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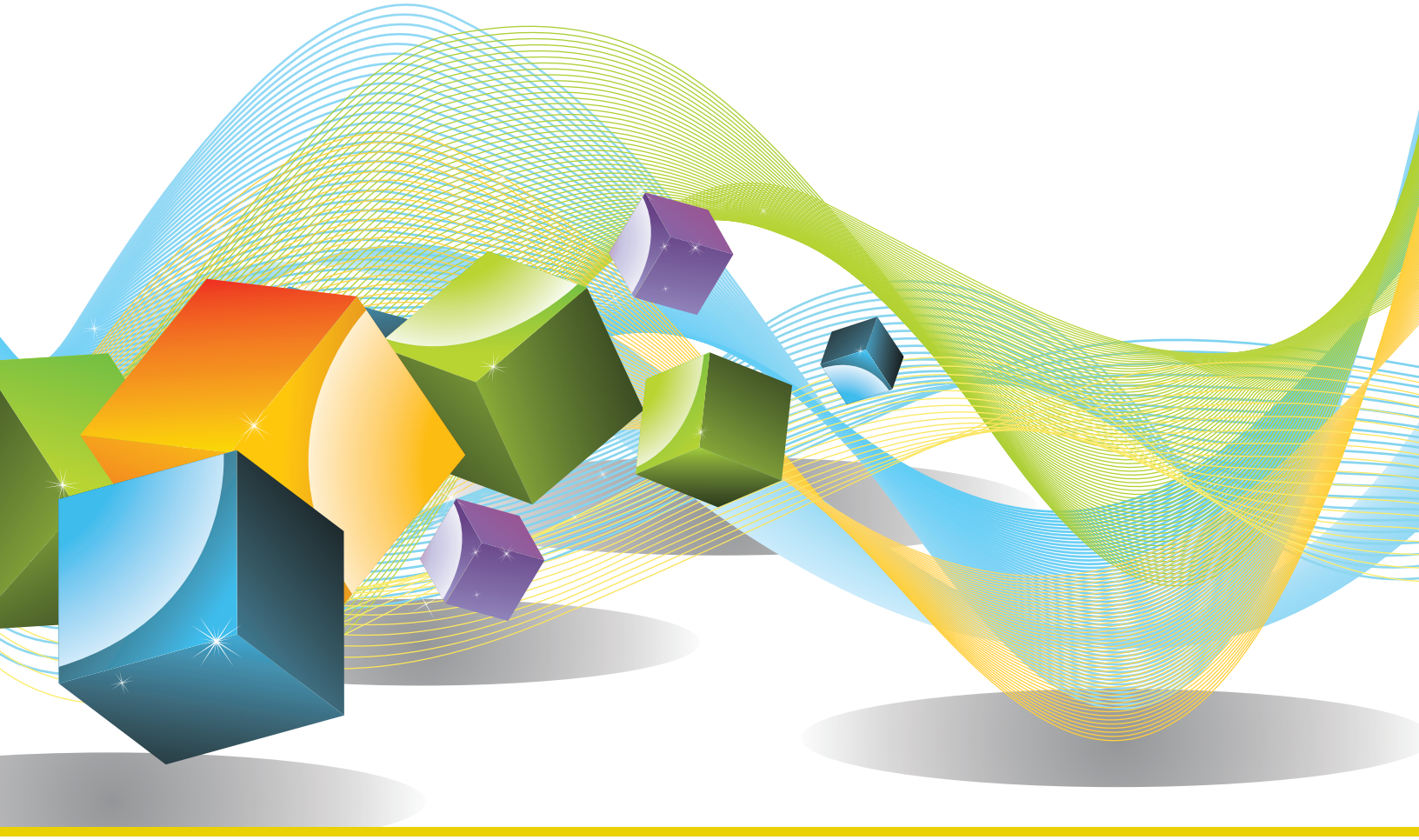
Kaleidoscope

Wipro Insurance Journal: Sales & Distribution Edition, Vol - 15



Insights | Strategies | Perspectives

FOREWORD

Insurance majors operating in key global markets are faced with two big challenges - managing the rising compliance burden and meeting the differentiated needs of an emerging class of customers who are tech-savvy, financially literate and highly mobile. These challenges have had a significant bearing on the sales and distribution strategies of insurance companies, more so in markets like the UK and Australia where wide-scale insurance-related reforms are underway.

Most insurance customers are on-the-go now and operate in an always-on environment. So, the communication that goes out to them regarding insurance offerings has to be consistent across all mediums, and up-to-date. To illustrate this, the branding and marketing materials featured on an insurer's website should necessarily be in sync with the firm's offline marketing campaigns. On a larger plane, with increasing digitization of business transactions, the insurers need to know their customers even better, including their online usage patterns.

Digitization also gives customers the opportunity to know about insurance offerings first-hand. However, many still regard the services of advisors as a value-add. Meanwhile, financial advise as a service itself is fast evolving and has also come under increasing regulatory scrutiny. For instance, the Future of Financial Advise (FoFA) reforms initiated by the Australian Government aims to give customers easy access to reliable and affordable financial advise. Customers can also opt out if the advise rendered is not up to the mark. Elsewhere, in the UK too financial advise as a service is being heavily regulated. The Financial Services Authority (FSA) there is undertaking a Retail Distribution Review (RDR) to reform retail investment advice.

Insurance sales and distribution is also greatly influenced by the adoption of internet and mobile technologies in the business. Sales channels are now using mobile devices and apps for quote generation, issuance of policies, payment of first term and renewal premium, etc. Insurance firms that pro-actively adopt mobile technology and apps to do business are seeing a perceptible improvement in customer loyalty which in turn enhances the earnings potentials of insurance agents/brokers.

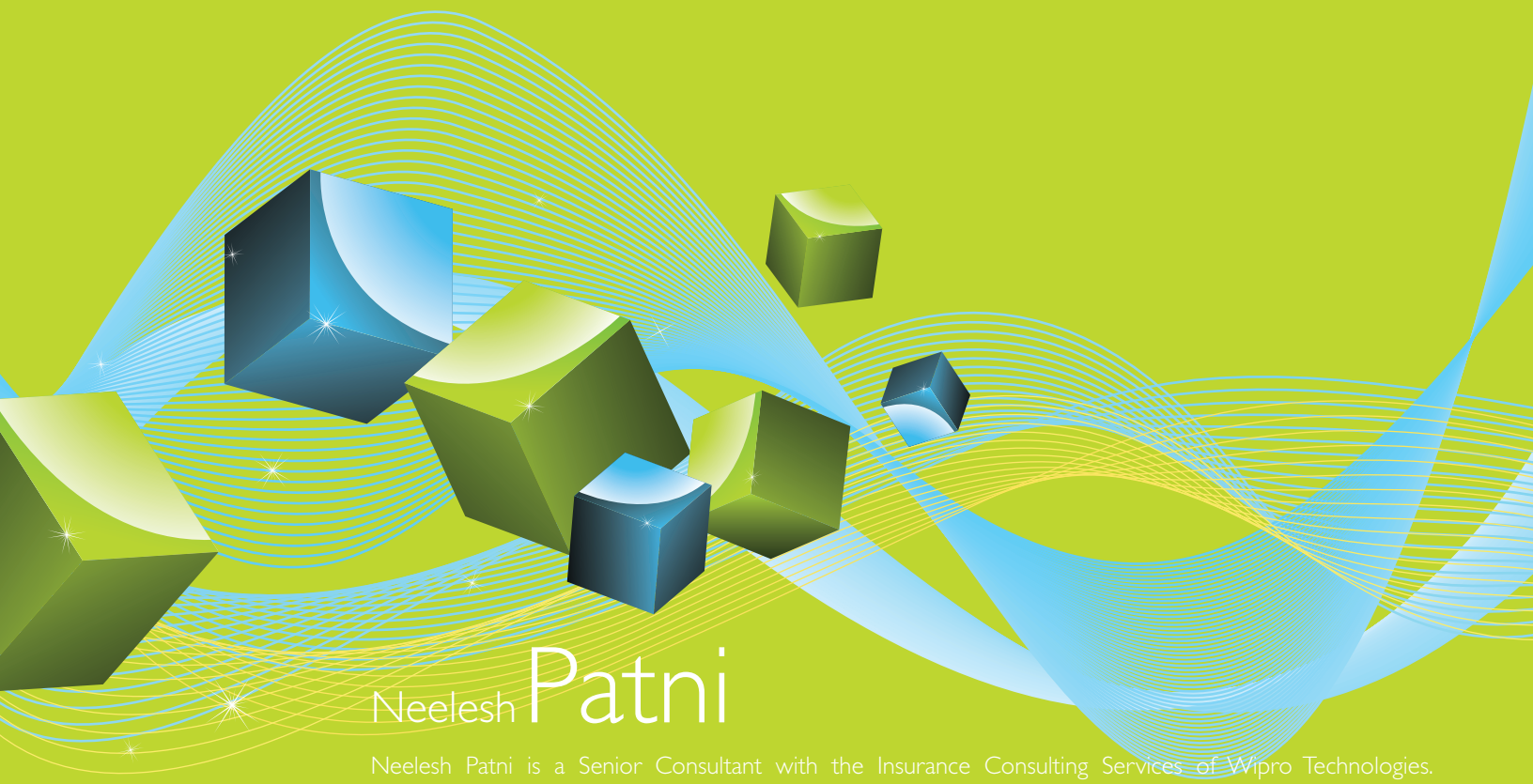
The emerging business scenario also mandates insurers to adopt a multi-pronged distribution strategy that leverages new technologies without overlooking the merits of traditional distribution channels. The carriers are also increasingly linking up with banks, corporate agents and brokers to broaden their distribution matrix.

This edition of Kaleidoscope captures the new trends and challenges in the global insurance sales and distribution space. Our Insurance Consulting Services (ICS) team has gone to great lengths to put together a rich collection of articles. I hope that you will find great value in the content presented in this edition.

Happy reading!

Meenu Bagla
Head of Marketing - Finance Solutions Business Unit
Wipro Technologies

Content



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Consumer Means More

The Financial Services Authority (FSA) in the UK has initiated a raft of reforms based on its Retail Distribution Review (RDR) to enhance the quality of investment advice rendered to insurance consumers.

The Financial Services Authority (FSA) in the UK is undertaking a Retail Distribution Review (RDR) to reform retail investment advice rendered in the country. FSA has maintained that the reforms will give consumers better insight into various financial products and services, especially in the insurance industry. The RDR has also triggered a review of the remuneration arrangements so as to usher in a competitive environment that works to the advantage of insurance consumers.

The RDR specifically covers the advised sale of all packaged products including pensions, annuities, onshore and offshore bonds, life insurance (excluding pure protection) and collective investments. While on one side the reforms aim for improved outcomes for retail clients, on the other side, the new norms will mandate fundamental changes in the operating models that in turn will impact both product providers and adviser firms. The overall impact of the reforms on product providers, advisers and consumers is illustrated in Figure 1.

Figure 1 : RDR Impact on Providers, Advisers & Consumers

Whereas in the pre-RDR period, advisers occupied the vantage position in the product supply chain, in the emerging RDR regime, consumers are the focal point that advisers and product providers can hardly overlook. The FSA has mandated that consumers should get to know how their investments are being managed, how individual products are priced, what are the charges and deductions made by the providers, how much they pay for advice and whether the advice itself is worth the money.

In these circumstances, advisers will be expected to raise their professionalism and provide high quality services at competitive rates. This could also lead to greater standardisation of services provided by advisers. Advisers themselves would need to devise appropriate marketing strategies to tap different consumer groups.

Further, the reforms will induce the product providers to make the terms and conditions more consumer-oriented. The removal of commission and allocation rates less than or equal to 100% will make pricing a key factor of product sales. Such a scenario will be a sharp contrast to the pre-RDR period wherein the level of commission paid out largely determined the sale of a given product.

The new changes will make it easier for consumers to compare different insurance products in the market by accessing the services of aggregators and price comparison websites. Direct channels will be better placed to operate in this environment. Also, a greater number of providers are likely to include bancassurance in their core proposition to fill up the distribution gap the RDR is likely to create.

