

Adriatic Slovenica – AS

Best practice Channel Distribution

ALLFINANZ International User Conference

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Slovenia



25 years of independence, population: 2 mio

Capital, largest city: **Ljubljana** (green capital of Europe)

Joined the European Union: 1 May 2004

How Slovenia looks like?



**I FEEL
SLOVENIA**

Company profile – Adriatic Slovenica



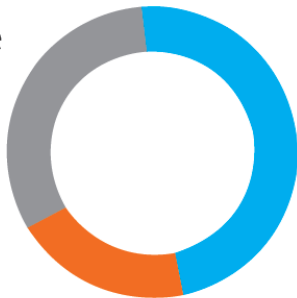
Company profile – Adriatic Slovenica

AS is the only insurance company in Slovenia offering its clients **comprehensive insurance protection.**

The following insurance types are available under one roof:

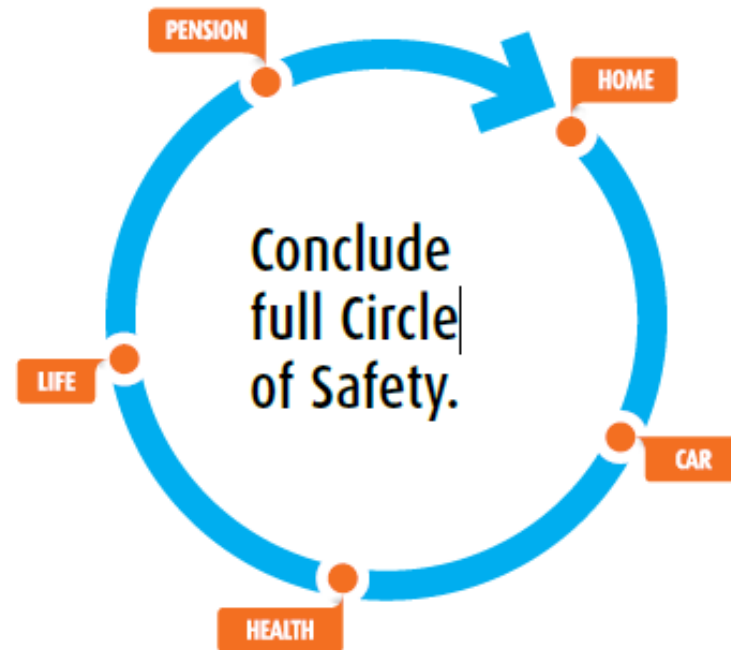
- **Health,**
- **Property,**
- **Life and Pension Insurance.**

34%
Health
Insurance



46%
Property
Insurance

20%
Life
Insurance



Reputation (Kline & Partner, 2015)

- The business public ranks Adriatic Slovenia in **3rd** place among financial institutions.

Insurance Monitor Survey (Zavarovalniški monitor, 2015)

- Among all spontaneously cited insurance companies, Adriatic Slovenia ranked **2nd**.
- Adriatic Slovenia achieved a **Net Promoter Score of +12**.
- The policyholders of Adriatic Slovenica **are most satisfied** with the response of the insurance company in the establishment of damage claims.

We look after you because we want you to feel safe. Always and everywhere, at every step.

