

Cutting Through the Buzz

-The Real Economics of AI in Insurance Distribution

Na Jia

Chief Executive Officer, RSG
19th August 2026

Asian Actuarial Conference
Singapore



Where we are going

01

The gold rush

Unprecedented enthusiasm. Unprecedented capital. One untested assumption.

02

Who is winning

Suppliers are booking record revenue. Adopters are still looking for the return.

03

Why distribution is different

Insurance is sold into aspiration, trust and mortality — not into a shopping cart.

04

Three real case studies

Better conversion. Worse economics. And the model that actually worked.

05

The questions to ask

Volume, infrastructure, process — before the budget is approved.

The AI gold rush has begun

Over the past two years — and especially the last six months — we have witnessed enthusiasm without precedent in our industry.

Every insurer

has an AI strategy

Every conference

features AI

Every vendor

claims AI capability

Every board

is asking management about AI

AND BENEATH ALL OF IT, ONE ASSUMPTION

More AI investment = Better business outcomes

Meanwhile, global investment has exploded



AI infrastructure

Billions committed to compute capacity the industry has never had to fund before.



GPUs & data centres

Demand outstripping supply, with lead times and prices set by the supplier.



Cloud computing

Costs rising, not falling, as workloads move from pilots into production.



Large language models

Per-token pricing that scales with usage — an operating cost, not a one-off build.

Every one of those line items is a real cash cost. **None of them is a revenue guarantee.**

More AI investment = Better business outcomes

But is it really true?

Do you wonder whether the economics actually work?

The AI economy: who is actually winning?

UNQUESTIONABLY WINNING TODAY

Infrastructure providers

- Chip manufacturers
- Cloud providers
- Foundation model providers
- AI software vendors

Revenues and valuations at historic highs.

STILL LOOKING FOR THE RETURN

The businesses buying it

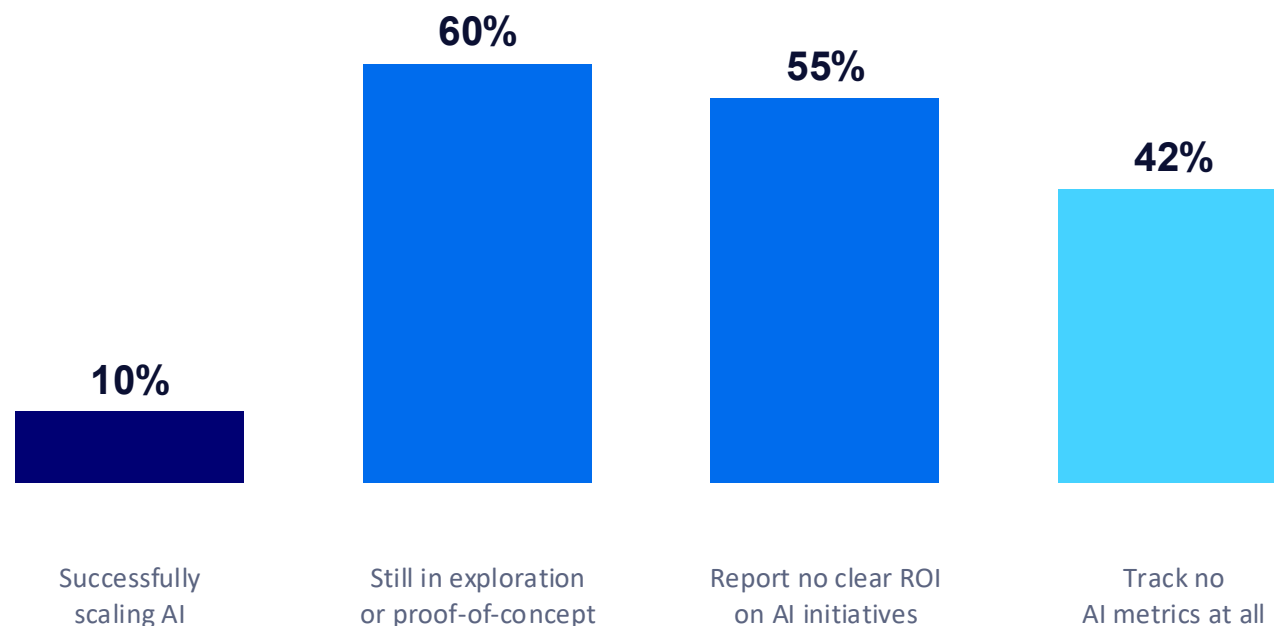
Across industries, productivity gains from AI remain difficult to quantify — and harder still to attribute to a specific investment.

