUTIONS

Being in the private banking, intermediary and fund solutions businesses enables the firm to leverage on its global capabilities.

"Our fund solutions platform enables our clients to set up their own private label funds," emphasises Rupf.

VP Bank offers comprehensive fund services across the entire value chain.

These include UCITS and AIFMD management company services, comprising risk management, fund administration, custody banking and distribution support.

Clients also have a single point of contact for everything, from fund planning and creation, to operational management.

These services are primarily oriented towards family offices, asset managers and UHNW individuals. In Asia, there is an increasing demand for private label funds used for wealth planning purposes.

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In today's world, there is a constant information overload, be it from traditional to social media.

It is very difficult and too time-consuming for clients to filter out all the market noise, says Rupf.

"This is where VP Bank's well-trusted RMs come into place to provide guidance to the clients that they are able to make well-informed decisions. This is even more important in Asia as most of the UHNW in Asia are still actively involved in their family businesses, or are executives where time is their most scarce resource."

present potential solutions, always with reference to possible alternatives.

"VP Bank has an open-architecture platform which allows us to source the best products for our clients, even if some might be from our competitors which shows our commitment to being independent and transparent," explains Rupf.

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## AN INEVITABLE SHIFT

In Europe, much of the shift these days towards advisory packages and discretionary mandates, instead of execution only, is being led by changing – and tightening – regulations.

"This is where we are able to show our clients our added-value, being a pure

Since the Panama Paper scandal in 2016, Rupf adds that there is negative public

perception towards trust structures, leading some Asian UHNW to look for viable alternatives.

### MEASURED GROWTH IN ASIA

Although VP Bank is one of the largest banks in the financial centre of Liechtenstein, and also based in Switzerland, Rupf says its mid-sized presence in Asia, with more than 50 employees in Hong Kong and Singapore, has not been a challenge in its pursuit of growth.

“We send out a clear signal to the market as well as to potential RMs,” he adds. “In 2016, we moved to new offices at Asia Square Tower, allowing us to double the amount of working space and give room for further expansion.”

Next on the radar is capturing more share of the growth opportunities in target markets VP Bank has identified: namely, China, Indonesia, Hong Kong, Malaysia, the Philippines, Singapore and

of earnings from its foreign target markets to rise from the current 28% (as of 30 June 2016) to 50%.

### ‘SAFELY AHEAD’ WITH DIGITISATION

‘Safely ahead’ reflects the firm’s way of thinking, to differentiate it from the competition.

Based on VP Bank’s “strategy 2020”, digitisation is a key topic for the few next years.

“It is key to supply our clients with the right digital and human interfaces to generate new business and to also better service our existing clients,” says Rupf.

This digitisation strategy is a bank-wide, strategic project to further strengthen VP Bank’s competitive position in its international markets.

Following this, the firm has already made targeted investments in digital tools. In addition, growing the skill-set applied in client advisory activities and intensifying efforts to cultivate the market are expected to remain centre-

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The consolidation of private banks over the last few years has helped VP Bank to gain more traction to attract new RMs and clients, he adds.

“Being a pure-play private bank with strong roots and a clear focus has helped to build-up a profitable private banking business in Asia. We strongly believe that there is space for smaller niche players.

In fact, this has been an advantage since it enables a more personalised approach to clients. Nevertheless, providing our clients access to our global product platform enables us to compete with bigger Asian and global private banks,” explains Rupf.

Over the last two years, VP Bank has increased its presence in the Asian markets, gaining much better access to good people.

Thailand. Indeed, this is part of a broader initiative to promote organic growth by the private bank globally.

Late last year, for example, the group announced that it would hire 25 senior

client RMs per annum during the next three years as part of a recruitment offensive. VP Bank also sees its growth as being linked to development of emerging economies. By 2020, the institution, headquartered in the Triple-A rated Liechtenstein, expects the share

stage in 2017. Asia is expected to follow in the same vein.

“Recruiting more RMs, continuing with our digital strategy and launching our new advisory platform, are the three main areas of focus for this year,” says Rupf. ■

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