



## Success in Personal Lines

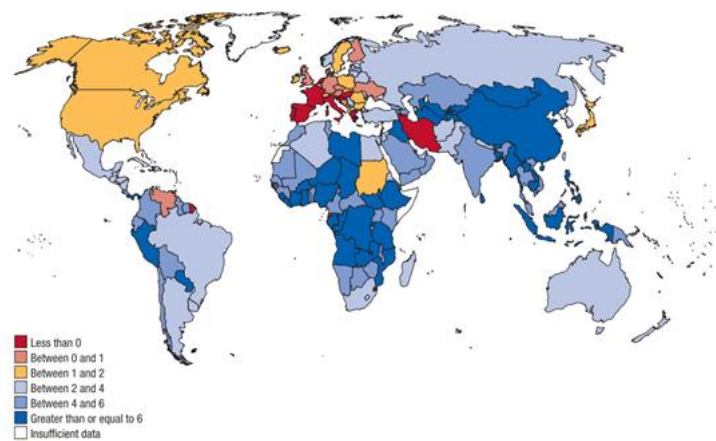
Roberto Malattia – Director, General Insurance SE Asia

30<sup>th</sup> May 2013

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## Landscape – Economy

Figure 2.1. World: 2013 GDP Growth Forecasts  
(Percent)



Source: IMF staff estimates.

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## Landscape – Regulation

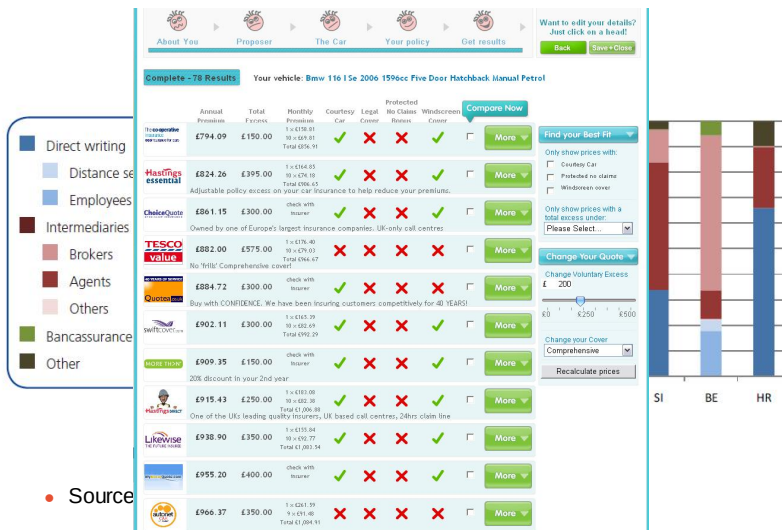


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## Landscape – Channel distribution



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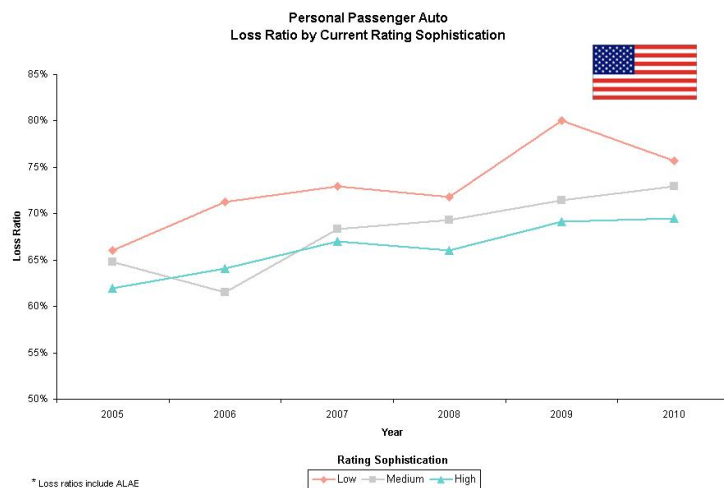
## How can I raise the game?