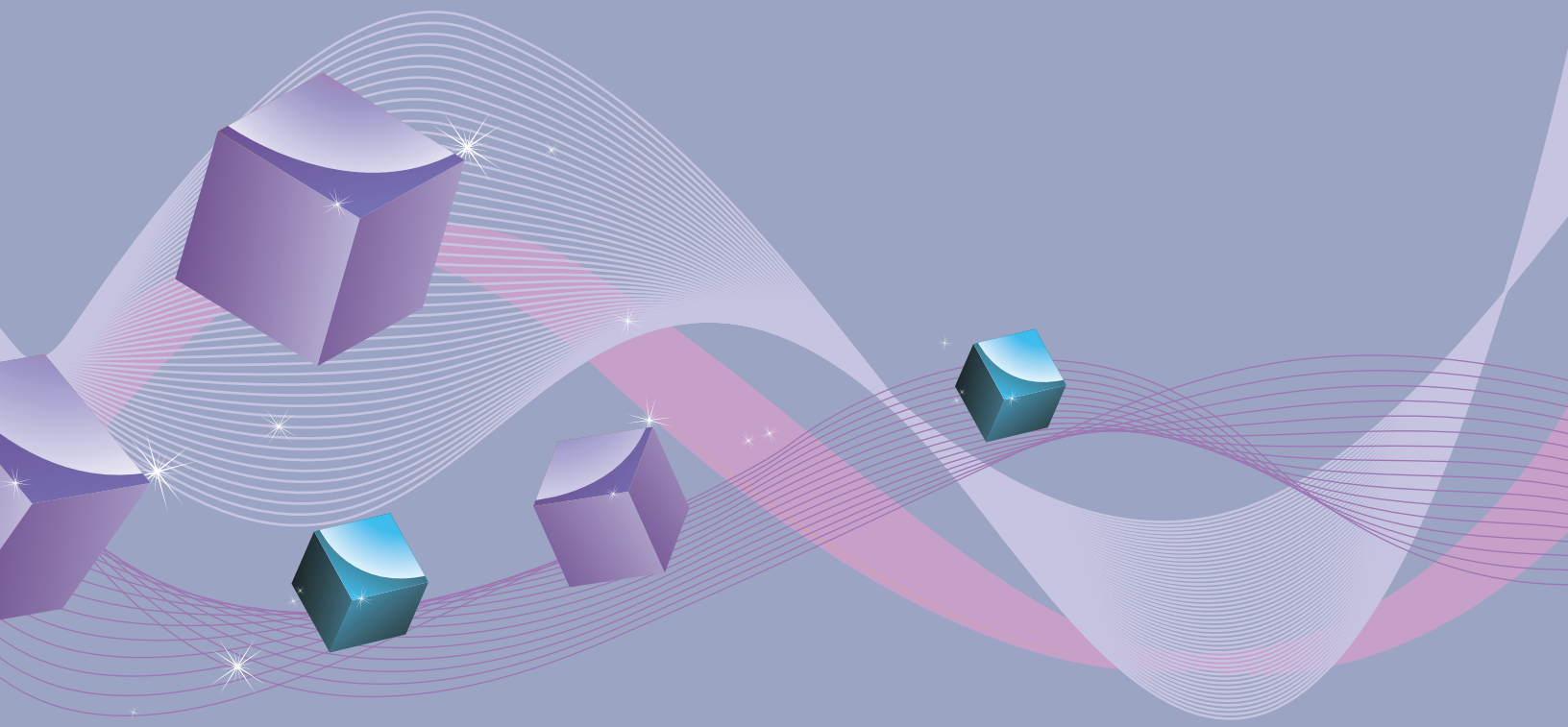
Technology to the Fore

In adopting a 'fee-based advice' model, advisers will need to draw up a menu of services with different levels of advice and the corresponding pricing structures that cater to the needs of different customers. This can be effectively done with the usage of business analytics. Product providers and advisers will also profit from employing Customer Relation Management (CRM) solutions, mobile technologies and social media. Besides, digital marketing can be effectively used to gather intelligence on customer lifestyle, preferences, buying patterns, etc., eventually leading to development of strategies for selling, cross-selling and up-selling.

Major banks are already offering professional training and certification that meet the RDR compliance criteria and as a result a significant number of self-employed advisers (IFA) are moving to such banks to save on training and certification costs. Various affinity groups could also contribute significantly to insurance growth by virtue of their proximity to specific groups and customers.

To make these channels more effective for distribution, insurers will have to invest in technology and IT infrastructure like highly responsive portals with rich user experience that cater to different channels. Contact centres interacting directly with customers should be equipped with unified communication devices. Insurers will have to prioritise the most profitable channels and build scalable infrastructure, frameworks and processes for those channels which can be reused for multichannel integration.

On a larger plane, the product providers should use technology for competitive pricing of products. The pricing should be transparent - separating distribution charges and cost of advice from the actual product price.



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All for the Right Advice

The Future of Financial Advice (FoFA) reforms are bringing about sweeping changes in the way financial advice is rendered in Australia, resulting in greater transparency, customer-centricity and effective use of new technologies.

Financial advice is an important dimension of the financial services industry. Most people around the world seek professional advice to weigh the options with regard to their financial investments, insurance needs, mortgage activities and retirement. Advice also comes in handy when dealing with unexpected situations like a job loss.

Today, as the range of financial products expands, both existing and potential customers are looking out for independent financial advice. This is particularly evident in times of market volatility. Studies suggest that financial customers in Australia have down the years greatly benefitted from financial advice received from planners. According to a KPMG Econtech report[1], customers in Australia who had access to financial advice obtained additional savings of ~$6,900 in the period 2005-09 (~$1,725 savings per year) compared with those who took independent decisions in the same period.

Likewise, a survey conducted by the Financial Services Council[2] in Australia found high satisfaction levels among customers who had consulted financial advisers for their retirement planning. The survey recorded that:

- 83% of Australians listed financial advisers as their preferred source of financial information
- 80% of the investors viewed financial advice as something much more than 'product' advice

The growing demand for high quality financial advice in Australia, and the aftermath of the collapse of Storm Financial and Opes Prime, drew the Australian government to introduce the Future of Financial Advice (FoFA) reforms. These reforms, to be rolled out in phases over 2012-13, aim to give customers easy access to reliable and affordable financial advice.

FoFA reforms are a lot similar to UK's Retail Distribution Review (RDR) as both:

- Recognise customer protection as a fiduciary duty
- Increase qualification norms
- Abolish any commission paid by the customer to the adviser at the instance of a product sale. Instead what is suggested is that customers should know upfront the cost of advice and the mode of payment

The FoFA reforms have also taken into account the several gaps that exist in the delivery of financial advice in the country. An ASIC survey report[3] states that less than 40% of the Australian adult population has over the years accessed financial advice. Some of the key reasons that inhibit Australian customers from seeking financial advice are:

- Customer Perceptions
- Cost of Advice
- Scale of Advice
- Financial Literacy
- Mistrust of Financial Planners
- **High Cost of Advice:** Most customers are not inclined to meet the high cost of financial advice. The estimated cost of providing comprehensive financial advice to a client is anywhere between $1,500 and $20,000 (shown in Figure 1)
- **Limited Requirement:** Most customers prefer a limited scale of advice instead of comprehensive advice although advice providers in Australia tend to offer holistic advice
- **Independent View:** Some customers rule out the need for financial advice as they believe they have the wherewithal to take independent decisions
- **Financial Illiteracy:** Financial illiteracy often limits the capacity of customers to appreciate the value of financial advice

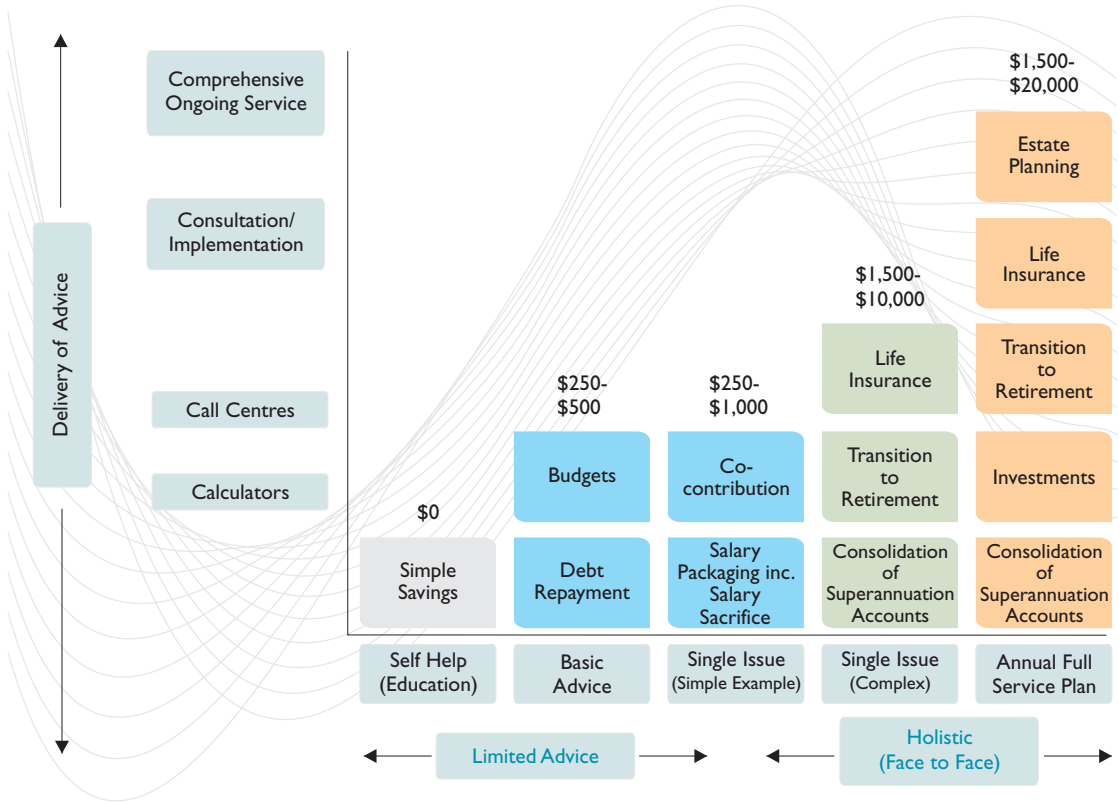

Figure 1: Cost of Delivery of Financial Advice

Source: Rice Warner Actuaries, Value of Advice, report prepared for the Financial Planning Association, February 2008.

- **Mistrust of Financial Advisers:** There are customers who also believe that financial advisers do not provide independent advice because of the commissions and incentives that financial product and services firms extend to the advisers. A large number of financial planner-dealer groups are associated with product firms. The Ripoll report[4] established that ~85% of 18,000+ financial advisers in Australia are associated with product firms through dealer groups (similar to IFA networks in UK) or function as their authorised representatives under a corporate entity's Australian Financial Services Licence (AFSL). So, customers feel that planners are likely to promote the products of firms that give them higher commission, often at the expense of customer interests.

The current financial product distribution models and the way financial advice is packaged with them raise further concerns. The distribution methods may be broadly classified as under:

- Direct distribution by product manufacturer without any offer of advice to customers
- Distribution through a representative who offers generic or limited advice (such as, advice on the products on offer)
- Distribution through a financial adviser. In this case, the financial adviser, dealer group, associated platform providers and product manufacturers receive a share of the administration fees, transaction fees, commissions and shelf fees. Figure 2 represents the fee flow as per this model

As can be observed from the figure, the model only provides for a transfer of margins to different players in the distribution chain which may not be very clear to the investors. The system is relatively opaque therby deepening the customer's mistrust of financial advisers.

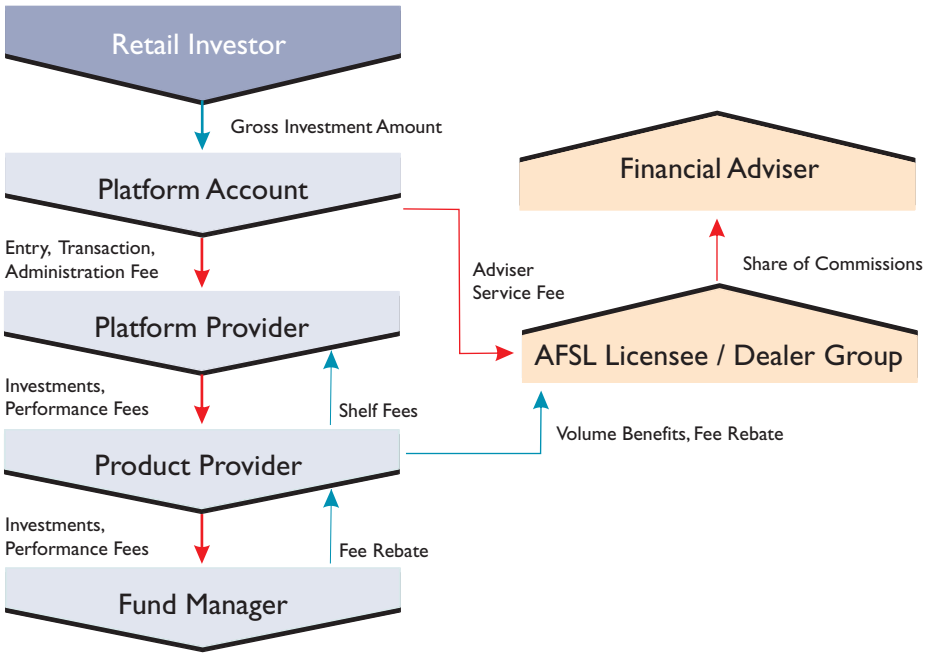

Figure 2 : Distribution through Financial Adviser & Fee Model

Rollout of Reforms

FoFA reforms aim to address the issues cited above in a comprehensive manner. The key measures and associated timelines are:

Reform Area	Description	Benefits	Implementation Timeline
Commissions	Prospective ban of upfront and trail commissions on both individual and group risk within superannuation	Quality of advice will improve as conflicting remuneration structures are removed	1st July 2013
Volume Payments	Prospective ban on any payment relating to volume or sales targets set by financial services business to dealer groups, authorised representatives or advisers	Removes the monetary incentive to recommend usage of a platform Encourage platform providers to refocus on customer needs rather than advisers	1st July 2012
Scaled Advice	Advice on a particular customer needs as opposed to holistic advice	Option for the customer to seek advice on a specific area Customer pays only for relevant advice and not holistic advice	1st July 2012
Opt-in Arrangements to Ongoing Advice Fees	Compulsory 2-year renewal opt-in will apply where an ongoing advice fee is to be charged on a retail client	Warrant advisers need to be in regular contact with their clients Opportunity for clients to evaluate ongoing service	1st July 2012
Soft Dollar Benefits	A ban on soft dollar benefits, where the benefit is $300 or more (per benefit). A soft dollar benefit is "any benefit received by a financial planning firm, its representatives or associates, other than basic monetary commissions or direct client advice fees"	Removes the potential to influence product selection and decision making	1st July 2012
Simplified Financial Service Guide (FSG)	Effective disclosure on material restrictions on advice, any potential conflicts of interest and remuneration structures	Provide a fair advice by eliminating product/platform bias	1st July 2012

Customer Orientation

As the FoFA reforms roll out the commission structures will become more customer-friendly. Customers will also have the opportunity to periodically review the quality of advice rendered by their respective financial planners and opt-out if the services are not up to the mark.

The reforms will also enhance the ASIC powers with respect to the grant and use of licenses to persons offering financial advice. Such regulation will go a long way towards shoring up customer trust in professional financial advice.

While there is a clear recognition of the benefits that FoFA reforms will deliver to the industry stakeholders, the enhanced regulations could also complicate the rendering of financial advice. Moreover, customers may not be able to obtain the full benefits of "scaled advice" if they are not adequately financial literate. When it comes to matters like retirement planning, only comprehensive advice will holistically meet customer needs.

