

Tokio Marine carves life insurance niche in Singapore

James Tan of Tokio Marine Life Insurance Singapore Ltd. explains to Hubbis how the firm is leveraging its first-mover advantage to establish a new niche in developing solutions for the insurance needs of Japanese corporates.

Tokio Marine Life Insurance Singapore Ltd. (TMLS) has been recently named a Tier-1 Significant Insurer by the Monetary Authority of Singapore, recognising its status as a direct life insurer with at least SGD5 billion in assets.

With this, TMLS has not only maintained a leading position in Singapore's fierce-

This is an incredible accomplishment for the first and only Japanese life insurer to have established a successful foothold on local shores.

Behind the story of TMLS' strong growth trajectory is a core focus on its group insurance in-force business, which has reaped excellent results for the firm.



JAMES TAN
TMLS

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ly competitive life insurance landscape, but also expanded one of the areas of growth – the Japanese group business segment (J-business).

From Q1 2015 to Q1 2016, group insurance business at TMLS outstripped the industry's growth by nearly six times (Source: LIA Singapore).

This performance has been driven by the J-Business segment – TMLS' new niche in the firm's group insurance business, which was first started in 2015

and now attaining a year-on-year growth of 20%.

According to James Tan, chief executive officer at TMLS, J-Business is specifically tailored to the insurance needs of Japanese corporates, leveraging the insurer's expertise in holistic, comprehensive and customised group insurance solutions.

At present, J-Business is the fastest-growing among TMLS group business segments and accounts for approximately 10% of the group insurance business. Tan, an industry veteran with decades of experience across Asia, Middle East and the US, intends to further develop this niche.

first-mover advantage and unique areas of expertise at TMLS."

THE J-BUSINESS OPPORTUNITY

As at end-2014, nearly half of the Japanese companies in Singapore hosted regional headquarter functions, according to a survey conducted by the Japan External Trade Organisation (JETRO) Singapore, a Japanese government-related organisation promoting external trade and investment.

The trend of Japanese companies setting up regional headquarter operations in Singapore looks set to continue, with another 30% noted as considering similar moves in the same survey. It is easy to understand Singapore's appeal to the

looking to gain inroads into the South-east Asian market, one of the largest in the world.

As Japanese companies continue to increase their investments in Singapore, notes Tan, insurance will naturally emerge as an important consideration for them.

"Japanese companies will be looking for a partner whom they can trust and work effectively with," he adds. "This poses a critical gap in the local life insurance landscape that can only be filled by an insurer who is already familiar with the ubiquitous workings of Japanese businesses, and can adapt their offerings to anticipate and address the specific needs of these companies in a new foreign market."

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TMLS' UNIQUE POSITIONING

At the heart of its strategy to capture and grow business relationships with Japanese companies in Singapore is TMLS' expertise in developing tailored solutions, along with its heritage as part of the Tokio Marine Group, one of the largest insurance groups in the world and a household name in Japan.

"We see great potential in the J-Business segment, and our long-term objective is for TMLS to become the choice insurer for Japanese companies in Singapore," he says.

"As the pioneer in the J-Business niche, we are already working with nearly 200 Japanese corporate clients across a wide range of industry sectors including construction, retail and logistics. In the year ahead, we will be exploring new avenues to engage the Japanese business community in Singapore, leveraging our

many Japanese companies keen on setting up regional headquarter functions in the country.

The city-state has established a formidable reputation as one of the most business-friendly countries in the world, with a comprehensive financial services infrastructure, strong risk management ecosystem and pro-business laws.

Its strategic position in the region also means that Singapore is seen as an ideal starting point for Japanese companies

"As an insurer and adviser to our clients, our business at TMLS is founded on trust and understanding," explains Tan.

"Japanese companies who are venturing into Singapore need a partner whom they can trust to understand their business priorities and concerns, and develop solutions in anticipation of their needs in this new market."

Adds Tan: "As a Japanese company which has also embarked on our own expansion into Singapore, we are naturally able to understand the intri-

cate concerns of our Japanese corporate clients, especially in relation to the market entry process. Our solutions at TMLS are therefore informed by our expertise in bespoke offerings, and our first-hand understanding of Japanese corporate culture and the market entry process.”

In staying true to the “Good Company” philosophy of the Tokio Marine Group and the distinctly Japanese concept of omotenashi (‘to entertain guests wholeheartedly’), TMLS is constantly on a quest to perfect its J-Business approach – right down to the smallest detail.

It speaks volumes about the insurer’s standards in client servicing that for instance – to ensure the effectiveness of the J-Business team in developing solutions for Japanese corporates, some of whose key decision-makers may be more comfortable conversing in Japanese, TMLS has ensured the J-Business team comprises fluent Japanese-speaking product experts.

In Tan’s eyes, these efforts in sincerity go a long way. “Our track record bears testament to the TMLS team’s efforts in ensuring long-term, sustainable client relationships based on trust and satisfaction,” he says.

“Our current overall persistency in renewal ratios stands at above 95%, and this gives us confidence that we are heading in the right direction with our dedicated efforts in strengthening our J-Business approach,” he adds.

FORWARD VISION

As the insurer for nearly 200 Japanese corporates in Singapore, TMLS is on track to choice-insurer status for the Japanese business community.

The firm is already an established member of the Japanese Chamber of Commerce and Industry (JCCI), and Tan believes that key to further expansion of the J-Business is continued engagement within the community.

This year, TMLS’ J-Business team has embarked on a series of initiatives to reach out to the community.

These include worksite events in informal and intimate settings, such as lunchtime talks and seminars, where TMLS experts can share their knowledge with employees at Japanese companies.

saving towards a pre-determined sum, individual plans should be developed based on lifestyles and spending habits.”

Adds Tan: “The worksite sessions allow us the time and flexibility to explain this advice at length, and to better understand our customers’ thinking and approach to retirement planning. This in turn helps us to come up with retirement solutions that are more suited to their lifestyle preferences.”

Other initiatives that TMLS has adopted to establish its Japanese identity and build camaraderie among the

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“These worksite events enable our experts to engage employees on a personal level,” says Tan.

“We make it a priority to cover financial planning topics that they are genuinely interested in, such as writing wills, retirement planning or MediShield Life.”

He shares that the most frequently-voiced concern is retirement adequacy.

“The most common question we encounter in discussing retirement planning with employees is the ‘magic number’ that they need to save towards,” he explains. “Our counsel, is that beyond

Japanese business community include sponsorship of outreach events.

These include Japan Hour, a popular Channel NewsAsia programme that spotlights Japanese culture.

“Our commitment to the Good Company principles of integrity and stakeholder trust will continue to be the cornerstone of our work in the decades to come,” he explains.

“Being an international organisation allows us the opportunity to expand our business prospects, while keeping our Japanese heritage close at heart.” ■