

Product lines of metlife alico essay



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Abstract Products can be tangible or intangible, physical or logical. Insurance services are logical and considered as intangible product in marketing.

Presently it is a familiar term in our day to day life. Many different insurance companies provide different types of insurance services. In western countries adopting insurance services are mandatory. In Bangladesh Insurance services are also getting popular day by day. MetLife Alico is one of the leading insurance companies in Bangladesh. It is well organized and has a wide range of product line.

Here the details of the product lines of MetLife Alico will be presented in brief. Firstly, the product concept of marketing will be described. Secondly, insurance services will be introduced as a product. Thirdly, MetLife Alico and its history in Bangladesh will be discussed in brief. Fourthly, the product lines of MetLife Alico will be presented and their features will be discussed. Next, different value added service of the organization towards its customers will be described. Finally, the report will be critically analyzed and some recommendations to increase acceptability of the report will be proposed.

At last a, brief discussion on the product lines of MetLife Alico will be presented. Introduction Product is a good, service, or idea consisting of a bundle of tangible and intangible attributes that satisfies consumers and is received in exchange of money or some other unit of value. The organizations that are production-oriented look at a product basically as a manifestation of resources used to produce it and the organizations that are marketing oriented view a product from the target consumer's perspective as a bundle of benefits by benefits i. e. functional as well as emotional benefits.

Accordingly they will have to see how their consumers view their products. There is no need to prepare a marketing mix for a product that offers few consumers benefits, because that product will not sell. If we consider the product from the target customer's perspective, like the cosmetic companies are combining chemicals to make lipsticks, vitamin manufacturers produce little pills; watch makers produce mechanical devices that keep time. -What marketers are doing is they are basically enhancing their products for their target markets-as lipstick has becomes beauty and hope, vitamins become hope or a healthier life and watches become status symbols. So we can say that, a product therefore is a bundle of physical or logical, tangible or intangible attributes that have the potential to satisfy present and potential customer wants. In addition to the physical goods themselves, other elements include the warranty, installation, after sales service accessories and package. For example a product with warranty and the same product without warranty are not same. Products that are intangible are exchanged directly from producer to user, they cannot be transported or stored, and are almost instantly perishable.

These products are called services. Service products are often difficult to identify, because they come into existence at the same time they are bought and consumed. The American Marketing Association defines services as - "Activities, benefits and satisfactions which are offered for sale or are provided in connection with the sale of goods. " Some common examples of service that are considered as product are services of a lawyer, Service of a beautician, banking services etc. Insurance services can also be considered as an intangible product.

Insurance service as a product Insurance is the equitable transfer of the risk of a loss, from one entity to another in exchange of payment. It is a form of risk-management primarily used to hedge against the risk of a contingent, uncertain loss. An insurer, or insurance carrier, is a company selling the insurance; the insured, or policyholder, is the person or entity buying the insurance policy. The amount of money to be charged for a certain amount of insurance coverage is called the premium.

The transaction involves the insured assuming a guaranteed and known relatively small loss in the form of payment to the insurer in exchange for the insurer's promise to compensate (indemnify) the insured in the case of a financial loss. The insured receives a contract, called the insurance policy, which details the conditions and circumstances under which the insured will be financially compensated. An Insurance service is also an intangible product because nothing is actually produced and there is no tangible item being exchanged.

The policy, policy booklet, etc. is a contract and terms of the contract, however that is not bought. However with an insurance contract no tangible good is exchanged for the consideration (i. e. premium). What is being exchanged for the consideration is an agreement that the insurance company will indemnify you in accordance with the terms of the contract. Moreover insurance services are demandable and have market values. So, it is a product. There are wide ranges of insurance services, they are offered at different conditions and in different packages.

A single insurance provider often offers different types packages and also different types of services. For example, MetLife Alico offers total four types of packages in insurance schemes with different types of products in each scheme. Terms and conditions vary from packages to packages and products to products. These services are designed targeting different types of customers. Overview of MetLife Alico MetLife Alico is an affiliate of MetLife, Inc. , a leading global provider of insurance and employee benefit programs. Through its subsidiaries and affiliates, MetLife serves more than 90 million customers around the world.

