

# **CX Opportunity in P&C Insurance**

# Fast Facts: Industry, Market, Company

Comments:

While retail P&C continues to be the dominant segment (56%), commercial P&C achieved a slightly higher growth rate in 2016-2017 (CAGR 6%).

Manufacturing is #1 industry in the world, which contributes to commercial P&C 32% of premiums.

Manufacturing is second biggest contributor of GDP in Canada.

ABC Company portfolio of business insurance customers includes manufacturers. What experience can ABC Company create for this customer?

TOP 10 INDUSTRIES BY GDP IN CANADA (IN MILLION \$) - FEB 2019



TOP INDUSTRIES CONTRIBUTING TO GROWTH IN COMMERCIAL P&C GLOBALLY

**Manufacturing 32%** | share of premiums generated **59%**  
**Professional Services 17%** | share of premiums generated **85%**  
**Trade 11%** | share of premiums generated **72%**

ABC Company BUSINESS INSURANCE CUSTOMERS

**Manufacturers**  
Wholesalers  
Construction Companies  
Business Service Providers  
Transportation & Logistics Providers  
Health & Education Service Providers

**Voice of Customer (pain point)**

**INCREASED LEVEL OF  
PERSONALIZATION**



# Insurance Industry: Disrupting Factors | Opportunity

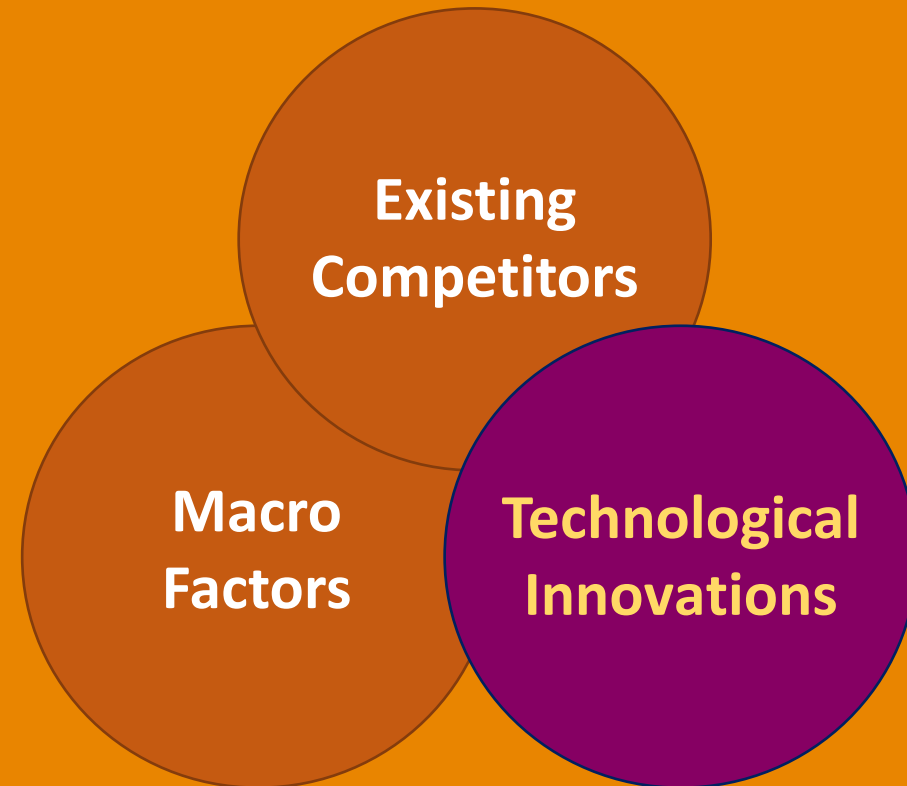
## Comments:

*Disruption creates opportunity. There may be various macro factors, which may both improve and reduce profitability (e.g. robust economic growth, higher construction activity, rising income levels, natural catastrophes, regulatory changes).*