Only 1 in 10 insurers is successfully scaling AI. 6 in 10 remain in exploration or proof-of-concept.

The question is no longer whether AI can do amazing things. It is: **who is capturing the economic value?**

Scaling and proof-of-concept figures: Capgemini Research Institute, World Property & Casualty Insurance Report 2026 (344 insurance executives, 18 countries).

The industry is spending. It is not yet scaling.



Read those four bars together

Most of the industry is not failing at AI. It has not yet reached the point where success or failure can be measured.

And where the money goes tells you why: 72% of insurers' AI investment goes to technology and infrastructure. Only 28% goes to the change management that makes people use it.

Capgemini Research Institute, World Property & Casualty Insurance Report 2026 — 344 P&C insurance executives and 1,113 policyholders across 18 countries; fieldwork December 2025 – March 2026.

“

**As actuaries, we care about
return on investment —
not just technological capability.**

That distinction is the entire subject of this talk.

Insurance distribution is not e-commerce

Our customers are not choosing a hotel. They are making decisions about:

Death

Illness

Retirement

Financial security

SO WHAT ACTUALLY CLOSES THE SALE

Trust

Empathy

Human reassurance

AND WHAT STILL STOPS THEM

- Disclosing personal information to an AI
- Buying protection from a bot
- Being afraid of scams

AI capability $\neq$ customer acceptance

They adopt AI as a tool — not as the authority

73%

of affluent investors across ten markets now use AI for finance and investment

12%

say AI is the most influential factor in their actual investment decisions

80%

still value a human adviser for reassurance and context

50%

say their ideal approach is hybrid — AI and a human adviser together

AND IN THIS MARKET, THE PROOF IS IN THE PREMIUM

96.8% of Singapore's 2025 new business premium came through a human intermediary. **Online direct: 1.2%.**

HSBC / Ipsos, "The Trust Threshold", June 2026 (9,993 affluent and HNW investors, 10 markets, fieldwork Jan–Feb 2026) · Life Insurance Association Singapore, 4Q2025 results, 11 February 2026 (channel shares of weighted new business premium).

**People don't buy insurance
because AI can sell.**

**People buy insurance
because they trust.**

Generative AI automating customer outreach, intent qualification and agent handoff

Client:



Project:

AI Outbound Calls to Existing Customers



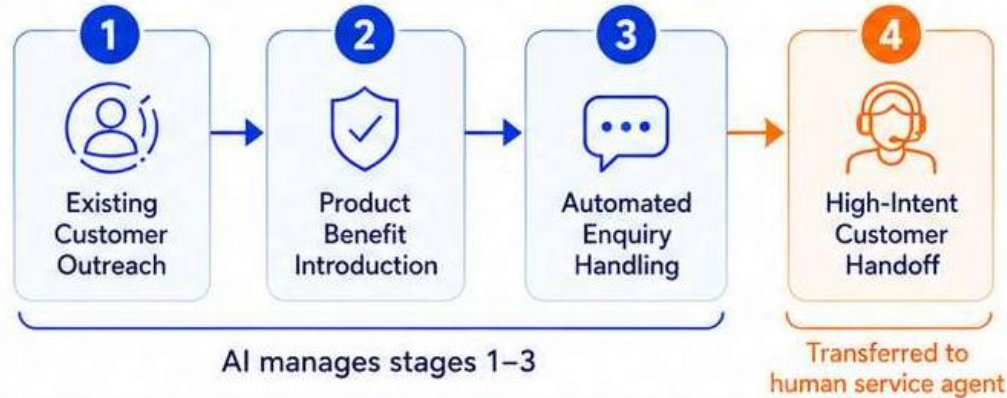
Business Objective:

Automate marketing calls, introduce insurance product benefits, answer enquiries and identify customers with higher purchase intent.



Japan

Outbound Customer Journey



Core Capabilities



Insurance-Specific Conversation Model



Natural Voice Modelled on High-Performing Agents



Context-Aware Voicemail Handling



Real-Time Intent Detection



Quality Control & Complaint Prevention

Source-Reported Results



10%+

Medium-to-High Intent Rate



300%+

Conversion Uplift



60%

Increase in Daily Calls per Agent

Business Value



Reduced Manual Outbound Workload



Faster Identification of Higher-Intent Customers



More Consistent Responses and Lower Complaint Risk



AI Handles Outreach and Qualification

Service agents focus their time on customers with higher purchase intent

Higher conversion... but lower economics?

