



FOMC - News

Newsletter – Q4 2017, October 2017

In response to the increasing demand for information within the family office market, Family Office Management Consulting publishes its quarterly newsletter as well as ad-hoc briefing notes on various subjects relating to the family office theme. The selection of topics results from the experience in working with families, entrepreneurs and family offices on a daily basis, current developments in local and international markets and requests by clients.

Time as a Commodity

In today's day and age, when it comes to a wealthy individual's lifestyle, technological advancements and globalisation together have created a world of endless possibilities that lie just a stone's throw away. One might say that everything and anything is possible – "your imagination and creativity are the only limit"; this is not quite as true as one would hope. All of your wishes, desires, needs and requirements, are constrained by the frames of a 24-hour day, a 7-day week, a 52 (occasionally 53)-week year. Your limit is time.

Concierge and lifestyle services have developed precisely to push back that limit; they are your currency, and time is your commodity. Through such services, wealthy families and individuals can afford the luxury of buying time, allowing them to enjoy more of our contemporary world's endless possibilities.

In such a vast and resourceful world, there are as many concierge and lifestyle service providers as there are wealthy individuals' needs and wishes, but matching the two is not nearly as simple as one might think.

Spending your Time -

The difference between a concierge and a lifestyle manager is usually made in terms of

the "style" of service; the former would perform all sorts of daily tasks and errands for you, similarly to a butler or a personal assistant, whereas the latter is concerned with less frequent occasions, acting perhaps more as an advisor and events planner. In reality, and in practice in the industry, the two roles overlap, and the use of the term is dependent on the "image" the provider wants to project.

- On what?

The services such firms can provide is practically limitless, and many of the larger ones will claim they can do it all, however, the majority provide a "core" set of services that include travel arrangements (booking plane and other transport tickets, chauffeurs), arranging accommodation, fine dining reservations, and obtaining access to prestigious cultural and sporting events (Royal Ascot, Fashion Shows, Preview of Frieze Art Fair, and even The Academy Awards – "Oscars" – tickets go for about £35k). Certain firms will specialise in some of these "core" areas, with some for example offering only very high-end exclusive leisure travel, while others such as luxury event planners specialise in exuberant requests in the most exclusive locations, or extraordinary "once in a lifetime" adventures (one or two firms can arrange a trip to outer space – costing no less than £15 million).



The list of additional services is truly endless, with certain firms focusing exclusively on “niche” services or others offering them in addition to their “core” services. The more common additions include private jet and yacht charter, and luxury holiday property rental. “Niche” and slightly more unusual services can include taking care of daily errands (paying bills, organizing your home, hiring domestic staff, managing daily schedules, and so on), luxury vehicle rental, personal shopping, exclusive product procurement, or even match-making and personal security. Some firms also offer advisory services on a wide range of areas - art, wine, real estate, finance, health and medical, etc.

- When?

After deciding what kind of services you’re after, you have to decide how often you want them – on a daily/weekly basis, or for a couple of ad hoc requests throughout the year? Most firms would normally service ad hoc requests as projects, but some offer monthly package possibilities and are available 24/7 for requests through call centres. For frequent services, certain firms will provide you with someone physically available for all your daily errands, or they can ensure you have 24/7 mobile access to dedicated client managers that take care of all your requests. Others might only be available Monday to Friday during business hours, or would direct you to the firm’s call centre, that then deals with the requests. The degree and level of availability is evidently a function of fees charged.

- Where?

A further consideration is that of the providers’ regional coverage. Certain large providers have offices or established partner networks worldwide. Others restrict their services to certain countries or regions, and some also solely serve individual cities. You must therefore decide whether you require such

services in your home country or primary residence, when travelling abroad for business or for leisure, or whether you require services everywhere you go.

While concierge and lifestyle management services have developed rapidly in Europe and in the U.S., particularly in the largest cities, it is still a relatively nascent business in Asia, but growing demand for such services is leading to the emergence of new players and new expertise in the region, which should certainly provide increasingly interesting opportunities.

- How?

Perhaps we can call this the level, or depth of service, but it’s a question of deciding how bespoke or tailored to your individual needs you want the service to be. On the one hand, certain firms can provide you with excellent services globally, but that might not be exactly tailored to your individual tastes and preferences. On the other hand, other firms prefer to restrict their services to certain regions or cities in order to develop a deep network of contacts and knowledge within these, but also to ensure they can truly focus on tailoring services to a client’s needs (for example they will choose the type of seats you like in the plane, they will prepare your hotel room or home with the type of linen you like, fill the room with flowers you like and the fridge with food that suits your diet, and so on).

Certain firms will go through the greatest lengths to cater to one’s most demanding requests – a renowned firm in New York has, amongst many other achievements, previously broken down a hotel wall to have the room exactly as the client wanted. Firms offering highly bespoke services also often restrict the number of clients they take on in order to concentrate all of their resources on serving them to the highest standards.



Although several firms claim to offer highly bespoke services on a global scale, our experience tells us there is a relative trade-off between company size (in terms of number of clients and geographical coverage), and the depth of truly bespoke service. This makes it a difficult task to decide what level of tailoring one wishes for, and which companies will balance this well with the geographical coverage one requires.

Time has a price

Perhaps the final consideration is how much you are willing to spend on such services, or how much they will cost you. The higher the level and quality of service you want, the more it will cost. Some providers will charge you by the hour, others suggest monthly or yearly packages, and many will operate on a retainer basis – fees range from anything between £10 and £1'000 an hour, to between £1'000 and £350'000+ per year. One cannot realistically expect the best service for the lowest price, however, the highest fees are not always reflective of the best or most appropriate solution.

FOMC also buys you time

It is not a simple task deciding what firm provides the services most suited to your needs, let alone deciding whether the fees accurately reflect the service level and quality. Furthermore there is an innumerable number of factors that should be taken into consideration when evaluating the appropriateness of concierges and lifestyle managers, such as their approach to confidentiality, their potential corporate affiliations, their client coverage systems, and so on.

FOMC has experience in successfully helping clients select the most appropriate concierge or lifestyle management provider, several of which have now developed long-term relationships. If one single provider does not fulfil all of a client's requirements (particularly with regards to the geographical coverage and bespoke service trade-off), FOMC can assist in coordinating several providers into a solution that is efficient in terms of cost, access, and flexibility.

With an excellent understanding of the market and of the current offerings, FOMC provides a thorough and reliable due diligence process and can assist you not only along the entire selection process, but also further in the discussion of bespoke proposals with selected providers, and in both trial and on boarding processes. With some providers being as exclusive as the services they provide, FOMC also has the possibility of granting access to providers whose services are usually restricted to a select few and subject to waiting lists.

Overall, in terms of buying time, selecting the right concierge or lifestyle manager is as important as the services they provide. With this in mind, FOMC's expertise can certainly help you buy that first sliver of time.