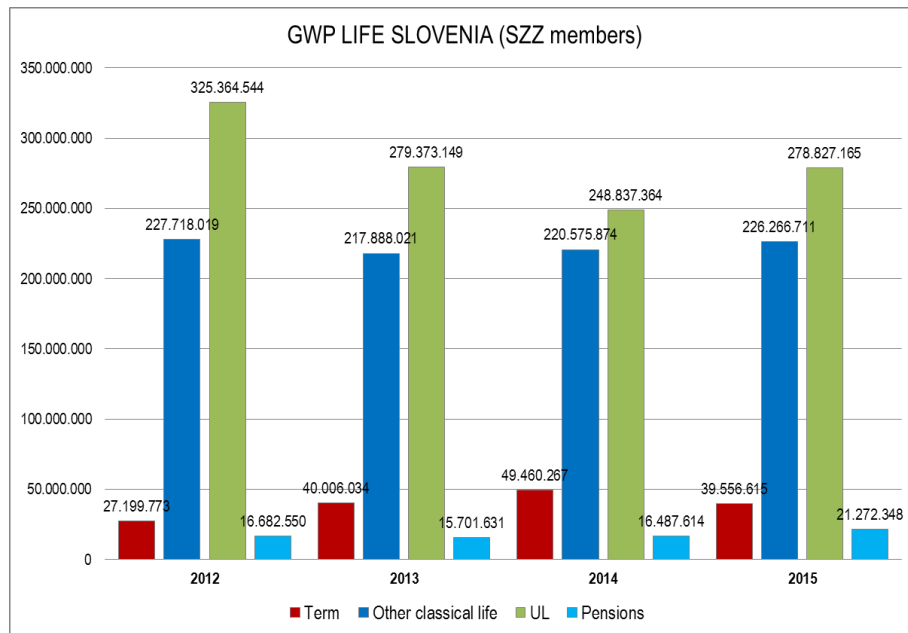
SATISFACTION
COMES FIRST



Healthy key markets – life insurance

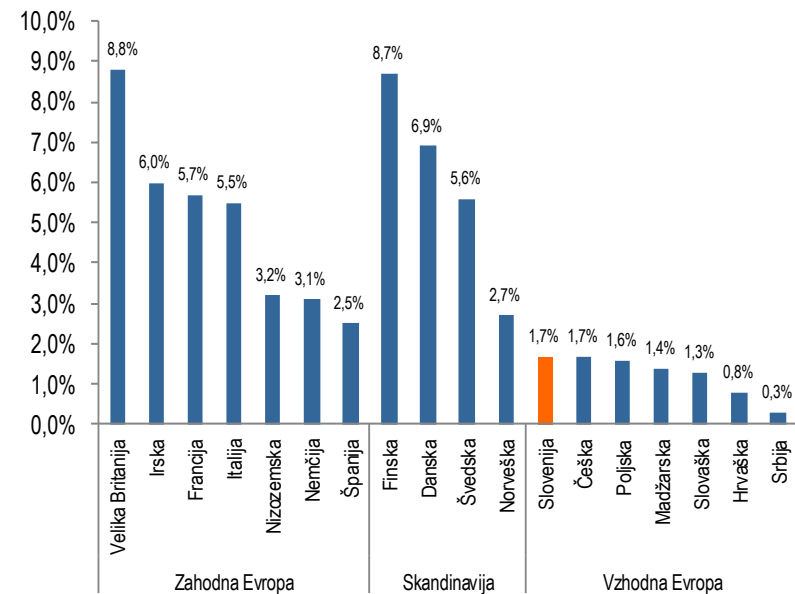
The financial crisis has significantly affected the life insurance market, even though the current penetration rates represent an appreciable growth potential

