

Meeting the protection needs of HNW clients

There is growing demand for a variety of insurance solutions to meet the evolving and ever-more complex needs of HNW clients, explains David Varley of AXA.

To meet the needs of HNW clients today, insurance companies need to understand that one size does not fit all, explains David Varley, head of AXA's high net worth business in Asia.

As a result, the importance of matching the right products to the individuals needs of clients, who are looking for an efficient and regulated insurance solutions, is getting greater all the time.

To meet needs that range from wealth structuring to asset protection to succession planning, for example, clients have multiple options, says Varley.

These include variable universal life cover and private placement life insurance, which give clients greater flexibility and control in managing their assets.

Industry practitioners, therefore, have a responsibility to first understand their clients, and then know which solutions are best suited for them.

This is also the direction that regulators are pushing the industry towards, adds Varley, making sure that insurers can provide solutions which are suitable for clients.

A HOLISTIC APPROACH

Varley says it is important to find a holistic proposition from all points of view, including distribution, product and service.

That means that a range of competitive products is needed, with insurers providing HNW individuals with a different type of service experience than is available for mass affluent customers.

In addition, when it comes to fees, institutions need an appropriate level of commission, and should be able to tailor the offering to clients.

In line with this, Varley says that instead of competing with each other, insurers and other types of financial institutions need to work in partnership to provide a



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unique wealth structuring solution. For example, insurers can help banks to hold illiquid, non-bankable assets like private equity and private company property. ■