Further, with new demand for documentation for every advice given, delivering scaled advice might take as much time and effort as comprehensive advice (shown in Figure 3).

Technology holds the Key

FoFA reforms mandate the industry players to realign all their business, systems and processes with the regulatory changes. Technology will help the advisers, manufacturers and customers to transition into the new regime.

With internet, customer's attitude to financial planning has also changed. The younger generation today operates in an 'always on' environment and expects to interact with the financial adviser online before taking any decision. For this, online tools for

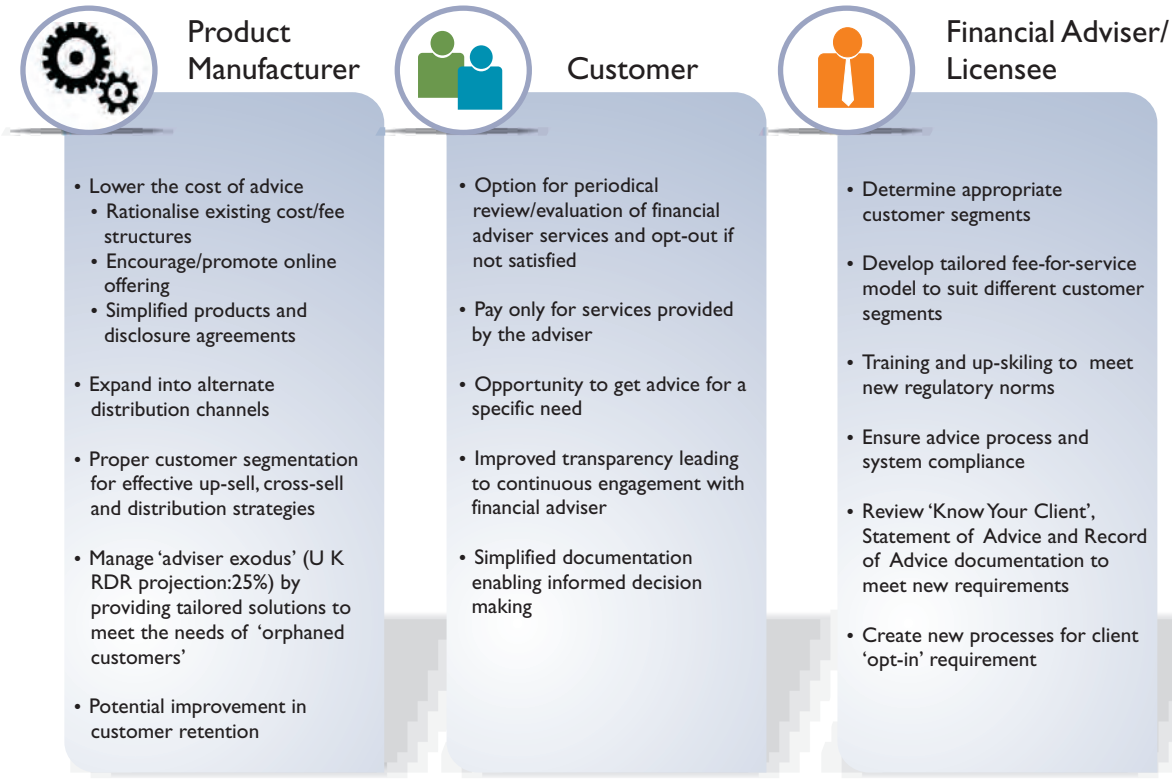

Figure 3 : Impact of FoFA Reforms on Industry Stakeholders

financial advice should be connected with the provider's back-office systems to facilitate seamless transactions.

Advisers need to use business intelligence / analytics tools to segment their target customer base and tailor the service offerings as per target customer requirements. The tech-driven solutions need to be built as per the needs of three primary segments, as illustrated in Figure 4.

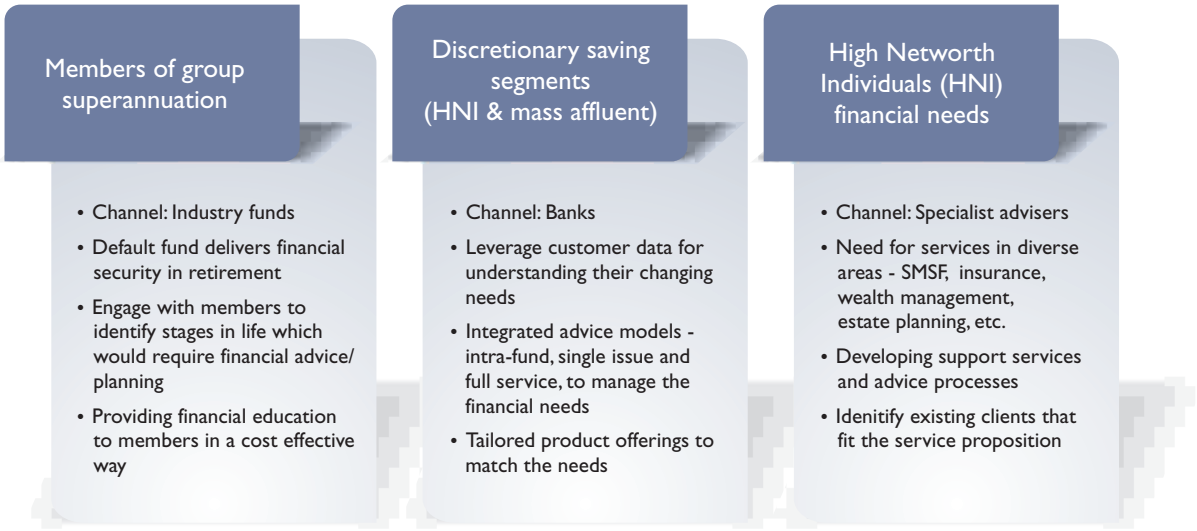

Figure 4 : Customer Segmentation

The technology solutions for FoFA compliance are as follows:

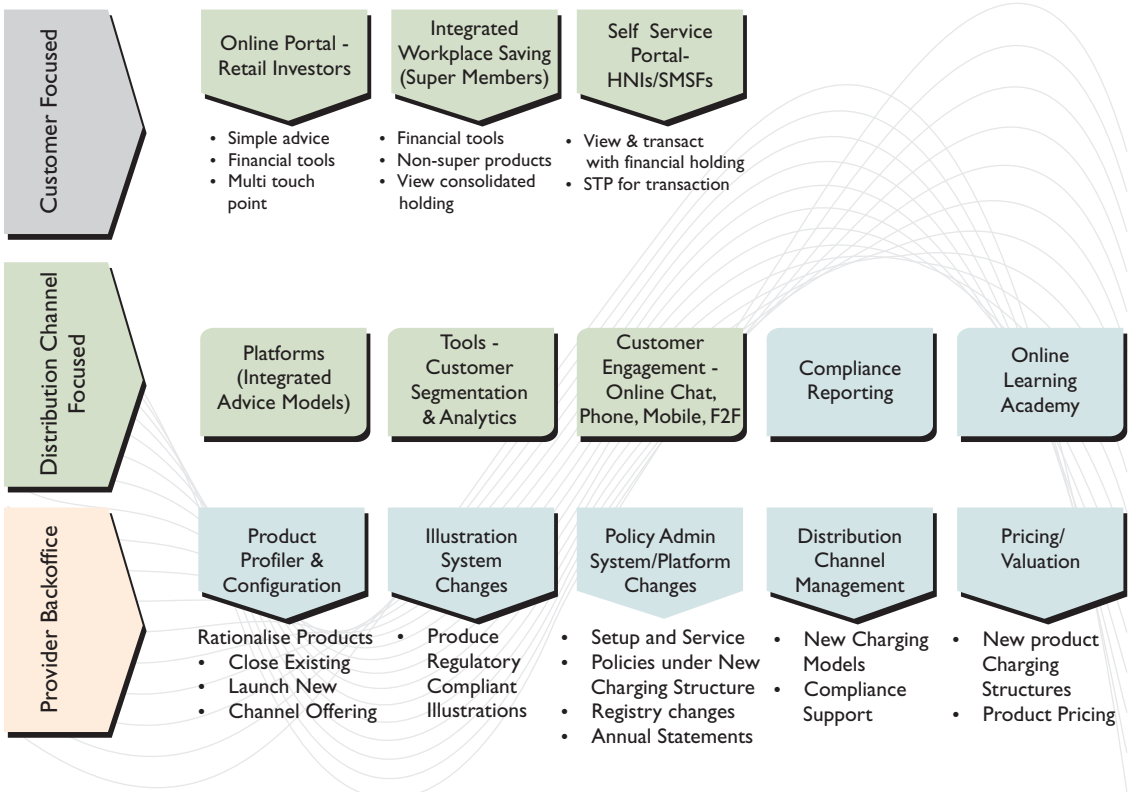

Figure 5 : Technology Solutions for FoFA Compliance & Transformation

Conclusion

The FoFA reforms are decidedly transforming the way financial advice is rendered in Australia. There will be greater transparency in the costing of financial advice offered by planners, and customers will be able to make a better assessment of the quality of advice that they receive.

Wider adoption of internet and other online tools will help the customers make informed decisions and gain from the 'scaled advice' on offer. Financial literacy will be a key success factor in this regard.

The reforms will also open up new opportunities for product innovation, adviser group consolidation and customer-centric initiatives.

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[1] KPMG Encotech survey on the value of financial advice conducted on behalf of the Financial Services Council

[2] IFSA 2008, Investors confidence: Improving financial understanding of Australians June 2008

[3] ASIC - Sale and distribution of investment products to retail investors (http://www.aph.gov.au/senate/committee/corporations_ctte/fps/tabled_docs/tab2.pdf)

[4] MLC submission to the PJC inquiry into financial products and services (http://www.mlc.com.au/resources/MLC/Corporate/Affairs/Static/Files/pdf/MLC_Submission_FV.pdf)

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Moving with the Times

Insurance carriers are increasingly adopting a multi-pronged distribution strategy that leverages new technologies including the internet without overlooking the merits of traditional distribution channels. The changing industry landscape has spawned a gamut of distribution channels that include banks, corporate agents, insurance brokers, individual agents, direct mailing, company website, mobile & kiosks

In the emerging business scenario, insurance carriers would be called upon to adopt a multi-pronged distribution strategy that leverages new technologies including the internet without overlooking the merits of traditional distribution channels such as individual agents, direct mailing and company websites. Current industry trends also suggest that insurance carriers are increasingly linking up with banks, corporate agents and brokers to broaden their distribution matrix.

Sharp customer focus is central to a carrier's distribution strategy. Insurance products should therefore be readily accessible to the potential customer within the right price band, with a variety of options to choose from. Changing lifestyles and buying preferences have further queered the pitch for insurers, mandating them to arrive at an optimum mix of traditional and new distribution channels to connect with customers. Here, the internet provides a useful customer connect,

more so with social media becoming a powerful business driver.

The changing industry landscape has spawned a whole gamut of distribution channels that include banks, corporate agents, insurance brokers, individual agents, direct mailing, company website, mobile, kiosks, worksite marketing, Islamic insurance (Takaful), supermarkets and other retail outlets, affinity channels and groups, insurance-linked debit/credit cards, and call centers (shown in Fugure 1).

Partnering with Distributors

An insurer has a greater chance of widening the reach with customers across the socio-economic strata by partnering with distributors. Distributors help reduce the customer acquisition costs, improve the retention rate and increase the opportunities for cross-selling. Hence, it is imperative for insurers to establish strategic partnerships with distributors.

Agents and brokers are typically the key players in the insurance distribution channel. As per recent data released by a research agency:

- Agents command a distribution market share of 42%
- Broker's market share is 25%
- Direct sales account for 18% of the share
- Bancassurance market share is 12%
- Other distribution channels make up the remaining 3%

In the life insurance business, brokers and bancassurers are the two largest distributors, averaging 32% and 30% market share, respectively. Agents are a close third with a market share of 26%, whereas direct distribution accounts for 11% of the market.

It emerges that both life and non-life insurers are progressively shifting focus from traditional agents to direct sales channels. Life insurers in particular are closely evaluating new distribution channels as new regulatory norms are placing more curbs on traditional distribution channels. The Basel III effect on bancassurers is also altering the life insurance distribution patterns. In the case of non-life insurers, the opportunity to increase sales via direct distribution is inducing them to reduce their dependence on traditional agents and brokers.

In the UK automotive market, for example, the market share of "distance selling" increased from 33% to 44% in just three years. This was largely

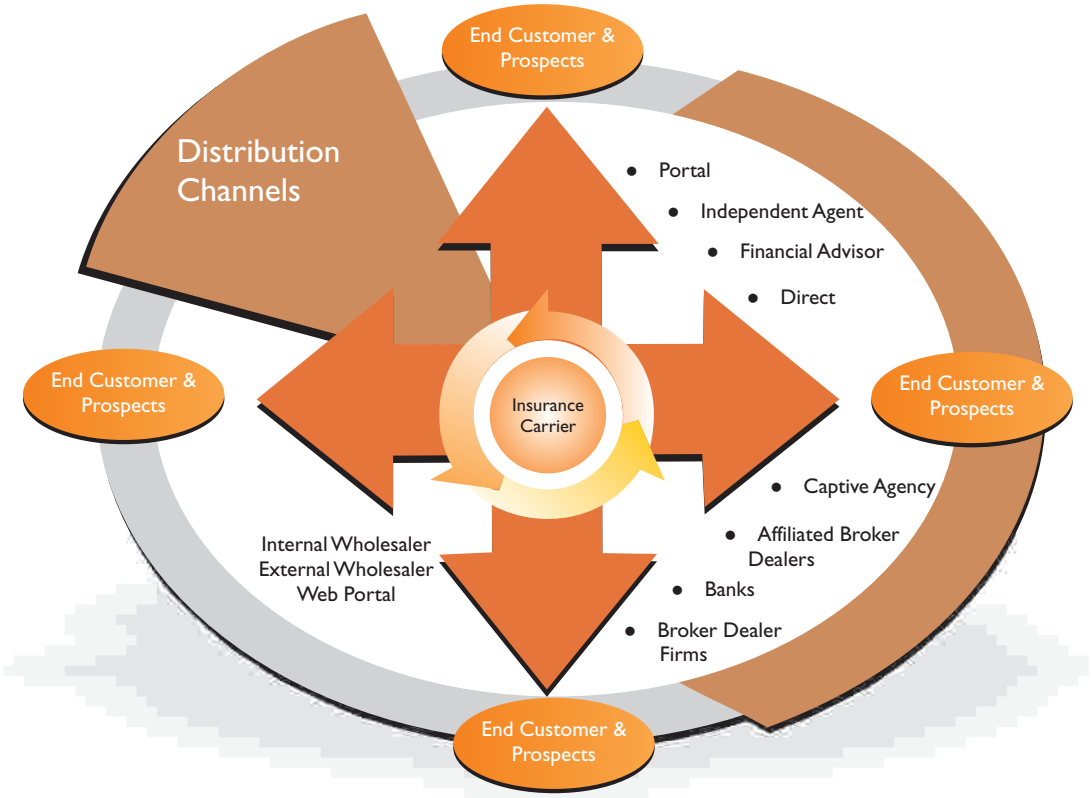


Figure 1: A Snapshot of the Insurance Distribution Matrix

influenced by the increasing use of the internet in the insurance business and the role of aggregators who compare different insurance products and price levels for the benefit of customers. Nearly 418 million people logged into the internet in Europe in March 2010, a 298% increase over the previous ten years, according to Cisco Systems. So, the potential to increase non-life sales through direct distribution can hardly be overstated.

