

Bancatakaful

Zainudin Ishak

Executive Director & Chief Executive Officer
HSBC Amanah Takaful (Malaysia) Sdn. Bhd.



Presentation Outline

- ❑ Bancatakaful Models
- ❑ The Compelling Case for Bancatakaful
- ❑ Customer / Markets
- ❑ Banking Channels
- ❑ Products
- ❑ Critical Success Factors.
- ❑ Specific Challenges for Takaful.



Bancatakaful Models

❑ Distribution Arrangements

- Relatively quick and easy to set up.
- Questionable commitment of Banking Partner

❑ Fully Integrated in Financial Group.

- Acceptance with Banking Group.
- Associated with higher levels of commitments.
- Greater efforts to set up and sustain.

❑ Joint Venture

- Hybrid of the above two models
- Increased level of commitment as Bank also shares in Takaful Company profitability.
- Banking Culture versus Insurance / Takaful Culture

Integrated Models may offer the greatest potential for long term growth



The Compelling Case for BancaTakaful

❑ Customer perspective:

- Convenience
- Trust

Bancatakaful makes sense from all perspectives: Customer, Bank, Takaful Operator

❑ Bank /Takaful Company Perspective

- Additional distribution & manufacturing profits.
- Leveraging of existing infrastructure.
- Ready Customer Database.



Customers / Market

- Mass Market
- Mass Affluent
- High Net Worth

- Muslim
- Non- Muslim

- Islamic Banking Customer
- Standard Bank Customer

- Retail
- Business

**Takaful
Participant are
not only – Mass
Market, Retail,
Muslim & Islamic
Bank customer**



Banking Channels

- Bank marketing Staff
- Takaful marketing Staff
- Third Party?

- Face to Face
 - Branch
 - Mobile
- Telemarketing
- ATM
- Mobile Phone
- Internet?

Successful Bancatakaful players will use multiple banking channels and service touch points to acquire and service the Takaful Participants



Products

- Investments
- Savings
- Protection

- Credit Related
- Non- Credit Related

- Stand-alone Products
- Integrated with Banking Products

Full range of products aligned with and complementing Banking propositions.



Critical Success Factors

❑ Alignment

- Interlocking New Business Volume Targets.
- Interlocking Fee Based Income Targets.

❑ Clarity in Roles and Responsibilities.

- Service Level Agreements

❑ Right Product -Right Channel - Right Customer.

❑ KPIs

- Significant for the Bank at all levels.
- Specific for Takaful

**Above all
commitment
at all levels**



Specific Challenges for Takaful

- ❑ New to the Market
- ❑ Simplifying the Product & Proposition.
- ❑ Competing with Conventional Products.
- ❑ To tap on the ethical aspects of Takaful.

**But the
Opportunities are
much Greater**



Questions

zainudinishak@hsbc.com.my