A live POC (proof-of-concept) run with one of our clients. The AI did exactly what it was asked to do.

2.88%

AI campaign response rate

0.7 – 1.0%

Normal campaign benchmark

19,506

Total leads in the campaign

485 → 15 Sales

Leads handed to human agents

TRADITIONAL	AI-ASSISTED
High lead volume	Lower lead volume
Lower conversion	Higher conversion
Lower infrastructure cost	Higher infrastructure cost
Human screening	AI pre-screening
High acquisition ratio (215% first year prem)	Lower acquisition ratio (114%)

RSG client proof-of-concept.

Business implication for us at RSG



.EZ 少額短期保険
Small Amount & Short Term Insurance

NEWS Aug 6, 2026

RSG Congratulates EZ SSI on Completion of Registration

RSG is pleased to announce that its subsidiary, EZSSI Co., Ltd. (formerly SEED-INS Co., Ltd.) ("EZSSI"), has successfully obtained registration as a Small Amount and Short Term Insurance Provider

Read more →

<https://www.rsgrouptech.com/news/ezssi-announcement>

Insurance is sold, not bought

In Japan, digital insurers (SASTIs) face a fundamental economic dilemma. With annual premiums typically below US\$100, the economics simply cannot support a traditional, human-intensive distribution model. Yet time and again, a fully digital, self-service model with NO human assistance has struggled to convert customers.

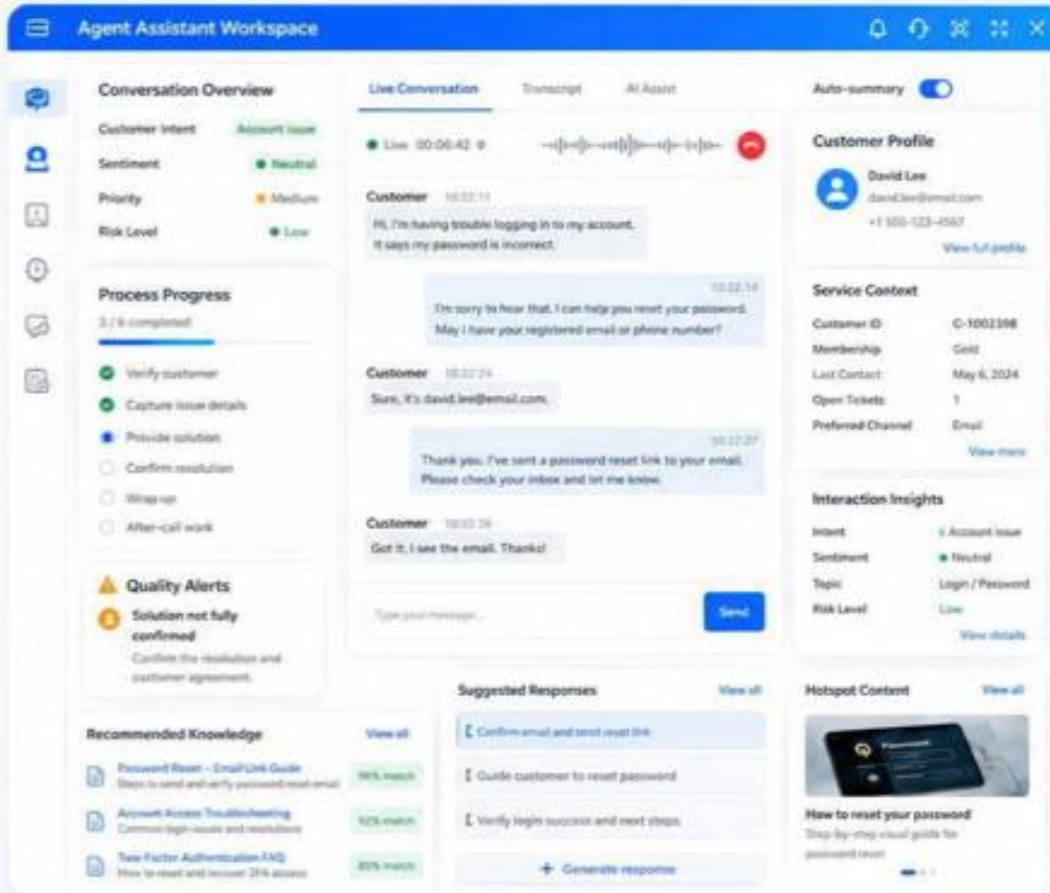
The industry is caught in a bind: human distribution is too expensive, but pure digital distribution does not sell.