Based on current trends, in 2012 insurers will continue to develop and implement direct distribution models. However, the legacy administration and distribution systems that insurers have in place might hinder the volume of business done online and via mobile phones. The legacy systems and processes might further inhibit the insurer's ability to integrate their operations with non-direct distributors, such as, bancassurers. The complexity and costs of integrating new distributors with the existing systems need to be addressed on a war-footing.

Key Challenges

With direct distribution channels gaining wider acceptance in the market, one-to-one advice is fast losing ground. As such, some HNIs would prefer to receive advice on commercial and specialty insurance product transactions, while some other customers could well be paying for services they do not require or cannot afford. In the prevailing circumstances, more customers are likely to turn to direct channels (phone, branch, internet) to make their insurance purchases.

That being the case, insurers would do well to adopt a multi-channel strategy that focuses upon new and alternative distribution channels and drives out the inefficiencies in the traditional channels. It is equally important that the distribution channels are supported with simplified products and unbundled advice. This is not to say that face-to-face insurance sales has lost its relevance wholly - there are products for which customers require advice but the present economic structure does not support bundled advice to all customers.

Today, carriers are trying to limit the bundling of banking and insurance products. This in turn could reduce insurance sales via this channel. Maintenance of physical branch offices puts pressure on banks to increase their revenues from these facilities. Regulatory pressures are also adversely affecting the viability of selling complex savings and investment products without face-to-face interaction with customers. It appears that new regulations may reduce the churn of contracts and policies by denying financial incentives instances when the contracts or policies are replaced.

In this era of low spreads on traditional banking products, commission and fee income are assuming key importance. Favorable treatment of commission income as under Basel III and Solvency II could increase bancassurance distribution of insurance.

Also, the unbundling of banking and insurance products would require banks to offer more competitive insurance products. Increasing pressure from European governments to break up larger banks may prompt the sale of underlying insurance assets.

Business Silos

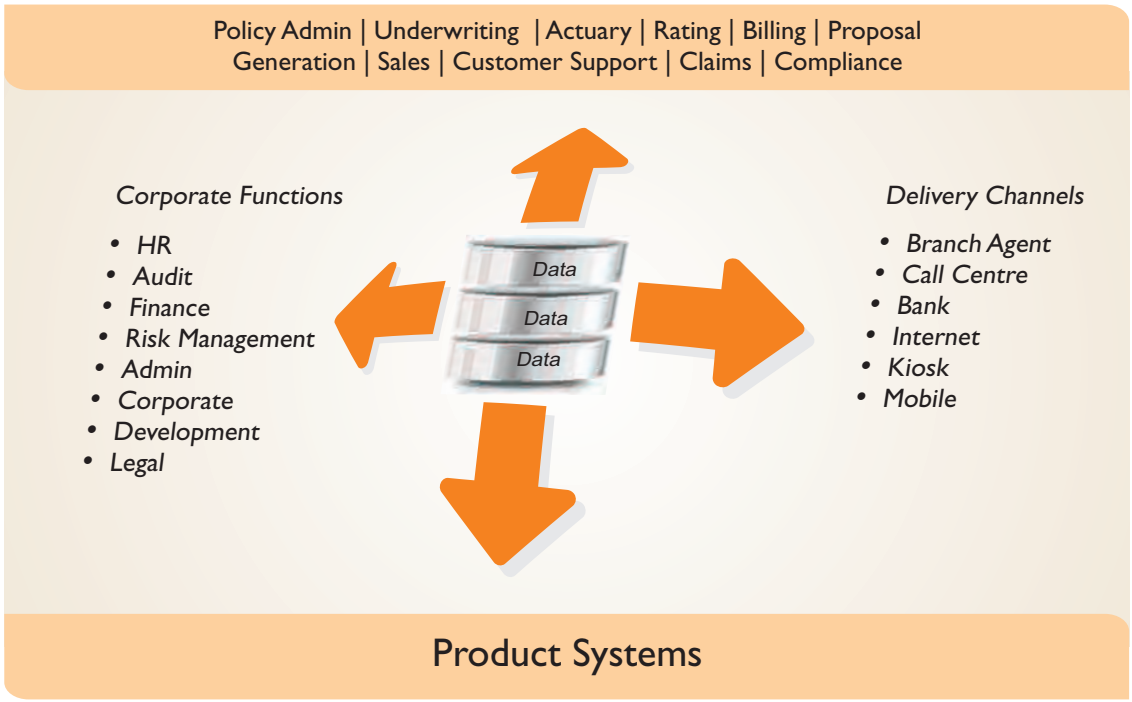


Figure 2 : Leveraging Data for Building an Integrated Distribution Model

In the emerging regulatory environment, customers would have to reach out to multiple contacts to accomplish a single request. Distributors are also affected by the amount of duplicate work handled owing to the diverse systems and processes. Insurers should need to appreciate the importance of integrating the diverse systems so as to enable real-time access to information. By creating the differentiators, carriers would be able to cut down costs, enhance client retention rate, and stabilise premium levels.

Combating Challenges

To realise optimum value from distribution, insurers should aim to improve their operations and the agent support systems that are aligned with their key distribution segments. They should build their own capability to support a multi-product, multi-channel distribution model that complements their revenue objectives and profit margins.

Distributors on their part would want to do business with the best performing insurance companies. Agents too would prefer to work with insurers who operate with streamlined processes and facilitate improved services to their shared customers.

With the adoption of new technologies, insurers would be able to offer ample support to their distributors with respect to information reporting, improved operations, and sales & marketing. At the same time, they would need to build in more flexibility in their distributor relationships so as to proactively respond to the regulatory challenges and emerging market opportunities. They will also need to know when to establish new distribution relationships with the bancassurers.

Insurers that size up the challenges posed by the legacy systems and tap into the new distribution opportunities are likely to gain a significant competitive edge in the business. They should know that young customers tend to respond to relatively simpler, less expensive, entry-level products such as term insurance, particularly through enhanced internet distribution programs.

In the coming times, insurers would have to focus much more on multi-line agents, bank distribution channels and internet sales strategies to serve a Generation Y-led market. Carriers that leverage their sales experiences across the entire product portfolio and develop simpler solutions will get ahead of competition.

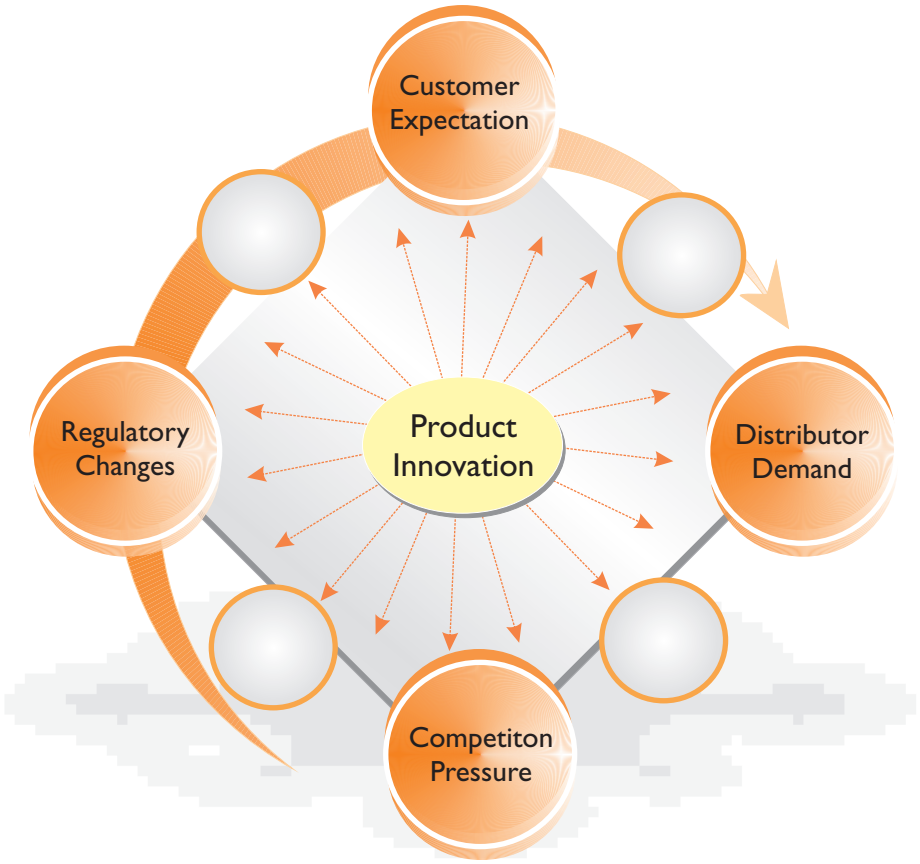


Figure 3 : Efficient Product Management – Enhanced Productivity & Distributor Loyalty

Product Innovation

Insurance product innovation is largely determined by the following business drivers:

- Increasing Customer Expectations: Customer profiles are changing, and so are their needs and expectations. Powered by robust information flows, and influenced by macro-economic factors like income levels, interest rates, inflation and savings rate, customers expect to see a lot more insurance product options to choose from.
- Distributor Demands: Distributors want to differentiate themselves in the marketplace and expect the insurers to develop and market distributor-specific products.
- Competitive Pressure: Mounting competitive pressure makes it imperative for the insurers to design, develop and implement new insurance products that effectively meet new customer preferences. As new and innovative product offerings are introduced in the market, other companies will feel the need to develop like products, resulting in more competition.
- Regulatory Changes: Insurance is a highly regulated industry that must constantly review and adjust its product offerings to ensure due compliance with the norms. New regulations often create the opportunity to introduce new products. As such, regulatory changes impact every aspect of product design and development - product filings, rate approvals, regulatory reporting, tax treatment, disclosures, etc.

Enabling Technologies

Insurers need to establish strong distributor relationships and adopt highly efficient administration and customer service systems to expand into new geographies. Efficient interfaces are crucial to achieving these goals. The interfaces will allow the insurers to compete and differentiate themselves in the market. In keeping with these requirements, carriers will have to invest substantially in new technologies (shown in Figure 4).

Internet has changed the delivery model for Property & Casualty (P&C) lines, and it may soon impact other aspects of underwriting as well. New social networking and other Web 2.0 technologies are creating new avenues for delivery, driving demand for new ways to compare, buy, and manage insurance. Customer expectations are also increasingly influenced by their experiences in a networked, online world. Conversely, social networking sites are influencing the expectations of NextGen agents and brokers as regards their agency management system or CRM application.

Further, as per the proposed regulatory norms governing capital requirements, some bancassurers may decide to move to a wholly distribution-centric business model to market the products of different insurers.

Agent-led sales of P&C lines are on the way out because of the disruptive effect of online transactions. Young customers adept at undertaking research, evaluation and business online would be largely guided by the price factor and less so by the service level when choosing an insurance provider.

Internet sales is affecting simple, compliance-driven business (such as auto insurance). At the same time, diversification leads to customisation of policies, and the agent will be seen as providing simplified solutions to complex problems, even as they shoulder a high degree of accountability.

Commercial and individual customers who want customised insurance products or premium service levels will not base their decisions on what is available online. As agents continue to occupy an important position in the value chain, insurers will need to empower them with a complete view of the customer relationship. Agents should be closely connected with the decision-making centres as they are closest to the market and often the first to recognise new trends and new opportunities. Insurers that empower independent agents will induce the agents to do more business with them.

Meanwhile, mobile claims adjusters armed with mobile devices or tablet PCs are greatly speeding up claims processing. Also, mobile CRM and unified communications capabilities can be used to link the adjusters with body shops, contractors, and rental car firms for integrated calendaring and collaboration to improve the claims experience.

Modern, rules-based and table-driven insurance applications with product cloning capabilities give insurers the flexibility to launch new products with new configurations.