It provides a full range of Life, Accident and Health insurance products for customers ranging from individuals to large local and multinational corporations. Individual, group, and credit protection products help its customers recover from financial loss due to death, disability, accident, sickness, and loss of employment. Also, individual savings and group pension products help its customers save for education, retirement, or other financial goals. Its products are available through agents, brokers, financial institutions and direct to customer. In addition to, being the largest life insurer in the U.

S. and Mexico, MetLife is now a leading competitor in Japan holding advantageous positions in Europe, and is in top-five position in many high-growth markets of Central and Eastern Europe, the Middle East and Latin America. MetLife Alico has been helping people and businesses in Bangladesh with their insurance needs since 1952. It have tailored extensive product offering to the unique needs of individuals, families and businesses

of all sizes. Presently, it is one of the leading insurance companies in the country, with close to 1, 000, 000 insured members and over 12, 000 agents.

The main products of MetLife Alico in Bangladesh are life insurance, saving and retirement plans and accidents and health insurance for individuals and employee benefits, credit life insurance and insurance for non-employees for corporations. In these six categories MetLife supports many services of different terms and durations. Product lines of MetLife Alico Figure 1 :

Different services of MetLife Alico. From the figure it is clear that MetLife Alico supports total six types of Insurance services in Bangladesh. It supports three types of solution in each of the individual and corporate solution category.

The services offered by the company are Life insurance, Savings ; Retirement insurance plan, Accident ; Health Insurance, Employee Benefits, Credit Life Insurance, and Insurance for Non-Employees. For convenience only individual solutions will be discussed. A brief overview of the Individual services is provided in the next topic. Different schemes and their features The services of MetLife Alico will be discussed in two major categories, Individual solutions and corporate solutions. Individual solutions are services that are designed to meet individual needs.

The individual services are designed to meet different types of insurance needs of individuals. Individual plans consists life insurance plan, savings ; retirement plans popularly known as DPS schemes and accident ; health insurance plans. Life insurance Life insurance can take care of family and help them maintain their standard of living if something odd happen to the

insured. Apart from taking care of outstanding loans or mortgages, it can also protect children's education or provide monetary benefits to family members. There are two types of life insurance Education Protection Plan (EPP) Plus and Three Payment Plan (3PP) Plus.

Education Protection Plan (EPP) Plus The cost of a good education is rising high, and has risen at an alarming rate in recent years. To secure the best possible education for children's, individuals need to plan ahead. Education Protection Plan is specifically designed to help and can give the reassurance right preparations for children's future. If some awkward situations occur, insured family members suffers from financial crisis, this plan protects them from financial problems also. The main features of Education Protection Plan (EPP) Plus are: * A flexible plan with terms ranging from 10 to 25 years On maturity, insured persons child will receive the full face amount along with the bonus * In case of insured's sudden death, the plan protects his child's financial future by paying out a monthly sum of 1% of the face amount every month for child's education till the maturity of the policy. The policy also provides for a waiver of all future premiums in order to keep the policy active and in-force. * Insured can choose to add a disability protection rider to this plan which will protect in the event of a disability due to sickness or accident. Like in all other life policies, the paid premiums are income tax deductible (subject to prevailing tax laws ; rules). * This EPP Plus plan also provides a personal accident coverage that ensures the financial future of insured loved ones in case of his death, disability or injury due to an accident. Three Payment Plan (3PP) Plus The Three Payment Plan is an innovative policy that provides the ultimate solution in financial planning giving both the protection

insured need and the regular payouts he want to meet his financial needs. It has all the security of a life insurance plan and the flexibility of a savings policy.

The main features of Three Payment Plan (3PP) Plus are: * This Plan is available for varying terms. * 25% of the face amount is paid at the end of 1/3rd of the term and another 25% at the end of 2/3rd of the term. * The remaining 50% of the face amount is paid along with a bonus at maturity. * In the unfortunate event of the death of the policy holder, at any time during the term of the policy, their loved ones will receive the entire face amount along with the bonuses - NO DEDUCTION is made for the partial maturity amounts already paid. Loans up to a maximum of 85% of cash value are available, if required. * Like in all other life policies, the paid premiums are income tax deductible (subject to prevailing tax laws ; rules). * The 3PP Plus also provides Personal Accident Coverage in case of insured's death, disability or injury due to accident. Savings ; Retirement Savings and retirement plans are for saving for future and creating a source of income to be available in future. There are three different plans in this category. Income growth Plan, DPS super and lifeline pension plan.