GWP Life Insurance in Slovenia



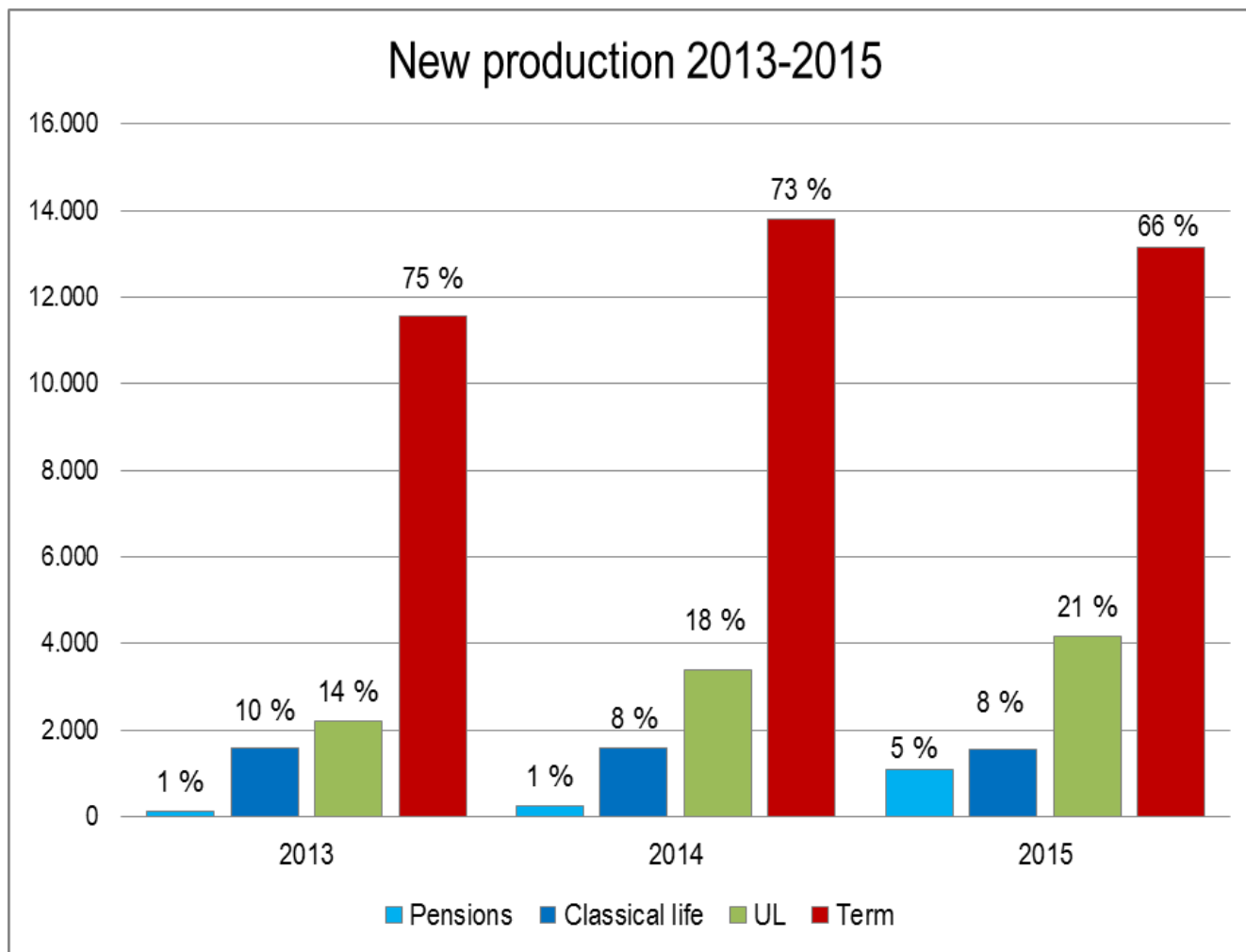
- ▶ Significant shrinking of the life insurance market in Slovenia is a result of the financial crisis
- ▶ Unit-linked life insurance recorded a significant drop, as a result of a high volatility in financial markets in EU
- ▶ Consecutive move to term life insurance

