

Many financial products ‘not in touch’ with modern savings habits

Philip Story is the Head of Distribution for the EMEA region for Cayman Islands-based Investors Trust Assurance (ITA). Story tells Hubbis how his company’s flexible, non-contractual savings plans which do not tie investors down to set periods are more in touch with the realities of the modern workplaces, where shorter-term employment contracts and higher-risk jobs have become more commonplace. He discusses ITA’s presence in Africa and the “unbelievably big” Indian and non-resident Indian (NRI) segment, which the company has been serving with considerable success.



Executive summary

Philip Story is Head of Distribution for the EMEA region, based in the United Arab Emirates, for Investors Trust Assurance (ITA), the international insurance company which has its headquarters in the Cayman Islands. The company specialises in providing medium- to long-term investment-linked insurance products which range from one-year, non-contractual savings plans to 25-year investment terms, portfolio bonds, fixed income and guaranteed products.

Story observes that the population mix in the EMEA market is changing, with more and more East Asian companies moving into the financial services space in the region. He believes that this change presents a winning situation for ITA, and that the growth of the different segments of the market also represents great long-term opportunities for the company. This is because its capabilities in terms of technology and multilingual support puts it in a good position to serve this market.

In Africa, ITA provides support "across the board" for brokers and has been working with a number of independent financial advisors there for the last several years. Story says where ITA has been having considerable success is with the "huge" wealthy non-resident Indian (NRI) segment in Africa.

He believes that the company's popular non-contractual savings plans are more in touch with the realities of the modern work environment, where shorter-term employment contracts and higher-risk jobs have become more commonplace. Story also reveals that there is currently little competition within this space: "It is what clients are demanding, but hardly any of our competitors have a product."



PHILIP STORY IS THE HEAD OF DISTRIBUTION FOR THE EMEA region, based in the United Arab Emirates, for Investors Trust Assurance (ITA), the Cayman Islands-based international insurance company which specialises in providing medium- to long-term investment-linked insurance products.

“Our clients here in the Gulf Cooperation Council states are predominantly brokers,” Story says. “Independent financial advisors (IFAs) working for regulated entities here. We have a range of flexible, tax-efficient solutions tailored to meet the needs of investors, and it is down to the IFA or broker to determine which of these products is the best solution for their client and their risk profile, the term and type of contract they are on.”

A supporting role

He defines his role as a supporting one for the third-party distribution of ITA products by these brokers, bankers and family offices to their clients. These include savings and investment products which range from one-year, non-contractual savings plans to 25-year investment terms, portfolio bonds and fixed income guaranteed products.

Story says his company’s EMEA sales team operates in multiple languages, serving segments that other companies do not in the region. Examples of these include the Spanish and Portuguese-speaking markets investors working in the oil and gas industries.

Online efficiency

The company’s other unique selling proposition is the efficiency gains which it obtains from doing everything fully online, whether for saving plans, portfolio bonds or

other products that ITA offers.

The ITA website includes interactive features and simplified functions that feature all the tools and capabilities that investors would expect, “Whether it is our terms of business, the application process or the servicing. From a profitability point of view, it is obviously fantastic for us, but we also pass that on to the brokers and their end client, the investor.”

“We believe by being online, we have been able to create easy-to-use solutions that are the best value in the marketplace,” he says.

In October 2018, ITA launched two new non-contractual savings plans, Evolution Select and Evolution Plus, “For clients who are looking for simple, short-term, transparent solutions where they know exactly what they are going to get for that money.”

He adds that “since day one”, ITA has offered complete transparency on all of its charges. “Everything is there on our website: brochures, fact sheets, product terms and conditions. So a client can just go and review it, and see everything. We will never try to hide anything.”



PHILIP STORY
Investors Trust

provide their expertise to the brokers, who will then determine what is best for the client,” he adds.

One of the things that ITA does differently, however, is to include things such as Exchange Traded Funds (ETFs) on its savings plans. “We have 41 different BlackRock iShares ETFs that you can choose from. No one else has those on their regular plans. Again, these are the ways we provide that are clean, transparent, simple solutions for our clients.”

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Outsourcing the fund management process

The fund management process which sits behind ITA products are outsourced to large global players such as Black Rock, Franklin Templeton and Schroders, among others. “We work with all of the big companies and, through us, they

A changing population mix

Story observes that the population mix in the EMEA market is changing, with more and more East Asian companies moving into the financial services space in the region. “Just look around the Dubai International Financial Centre,” he points out. “Look at the banks

and other fund managers who are moving in: there are far fewer European, British and Americans here; more are coming from China and Japan. So it is a different dynamic.”

He believes that this change presents a winning situation for ITA, and also represents great long-term opportunities for the company. “The population is growing, and in different segments,” he adds.

“Long may that continue, because we are multilingual, and we are already in that space.”

Building relationships in Africa

In Africa, ITA provides support “across the board” for brokers, working with a number of IFAs for the last several years and building good relationships there.

“It takes time to build those relationships. They know the support we can give, and they know we will be able to support them in pretty much all of the countries in Africa.”