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## Analytics adds value in the US rate filing environment



- Source: Towers Predictive Modelling Survey 2011

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...adds value in the China tariffed market



Data Resource: Annual Statement for local companies, Insurance Year Book

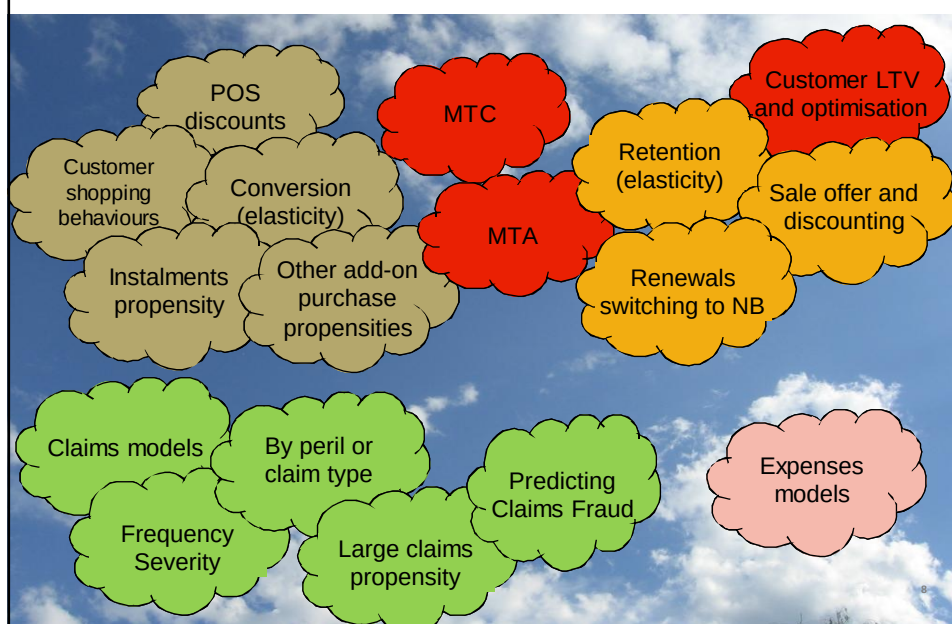
\* Loss ratios are all classes but is 75-80% Motor and includes only domestic insurers

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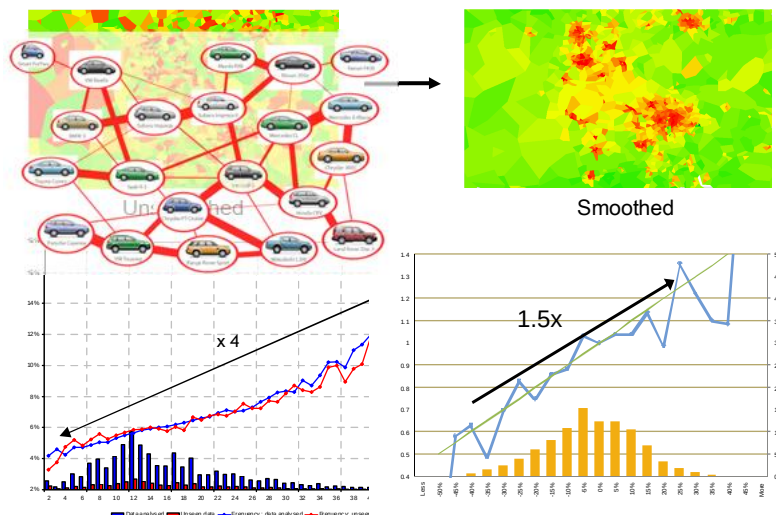
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The number of technical models used in pricing is increasing



## Spatial smoothing – Vehicle group



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## How can I raise the game?

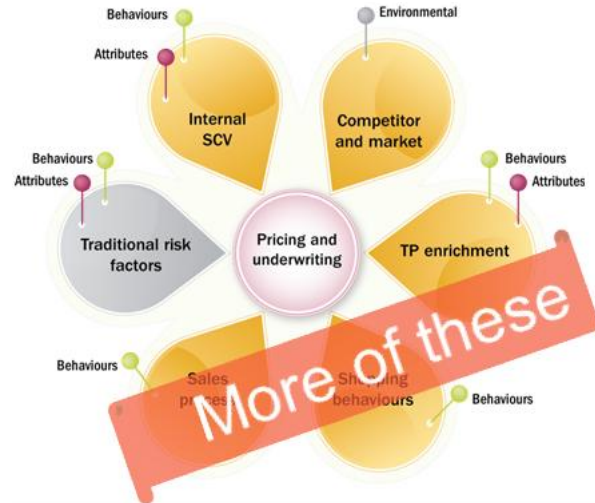


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## What is this data describing?