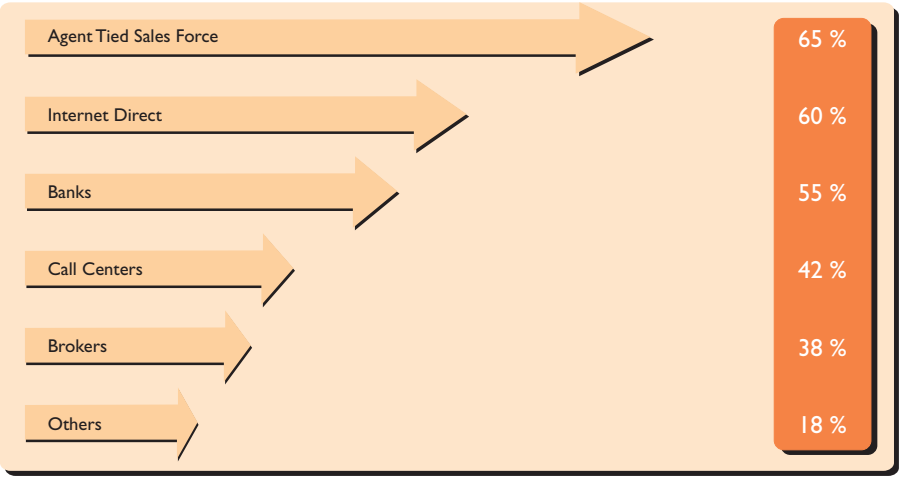


Figure 4 : Priority Distribution Channels for Technology Investment

Service Oriented Architecture

Service Oriented Architecture (SOA) will shape the insurance value chain in the future. SOA helps carriers respond quickly to new demands and share the insurance business services with their external distribution partners.

The modern N-Tier architecture enables the carriers to efficiently service their distribution partners by providing secured web access for linking up with the core insurance systems, without reproducing the code, functions, or processes in the internet layer. As a case in point, Sonata, a Java SOA solution, is database independent, enabling bancassurance partners to securely key in new business applications directly from the branches into the insurance system over the internet. This software is designed to deliver the benefits of web enablement to life insurance providers by harnessing the recent advances in Rich Desktop Application (RDA) and Rich Internet Application (RIA) technology. Sonata facilitates automated underwriting, resulting in considerable cost savings.

Customer Delight in Online & Mobile Space

Insurers are slowly pushing greater capabilities onto their websites to allow customers a higher degree of control and flexibility. Some insurers provide links to live service representatives who stand by to assist customers through text chat, video conference and Voice over IP or a shared application.

Interactive features in emerging markets are critical to the adoption of these direct-writing sites that are more cost-effective compared to physical offices. Insurers can offer comparative quotes as a value-add for customers, thereby building their trust and social capital without the mediation of agents.

Also, insurers can simplify payments and authentication by implementing new developments in secure biometrics using credentials such as fingerprints, voiceprints and retinal scans in combination with unique account information to improve the security of online transactions.

Further, they can leverage mobile devices and embedded telematics on board vehicles by launching targeted promotions and offers, short-duration coverage (such as travel insurance that can be purchased by mobile phone), and specialised incentives for supporting data gathering or demonstrating low-risk behaviour.

Customisation Works Best

In the online world, customization and personalisation will always play an important role. Collaborative filtering and advanced data mining techniques can be used to serve individualised content depending on the specific needs of each person visiting the site. Offering customised policies would call for a redesign of the insurer's processes and systems that support underwriting.

Micro-Insurance Products

In reaching out to demographically and geographically diverse virtual communities, insurers are called upon to develop products for small businesses and individuals for the protection of micro-assets. Some examples of micro-insurance are credit life, endowments and limited hospitalisation, and coverage for livestock death. These products may be offered through local community groups, credit unions, healthcare providers and cooperatives.

Enabling Workforce

The insurance industry thrives on talented, able, persuasive, and well-trained people to make good business decisions, drive operational efficiency, maximise the value of customer relationships, and act on new opportunities. Technology will play a key role in empowering the next generation workforce. To meet current and future challenges, insurers should develop strategies to attract young talent, motivate mid-career workers, and ensure smooth knowledge transfer through the effective use of information technologies.

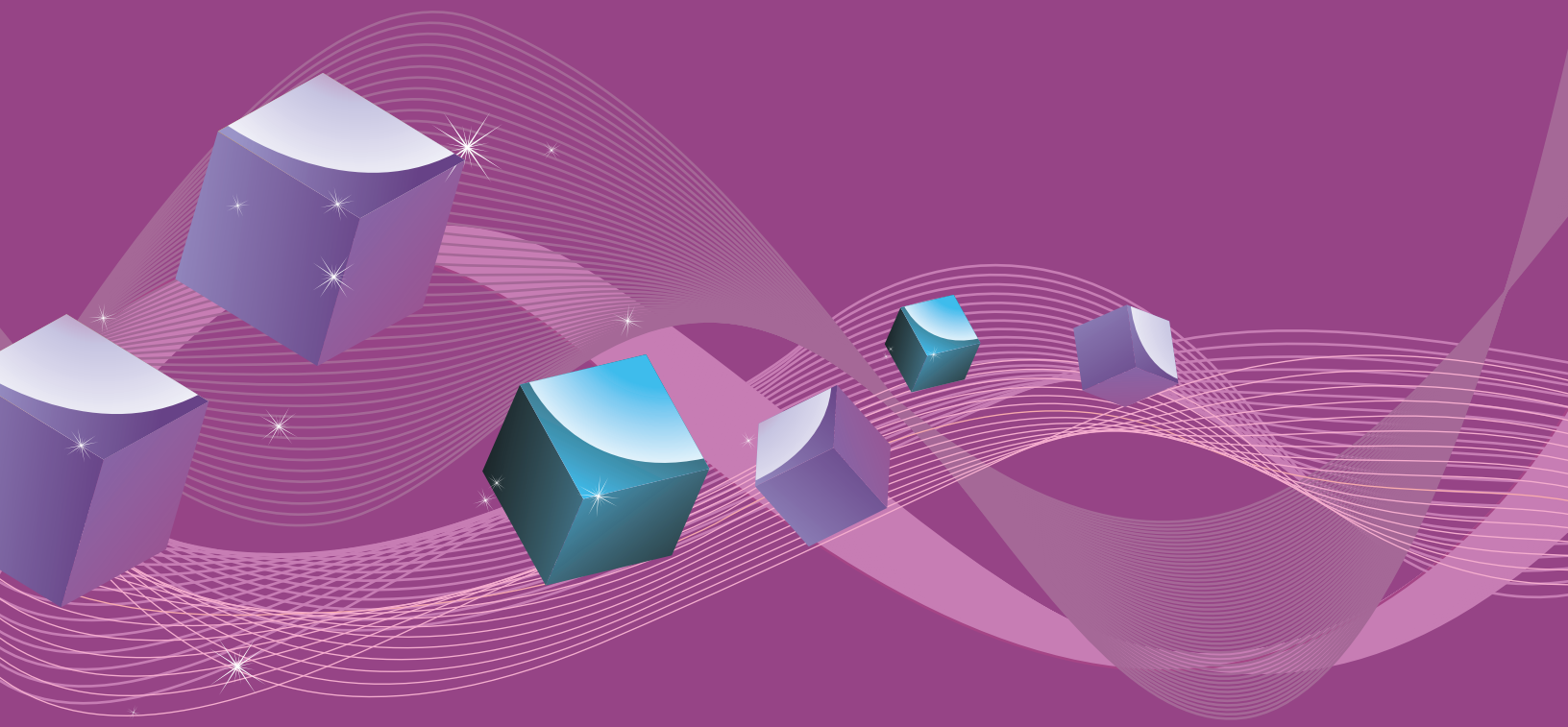
In this context, telework and mobile computing offer useful solutions for mid-career workers to manage their work-life balance. Commitment to practices and technology that facilitate the work-life balance will be a big motivational factor for the next generation of leaders.

Technologies Aiding Insurance Distribution

- **Mobility:** Many carriers across the globe are leapfrogging legacy infrastructure and moving straight into the mobile and wireless technology arena. In South Africa, insurers are issuing micro insurance life policies to low income customers whose premium payouts are linked with their cellular phone bills.
- **Radio Frequency Identification Device (RFID):** RFID chips in automobiles serve as theft deterrents and limit payments on fraudulent claims. RFID is also useful for documenting purchase of goods covered in a home owner's policy at the time and point of sale. In the US and Thailand, RFID chips are used to track animals for purposes of the fast-growing pet insurance market.
- **Global Positioning Systems (GPS) & Telematics:** GPS and on-board "black boxes" in cars and trucks allow companies to track the physical location of vehicles, the speeds at which they travel and even seatbelt usage among drivers. Telematics can be used for premium calculation for 'pay as you go' policies. It is going to be the game changer, combining telematics with mobile technologies, enabling data collection remotely which can be used effectively in business analytics for underwriting purposes. Telematics also helps carriers track risk patterns and behaviour of automobile drivers.
- **Health Informatics:** The ease of sharing electronic health records enables the insurers to underwrite low value life policies without the need for costly medical examination of the customers. However, there are some challenges in the use of informatics such as privacy concerns over the use of patient prescription records to effectively diagnose medical conditions. Besides, genetic profiles may become a barrier to obtaining life and health insurance.

Conclusion

Carriers are slowly moving away from face-to-face distribution channels to a multi-channel approach. Technology has a vital role in enabling this change. Insurers would be able to develop and rapidly launch new and innovative insurance products through a judicious use of emerging technologies.



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Mobility Drives Insurance Business

Mobile technology & apps are helping insurance channels to instantly meet the dynamic needs of customers resulting in higher customer satisfaction levels, stronger loyalty and greater earnings potentials for all stakeholders

Rapid adoption of mobility and remote access technology across markets is redefining the way insurance business is transacted. Insurance channels everywhere are seeking to leverage the power of mobility to address the highly differentiated needs of customers. These channels are increasingly using mobile devices and applications to execute transactions such as quote generation, issuance of policies, payment of first term and renewal premium, etc.

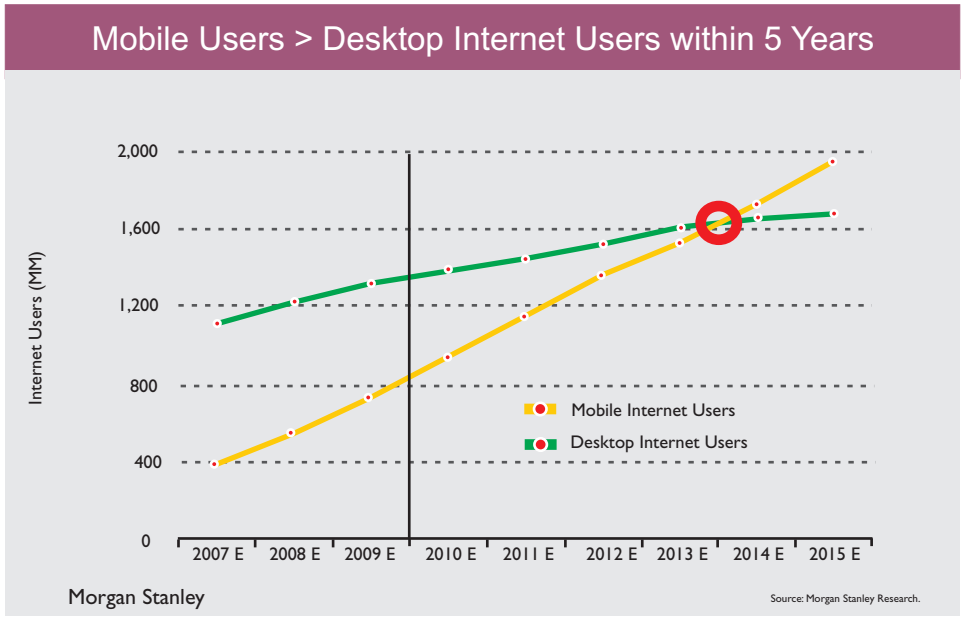
Current mobility trends bode well for the industry. In a survey conducted by First Best Systems Inc. as part of the Market Scout Entrepreneurial Insurance Symposium in Dallas, 46% of the respondents said they prefer a tablet for business use when away from their desks, 34% said they use a smartphone, compared to 23% who use a laptop computer for business use.[i]

The survey results also indicated that 49% use a tablet, with the majority using an Apple iPad or iPad2. Nearly 100% of the respondents said they use a smartphone. Of them, 17% said they use more than one smartphone (45% use a Blackberry, 46% use an iPhone and 20% use an Android smartphone).[ii]

Factors that determine the usage of particular devices for conducting the transactions are:

- Age of the insured
- Occupation
- Income level
- Demography
- Complexity of the product

It may be added that certain products, especially those related to life and health insurance, need a human touch, whereas certain other products do not require any human intervention. Just a phone call will do.

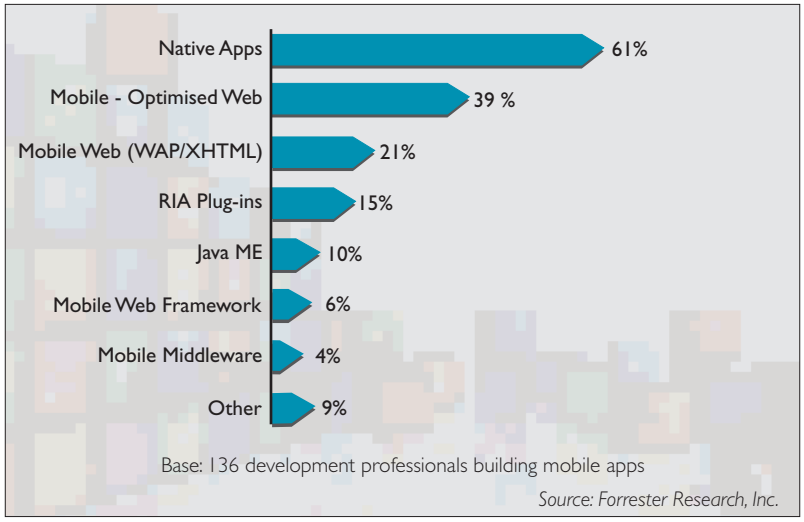


Graph 1

(Source: http://www.morganstanley.com/institutional/techresearch/pdfs/Internet_Trends_041210.pdf)

Which of the following styles represent how you build mobile applications?

(Select all that apply)



Graph 2 : Mobile Web Vs Native App

(Source: http://www.tnooz.com/2011/03/31/mobile/mobile-web-or-native-apps-for-travel-advice-stats-and-other-musings/)

There are different sites which can be referred for comparing the different mobile platforms.