*ABC Company operates in a highly competitive insurance industry and its ability to attract and retain business is influenced by many factors, such as the pricing of products and services, changes in products or services offered by its competitors and changes in customer service.*

*While macro factors and competition will continue to shape premium development, rapid technological innovations are transforming the insurance landscape and offer a tremendous opportunity to improve profitability and reduce costs.*

*In 2016, global Insurtech investment grew to US\$1.6B and this growth was driven by 3 major technologies, i.e. analytics, AI and IoT. These three are viewed by the industry as core in delivering increased levels of personalization.*



# Ecosystem

BY 2025, 30% OF GLOBAL GDP WILL  
BE REPRESENTED BY ECOSYSTEMS

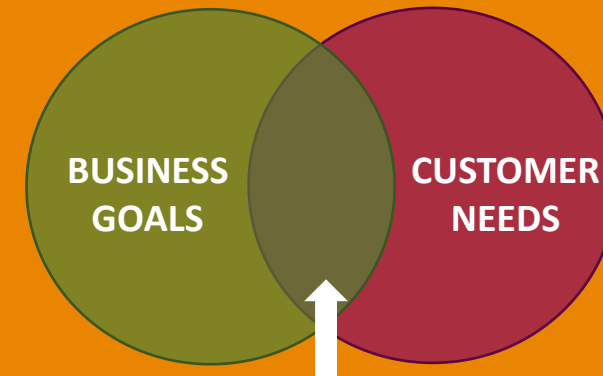
INSURANCE AS A SERVICE

## Comments:

*By 2025, 30% of global GDP will be represented by ecosystems.*

*Ecosystems are customer-centric networks through which products and services are offered by various players.*

*ABC Company could leverage ecosystems to create connected experiences for its customers and by positioning insurance as a service. Connected experiences can be best defined by understanding ABC Company business goals and its customer needs.*



**CONNECTED EXPERIENCES**



# Platform

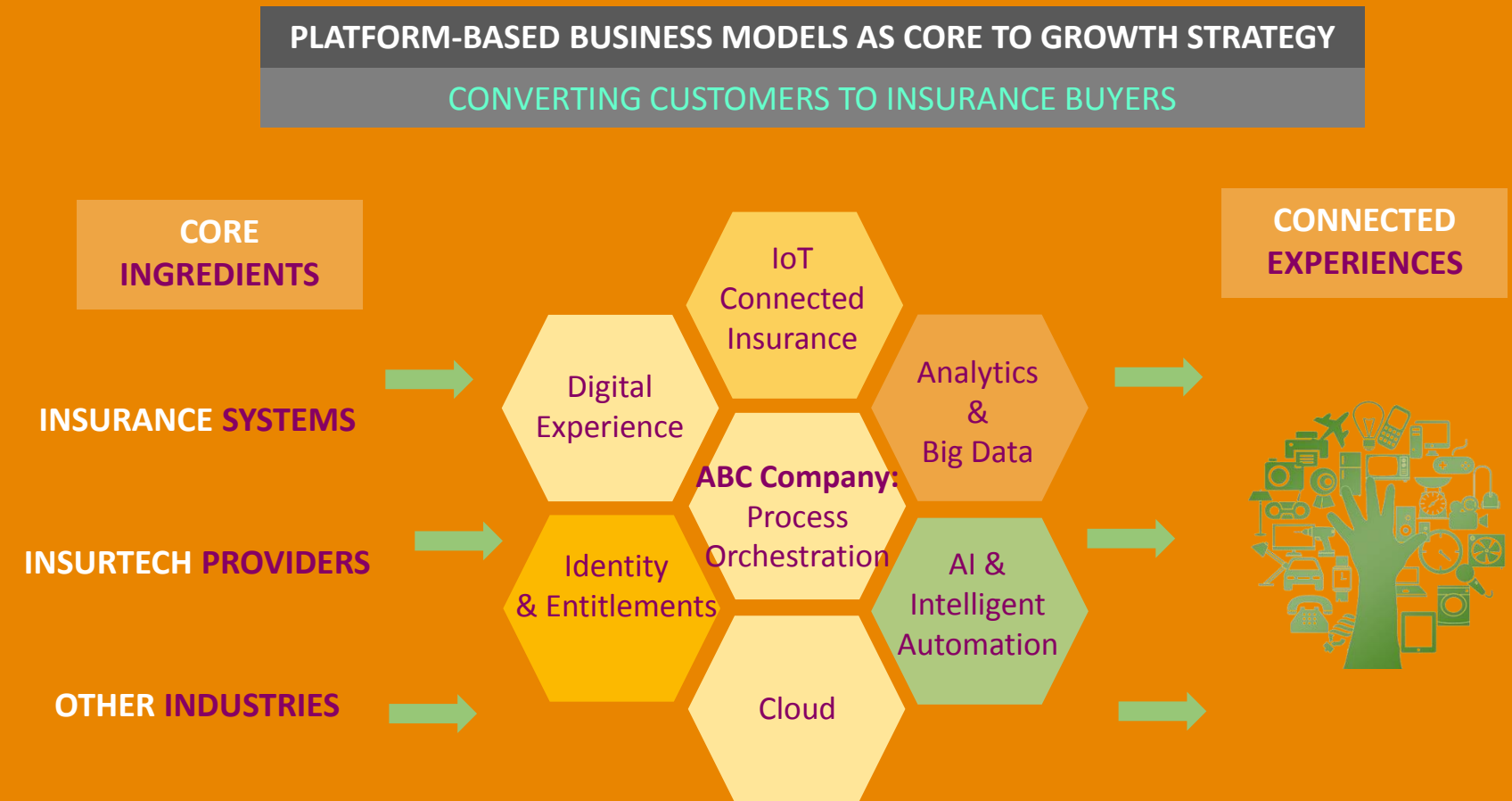
## Comments:

