



# MassMutual Asia Embraces Change For Success

While many see dealing with 'change' as an uphill battle, MassMutual Asia Ltd. has been successful in embracing it. BENCHMARK takes a look at their formula for success.



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美國萬通亞洲高級副總裁兼首席市場總監蕭利玲

MassMutual Asia knows that the only constant is change. Its success in the Investment Linked Provider of the Year category at the BENCHMARK Wealth Management Awards 2011 illustrates its ability to embrace change and make it a competitive differentiator.

"Policy owners' investment appetites and investment market conditions may change from time to time, so flexibility is key in helping them deal with change. Building on our 'daring to dream' spirit, our mission is to design investment solutions that offer the utmost flexibility in the market," says Jeanne Sau, Senior Vice President & Chief Marketing Officer, MassMutual Asia.

## Market-Leading Flexibility

MassMutual Asia's Premier-Choice Flexi underscores the company's commitment to providing highly flexible solutions for changing investment and protection needs. The plan offers 26 investment-term options, ranging from five years to a maximum of 30 years, to suit the different investment needs of policy owners. Currently, a wide spectrum of over 100 investment choices is available. These are meticulously selected by examining fund size, fund manager stability and fund

performance, combining top-down and bottom-up approaches.

"Premier-Choice Flexi revolutionizes the fee structure, and is quite unlike other Investment-Linked Assurance Scheme (ILAS) plans in the market, where regular fees and charges are based on the account value, which increases as the investment starts to grow. In our case, the administration fees are based only on the yearly premium; in other words, the long-term cost of investment is more efficient because investment returns and extra bonuses, if any, are not subject to any charges," says Sau.

The plan allows customers to adjust the investment amount in their policy and provides an unlimited number of opportunities to switch their investment choices without paying any charges. Policy owners can also cope with sudden short-term cash requirements by skipping premium payments and making cash withdrawals (as long as their policy has accumulated a cash value).

## PES Advantage

In view of the ever-changing investment market conditions, MassMutual Asia knows that flexibility alone is not enough to lead in the highly competitive ILAS market. This prompted the company to invest over HK\$10 million in developing a unique proposition – Wealth Suite Online Services. Among the various value-added online investment features, this online investment platform offers the company a competitive advantage – the Portfolio Expert System (PES), an industry first. "In fact, very few players in the market are willing to invest in the area of after-sales services," says Sau.

"The concept of PES is based on the 'Modern Portfolio Theory' developed by Nobel economics laureate Harry Markowitz, which indicates that by constructing a portfolio of investment items with low correlations, their unrelated return cycles will help offset each other's volatility, so that the overall

risk to the investment portfolio can be reduced whilst pursuing potentially higher returns," explains Sau.

PES is supported by a huge investment database sourced from Morningstar, Inc. This financial tool helps customers identify investment choices with low correlations, formulate an investment portfolio with reduced risk while enhancing potential returns, and achieve potentially higher risk-adjusted returns.

"By selecting the investment choices and making respective allocations based on customer's preferences, the intelligent PES can complete a massively complex data calculation in just seconds to generate a Portfolio Investment Report which details returns, volatility, correlation coefficient matrix, and risk-adjusted returns, and thus enables policy owners to make informed decisions and optimize their investment portfolio," says Sau.

## A Secure Approach To Medium/Longer Term Investment

According to the Public Opinion Programme of the University of Hong Kong's research on 'Hong Kong People's Investment Habits and Strategies in the Aftermath of the Financial Tsunami', around one-third of investors do not get sufficient data analysis from their investment service providers.

"That may explain why most investors tend to focus on 'current price level and returns potential' when selecting an investment item. 'Volatility' and 'correlation between investment items' are not 'top of mind'," says Sau.

Through this service platform and other investor education initiatives, such as publishing the first book in Chinese on the topic of Modern Portfolio Theory, the company aims to raise the general public's knowledge levels and help them make objective investment decisions. Sau is a CFA charterholder, and she shares her view, "We feel that investor education is also very important. Some

investors tend to opt for the 'market timing' strategy, using 'buy low' and 'short term speculation' to manage their investments. By doing so, they may bear a high investment risk. On the contrary, by applying Modern Portfolio Theory to a medium or longer term investment, and using data analysis to optimize your investment portfolio, you stand a higher chance of better wealth creation."