Customer Connect

The mobile apps that support insurance transactions enable the channels to do business on-the-fly, resulting in higher customer satisfaction levels. Insurance firms that proactively adopt mobile technology and apps to do business are seeing a perceptible improvement in customer loyalty which has significantly enhanced the earning potential of insurance agents/brokers.

The relevancy of mobile apps for insurance transactions has increased in the wake of de-tariffication of the industry in many countries. Using customer data and demographics, agents/brokers are able to work out the premiums as per specific customer profiles which can then be instantly pitched to the target customers using mobile apps. The apps also enable the agents to make the right value propositions to individual customers highlighting the unique features of their product offerings.

While building reach is key to business growth, the insurance industry is cognisant of the importance of retaining customers. In this regard, mobility helps insurers to extend robust support services to their customers, keeping them engaged and satisfied. This is particularly important in the case of life insurance business where agents are required to proactively support their customers and thereby reduce the lapse rate and enhance the persistency ratio.

Customers on their part can use web-based mobile apps to track their insurance policies, premium due dates, different covers available and the cash value accrued from particular policies. Account websites maintained through these technologies can also support cross-selling/up-selling opportunities.

A few Challenges

Even as insurance companies embrace mobility to drive business growth and customer engagement, many of these enterprises are faced with the dilemma of modernising their IT infrastructure and phasing out the legacy systems in view of the costs involved.

Also, these enterprises have to develop and run disparate apps for different lines of business and address the issue of accessibility for customers, especially since most insurance-related apps are desktop-based. As a result, many of these firms are opting for wrapper solutions. But a wrapper solution can only be a stop-gap arrangement as it calls for both the legacy and wrapper apps to be maintained at the same time which makes it rather complex.

The moot question is, will a switch to a web-based app address these challenges. The answer is both 'yes' and 'no'. On the one side, web-based apps address the accessibility issue and provide rich user experience. But, on the other side, they are constrained by factors like internet access and bandwidth availability, network availability, power consumption (mobile device battery usage), security standards and other usability issues.

It is evident that a switch to a web-based application by itself does not guarantee anytime, anywhere access. The key constraints are:

Form Factor: Customers use various mobile devices like phones, tablets and notepads, each of which comes in different forms and shapes. The dimension of a mobile device is a major consideration while designing a mobile app.

Browser Compatibility: Web apps that work on a normal desktop/laptop might not work well on the

mobile platform. The key issues to be addressed are, which browser will make the app compatible with all devices, and whether such an effort is viable for the company.

Usability: Limited screen real estate, smaller keyboard and the form factor determine the usability of the device for executing insurance transactions. Inability to provide multiple windows and links are certain other issues to be dealt with. Also, on-the-move users today seek instant info instead of having to drill down to get the details.

Keeping in view these constraints, mobility works best if the apps are designed to deliver superior user experience on this platform, going beyond just the 'look and feel' experience.

Testing Considerations: Unlike the native mobile apps that can be tested using PC-based emulators, testing of mobile web apps need additional considerations like network and gateway transmission.

Native Web App – A Likely Alternative

Where mobile web app is not workable, native application presents itself as a likely alternative. Global Intelligence Alliance (GIA) defines a native app as one that is specifically designed to run on a device's operating system and machine firmware, and typically needs to be adapted to different devices.[iii]

While a web-based app is browser/device form specific, a native app is dependent on the platform (iOS, Android, Symbian, etc.) on which it runs.

There are pros and cons to developing and using both mobile web apps and native apps. Suffice to state that several companies are now providing apps in both web-based and native app forms. Insurers will need to analyse which of their processes when mobile-enabled will provide maximum benefits to the end-user and whether the company will be able to come up with new processes that support mobile access.

Conclusion

Moving apps to the mobile environment is inevitable, especially in the current scenario where customers look for quick solutions and services. Insurers need to make the mobile web experience similar to a desktop/laptop experience if not better.

Insurers are making an effort to convert traditional web apps into mobile web apps. As new technologies and processes emerge, user concerns about security and internet speed will also get addressed.

Based on the assessment of customer needs, companies can target specific mobile devices and browsers. The target devices should be based on market/field research providing data on the most popular devices used by existing and potential customers.

For the internal workforce, this decision will hinge on the type of devices supported by enterprise IT. Also, the Bring Your Own Device (BYOD) policy within the enterprise should have to be aligned with the most commonly used devices for doing business.

In closing, it may be said that the future of insurance business is inalienably lined with mobility. In time people will stop carrying their wallets/watches/documents/credit-debit cards and instead use the mobile device to execute their financial transactions.

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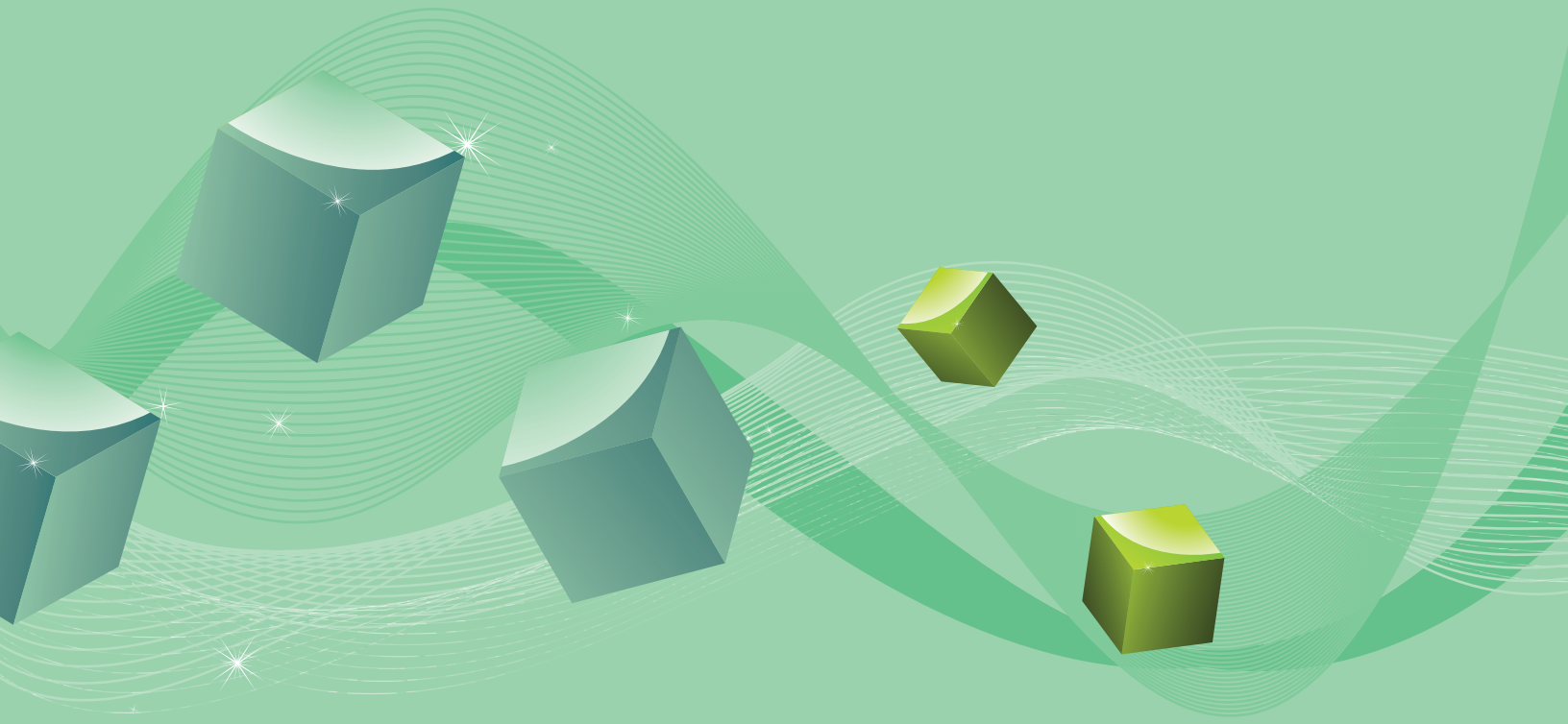
[i] Insurance Networking News, November 17, 2011

[ii] Insurance Networking News, November 17, 2011

[iii] http://mobithinking.com/native-or-web-app



Craig Beattie

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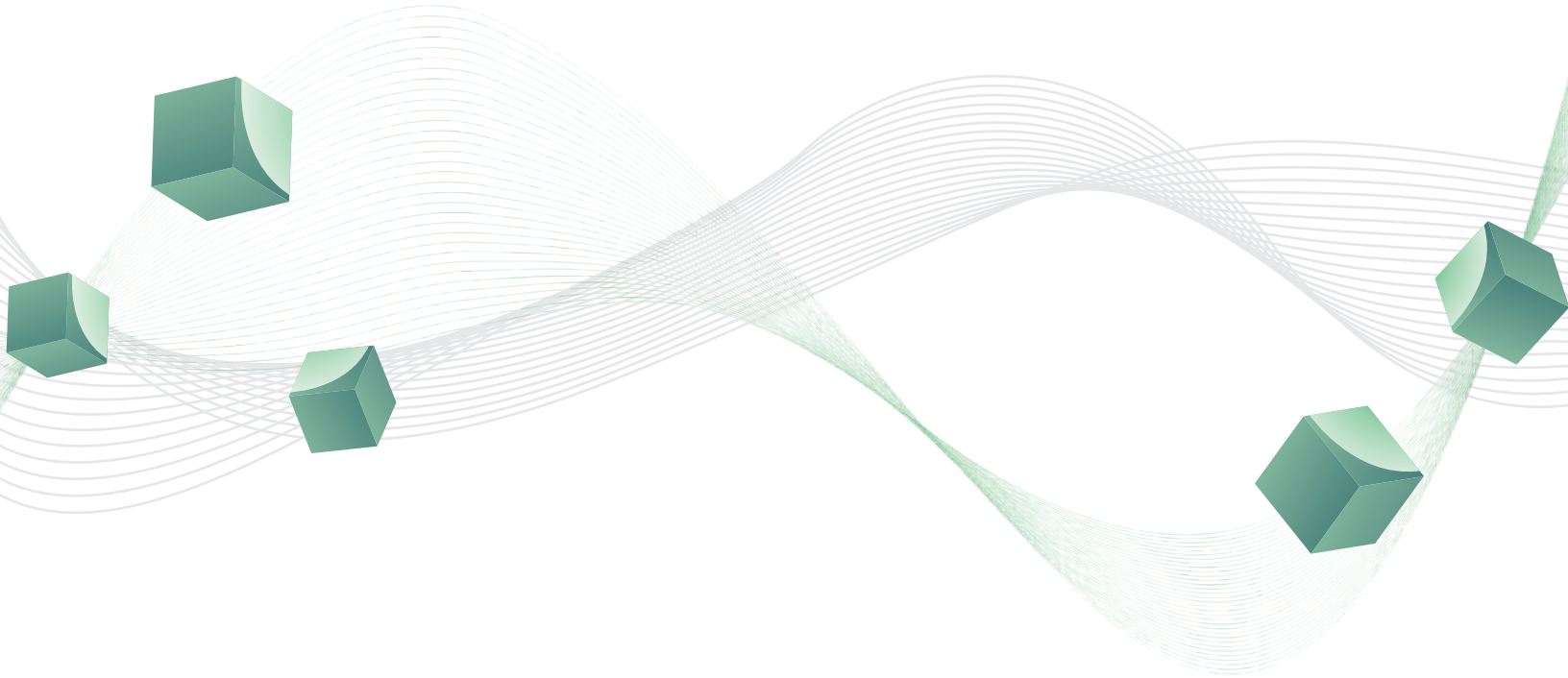


Know your Customer

Internet and mobility give insurers an upclose view of customer behaviour and preferences

What does an insurance customer look like? At one time customers bought insurance face-to-face, from a trusted, regulated advisor. The insurance company would have a file on the customer with some details – the relationship would be between the agent/ broker and the customer. Today customers can call an insurer directly, request quotes online from their website or the websites of partners and even 'like' insurers on Facebook. How can insurers adapt to this new customer model?

Historically insurers have communicated with customers through other parties - agents, brokers, banks or in the case of group life products through organisations to their staff members. In each of these cases the intermediary frequently protected its ownership of the customer. Many carriers have been and still are comfortable with this arrangement, allowing the customer contact to be maintained by a specialist third party. Increasingly though insurers are finding that they must understand this customer, previously held at arm's length, and even engage with them.

It may at first appear that this task is simpler for direct insurers. However, even in the case where a customer contacts an insurer directly this can still be in the form of email, text message, a voice call, an inquiry via a website, the download of a mobile app or even following the insurers social media presence.

Linking each of these interactions back to a single view of the customer is a particular challenge, especially where the communication has been limited or there are gaps in the information. Social media presents specific challenges in that customers may express their feelings publicly but this online profile is hard to link to an actual customer. Further, social channels typically lack the

privacy and security required to answer these queries.

Despite all this customers typically perceive an insurer to be a single entity and wants the insurer to interact with them in full knowledge of their portfolio. A customer wants to tell the insurer something once and it be remembered, for their preferences to be respected. There are advantages to the insurer too, beyond improved customer service. For instance, it is useful to the insurer to understand that the customer making a claim against a car insurance may be the owner of a small business also insured by them.

Add to this mix prospects and customers who are exposed to the insurers' marketing activity. This may include TV advertising, radio, magazine, posters and digital formats including social media. Today's insurers are becoming adept at multi-format marketing driving customers from magazines to mobile websites and Facebook pages to learn more about the advertising scheme and to further engage with the brand. Some insurers post their television adverts on social media sites where people will comment on and share the video with their friends. In these behaviours we see that some prospects can be passively engaged by a campaign. Meanwhile other prospects will actively engage with marketing campaigns, looking for more details, sharing the campaign or otherwise highlighting it to their friends.

Against this backdrop, the digital insurer must ensure that the branding and marketing across all the communication platforms is consistent. For instance, the branding and marketing materials featured on the insurer's website should be in line with the ongoing campaigns. In addition, systems dealing with sales also need to evolve over time, independent of the marketing process, and learn from how customers use the website, and where they find difficulty in completing their choice of activity.