THE RSG Approach

Historically, RSG has worked with major banks and credit card partners on direct marketing. With the recent approval of a digital insurer (SASTI) licence, RSG is now building a new distribution model: working with partners to onboard customers at scale through free or highly affordable insurance products, using AI to engage and identify potential needs, before handing qualified customers over to human agents for the cross-sell and up-sell of higher-value products.

The model combines the scalability of AI with the trust and effectiveness of human sales—making the economics of digital insurance work.

Real-time guidance for faster, more consistent customer service, set up within an insurer's environment



Agent Assistant Workspace

Conversation Overview

- Customer Intent: Account issue
- Sentiment: Neutral
- Priority: Medium
- Risk Level: Low

Process Progress

2 / 6 completed

- Verify customer
- Capture issue details
- Provide solution
- Confirm resolution
- Wrap up
- After-call work

Quality Alerts

- Solution not fully confirmed
- Confirm the resolution and customer agreement.

Recommended Knowledge

- Password Reset - Email Link Guide (90% match)
- Account Access Troubleshooting (80% match)
- Two-Factor Authentication FAQ (80% match)

Live Conversation

Live: 00:06:42

Customer: 10:02:11

Hi, I'm having trouble logging in to my account. It says my password is incorrect.

10:02:14

I'm sorry to hear that. I can help you reset your password. May I have your registered email or phone number?

Customer: 10:02:24

Sure, it's david.lee@email.com.

10:02:27

Thank you. I've sent a password reset link to your email. Please check your inbox and let me know.

Customer: 10:03:36

Got it, I see the email. Thank!

Customer Profile

David Lee
david.lee@email.com
+1 555-123-4567

Service Context

Customer ID: C-1002198
Membership: Gold
Last Contact: May 6, 2024
Open Tickets: 1
Preferred Channel: Email

Interaction Insights

Intent: Account issue
Sentiment: Neutral
Topic: Login / Password
Risk Level: Low

Suggested Responses

- Confirm email and send reset link
- Guide customer to reset password
- Verify login success and next steps

Hotspot Content

How to reset your password

Step-by-step visual guide for password reset

Policy & Service Inquiry

Support agents in handling policy, payment, claims, account, and general service inquiries.

Complaint & Exception Handling

Identify risk signals, guide escalation, and support sensitive or non-standard cases.

Complex Process Support

Guide agents through multi-step service processes and reduce missed or inconsistent actions.

Real-Time Customer Understanding

Recognize intent, sentiment, customer profile, and service context.

Knowledge & Script Recommendation

Recommend approved knowledge, response scripts, and relevant content.

Process Guidance & Quality Reminder

Guide required steps and surface real-time quality or risk reminders.

Intelligent Extraction & After-Call Output

Extract key information and generate summaries, work orders, and follow-up actions.

Higher Service Efficiency

Better Customer Experience

Lower Operational Risk

More Consistent Service Quality

When good technology creates bad economics

Powerful technology. Different market. Here are the high level numbers to date

QUARTERLY INVESTMENT

Infrastructure	CN¥200,000
Human cost	CN¥ 50,000
Total quarterly outlay	CN¥250,000

MONTHLY PREMIUM GENERATED

CN¥100,000

Premium — not margin, not profit. The gross top line the project produced.

Would you still approve this project? *Probably not.*

RSG client engagement, illustrative figures as presented at investment approval.

LEARNINGS AT RSG - BEFORE THE BUDGET IS SIGNED, ASK THREE THINGS

1

What is my break-even volume?

Not “does it work” — at what transaction count does it pay for itself?

2

Can I start with SaaS?

Rent the capability. Convert fixed cost into variable cost until volume is proven.

3

Can I validate the economics before building the infrastructure?