Market Potential: Life insurance premium as % of GDP by Countries

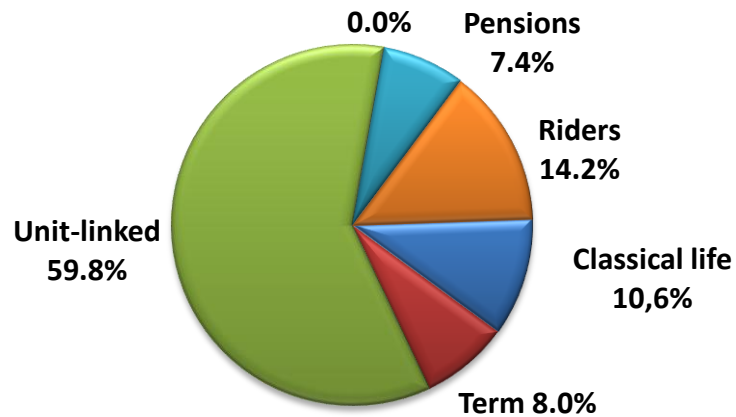


- ▶ Penetration in the life insurance market is significantly below levels in the Western Europe and Scandinavia which represents a significant growth potential
- ▶ Recovery is expected when financial markets in EU will stabilise
- ▶ Appreciable opportunities in the area of pension products due to pension system reforms
- ▶ Annuity market is currently significantly underdeveloped
- ▶ Penetration rates are to a great extent defined by the legislative and political environment

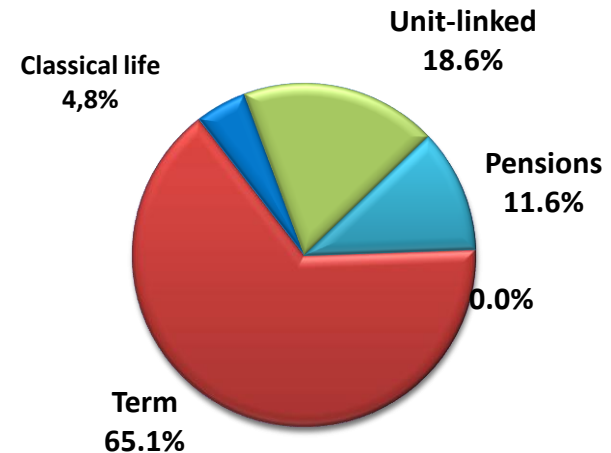
Adriatic Slovenica: Life & pensions 2013-2015



GWP structure



New production - structure



Shift to risk products

→ AUW getting more and more important

- Term insurance
- Unit linked insurance
- Endowment insurance
- Wholelife insurance

Riders:

- Additional accidental rider
- Critical illness rider
- WOP

Hočem!
ZAGOTOVLJENO VIŠJO POKOJNINO ZAME IN STIPENDIJO ZANJ.

Dobra novica → Aktivni

IZBERITE PRAVO FONDPOLICO, KI POSKRBI ZA BREZSKRBNNO PRIHODNOST

Družina Fondpolice as
www.as.si 080 11 10

Z napredno tehnologijo do optimalnega upravljanja vaših sredstev!

OMEJENA IZDAJA!

VARNOST V VSEH ŽIVLJENJSKIH TRENUTKIH

CELOVITA VARNOST ZA BREZSKRBNNO JESEN ŽIVLJENJA

Življenjski kasko Asistenca življenja as
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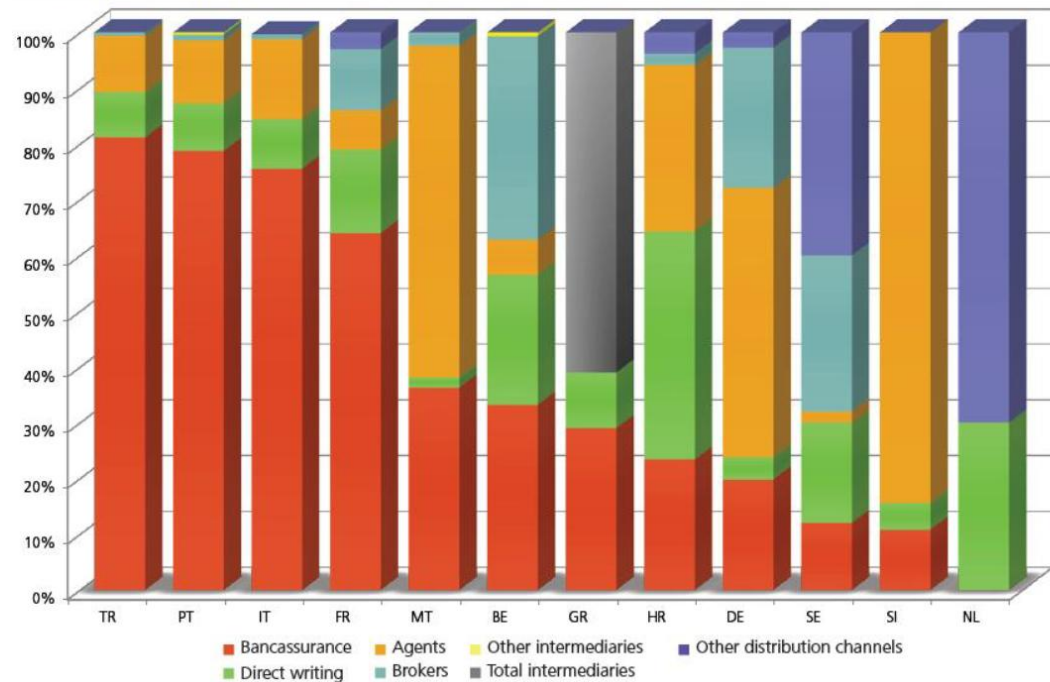
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Insurance Europe (European Insurance, Key facts, August 2015)