The details of the plans are described below: Income Growth Plan The main features of Income Growth Plan are: * A unique plan that combines protection and savings * Offers a maximum premium payment term of up to 30 years thereby giving the flexibility of choosing small payments to suit your budgetary needs * The plan is split into 2 phases. The first phase is for a period of 7 years and then the second phase starts (from the 8th year) and includes the rest of the term. * During the first 7 years savings is

accumulated and grown and at the end of the 7th year a dividend is declared.

This dividend could be up to 40% of the cash value of the plan. * In the second phase, the cash value and dividend are transferred to the Investment ; Protection Account (IPA) * From the 8th year onwards, the policy offers a range of flexible options such as changes to the amount of premium, insurance coverage, etc, subject to the policy terms and conditions. *

Maturity Benefits: On maturity, the policy owner can either withdraw the account (IPA) value; or convert it into a life time pension. Like in all other life policies, the paid premiums are income tax deductible (subject to prevailing tax laws ; rules) * Income Growth also provides Personal Accident Coverage in case of your death, disability or injury DPS Super As a sensible and responsible individual, one must be looking for the best possible avenues to grow his hard-earned money. An ideal financial plan for him may be the one that accumulates his money with reasonable returns as well as provides protection to him ; his family against uncertainties. One such a plan is MetLife Alico's DPS Super offer.

MetLife Alico's DPS Super is a savings and protection plan that provides an attractive Maturity Value and a substantial Accidental Benefit. There are total three types of services in this category. They are: Plan| Features| DPS Super - Gold| Maturity Value + Life Coverage + Accident Coverage + Critical Illness ; Waiver of Premium Benefits| DPS Super - Silver| Maturity Value + Life Coverage + Accident Coverage| DPS Super - Bronze| Maturity Value + Accident Coverage| Table 1: MetLife Alico DPS plans. The terms and conditions of the plans are given below: DPS Super - Gold Plan Attractive

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Maturity Value to meet financial planning needs. * Life Insurance coverage equivalent to policy Face Amount. * Double Benefit due to Accidental Death (AD) and Accidental Permanent ; Total Disability (PTD); consequently a total coverage of 3 times the Face Amount in case of AD. In case of Accidental Dismemberment the additional Accidental Benefit may reach up to 2 times the Face Amount depending on the type and extent of Loss * Lump Sum payment equal to 100% or 50% of the Face Amount in case of diagnosis of 8 Critical Illnesses * Waiver of Premium in case of Permanent Total Disability due to Accident or Sickness.

DPS Super - Silver Plan * Attractive Maturity Value to meet ones financial planning needs. * Life Insurance coverage equivalent to policy Face Amount. * Double Benefit due to Accidental Death (AD) and Accidental Permanent ; Total Disability (PTD); consequently a total coverage of 3 times the Face Amount in case of AD. In case of Accidental Dismemberment the additional Accidental Benefit may reach up to 2 times the Face Amount depending on the type and extent of loss. DPS Super - Bronze Plan * Attractive Maturity Value to meet ones financial planning needs. Death Benefit equal to account value or premiums paid for the basic policy whichever is higher. * Accidental benefit under which 2 times the Face Amount (Face Amount is defined as the DPS Super annual premium times the policy term) will be paid in the event of accidental death, or accidental permanent ; total disability (PTD). In case of accidental dismemberment the additional accidental benefits may reach up to 2 times the face amount depending on the type and extent of loss. Lifeline Pension Plan

Lifeline Pension Plan is an opportunity to earn in the post job life after retirement. In life line pension scheme one saves during employment and earns after retirements. The main features of the product are: * It offers you a combination of savings and protection. * One can choose a plan that has a payment term ranging between 10 and 20 years. * It have the facility to withdraw the face amount along with any accumulated bonuses any time after the end of the premium payment period. * One can start receiving the pension payment, 1 year after the completion of the premium payment period. One can choose to postpone this pension payment and leave the annual income with MetLife Alico to accumulate further. * This annual pension payment will continue up to the age of 100. * It offer a minimum guaranteed return of 4% with the option to receive an excess form the year of investment performed. * In the unfortunate event of insured's death, his loved ones will receive the full face amount plus accrued bonuses. * Like in all other life policies, the paid premiums are income tax deductible (subject to prevailing tax laws ; rules). This plan also provides a personal accident coverage that ensures the financial future of loved ones in case of insured's death, disability or injury due to accident. Accident ; Health Insurance Solutions MetLife's accident and health insurance products secure its clients in case of unusual health hazards and accidental cases. There are total eight types of Accidental and Health Insurance solutions available in this category. The features and details of the services are given below. Critical Care No one likes to thinks about serious illness, but it is always a possibility.