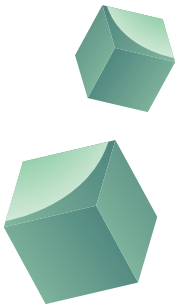
In all these interactions customers leave clues regarding their background, needs and understanding of the brand. Insurers use distinct phone numbers and marketing codes in different adverts when reaching out to customers. Also when customers call up, they often give the insurer their phone number. Today, voice recognition and analysis provide insights into who is calling and how they're feeling about the brand and products, even if the customer is unduly stressed - an indicator of fraud.

Online advertising offers its own opportunities for tracking the customer from simple techniques such as unique landing pages, marketing codes and cookies. Here insurers get insight into what customers look at as they traverse the website, whether the customer enters a sales process or logs into self-servicing applications. This tracking of customers through the sales process is the key to understanding and improving sales. Simple slips or failures in the sales process can deter customers from continuing along with bugs in the system. It is through swiftly experimenting, monitoring and correcting these details that online sales and self service channels are optimised.

Today, insurers with telematics devices in cars are finding that they can recognise individuals in the car through their driving style. Customers are distinguished by subtle differences such as when brakes are applied or how corners are taken providing a driving signature - perhaps not enough to authenticate a customer, to be certain of uniquely identifying them but enough that the insurer knows how many drivers are driving or if it is the regular driver of the vehicle.

Customer data comes in many shapes and sizes, through many different systems and is rarely connected together. Why would you take a series of accesses to the website in a web log and link that to the recorded audio from the contact centre - especially if you're not absolutely certain that it is the same customer? Why would you take a comment on a social networking website and link that to an incomplete self-service attempt on the website, or three calls to the contact centre that went unanswered?

This is exactly the type of information that now needs to be linked together to better understand the customer, and to offer great and differentiating services. The key inhibitor for many insurers is an understandable preoccupation with the truth. That is to say, what insurers frequently want in their databases and data warehouses are verifiable facts.



The great secret and the reason it is so hard to link customer data together is that the data present in most insurer's database is a mix of facts, assertions, guesses, mistypes and half-truths from customers. While the data looks like facts, actually it is a set of data collected at different moments of time, reflecting a best effort to collect the data.

Some data are facts such as "someone rang from this number on this day at this time", "someone downloaded this page on this date at this time". These are facts. If we recognised the customer's phone number or there's a cookie in the browser then we understand this interaction may be or is likely to be with that customer. If someone answers the authentication questions on the phone, or logs in to the web, these are facts. We are pretty certain that these events are linked to the customer, though not absolutely certain.

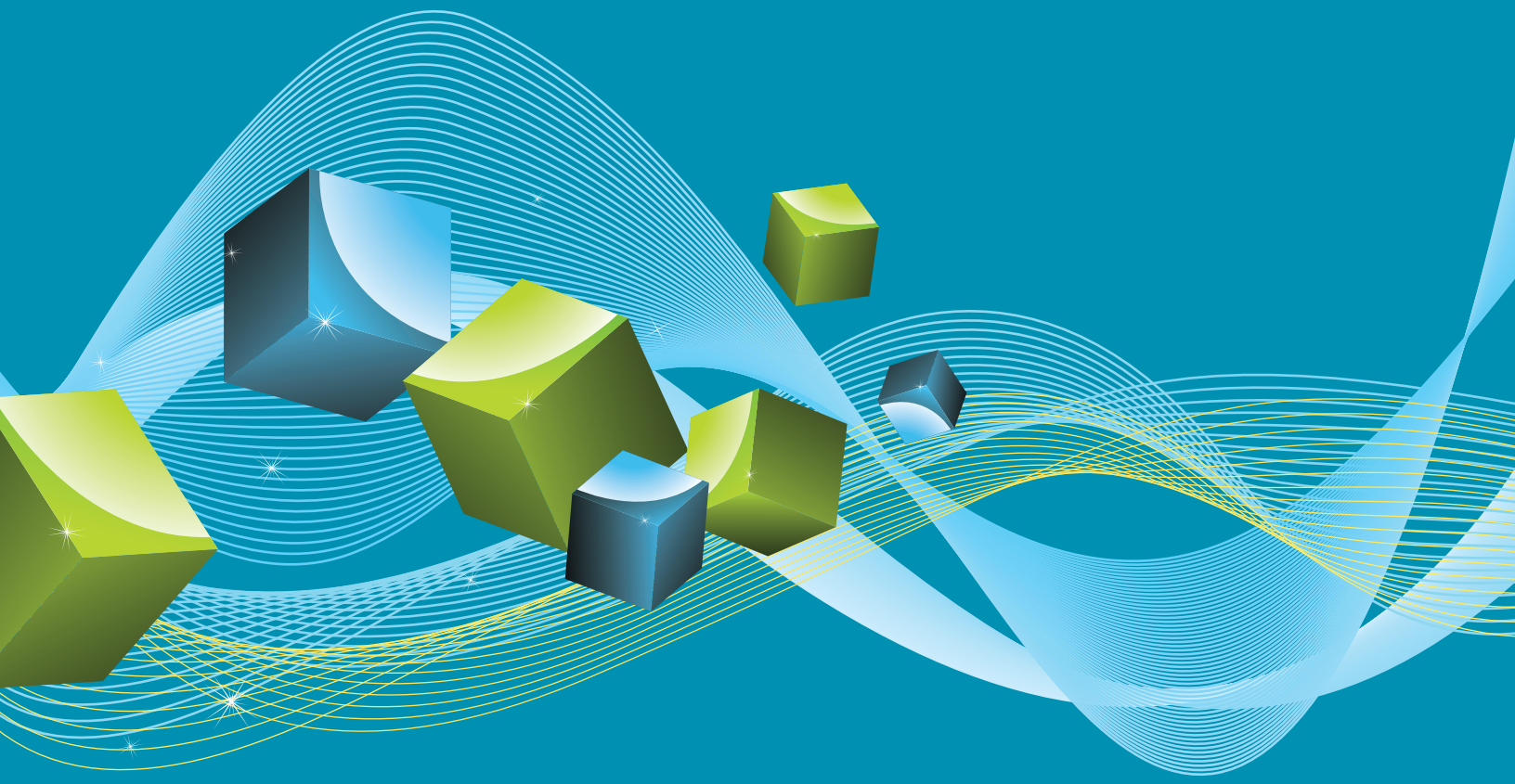
In dealing with the customer, insurers must embrace uncertainty, record both facts and possibilities and link these together. This will allow insurer staff, sales people and automated systems to make educated guesses on the next best way to help their customers and to understand what to offer their prospects.

So what should insurers be doing?

First, assemble all the customer data. Do not fear uncertainty, record it, understand what is afact, what is likely and what is a guess. Use this data when marketing customers, target them, and leverage the data in your communications and personalisation. If data is uncertain, treat it as such but don't ignore it.

Second, do not ignore the channel. Regardless of how the customer contacts you they expect you to know them, to respond in a professional way and to remember what they have already told you. This is a fine balance. The insurer must be professional. If interacting over Twitter it is incumbent on the insurer to protect the customer from sharing personal and private data through that channel. The insurer must identify and authenticate the customer before disclosing personal data, but that doesn't stop the insurer from recognising the customer, from respecting their personal preferences.

Finally, marketing and sales work in different cycles, with subtly different objectives but the governance and change processes must allow and complement each other.



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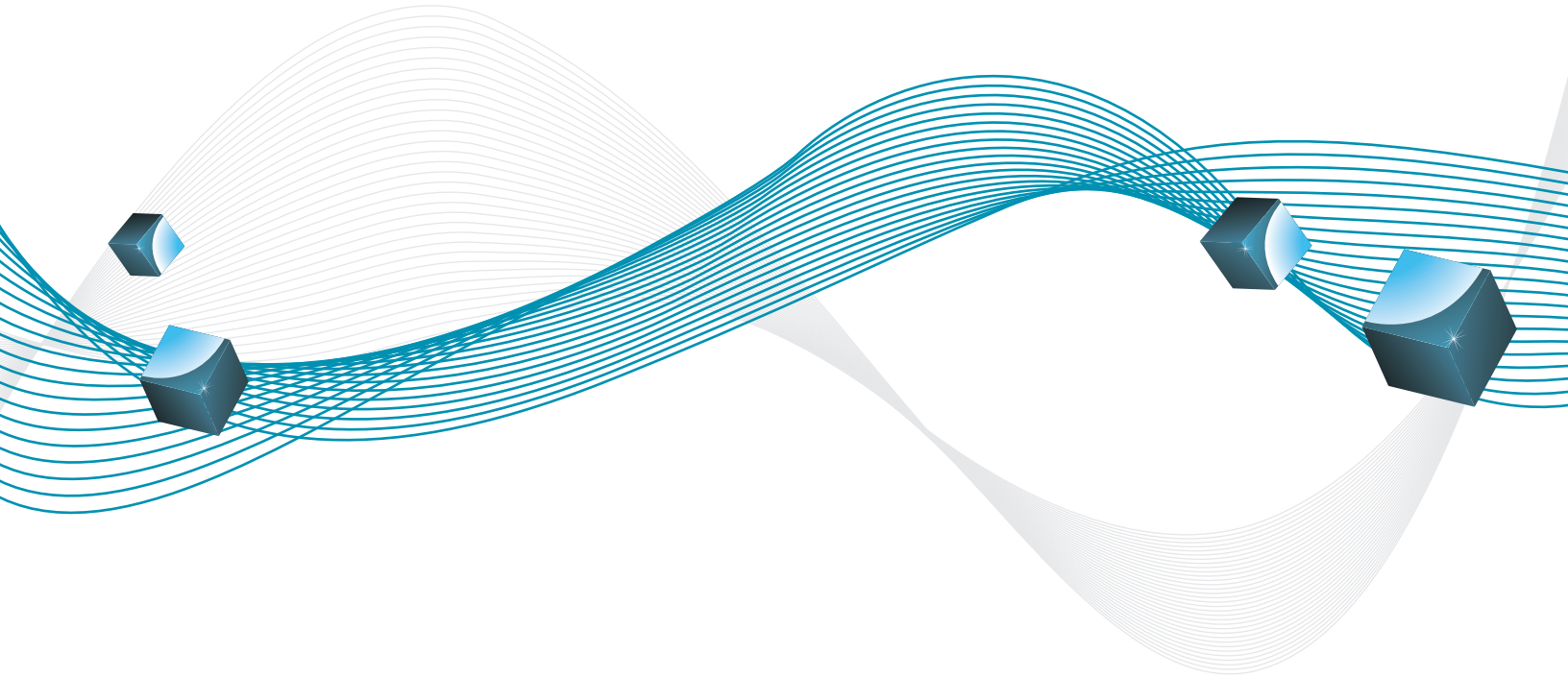


Distribution Channel - Exploring the Growing Hybrid Segment

Should insurance companies embrace new sales channels or stick with the traditional producer model?

In the past most insurance buyers worked exclusively with insurance agents to determine and address their insurance needs. The agent was the primary source of information, education, advice and other services. But today's buyers tend to look out for more choices when it comes to the fulfillment of their insurance needs.

Some buyers still value the professional advice they receive from the agent and the face-to-face interaction for the same. But some others - especially among the youth - prefer a more self-directed, independent approach to decision-making. In such instances, the agent may not play a central role in the customer's buying decision, mandating the insurance carriers to orchestrate diverse distribution channels - including the internet, call centres, social media and/or agents - to meet changing customer needs. Should insurance companies redesign their sales model around these new channels or continue with the traditional producer model?

Most carriers are looking to differentiate themselves from competition. Differentiation is primarily sought in two aspects - product features and channel distribution. When it comes to distribution, the choice is between opting for a direct channel or going with the agents.

The Big Debate

Focus on new sales channels

Point	Counterpoint
Selling direct to consumers is the wave of the future. Some day, everything will be done through the internet and other direct channels. Why wait?	People said the same thing during the dot-com boom (before it went bust). New Channels will supplement traditional channels - not replace them.
The market share for direct sales is already too big to ignore. And it's getting bigger.	Don't ignore direct sales channels - but don't bet the farm on them either. A thoughtful and balanced approach is best.
Insurance is a mature business. To achieve above-average growth, you need to look into the future and then get there first.	There's a risk of guessing wrong or getting too far ahead of the market. Pioneers often end up shot full of arrows. Better to be a fast follower.

Source: Deloitte Debates: Topic - Changing Channels: Insurance Company Models

Distribution Channels in P&C Insurance

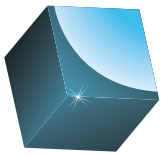
In North America, a study found that while 55% of all new auto insurance sales are handled by local agents, the percentage of buyers shopping and closing via direct channels which includes insurer websites and call centres has increased. Additionally, among buyers who changed their shopping channel, more buyers changed to direct purchasing methods (22%) compared with those who switched to using an agent (15%).

The Independent Agents (IA) channel is losing share in car insurance, even in New England states where independents have historically dominated personal lines. Meanwhile, direct response writers, particularly GEICO and Progressive, are converting private passenger drivers of all ages into customers using time-tested mass marketing and innovative branding - combined with easy, online purchasing. These competitors see prospect marketing as an investment, not an expense.

In recent years, direct response has continued to expand its share of personal auto, now at nearly 16%; each percentage point is worth hundreds of millions of premium revenue. Last year, while others saw their premiums decline, direct writers actually grew premiums by $2.3 billion - on top of $1 billion growth the previous year. Direct response writers are enjoying success in home owners segment as well, though at a less aggressive pace - for now.

Direct response writers also had strong gains from the home owner premium growth last year over the previous year - although starting at a much smaller base than any of the other channels. Direct response grew their share in this segment by 10.4% to $3.4 billion.

