

# Reimagining insurance distribution

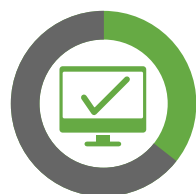
Insurers are accelerating the shift to a radically different distribution model, where digital plays an increasingly important role in the majority of interactions and agents' efforts are refocused to add more value. Only one out of five carriers reject this model. The most disruptive distribution innovation is the Internet of Things (IoT) which, among other things, is driving insurance beyond indemnification to real-time protection.

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## Key findings

- 1** Digital channels will play an increasing role at every stage of the sales process



Insurers on average expect 31% of P&C Personal Lines sales to be concluded digitally from start to finish in three years time; also 24% of Commercial and 26% of Life sales

- 2** Leading insurers are taking customer intimacy to a whole new level



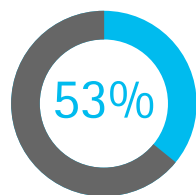
63% prioritize the use of customer data for needs-based selling

- 3** Agents are being refocused to where they can add the most value



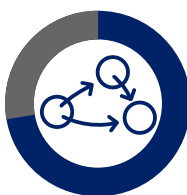
79% of insurers are redesigning their remuneration model – or discussing it – for today's omnichannel environment

- 4** Insurers expect aggregators to increasingly disrupt the economics of distribution



53% of carriers expect to use aggregators under sub-brands in 3 years' time

- 5** Insurance is being integrated into a more end-to-end buying experience that blurs industry boundaries



72% are planning to form new distribution partnerships in the near future, or have already done so

- 6** The IoT is expanding insurance beyond indemnification to real-time protection



44% of insurers consider connected devices to be a driver of revenue growth

## Recommendations

To maintain competitive advantage in a disruptive marketplace, insurers need to move swiftly & assertively.

Commit to your chosen business and distribution models, moving beyond a succession of pilots

Proactively define your position in new ecosystems, cooperation models and partnerships

Move from indemnification to real-time protection



Make innovation and customer-centricity the cornerstones of distribution strategies

Strive for simplicity of access, transactions and offerings

Focus agents on advice, value-add and deeper customer relationships