For example estimation shows that 1 in 8 people aged 30 today will contract cancer before age 65. The Critical Care is the convenient and affordable

critical illness protection plan that is specially designed to protect insured and his family in the event of any health crisis that may strike any of us, any time, anywhere. Critical Care can make sure getting the medical help one need. What's more, the policy can help replace insured income if he is unable to work, so the bills are still paid and insured's loved ones are looked after. The terms and conditions of the plan are given below: Critical Care will provide insured with lump sum payment of up to BDT 500, 000 which is payable upon diagnosis and receipt of proof for one critical illness only. * Critical Care supplements ones life insurance protection. * MetLife offer several plans and anyone can select the plan of his choice for him. * The critical illness lump sum payment will be made only after diagnostics and proved with any of the 25 illnesses listed. * There is no deductible amount. Hospital Care Being admitted in a hospital is stressful enough without the added worry of the expenses.

Traditional insurance products may not cover all the additional expenses that one will incur or the loss of income may be suffered if one is hospitalized. Hospital Care supplementary policy can give the added finances to cover whatever one feel is important so that he can concentrate on getting well. It pays the cash amount that insured have selected when he or his insured family members are hospitalized, even in a free hospital. The cash income starts from the very first day of hospitalization and continues for up to 52 weeks for each confinement. The product terms and conditions are given below: The Hospital Care supplements insured life insurance protection * These benefits are payable in addition to any other insurance plan that one may have. * One can select the plan that best suits his needs and the needs

of his family from the range offered. * The Daily Cash income continues for up to 52 weeks from the very first day of hospitalization. * The Cash Income is paid directly to insured, to use any way he wishes. * The Cash income is payable regardless of expenses, even if treatment is confined in a free hospital. * There is no deductible amount or waiting period.

Lifetime Income Policy If anybody wants absolute security in case he is no longer capable or able to handle the daily responsibilities of his family due to a sudden accident, Lifetime Income policy is for him. It is a protection plan that provides a cheque-a-month for lifetime of his spouse, his children or even himself, with a guaranteed minimum of 240 monthly benefit cheques. Lifetime Income Policy is a unique plan that provides cheques month after month, year after year to meet insured family expenses. With the same reliability one provide to his family.

The details terms and conditions of the product are given below: * This is a dedicated accident insurance product specially tailored for the Bangladesh market where the rate of road traffic accident is one of the highest in the world. * It offers coverage for accidental loss of life, permanent partial disability due to accident, and permanent total disability due to accident * Several units are available under this policy and one can pick the number of units that suits him the best. * No health questionnaire or medical examination required. * This plan provides you with 24 hour, 365 days a year worldwide coverage. The premiums that are paid are income tax deductible (subject to prevailing tax laws ; rules). * 20% of the Premium paid will be refunded as a ' No Claim Bonus' after 3 years, provided that no claim has been made. **Circles of Protection** With Circles of Protection one can build the

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ideal protection for him from a range of options; he just choose the ones that are appeared right to him.. The details of the terms and conditions are given below: * Circle 1 offers protection against accidental death, permanent total and partial disability, Double indemnity-common carrier ; flying with guaranteed cash payments to himself or his loved ones. Circle 2 offers a weekly accident indemnity income for up to two years, replacing lost income due to disability as a result of an accident. This option is only available if you take out Circle 1. * Circle 3 offers accident medical expense reimbursement - total protection for reasonable accident medical expenses in and out of hospital. Only available if one takes out Circle 1. * Circle 4 offers Hospital Health Care which provides income for insured and his family if he stay in hospital due to accident or sickness. Circle 5 offers a monthly income for Lifetime with a guaranteed minimum of 240 monthly benefits for covering expenses like food ; clothing, rent, school ; university fee, medical ; health, mortgage ; taxes etc. Minimum monthly income: BDT 3, 000 Maximum monthly income: BDT 20, 000 My Child Special, Good Health Special, Executive 5 Special and Medi-Guard these four services are still unavailable in Bangladesh and will be made available soon. Other features of MetLife Alico Apart from the above mentioned individual insurance offers MetLife Alico provides some value added services also.

