

People come first for Sampo's new Asia CEO

Singaporean Daniel Neo says insurance is about solving people's problems

Sue-Ann Tan

Insurance company Sampo Group may have been around for over a century but it is renewing itself by appointing its first non-Japanese chief executive for the region.

Singaporean Daniel Neo, 49, was named chief executive for Sampo Holdings Asia last week.

"I have worked in seven different markets, so I would think I have a good understanding of the culture and nuances of the people, not just the business," he said.

"It's about finding the right person for the job, not about the nationality."

But more important than knowing the ins and outs of an economy is to truly appreciate its people, he added.

"Insurance is a very people-centric business and it is about solving problems for them. I am a people-person and I spend a lot of time with staff, business partners, customers and distributors. They all have different specific problems and our job is to solve those problems," he said.

"Work is easy, but people are difficult."

Mr Neo has been in the industry for 22 years and has discovered that even with technology disruption, people come first in a company.

"Customers are not interested in what artificial intelligence you use. They only want to know that when they buy a policy, it is simple, easy to understand and to pay for, and they can settle a claim quickly.

"Technology can never replace the customer experience. It is just a tool that can support rather than replace systems completely."

He said chatbots, for example, can help answer customers' queries after office hours as staff cannot work round the clock.

"My view of Sampo is that it has to have a business model and customer strategy. Part of the solutions we offer to customers can be technological tools that help to achieve satisfaction, but it is not about having a digital strategy."



Sampo Group's motto is "a century of trust", which Mr Neo feels is very relevant in informing the company's policies and direction.

"Insurance is a trust industry," he noted. "The idea of insurance came from hundreds of years ago, when a group of people with similar risk pooled money together, so if one got into a crisis, the money went to that person to cover his loss."

Sampo Group was formed in Japan 130 years ago and now has a global business network encompassing 218 cities in 30 countries and regions.

Premiums have grown from 351.7 billion yen (\$4.3 billion) in the 2016 financial year to a forecast of 538.7 billion yen for last year.

Premiums in the Asia-Pacific region hit US\$1.2 billion (\$\$1.6 billion) last year, around double the amount recorded in 2013.

The company here has also expanded steadily, with year-on-year growth of 12.4 per cent.

The firm serves about 147,000 policyholders here.

Mr Neo said one of his priorities is to expand this number in Singapore and the region.

"We are still looking for new customers. The market is pretty fragmented over Asia and there is the chance to win more people there. It is about our reputation as a firm that can be trusted. Even in bad times, customers will turn to us if there is good word of mouth."

He added that brand awareness has to increase here to get more retail customers on board.

Sampo had previously announced a partnership with CIMB Bank to distribute non-life insurance solutions through the bank's branch network as well as its Internet and mobile banking platforms.

The partnership will give Sampo access to an estimated 650 million

people across Asean.

It has been launched in Singapore, Malaysia and Indonesia. The next phase will be a launch in Thailand in 2020.

A Singapore-specific initiative to get more customers on board with the brand is the 'Go Japan' plan, which helps travellers to Japan access cashless medical services and free translation services.

But Mr Neo also has ambitions to get Sampo to move beyond its insurance capabilities.

"In the future, it should be said of Sampo that it was an insurance company, but has become more than that."

Sampo Group in Japan has already branched out into other businesses such as nursing care, with more than 20,000 staff in that sector.

Mr Neo said: "It is a natural extension of helping to protect people's assets (through insurance). Now we want to help them with their overall well-being and lives."

"For instance, we partnered with a company in Japan to develop an app to help people identify early signs of dementia and do exercises to delay the onset of the condition."

Sampo Group in Japan has also gone into home renovation and repair, an extension of the insurance policy that helps to cover costs when a house burns down, for instance.

Mr Neo said: "Insurance will still be the core of our business, but we can offer many other services too."

There is no fixed timeline yet for Sampo Group to offer such services in Singapore, but Mr Neo said it is definitely a possibility, given the country's ageing population that is similar to Japan's.

"There is potential to offer these other things because Sampo is interested in overall well-being."

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MR DANIEL NEO, 49, chief executive of Sampo Holdings Asia, who says even with technology disruption, people come first in a company.

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