

The Star  
30 September 2013

# Sun Life to boost capabilities

Insurance firm to grow business in competitive market

By DALJIT DHESI  
daljit@thestar.com.my

**PETALING JAYA:** Fresh from the acquisition by its parent Sun Life Financial Inc (Sun Life) of a substantial stake in CIMB Aviva Assurance Bhd and CIMB Aviva Takaful Bhd, Sun Life Malaysia Assurance Bhd has drawn out a game plan to gain a stronger foothold and prominence in the local insurance and takaful market.

Sun Life Malaysia chief executive officer Ooi Say Teng told *StarBiz* that the game plan involved building the capabilities of the company and later capitalising on them to grow its business and outdo its competitors.

"Our immediate plans for this year will be to build our capabilities in terms of strengthening the distribution channels and product range.

"It will also involve investment in information and communications technology (ICT), branding and human resource. The next stage will be in 2014 and 2015 when the company will exploit its capabilities to fortify Sun Life Malaysia's position and brand in the competitive insurance and takaful market," he said.

Ooi said the company would beef up its bancassurance to facilitate the development of multiple distribution channels.

He said it would capitalise on the CIMB



Ooi plans to increase financial consultants to 50 by year-end.

branch network of more than seven million customers to sell its bancassurance products, adding that this would be a plus point for Sun Life Malaysia to increase its penetration in the local insurance market.

In April, Sun Life and Khazanah Nasional

Bhd inked a RM1.8bil deal to acquire CIMB Aviva Assurance and CIMB Aviva Takaful from Aviva International Holdings Ltd and CIMB Group Holdings Bhd. Sun Life and Khazanah each own a 49% stake in Sun Life Malaysia, with CIMB retaining a 2% share.

As a result of the acquisition, CIMB Aviva Assurance and CIMB Aviva Takaful have being rebranded and renamed Sun Life Malaysia Assurance and Sun Life Malaysia Takaful.

Ooi said Sun Life Malaysia had kick-started its financial services consultant (FSC) programme at the bank whereby a special group of its financial consultants would be trained to handle and sell Sun Life Malaysia's insurance products. It now has seven FSCs and would raise it to 50 by year-end, 150 by next year and 300 by 2015.

The company was targeting RM650mil total premiums by year-end and for next year, it hopes to hit more than RM780mil.

Currently more than 60% of Sun Life Malaysia's revenue comes from bancassurance, with 30% from direct marketing and telemarketing and the balance from other channels. For direct marketing and telemarketing, Ooi said this channel had brought in a substantial amount of new regular premiums a month. He said plans were afoot to leverage on Khazanah investee companies as another

platform for the company to sell its products.

Worksite marketing, although at an initial stage, is another area in which Sun Life is planning to embark on in a bid to beef up its distribution channels.

Worksite marketing involves selling insurance products to companies whereby the premiums are deducted from employees' salaries.

Sun Life Malaysia would be investing RM30mil in ICT, branding and human resource initiatives. The investment in the latter would involve, among others, staff engagement and recruitment. As for staff strength, the target was to have 430 by next year from 400 currently, he said.