“For us, the biggest growth area has probably been outside of South Africa - in eastern, western and southern Africa. A lot of that has been with partners in the expat space, which has been a very big but competitive space, as well as in the local space.”

Where ITA has had considerable success, he adds, is with the non-resident Indian (NRI) segment in Africa.

“Through our connections here and elsewhere, we have been able to get into that market, with great success, because there is a huge wealthy NRI population in Africa.”

According to Story, the products ITA sells to its clients in Africa are “across the board”, with one of their biggest accounts mainly selling short, five-year savings plans.

Getting Personal

Philip Story was born in Dunfermline, Scotland “just across the bridge” from Edinburgh, and grew up in Sussex, south England. He attended boarding school in Wells Cathedral School in Somerset, and went on to read economics and geography at Portsmouth university, which he says was “the perfect thing” for what he currently does, “travelling the world and talking about finance.”

Story has been the SEO and Head of Distribution for Investors Trust Associates in the EMEA region since 2014. Now a 24-year veteran of the financial services industry, Story started his career at Friends Provident International and fondly remembers the team there - which included Nick Griffin, now chief commercial officer at Generali Worldwide; David Knights, now his colleague again at ITA and Chris Gill, now director of Asian business development at St. James's Place - as a “fantastic one” to learn from. “You can learn so much from people like this. I think that was probably one of the highlights of my time there.”

Now based in the UAE, Story was most recently Head of Business Development at Zurich Life Insurance in Singapore. He says the biggest thing for him about coming to ITA from a large company like Zurich with its 55,000 employees was the “phenomenal number of people” that ITA are able to help with a relatively small staff of 150.

“I have a direct relationship both with the customers all the way down to the end customer, and also the bosses and the owners,” he says. “I know them, I have their numbers and I can talk to them, and have an influence on how the business is growing at ITA.”

Growing up in the UK, Story was a keen rugby player, and still enjoys a weekly game of touch rugby with friends. He has been a Bath team supporter from his schooldays in Somerset when he used to try to smuggle himself in to watch matches. Married with two children now in university in the UK, he helped to set up the youth segment of the Dubai Hurricanes rugby club, and eventually became its chairman, a position from which he has since retired after his son grew up and went to university.

With their children now away, Story enjoys weekend trips away with his wife around the region. “My favourite place to go in this region is Oman. My dad lived in Muscat for ten years when I was younger, and that is where we went for school holidays. Because of the mountains and the sea and the people, it is probably one of the most beautiful countries in the region.”

Story also enjoys skiing, and names Salzburg, Austria as a favourite destination each year. “When you ski you forget about everything around you, and you focus on what you are doing. Life just becomes very relaxed, and very easy.”

Key Priorities

Story says the current business plan for Investors Trust Assurance (ITA) is to "keep things very simple. "We have been growing at 100% per annum. And for the next few years there is a plan grow at 50% per annum" he says.

"If we do that, we will get near the bigger guys, and compete with some of these guys. So that is a very simple aim, from a numbers point of view."

"How we get to that is probably the key thing," he adds. "And for us, that lies in diversification into new markets. We have had good growth in Europe as well as in Africa and India. So diversifying into new markets will obviously help. As will diversifying the product range. Some of the new products we have launched over the past year or two have gotten us into new market segments."

Story cites the launch of ITA's Evolution Select and Evolution Plus non-contractual savings plans as an example. These are essentially savings plans in which clients can choose to save from USD 1,000 a month and upwards, without being bound by set investment periods. "They are not tied in to five, ten, fifteen or twenty years. They can save as much as they like, as flexibly as they like."

Story believes that this model is more in touch with the realities of the modern work environment, where short-term employment contracts and higher-risk jobs have become more commonplace. He also reveals that there is little competition in this space. "It is what clients are demanding, but hardly any of our competitors have a product."

Over the next two years, ITA plans to develop relationships with banking institutions as well as larger brokerages and networks in the EMEA region, and growing into those parts of the market they have yet to go into.

Story is confident that ITA is "about five years ahead" of its competitors in the digital space. "We have just launched a new website for brokers about three months ago. One of the biggest things we are going to be launching is the new jurisdiction feature, so people can choose the jurisdiction their policy is issued from."

"We promised to deliver three things this year - new products, new funds and new jurisdictions - and all three of these things are going to be done on time, as promised. To the brokers, most importantly, that adds value."

"They do regular premium corporate schemes, corporate pensions and larger short term pensions," he says. "But then you also have the local market where premiums can go down to USD 100 a month. You can get into that segment, and still be able to help those that are looking to start with smaller amounts as they grow - the "middle class", shall we say"

Indian market is 'unbelievably big'

Another market that ITA has been serving has been the Indian one. Story calls the market an "unbelievably big" one.

"You just need to look at the top of it. We have been looking at just the higher net worth segment, through events like the Hubbis (wealth management forum), which went down very

well. We got some great traction from that."

"So since then, we have recruited someone who has been tasked to grow that Indian market and the NRI market here in Dubai, because that has always been one of our key markets, and those are the people who initially helped us get into India." ■