- Own agents
- Agencies
- Direct sales

Life distribution channels by country (% of GWP) — 2013





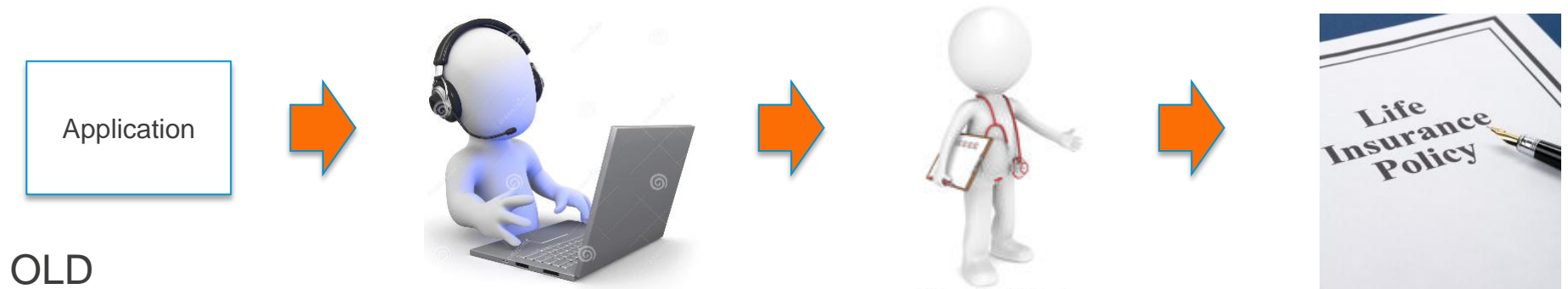
- Paperwork process
 - High administration costs
 - Mistakes (claims)
 - Client unfriendly and longlasting process of life insurance policy conclusion
- > Provide a simple, process supported, user friendly and most of all cost efficient portal-based solution for the conclusion of life insurance

Main project goals

- Reduce the costs which occur at the conclusion of life insurance (paper)
- Simplify the risk assessment procedures in underwriting (UW)
- Reduce claims
- Reduce time in the underwriting procedure (80 % STP Rate planned)
- Provide the client a friendly procedure of the conclusion of life insurance policies



