

# An evolving marketplace for HNW life insurance in Asia

*Craig Ellis, CEO Singapore, Charles Monat Associates, shares his thoughts about the expected innovations and changes in the life insurance space, especially in Asia.*



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**L**IFE INSURANCE AS A PRODUCT HAS REMAINED consistent over the years, in terms of features as it has a very specific utility. However, even with a simple product idea, the industry has seen a lot of different structures from product type to distribution to financing.

“Most of the developments will come from the technology space because in regards to the product solutions, it is pretty much out there” says Ellis, talking about the expected developments in the industry in near future.

In terms of the product itself, the core products are going to remain the same as they are mature already but innovation may result in enhancing them or bundling them differently to meet the varied demands of clients. There can also be a replication of trends already observed in other markets like the US where universal life products went through a heavy premium financing phase and now it’s essentially unfinanced.

Distribution is another area where we are poised to see changes which Ellis feels is very natural and a matter of diversification of risk. EAMs and independent wealth managers are emerging, and they are generally ex-private bankers who understand the industry well. Insurers understand that this in no way is cannibalising their existing sales channels. Some alternatives are also likely to emerge in the financing side as well as traditional banks that provide financing would generally have large loan books already which means the requirements they impose on clients are going to be very stringent and all clients may not be able to meet them. ■