

# Cover for hotel sector

## New product to help hotels better manage risk exposure

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**KUALA LUMPUR:** The hotel industry, particularly budget hotels, can now better manage their risk exposure and find it easier to insure their businesses with the recent launch of HoteliersCare.

Believed to be the first of its kind in the industry, the product – a joint initiative of Anika Insurance Brokers Sdn Bhd (AIB) and Hong Leong Assurance Bhd (HLA) – comprises 10 classes of insurance packaged into a single insurance plan.

AIB chief operating officer Vicky Rajaratnam said the product was designed and tailored for the hotel industry's unique risk exposure.

He said as the main complaint among hotel owners and managers was the enormous amount of time required and wasted in negotiating the various types of coverage and rates, this product helped address this concern.

Another advantage was that it simplified the process of insuring the business and reduced the costs associated with it, he added.

According to Rajaratnam, the



Rajaratnam (left) and Looi discussing the new insurance plan

company is expecting about RM1mil in gross premiums for the product in the first year in view of the increasing number of hotels in the country.

"There are more than 1,000 budget hotels in Malaysia and this figure is expected to rise further during

Visit Malaysia Year.

"Plans are in the pipeline to extend HoteliersCare to provide protection to hotel guests as well as to offer it to major hotels," he said in an interview.

HLA chief operating officer for the

general division Looi Kong Meng said as not all hotel managers and owners would find it financially viable to protect themselves against all risks, the product provided the flexibility and option to select a minimum of two classes of insurance from the 10 offered.

This was unlike other conventional plans available in the market, thus creating savings for customers, he said.

The 10 classes of insurance in the plan are fire, fire consequential loss, burglary, all risks, plate glass, money, public liability, employer's liability, fidelity guarantee and group personal accident.

Through HoteliersCare, customers were assured of no hidden costs or deductibles imposed (except tariff classes such as fire and fire consequential loss), Rajaratnam noted.

AIB is the manager and HLA the insurer of the product.

AIB is one of the leading insurance broking companies in the country with an annual premium turnover exceeding RM100mil. It is also the first insurance broker in Malaysia to receive the MS ISO 9001:2000 accreditation.