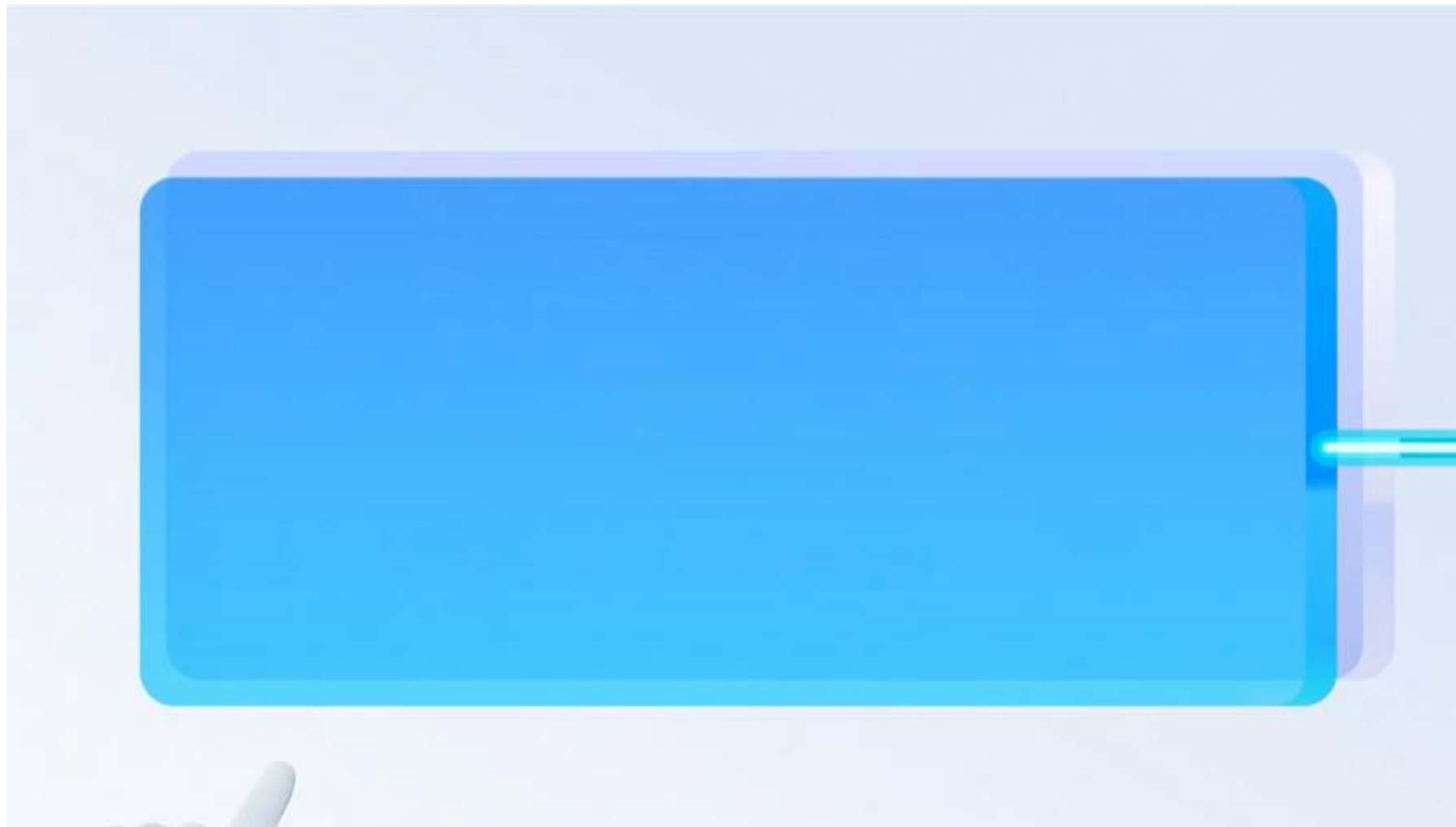
Prove the unit economics on someone else's platform first.