As a customer-oriented and visionary financial services provider, MassMutual Asia has developed a total solution bundling highly flexible product features with a sophisticated investment-services platform, allowing both the company and its customers to turn change to their advantage. **BM**



# 美國萬通亞洲致勝之道 以靈活創新應萬變

不少人會視面對轉變為艱巨的挑戰，但美國萬通亞洲卻將轉變化為優勢。就此，本文探討了美國萬通亞洲的成功之道。

**美**國萬通保險亞洲有限公司（美國萬通亞洲）深明「變幻原是永恒」，就是這份信念，讓美國萬通亞洲充份掌握靈活彈性去面對轉變，建立優勢，並獲《指標》頒授2011年度最佳財富管理大獎中的年度最佳投資相連保險產品供應商。

「保單持有人的投資需要和投資市場環境時刻在變，因此，靈活彈性是掌控轉變的致勝元素之一。我們憑藉『敢想 未來才會更精彩』的信念，銳意領導市場，設計出最具靈活創意的投資方案，讓客戶能享有更高的靈活性，駕馭轉變。」美國萬通亞洲高級副總裁兼首席市場總監蕭莉玲解釋道。

## 靈活彈性領導市場

美國萬通亞洲的「財智之選靈活投資計劃」便充份體現了該公司讓客戶享有靈活投資方案的承諾，以配合不時轉變的投資環境和客戶對保障的需要。計劃提供由5年至最長30年共26款投資年期選擇，照顧不同客戶的投資需要。現時計劃提供超過100款的多元化投資選擇，每款均經過嚴格挑選，包括檢視基金規模、基金經理的穩定性及其投資表現等，並通過由上而下以及由下而上的方式篩選。

「財智之選靈活投資計劃」改革了傳統投資相連保險產品的收費結構，與市面上一般的投資相連壽險計劃(ILAS)不同之處，在於許多ILAS是按戶口價值計算保單費用。換言之，隨著投資回報增長，收費亦會隨之而增加。相比之下，「財智之選靈活投資計劃」的行政費用則只會按每年保費計算，而投資回報及額外獎賞(如有)均不會用作計算收費，故此，長遠而言投資成本相對划算。」蕭氏說。

此外，「財智之選靈活投資計劃」客戶可靈活調整保單中的投資金額，並免費及不限次數隨時轉換投資選擇，可因應市況轉變，捕捉投資良機。此外，為讓客戶享有更高的資金流動性，如有需

要，只要保單內已累積有現金價值，客戶亦可選擇暫時停繳保費或提取現金。

## 分析系統創造優勢

美國萬通亞洲深明，投資市場瞬息在變，單憑具靈活性的產品並不足以在競爭激烈的ILAS市場上取得領導地位，因此，美國萬通亞洲斥資逾千萬港元，開發一個獨特的投資服務平台 - 網上投資智庫(Wealth Suite Online Services)，而該平台所提供的眾多投資增值服務當中，全港首創的投資組合智能系統(Portfolio Expert System, PES)為美國萬通亞洲增添多一項相對優勢。蕭莉玲指出：「事實上，市場上願意投放資源於開發增值售後服務的公司不多。」

蕭氏續說：「投資組合智能系統的設計概念，乃以諾貝爾經濟學獎得主哈里馬爾科維茨的『組合式投資法』為藍本，其核心理論是將多款相關性低的資產項目組合成為一個更優化的投資組合，藉著投資項目的不同回報周期，於爭取更高潛在回報的同時，亦能有效地減低投資組合的風險。」

系統的運作是由一個龐大的投資數據庫所支持，而其數據來源就是基金評級權威晨星公司(Morningstar, Inc.)。該分析系統有助客戶識別出相關性低的投資選擇，將整體投資組合的風險降低，同時提升組合的回報潛力，以達至更高的經調整風險後的回報。

蕭氏解釋道：「客戶可因應個人喜好及市況，輸入心儀的投資選擇及其分配比率後，先進的投資組合智能系統能於數秒內完成複雜的運算和提供詳盡的分析報告，包括回報、波幅、相關系數矩陣及經調整風險後的回報等數據。」

## 構建穩健中長線投資

根據香港大學民意研究計劃就「港人後海嘯投資習慣與策略」進行的調查結果顯示，約三分之一的投資者未能從投資服務供應商中取得充份數據分析使用。

「這個現象也許能夠解釋，為什麼投資者在作投資決定前，一般傾向著重投資項目的『當時價位及未來升值潛力』，卻往往沒有視『波幅』及『投資項目的相關性』為主要的考慮因素。」蕭莉玲說。

美國萬通亞洲藉著推出網上投資智庫這個投資服務平台和相關的投資者教育活動，包括出版首部以「組合式投資法」為題材的中文投資書籍《基金新優勢·後海嘯組合投資法致勝之道》，希望能夠提升大眾的投資知識水平，以及協助他們作出客觀的投資決定。本身是特許財務分析師的蕭氏補充說：「我們認為投資者教育也相當重要。部分投資者傾向採用『捕捉市場時機』，試圖以『低買高沽』及『短炒獲利』作為投資策略。然而，投資者若抱著這樣的態度，可能需要承受較高投資風險。相反，若懂得運用『組合式投資法』去進行更穩健的中、長線投資，並透過投資數據分析去優化投資組合，投資自可看高一線。」

作為一家以客為先及高瞻遠矚的金融服務機構，美國萬通亞洲發展了一個靈活產品及先進投資服務平台兼備的全面投資方案，讓公司及客戶能掌握轉變，享有無窮優勢。BM