The UK insurance customer is highly price-sensitive and sees the online channel as a lowcost option. This is compounded by low brand loyalty. Further, UK insurance customers are also more comfortable purchasing insurance without the advice from an agent. Hence, insurers would have to ensure that they have the enabling technologies



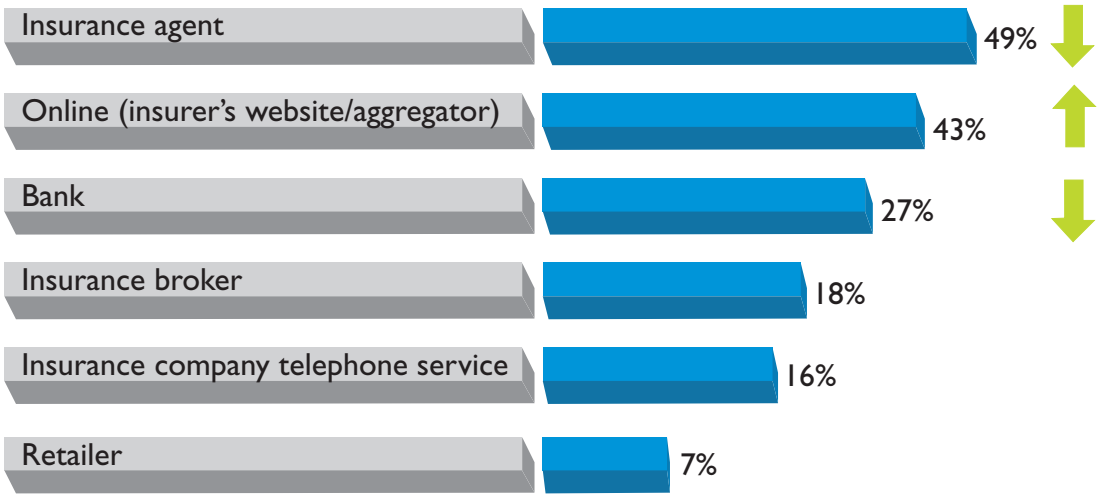
to support changing distribution strategies. A mature usage of key technology enablers will distinguish the successful providers from the rest, as the industry transitions to the post-RDR world. These technologies include rich user interfaces and portal frameworks, decision support system, Customer Relationship Management (CRM), Master Data Management (MDM), analytics and flexible integration built on multi-channel integration architectures.

Modern contract platforms will be needed to support speed-to-market with simpler products. Agile delivery and testing methods across the business and IT will also become increasingly necessary post the RDR as the insurers will need to dynamically respond to market conditions and continuously update their products and distribution interfaces.

Another key driver of success is marketing. UK insurers have invested heavily in marketing, establishing strong brands and winning customer trust. They have also invested heavily in online systems to optimise user experience, customer insight and search engine performance.

A recent survey showed the trends of different distribution channels being used as a preferred medium (shown in Figure 1).

Question: How do you expect to purchase or renew insurance in the next 12 months?



Base size - Respondents planning to purchase or renew insurance product in the next 12 months
Source: Accenture Survey, 2010.

Figure 1: Trends of different Insurance Distribution Channels

But, the same trend is not true with Life Insurance which continues to be sold mostly by Local Agents.

Distribution Channels in Life Insurance

It is often said that life insurance is sold, not bought. After-sale customer engagement is usually very limited-in some cases, customers maintain no contact with their life insurance provider until a death in the family. But the situation is different now. Customers expect more personalised services. Insurers responding to rising customer expectations will profit from it.

Distribution channel is the lifeblood of insurance business. In an emerging market like India traditional distribution channels still rule the roost in the life insurance segment. Alternative distribution channels that came up in the wake of the opening up of the sector six years ago could become the preferred distribution channels in the coming years.

In the UK, the Retail Distribution Review (RDR) of the Financial Services Authority (FSA) is due to be implemented at the end of 2012. RDR will ensure that independent financial advisers are adequately qualified. Following the RDR implementation qualified independent financial advisers may continue to deal with a whole gamut of products, a new category of sales advisers will be engaged to sell products offered by select insurance providers. Product providers will no longer be able to pay commission to financial advisers. This way, people seeking financial advice can be confident that they are receiving the best possible advice, from independent financial advisers.

The figure below is indicative of the traditional channel (agents) being the primary medium in life insurance distribution.

New Business Underwritten through various Intermediaries : Life

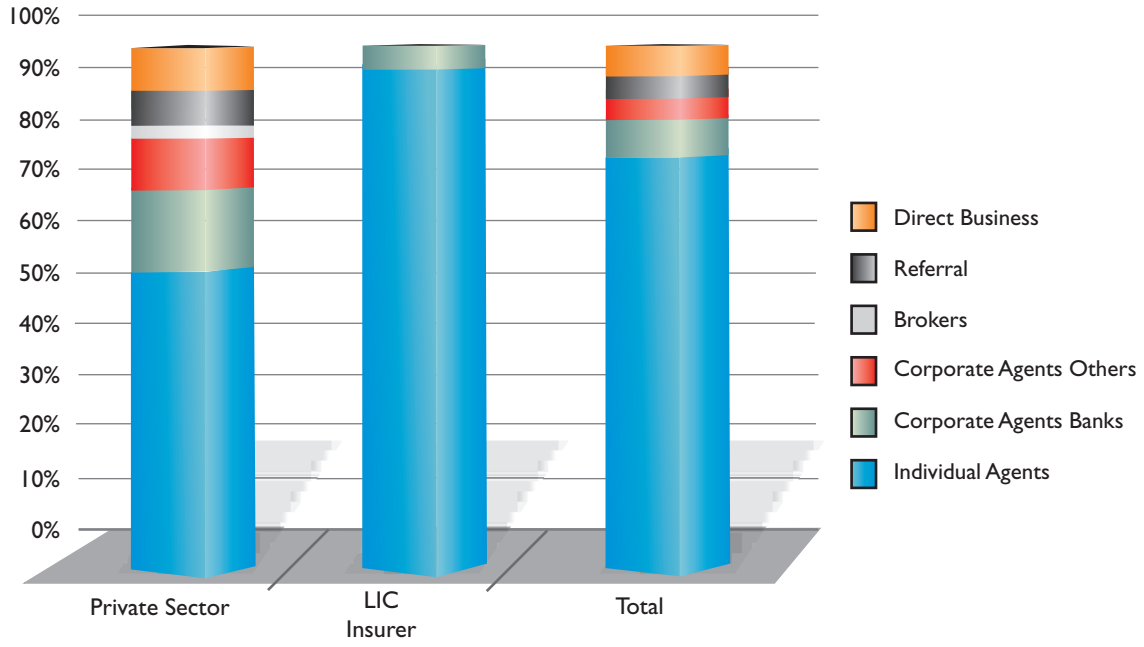


Figure 2 : Comparison between Business done through Agency and Alternative Distribution Channels in Life Insurance Industry in India.

Source: National Insurance Academy (NIA), Pune

Emergence of Hybrid Customers

The profile of an insurance customer is continually evolving. So, insurers would have to re-design their business models and value propositions to cater to new market demands, and adapt their distribution strategies accordingly. In doing so, the insurers are reaching out to one major segment that comprises "hybrid" customers who move between channels in the course of their purchasing journey. Hybrid customers tend to seek the "best of both worlds" – the ease of dealing with direct channels for gathering information and the quality of face-to-face advice when purchasing insurance policies.

To gain a deeper understanding of this evolving segment, McKinsey conducted a market research in Germany, the Netherlands, and Belgium in May and June 2010. Approximately 7,000 life insurance/retirement savings and motor (i.e., auto) insurance customers across these three countries participated in this representative online study. The survey results provide a detailed view of their channel usage along the entire purchasing process and, more importantly, the underlying drivers of their behaviour. Such findings can help insurers tailor products that meet the expectations of hybrid customers.

Hybrid Customers differ from their Pure In-Person and Direct Sales Counterparts

Motor Insurance Customer, Germany

	Pure In-Person Customer	Hybrid Customer	Direct Sales Customer
Gender	Average share of male and female customers	Above average share of male customers	Similar gender split as in-person segment
Age	Above average	Customers slightly younger than average	Above average
Income	Slightly above average	Slightly above average	Above average
Coverage	Highest share of full-risk coverage	Similar shares of full-risk and partial-risk coverage	Full-risk coverage predominates
Premiums	Full-risk premium significantly above average	For all policy types higher premiums than direct customers	Below-average premiums for all coverage types

Figure 3 : Hybrid Customer Behavior vs. Pure In-Person & Direct Sale Customers

SOURCE : McKinsey Hybrid Customer in Insurance Research 2010

Migration Patterns of Hybrid Customers

The manner in which hybrid customers switch channels along the purchasing process is highly complex and varies significantly depending on the segment and product. For example, 38% of motor insurance customers in Germany inform themselves online, yet just 16% of them actually conclude their purchase through a direct channel and 20% of all customers prefer online channels for after-sales needs. By comparison, 25% of life insurance customers in Germany gather information from direct channels and only 5% make their purchase online.

Also, it is seen that insurance customers not only switch from online to offline channels, but also from one offline channel to another (e.g., from agent to broker). Such migration within a single channel type further increases the usage-pattern complexity.

Despite the high level of individual variation, certain general trends are evident as shown in Figure 4.

Customer Migration Patterns across Channels are complex

Percentage of purchasing customers, motor insurance

New Sales, Germany

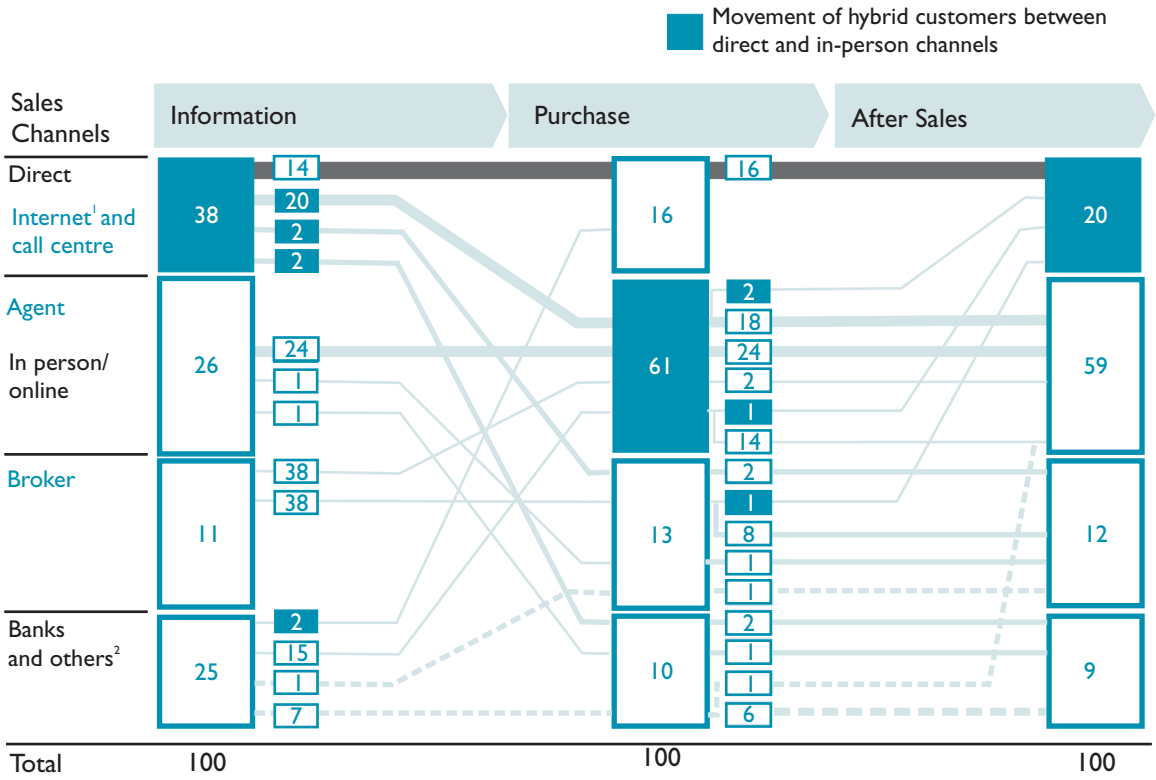
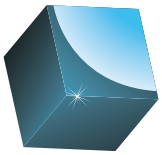


Fig 4: Customer Migration Patterns across Channels

1 Including insurer Web sites and online aggregators
2 Including car dealers
3 Policy administration only (no claims handling captured);
70- 80% of purchasing customers have not performed any policy-handling activities so far;
these customers are assumed to use the same channel for handling as for purchase

Source: McKinsey Hybrid Customer in Insurance Research 2010



Next Steps for Insurers

Insurers looking to tap the hybrid customer segment would have to take certain calibrated steps. First, they should map how their own customers migrate between channels, more so for different lines of business. This will help the insurer estimate the number of hybrid customers that they have and how the numbers compare with those of their peer firms.

The next step would be to identify the needs and decision drivers of the hybrid customers in the purchasing process and perform a gap analysis of their own offering. Using this information, the firm will be able to create a specific value proposition for hybrid customers and build a plan to deliver the offerings.

These actions should then be divided into tactical and more strategic levers. Tactical levers – which could include improving their online presence, upgrading information material, increasing service levels at the call centre and introducing quoting features on the website – are generally "quick wins" that can be implemented immediately. Strategic levers, in turn, require insurers to investigate the long-term implications of the hybrid customer behavior for their distribution strategy and business model. Such an effort would entail answering questions about customer ownership, organisational structures by product line, and necessary access points for customers. Hybrid customers make a sizeable market segment. With proper analysis and planning, any insurer will be able to tap into this segment with great success.

Conclusion

The current trends suggest that the anticipated disintermediation and demise of agent-led channels has not occurred. This is most evident in the mixed and commercial lines. While there are several factors that account for the low rate of adoption of alternative distribution channels, it may in part reflect the customer's perception that insurance is a complex product.

As noted earlier, complexity is one explanation for why different distribution systems co-exist. Given the low adoption rates for sales via the Internet, perceived complexity across insurance lines (personal and commercial) may continue to serve as a deterrent to doing business on the internet. If the internet is to experience significant gains as a distribution channel, then perceptions regarding product complexity will have to change.

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