

By **Vineeta Tan**  October 16, 2020

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Digital at its core: FWD Takaful to roll out new online products



When a Hong Kong billionaire invests into a Takaful firm, you can be rest assured it would make global headlines – and it sure did when Pacific Century Group, chaired by one of Hong Kong's wealthiest, Richard Li, decided to enter the Malaysian insurance market through one of its assets, FWD Group. The group acquired 49% of HSBC Amanah Takaful and officially launched as FWD Takaful in July 2019.

From the get-go, the Takaful operator has set itself apart from its competitors with easy-to-understand products and being digital at its core. With a new digital product every quarter since its first online offering last year, IFN Fintech learns from Wan Ahmad Najib Wan Ahmad Lofti, the chief

strategy and digital distribution officer of FWD Takaful, that we can expect more from the operator moving forward.

FWD Takaful has launched four digital products so far. Are there anymore in the pipeline? What are they and when are these planned to launch?

We've successfully launched four easy-to-understand, convenient online products over the past year, with the latest being an affordable online plan specially designed for Malaysia's lower income segment – FWD Kasih.

All our online products are designed to be simple, reliable and easy to understand, apply and claim, aim to provide to our customers fresher and better online customer experience.

Following our customer-led approach, we continue to fill up our online product shelf to cater for the needs of the market including the underserved markets, of which our first online product covering learning disabilities is just around the corner.

How have these online products been received? Would you be able to share some statistics regarding product take-up via digital and physical channels?

Thus far, we've received positive feedback on our digital products being affordable, covering specific needs and very easy to take up. We've also managed to maintain a good month-to-month momentum on the participation rate of our online plans.

Naturally, there's a long way to go for the take-up rates of online Takaful products to be at par with physical channels involving face-to-face interactions. However, we do see the numbers picking up as we grow our product suite.

Are customers ready to embrace digital offerings or is it a challenge to onboard them? What other challenges do you face, if any, in promoting the online products?

For Family Takaful, it's still early days for the industry – the digital

channel just came to the picture in a big way since the issuance of the Life Insurance and Family Takaful Framework by Bank Negara Malaysia back in 2015. But since then, as an industry we've made much inroads to this unchartered space.

Challenges still exist not only for digital but even for the traditional channels, as the challenge of awareness of Takaful still persist – what more online. The [receptiveness] of customers to online channels vary according to age groups and preferences.

But you'll be surprised to see that the trend is going up as people in Klang Valley have become more prone to online products.

Apart from introducing online products, what other digital strategies and initiatives is FWD Takaful looking to implement?

FWD Group takes pride of being known as a pioneer of digital insurer and this is cascaded down the respective country operations including FWD Takaful in Malaysia. We apply digital strategies and initiatives across all our distribution channels and even more than that – to our operations or even support functions.

We've innovated the way we create leads digitally and structurally with the introduction of our Affiliate app, which allows anyone to help spread and share the benefits of our innovative products to their social network

We've also launched our chatbot, customer portal and we're working on various initiatives to enhance our digital services and platforms to ensure our customers continue to enjoy good customer experience.

On top of that, we've collaborated with various digital partners to bring different value-added services to our customers. These included a free chat service called FWD Hero Sihat with Walnut Wellness to help people live and eat healthier as well as a digital health therapeutics program with Naluri, especially for customers of our online cancer plan, FWD Care Direct.

We even took a step forward by collaborating with a social enterprise, Arus Academy, to marry digital and financial literacy, which then gave birth to Fun(d) For Life – a financial literacy program targeted for students between the age of 12 to 17.

All in all, we're a digital company at its core.

Has the company's business development approach changed in light of COVID-19? If so how?

With FWD Takaful's customer-led and digitally-enabled focus, we managed to adapt our strategy to align with the changes in consumption patterns as a result of COVID-19. We've piloted various digital initiatives that can help change the way we interact with customers and offer our products and services in the long run.

Notwithstanding, we've managed to sustain our momentum thanks to our digital capabilities and readiness even during the early days of COVID-19.

This has allowed [us] to continue to deliver fresh customer experience with easy-to-understand and relevant services and products in the new environment, where there will be increased preference for non-face to face channels and higher customer expectations.

What can we expect to see from FWD Takaful over the next six to 12 months?

As a fast-growing company and like any business, we regularly explore and consider different options to further develop our business. As the online community continues to grow in these unusual times, we'll continue to bring innovation to the market through our digitalization initiatives and novel online Takaful solutions to support coverage needs of every Malaysian.

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