

CEO INSIGHTS | ABHISHEK BHATIA

Chief Executive Officer of FWD Insurance Singapore



Abhishek Bhatia is Chief Executive Officer, leading the establishment and development of FWD in Singapore with the goal of building the company into a top five insurer. Prior to joining FWD, Abhishek spent 15 years with Prudential Plc in senior roles across the globe. In his last job, he was Chief Executive Officer, Prudential Poland, where he oversaw the establishment of the company and was instrumental in achieving Prudential's leadership position in sales technology and product innovation.

Prior to that Abhishek was the Regional Director of Insurance based out of Hong Kong. He also held senior roles with Prudential in Malaysia and India. Abhishek holds an Honours degree in Economics from Delhi University, and is an alumnus of the Indian Institute of Management.



For more information, visit www.fwd.com.sg

Leadership Advisory Inc recently caught up with Mr Bhatia.

Leadership Advisory Inc: You spent about 15 years with Prudential in senior roles across the globe. What prompted your move to FWD?

Abhishek Bhatia: It is all about the opportunity to create the insurer of the future. I believe we are on the cusp of a great inflection point in the industry. Evolving technology and changing consumer behaviour is reshaping the world of business and commerce and also insurance even if not everyone sees it that way yet. With FWD, I found a real commitment to wading in to this brave new world. The opportunity to reshape an entire industry doesn't come very often and I am very glad I made the move.

FWD is Singapore's fully direct and online life and general insurer.

We started operations in Singapore in April last year, providing employee benefits insurance before launching our direct-to-consumer business in September.

Leadership Advisory Inc: Tell us more about FWD Singapore?

Abhishek Bhatia: FWD is Singapore's fully direct and online life and general insurer. We started operations in Singapore in April last year, providing employee benefits insurance before launching our direct-to-consumer business in September.

FWD leverages technology to simplify insurance, making it convenient for our customers to buy life and general insurance online. This is especially true when one of the biggest pain points in traditional insurance is the number of forms to fill when buying a product and submitting a claim.

FWD's customer-centric online model has been well received in the Singapore market after seeing a strong uptake of our products since the launch of our direct-to-consumer business. In addition, findings from a recent survey showed that our customers found it easy to buy insurance on our website and were pleased with the customer-friendly features of the entire process, from getting a quote to purchasing.

Leadership Advisory Inc: How do you see FWD Singapore differentiating itself from other insurers in a market that's already quite saturated?

Abhishek Bhatia: In Singapore, the insurance market is predominantly made up of players that focus on the traditional agency channel. While some of them have started to adopt a multichannel distribution model that extends to the direct channel, it will take time for the existing players to move towards a more digital model, as that will involve a change in their entire distribution model.

As FWD is relatively new in the country, we are not bound by legacy systems, building everything new to put our customers at the heart of all that we do. This helps them to understand and choose their insurance product easily online, instead of introducing them to a middleman.

Another differentiator for FWD is that we are the first and only insurer in Singapore offering a 100 percent direct and digital experience from getting a quote to purchase and claims, and currently serve over 100,000 customers in the country. Our products are designed to meet the needs of time-strapped and technology-savvy consumers in the country that are looking to make purchases at their convenience and purchase products that suit their lifestyles.



On top of ensuring that our online model is convenient and simple to use, we are constantly studying the Singapore landscape and zooming in on the current needs of consumers in the country to design products that are specific and unique to suit their evolving needs.

We believe that it is the coupling of our convenient online purchase model and our dedicated product innovation strategy that differentiates FWD from the other insurers, enabling us to reach out to the modern generation of Singapore.

Leadership Advisory Inc: The global economy is increasingly volatile, and there is more disruption across industries. To what extent is this happening in the insurance industry?

Abhishek Bhatia: We are now in a world where we manage almost everything using the internet as well as our mobile phones and thus, there is an opportunity in Singapore's insurance market to embrace the opportunity that technology and societal change presents. For instance, Singaporeans tend to do their shopping on the internet these days, with the country having the highest proportion of online retail sales in Southeast Asia. According to the same report Temasek and Google, Singapore's e-commerce market is expected to be worth US\$5.4 billion by 2025 from US\$1 billion in 2015.

According to Bain & Company, many insurers today struggle to earn loyalty as they do not have a comprehensive system in place to analyse their customers' feedback nor incorporate feedback from them to enhance customer experience. The rise of online aggregators has also proved to be a challenge to the insurance industry globally, as consumers are now able to source for the cheapest policies.

In the face of a volatile global economy and disruption, the Singapore government actively introduces initiatives and stimulus measures to push society forward such as enabling insurers and consumers to communicate effectively and adopt digital capabilities. For example, in 2015, the Monetary Authority of Singapore launched the option for consumers to buy direct purchase insurance from a life insurer without going through a middleman. Most recently, it issued new guidelines on the online distribution of life policies with no advice provided, which enables direct life insurers to offer all types of life policies to their customers on their online direct channel without a middleman.