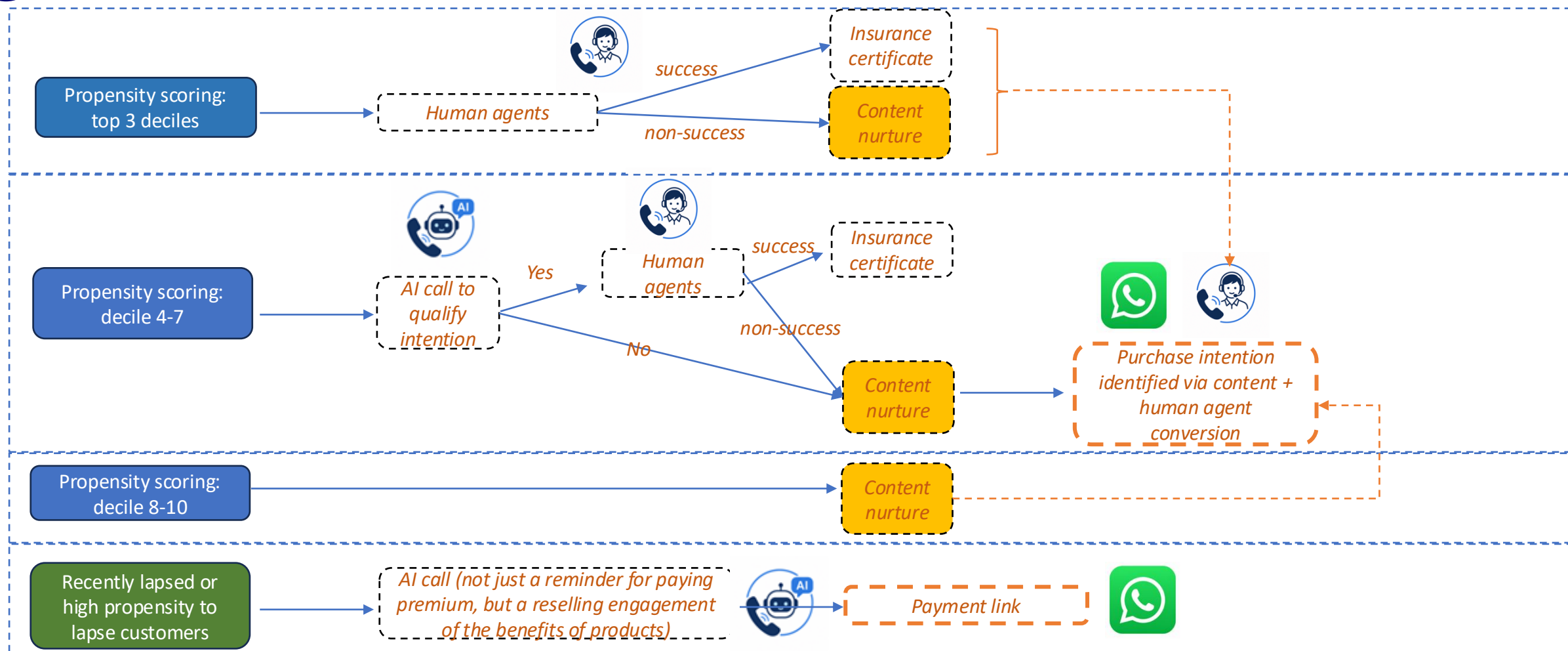
Scale first. Infrastructure second.

Hybrid is an operating model, not a licence purchase

In this successful deployment, three capabilities had to be in place before the humans-plus-AI economics held: data model, marketing automation and AI call centre. In our own stack they are named **ATOM**, **iMAX** and **AICC**.







The model that actually worked

2.73x

Conversion rate



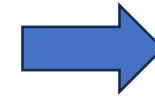
- 25%

Acquisition rate



- 10%

Lapse rate



>500+ bp

Return on investment



RSG Learnings

Automation is often more valuable than AI. Predictive modelling, campaign optimisation and workflow automation frequently deliver higher ROI than generative AI — and they are things actuaries already know how to price.

If you take three things from this session

1

Ask for the break-even volume

VOLUME IS IMPORTANT

Before any AI business case is approved, ask at what transaction count it pays for itself. If nobody can answer, the case is not finished.

2

Rent before you build

SCALE FIRST, INFRASTRUCTURE SECOND

SaaS converts a fixed cost into a variable one. Prove the unit economics on someone else's infrastructure, then buy your own.

3

Design for Economics, Not for the AI Buzz

AUTOMATION MAY BE MORE EFFICIENT

AI in isolation rarely transforms economics. Integrate AI with data intelligence and marketing automation, and deploy it only where it creates measurable value.

None of the three is a technology question. All three are investment questions.

FINAL THOUGHT

AI will not replace humans.

But humans who ignore AI will be replaced by humans who embrace it.

The winners in insurance will not be those who invest the most in AI. They will be those who understand the economics of AI.

Thank you.

Na Jia

Chief Executive Officer, RSG

Cutting Through the Buzz — The Real Economics of AI in Insurance Distribution



Asian Actuarial Conference 2026 · Singapore