Process – old and new

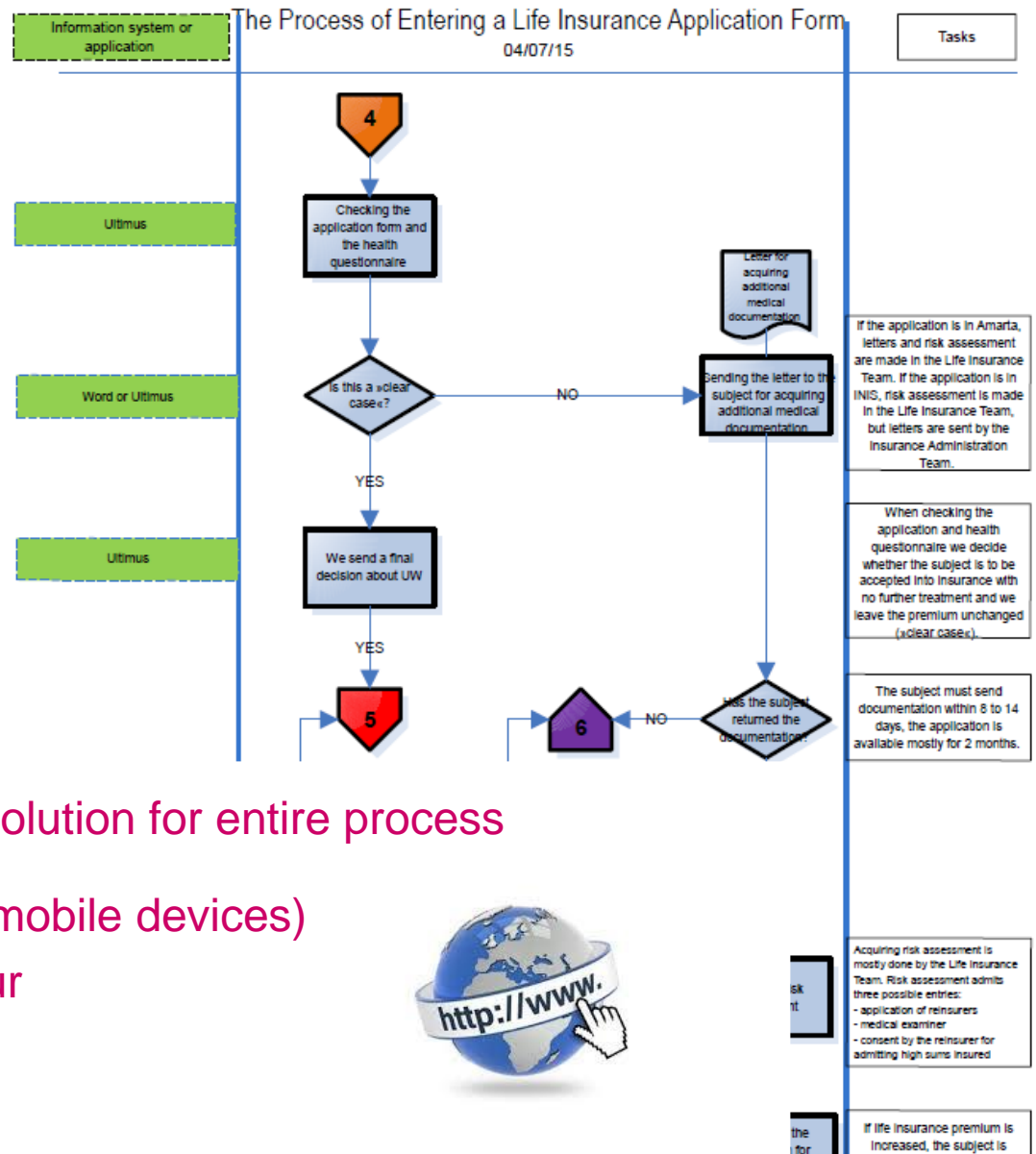


NEW



Processes

1. Offline solution for calc
2. Manual applications (of
3. Manual data entering ir
4. UW process



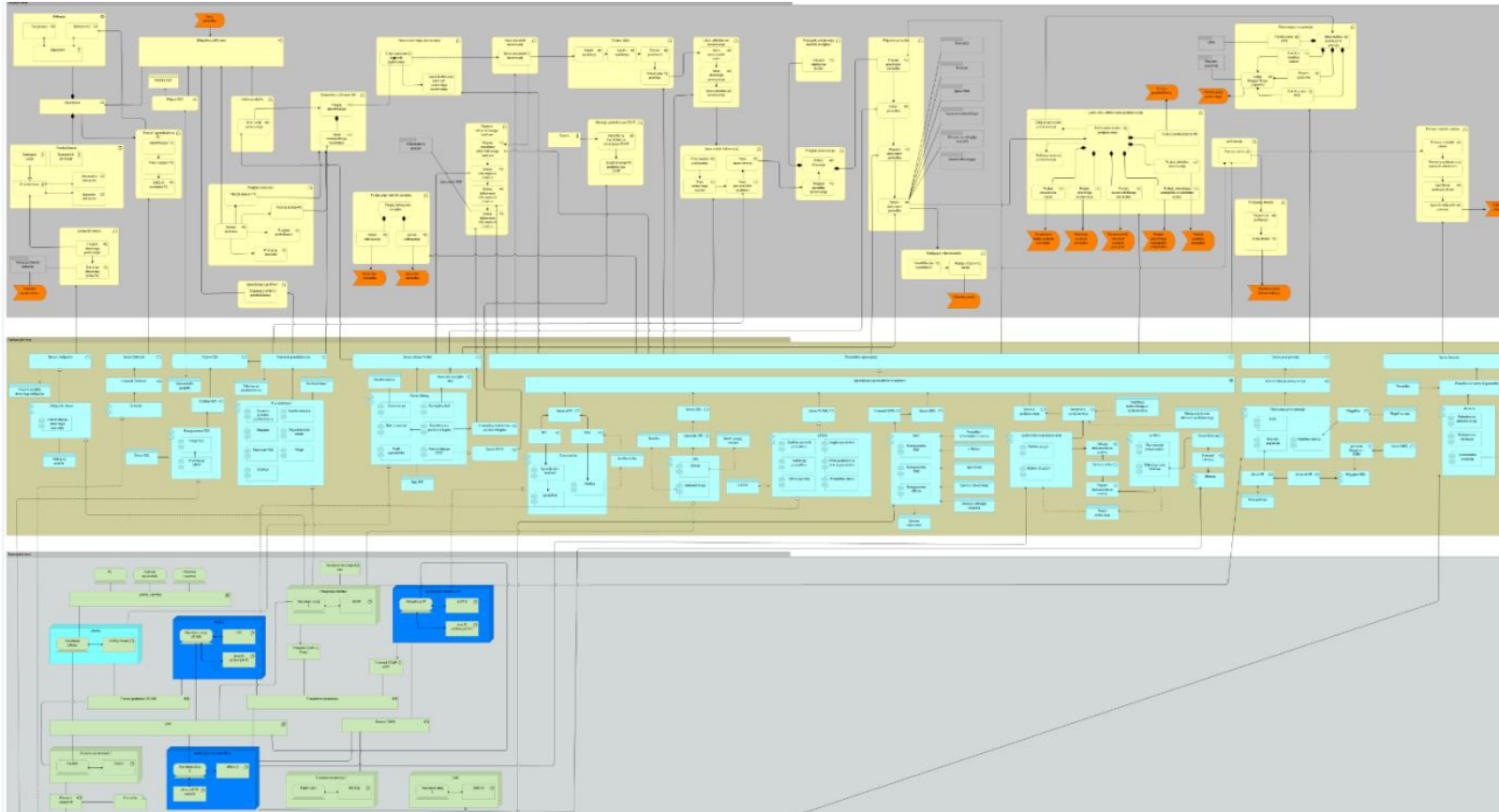
Elife project → automated solution for entire process

- web based solution (incl. mobile devices)
- dynamic product behaviour
- paperless work
- AUW



Integrations – slide is not ok!

