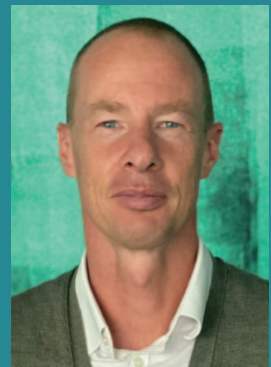


BEST'S REVIEW® ISSUES & ANSWERS: INNOVATION SHOWCASE

An expert discusses the future impact of digitalization and how reinsurers help to drive innovation in the insurance industry.



Interviewed Inside:



Carl Christensen
Swiss Re

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Digital Transformation

Carl Christensen, head of L&H platforms & data solutions, Swiss Re, said that with some 1,200 life and health insurers worldwide, there is a wide range of legacy systems in the market. “Most of them are very much different, in terms of the platform and the technology they selected, and many have begun to move forward with big digital transformation initiatives,” he said. Following are excerpts from an interview.

In this day and age of digital platforms and channels, are life insurance agents really necessary?

It’s been the question we’ve been asking ourselves for quite a while now. If we look back to the dot-com boom, people said that the end of the agents would happen around 2010. Today we recognize most of the business is still written by agents. Agents continue to play a pivotal role in giving advice, particularly in the life space. That will continue to be the case for quite a while. The key question we should recognize, though, is, “Do agents work independently of digital capabilities?” There, I would say, “No.” That tenure is starting to come to its end as more and more agent firms that have not adopted digitalization are struggling to achieve the earnings and the penetrations they should to sustain for the long term.

How can the sales process become more efficient with the use of both agents and technology?

Two models are evolving, one recognizes that you can have lead generation done in a much more effective way by recognizing the particular needs of clients and by making sure that agents cater the right product to the right consumer.

The second, most likely more impactful model, is around the agents being able to digitalize their engagement with their end-consumers. It enables the agent to move back into a more direct-to-consumer model, where they can still engage in a very digital manner and apply what they’re best at, which is to give advice.

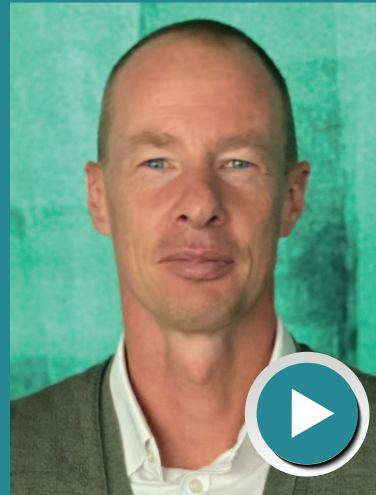
What role do reinsurers play in driving innovation?

Reinsurers have been consolidators of risk knowledge and risk transfer for a very long time now. In the last decade, our focus has evolved to also recognize that we can play a role in innovation for our primary clients. As such, reinsurers



Carl Christensen

Head of L&H Platforms & Data Solutions
Swiss Re



“Insurers are finding alternative ways to adopt digitalization by focusing on the agent while still utilizing some of their back office systems to optimize the cost and investment.”

Go to the Issues & Answers section at www.bestreview.com to watch an interview with Carl Christensen.

have developed a number of solutions that will help innovate the market in a more digital way. In the life and health arena, our core product is Magnum, an underwriting solution that processes 15 million cases a year in 27 countries. Clearly, it is a tool that helps digitalize the area of underwriting to make decisions much more quickly to assist agents and also primaries with a direct-to-consumer model.

We are also providing more solutions in the insurance value chain. We have launched a claims solutions called CARE. We’re also launching analytics solutions. In the end, we also try to make sure that we can create associated wellness and health solutions to enable the evaluation of people’s well-being to develop new products for the future and assist in product innovation.

