

# AIA Takaful breaks traditional sales method

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**KUALA LUMPUR** — Breaking out of traditional model of insurance sales method, AIA Public Takaful Berhad will incorporate and advocate health advisory as part of its growth plan for the year.

Its chief operating officer, Elmie Aman Najas said recent trends showed customers will no longer purchase insurance policies that are strictly confined to payout upon injuries or sickness, thus they plan new approaches to push their products.

“It is easy for another company to come up with products that are similar to ours but what we plan to bring to the market is entirely different,” Elmie said during a media briefing yesterday.

He said the approach by life planners will evolve with the company acting not only as an insurance provider but as a longterm partner with the customers.

With an increase of active Takaful Life planners from 670 in 2014 to an average of 1,000 last year, Elmie said adopting technology differentiates the company from the market.

“It is a positive sign as over 95% of their submission rate was via AIA’s business application designed for iPad called Interactive Point-of-sale or iPoS.”

He said the challenges faced in recruiting full time life planners was based on the perception that it was a part-time job instead of a career.

“We are trying to break that concept to tell people that this can be a viable and successful career because there are many instances of success and what you need is to join a company that can help provide the

ecosystem for them to be successful.”

AIA has also adopted an innovative training, mentoring and support programme for new agents called “Start-up 36”. The three-year programme is designed to help new agents succeed from the moment they decide to join AIA as an agent.

He said AIA Takaful is optimistic in terms of the market and bumiputera segment growth and will focus on providing the right product for the customers and to recruit more full time life planners.

“The penetration rate for the Bumiputera market is low coupled with the rising medical inflation, so we need to come up with innovative products to meet the needs of the customers.”

For last fiscal year of 2015, AIA Takaful saw a strong growth of 51% or RM162 million in its annualised new contribution versus RM107 million in 2014. The volume of new business, an important measure of future profitability for insurers, grew by 50% to RM72 million from RM48 million.

Elmie said investment-linked products account for close to 40% of their business and the growth of 34% or RM63 million in the investment-linked segment was a positive sign.

“The rider attachment rate for investment-linked certificate increased by 113%

last year. This shows that customers are realising the need to be adequately covered because the when the number of rider is high, it points out that more customers are buying comprehensive coverage from us,” he said.

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Elmie says AIA will hire full time agents to strengthen its Takaful segment.