*Platform-based business models are becoming core to growth strategy.*

*ABC Company could play an orchestrator role by bringing together services from different participants (including other industries) on one platform, by learning from Insurtechs and leveraging existing systems (CORE INGREDIENTS).*

*ABC Company platform could offer an unparalleled digital experience to its customers by using Cloud and top technologies which are disrupting the insurance industry, i.e. analytics, AI and IoT.*

*This could help create connected experiences for existing customers, as well as acquire customers from other participants of the platform and convert them to insurance buyers.*





# Ecosystem & Platform: Why | How | What

## Comments:

**WHY:** Building ecosystems and platforms is a great way to increase level of personalization for customers. ROI from digital is higher. Customer onboarding in digital is cheaper.

**HOW:** Some of the ways to draw inspiration would be to survey customers and create tailored experiences for various generations. Blending multigenerational workforce requires collaboration and communication platforms, which on its own presents as another opportunity for ABC Company.

Non-life insurers are more digitally innovative and ABC Company could partner with other players in the industry to learn best practices. Also, 83% of incumbent insurers seek inspiration outside of insurance space (e.g. payments, analytics, data protection, healthcare). Making data strategy central to change agendas is crucial in making fact-based decisions and this is where AI and Big Data and analytics can help.

**WHAT:** Social+ business model is a great way to create ongoing, long-term RELATIONSHIP with the insured outside of bill paying and claims submission. Some of the constituents of such Social+ business model could be:

- Access to entertainment
- P2P (peer-to-peer) interaction
- Access to doctors, counselors (customer wellbeing)
- Instant assistance through digital-first model: instant diagnosis online through access platform
- Customer support in real time through virtual assistants
- Proactive service through IoT devices and wearables, i.e. tracking customer behaviours, lifestyle habits like exercise, sleep, diet; monitoring equipment location and usage, remotely triggering alarms, reporting hazards or incidents, and providing real time incident details, etc.
- Using predictive statistical modelling through AI, Analytics and Big Data to predict customer behaviours and minimize risks
- Deployment of robotic process automation to improve operational efficiency

**Social+** business model



**Thank you!**