To strive as a disruptor, today's leaders must not be fearful of change or resist change to protect their current business model with an old-fashioned "information is power" approach, especially when the world is getting increasingly connected and tech-savvy.

These guidelines help to set out the MAS' expectations on the safeguards that direct insurers should have in place for a digital direct-to-consumer platform. This coupled with an industry that is motivated to embrace innovation will, we believe, drive a substantial shift in the market — from indirect to direct — over the coming years. This will not only benefit consumers in the market, but it will also reinforce Singapore as a global financial services hub.

With Singaporeans being one of the most digitally and mobile-connected people in the world, FWD believes the country's insurance industry is ripe for further disruption, which is why we launched our direct-to-consumer business in Singapore last year.

Much of the complexity that exists in the insurance market today has been created by the industry itself, however this can and must be removed if the industry wants to meet consumer expectations. From an insurance perspective, it should be straightforward for consumers to understand, select, and buy the cover they require online. FWD aims to change the way Singaporeans feel about insurance by leveraging technology, and listening to our customers to deliver products that are relevant, easy to understand and well-priced without the presence of middlemen.

Leadership Advisory Inc: Does today's environment require greater leadership skills? What does good leadership mean to you?

Abhishek Bhatia: In today's environment, strong consumer awareness is key. It is through understanding the needs of your customers that products that suit their lifestyles at their convenience can be developed. To strive as a disruptor, today's leaders must not be fearful of change or resist change to protect their current business model with an old-fashioned "information is power" approach, especially when the world is getting increasingly connected and tech-savvy.

In response to the second question, I would say I am not qualified enough to comment on what 'good' leadership is. There are people and gurus far more well versed with the theory and philosophy of the subject than I am. Practically speaking, I can talk about what I believe in. I believe to lead one needs to have the following :

- **A point of view.** You can't hope to persuade others to follow any cause if you are not sure of what you stand for and why. Fence sitters don't inspire action, just more status quo
- **Authenticity.** There needs to be integrity between who you are outside and inside. Important for one's own peace of mind as well as ensuring people don't have to second guess you
- **Ability to simplify.** The leader needs to be comfortable with ambiguity and constant change but also has the hard job of simplifying and clarifying things for the team so that they can move on with absolute certainty. The ability to traverse these two worlds of ambiguity and certainty well often differentiate the effective leaders from the not so effective ones
- **Tireless focus on the end goal.** A leader is only as good as the place he / she leads the team to. And without relentless focus, a march can devolve into a purposeless walk

Leadership Advisory Inc: How has the spread of new technologies like the internet, smartphones, and social media changed the landscape for leaders?

Abhishek Bhatia: The world is becoming more connected with the rise of higher internet speed, mobile devices, and social media users and platforms. According to We Are Social's Digital in 2017 report, Singapore has the highest unique mobile user penetration in Asia and second highest globally.

In the past year, the country has also witnessed a 22 percent growth in social media users, which is above the global average. As we become a more connected society, social media has naturally become the top channel for search and discovery, and triggering product interest in Singapore. This means that mobile and social media platforms cannot be left out of the equation for today's businesses and their leaders.

Leaders can leverage mobile and social media platforms to communicate efficiently and effectively with internal and external stakeholders, better understand what their customers want by "listening" to what they say online, and simplify their business' products or services.

To meet the evolving needs of today's Singaporeans, we capitalise on technology to simplify insurance, making it convenient for our customers to purchase online. As mentioned earlier, we are also constantly studying the landscape in Singapore and focusing on the current needs of the people in the country to design products that are specific in addressing their pain points.

Leadership Advisory Inc: Turning the focus to growth strategy, how do you see 2017 panning out?

Abhishek Bhatia: I am pleased to share that FWD is the first and only insurer in Singapore to offer a fully direct and digital experience to its customers. We have

seen fantastic demand for our products since our direct-to-consumer business launch in September last year.

From a market research study conducted among 600 people across Singapore by FWD in 2016, we realized that about 90 percent of Singaporeans are keen to buy their insurance online.

With a business model that is aligned to meet the needs of these

Singaporeans, FWD is optimistic that we will continue to introduce policies that will reflect the needs of today's consumers while providing them with convenience and cost savings.

To address the needs of today's consumers, we launched *Maid Insurance* in March, which is the only policy in the country that offers outpatient medical coverage for illnesses and personal accidents.

Based on FWD's research, we realized that while 68 percent of employers in Singapore bought their current foreign domestic worker insurance through a maid agency, 70 percent said they would buy it online from an insurer's website in the future. To capitalise on the other opportunities in Singapore, we have a strong and diverse pipeline of products that will be launched this year.

Over the next four years, FWD has plans in place to invest \$500 million to grow our presence locally and will also spend a large portion of that on expanding the team from around 100 staff in September 2016 by about 50 percent. The remaining amount will go into strengthening the company's technology infrastructure and marketing efforts.

Visit www.leadership-advisory.com for more information

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8 countries

over

1,000,000
customers