among all AS IT systems



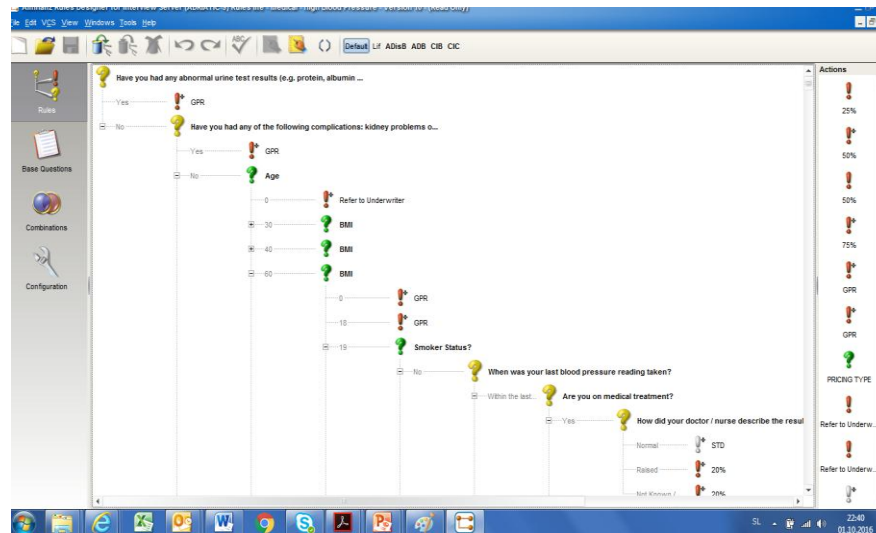
Project timeline

1. Elife project concept
 - September 2014
2. Elife project kickoff
 - March 2015
3. AUW subproject kickoff
 - September 2015
4. Implementation of rules and translations for AUW
 - August 2016 (CI)
5. Testing the Elife application
 - from April 2015
6. Go live
 - end of 2016

ALLFINANZ interview server + Rules Designer (Questions & Decision Trees)

MOST IMPORTANT FOR the user... and underwriter:

- simple language of the questions,
- few reflexive questions,
- all relevant underwriting categories (medical, pastimes, occupation...)



Defining rules for AUW (end of 2015)

- **Fact find – determine current UW procedures and objectives**
(current UW practice, needs and objectives,)
- **Review of generic rules, gap analysis**
(content of rulebook, question wording, 20 Top conditions, reflexive questions)
- **Application question design** (question filtering, necessary questions to ask)
- **Rules customization** (tailored to meet specific market needs)



Short health questionnaire – 5 questions

SA up to 100.000 €, age limit up to 45 years

- | | |
|---|--|
| 1 | Within the next 12 months, do you intend to travel to a country outside Europe or North America for longer than 30 days? You don't need to disclose business trips. |
| 2 | Have you ever attempted to take out life insurance or additional insurance but your application was declined or offered under special terms of conditions? |
| 3 | Do you have or have you ever had any physical deficiencies or handicap, organ defects, or congenital diseases? |
| 4 | In the last 5 years have you consulted a medical doctor, alternative practitioner, physio- or psychotherapist or any – also non-medical – therapist for treatment, examination or consulting? Please do NOT disclose: Common colds, sore throats, skin, ears, nose, eyes, orthopaedic disorders, dental treatments and – if with normal results only - also screening tests. |
| 5 | Do you intend to undertake an examination or surgery? |

Short health questionnaire

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4

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involving sales



as short questionnaire as possible

How the application works?



dublin_elife_skupna_720.html

Critical illness, wholelife

Adriatic Slovenica adopts questions and loadings for:

- **CI rider**
- **Wholelife (funeral insurance)**



Lessons learned, looking ahead

- Involving sales channels in application testing,
- Front end application is more time consuming than AUW,
- Promotional video for end users,
- Training and education of sales force,
- Training video for selflearning,
- Underwriters will track the data for analysis.



Benefits to achieve

- Quick and smooth procedure of the conclusion of life insurance policies ,
- Simplify the risk assessment procedures in underwriting (UW)
- Less employed persons in backoffice,
- Lower administration costs,
- Provide the client a friendly procedure of the conclusion of life insurance policies .





New Dimensions of Safety

Thank you for your attention!