In this offers MetLife offers a free health card that offers 15% off on physical diagnostics of the insured and his family members at permitted hospitals and diagnostics centers. In addition to the health card the company provides a dedicated customer care officer for each client who deals will all insurance related problems and query of the clients. The monthly payment can be

made by auto debit system to reduce effort from clients end. Moreover the websites of the company provides a satisfactory description to its services and provides easier contact with its scustomer care officers.

Limitations of the Report The report is prepared extensively based on information provided at the company websites and at other web resources. Customer's opinions are not taken into account during preparation of the report. If customer's opinions and their feedbacks are added to the report it will be more reliable and authentic. Some customer relation officers can also be interviewed to enhance the report. If some case study and more present statistics are added to the report it will be more accurate. **Conclusions**

Insurance services are getting popular all over the world day by day. It is a logical service related to risk-management. The main policy is saving user's money for future to resolve accidental crisis. However people in our country are not aware about the policies of the available companies. Necessary campaigns are necessary to make the insurance services popular. Moreover most of the peoples in our country live below the poverty lines, so insurance companies should make easier terms and policies suitable to the poor peoples of the country.

But it is ironically true that most of the insurance companies are targeting only the corporate peoples. The insurance companies should change their values to make their services more users friendly rather than treating it as a profitable product only. It is desired that MetLife will design their new services considering these facts. **Appendix Appendix A: Personal Accident Coverage** If one is qualified for accident coverage, this plan also provides the

following additional benefits in case of his death, disability or injury due to accident within the premium paying period.

The Personal Accident Coverage provides a maximum cover of Tk. 20, 00, 000 and the proportionate amounts are mentioned below: A. ACCIDENTAL DEATH BENEFIT| : 100% of FA | B. PERMANENT TOTAL DISABILITY BENEFIT| : 100% of FA| C. PERMANENT PARTIAL DISABILITY for the following losses:| | • Both Hands or Feet or Sights of eyes| : 100% of FA| • One Hand and One Foot| : 100% of FA| • Either Hand / Foot and Sight of One Eye| : 100% of FA| • Hearing of Both Ears| : 100% of FA| • Speech | : 100% of FA| Either Hand or Foot| : 50% of FA | • Sight of one Eye| : 50% of FA| • Thumb and Index fingers| : 25% of FA| D. MEDICAL EXPENSES REIMBURSEMENT| Max of : 15% of FA| Appendix B: Critical Care Insurance packages and benefits Appendix C: Diseases covered under critical care 1. Stroke 2. Cancer (Except Skin Cancer) 3. First Heart Attack 4. Coronary Artery Surgery 5. Other Serious Coronary Artery Diseases 6. Heart Valve Replacement 7. Major Burns 8. Blindness 9. Pulmonary Arterial Hypertension (Primary) 10. End-stage Lung Disease 11. Kidney Failure 12. Surgery To Aorta 13. Aplastic Anemia 14. Major Organ Transplant 15. Loss Of Hearing 16. Loss Of Speech 17. Muscular Dystrophy 18. Alzheimer's Disease / Irreversible Organic Degenerative Brain Disorders 19. Motor Neuron Disease 20. Parkinson's Disease 21. Coma 22. Benign Brain Tumor 23. Major Head Trauma 24. Bacterial Meningitis 25. Paralysis| Appendix D: Hospital Care packages and benefits Appendix E: Diseases covered under Hospital care package

The 9 dreadful diseases covered under hospital care packages are: * Heart Attack * Cancer (Except Skin Cancer) * Coronary Artery Disease * Stroke * Renal Failure * Blindness due to Sickness * Paralysis * Major Burns * Major Organ Transplantation| References Information and different data are collected from the following sources: * <http://www.metlifealico.com.bd/en/Individual/index.html> * Principles of Marketing by Philip J. Kotler ; Gary Armstrong * <http://www.adv-ins.com/> * <http://www.marketing91.com/product-concept/>