

Broadening the insurance focus on Hong Kong's wealthy

Generali is bringing a range of new life insurance solutions to meet growing appetite among the city's HNW and affluent populations, explains Thomas Young.

The increasing awareness and openness among affluent HNW individuals in Hong Kong about the need for protection in various formats is creating new opportunities for some of the more proactive life insurers.

Generali counts itself among them.

It has set up a new life insurance business in the market to target these customers with a product range that includes a range of traditional life, unit-linked and universal life (UL) insurance targeted at the wealthier segments of the population.

For Thomas Young, in particular, as head of the firm's HNW business, the new UL offering in Hong Kong is especially exciting.

"This is a new proposition of Generali. We have never done this before anywhere globally."

The product itself has been around in Asia for a long time in Hong Kong, and has been offered to date by insurance companies such as AIA, Transamerica Life Bermuda, Sun Life Financial, Manulife, HSBC, Met Life, AXA (more recently) and others. For Generali, meanwhile, the focus is to build on relationships with brokers.

COMPETING AT THE TOP END

According to Young, there is a lot more to doing these products successfully than just the price.

He is referring to various aspects around the support and services clients get. "Everyone is trying to get into the HNW space because it's the least crowded compared with retail."

Yet standing out amid those insurers competing in the HNW space is obviously key. And Young believes that Generali has a few unique selling points.



THOMAS YOUNG
Generali

First, he says the firm currently offers most competitive UL product in terms of price. Secondly, a novel element he

highlights is an underwriting class which is currently not being offered by anyone else: an underwriting class for extremely healthy clients.

“We reward customers who are healthy with lower premium,” explains Young, “so we pass the savings to the customers.”

At the same time, he cites innovation in terms of Generali being the first insurer of its type to offer the product to Chinese residents of 51 cities in China, with the same rating as in Hong Kong.

The multi-dimensional nature to UL is an important aspect of the market that Young says needs to be better highlighted to clients.

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Indeed, the business out of Hong Kong services clients from around the region, dominated by individuals from mainland China and Taiwan, in addition to the population in Hong Kong.

A MULTI-DIMENSIONAL OFFERING

The focus for many of the clients that Young sees buying UL should start with a growing understanding of the product’s large cover.

This enables them to do much more than just protection.

“They can use it for wealth transfer, legacy planning, estate equalisation and even key-man protection,” he says.

For example, critical illness is another area where clients can look at getting protection on a living benefit cover. This is where Generali’s new offering, called La Vita, comes into play (see adjacent box).

“The living benefit segment is underserved at the moment,” says Young, “and the annuity gives clients the option to have a regular income stream for the future.”

He is a strong proponent of the idea of giving clients more options.

“Banks also need to look at how they can service a client’s more comprehensive needs, including the protection

Expanding the Generali life insurance offering to HNW

Generali’s Sigillo Universal Life Plan reflects the inspiration behind the firm’s solution for its most valued clients.

It enables them to pass on their unique heritage and legacy to future generations.

Key product features include: lifelong protection, adjustable death benefit, guaranteed crediting interest rate lock options, guaranteed minimum crediting interest rate, highly-flexible premium options, product transparency, easy access to liquidity, and free partial withdrawal.

Meanwhile, La Vita Critical Illness & Savings Plan is designed to cater for clients’ different needs through their life stages – such as planning for retirement or a child’s education – with guaranteed income feature and multiple risks coverage.

Key product features include: wealth accumulation with life and waiver of premiums protection, comprehensive coverage for 100 illness protection until the age of 100, guaranteed monthly income options, guaranteed crediting interest rate lock options, guaranteed minimum crediting interest rate, highly-flexible premium options, product transparency, and easy access to liquidity.

side,” he explains. “And that protection is much more than just life.” ■