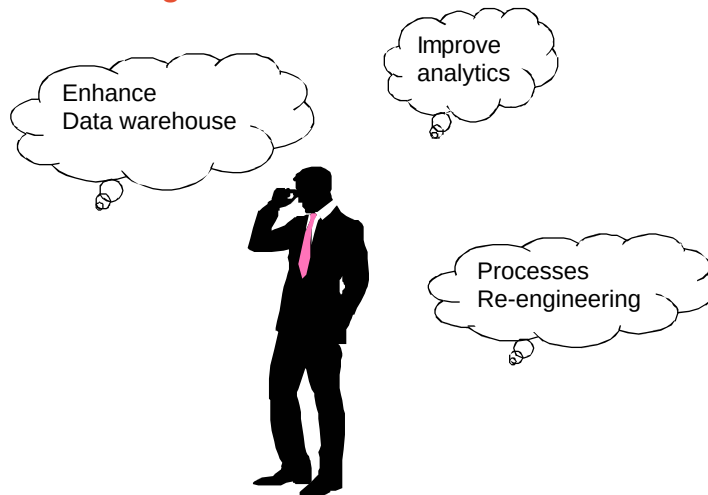
**Much of the newer data describes customer behaviours, not attributes**

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## What does good look like?

### Best

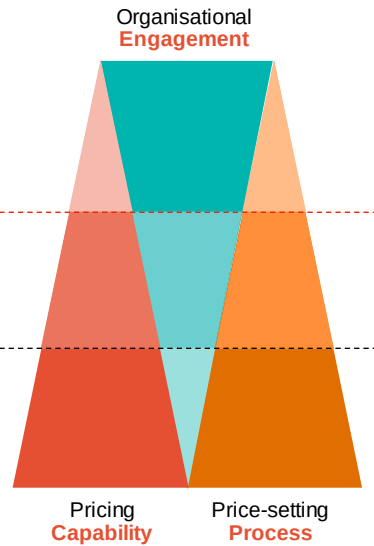
Embedded excellence in technical pricing and commercial deployment with company-wide engagement

### Good

Strong technical pricing and deployment working towards engagement with key functions

### Basic

Technical pricing and deployment undertaken but not embedded and little wider engagement



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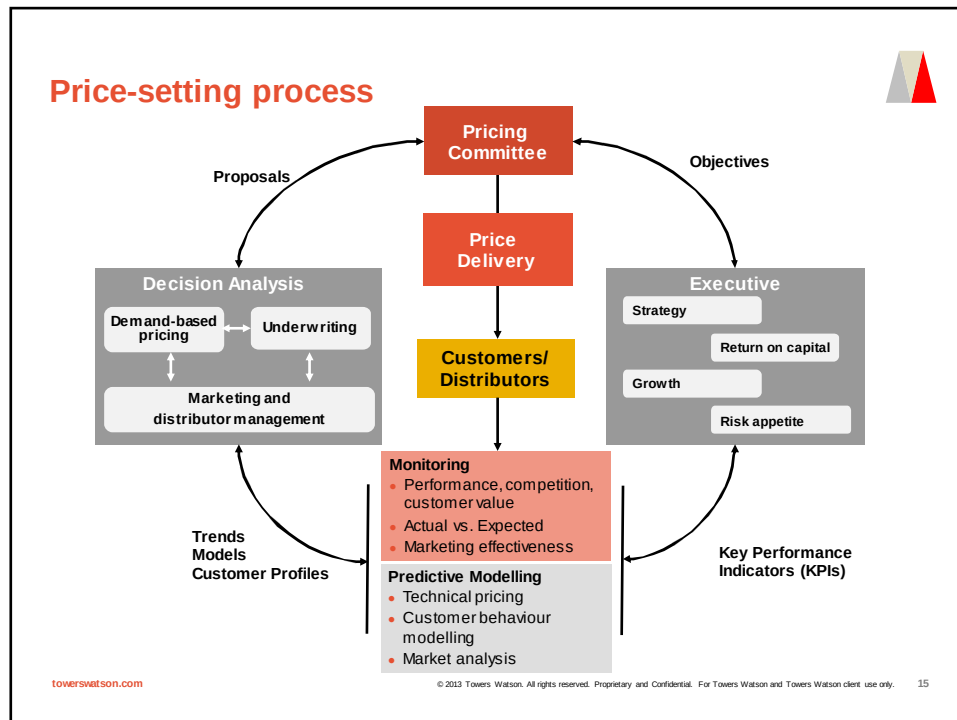
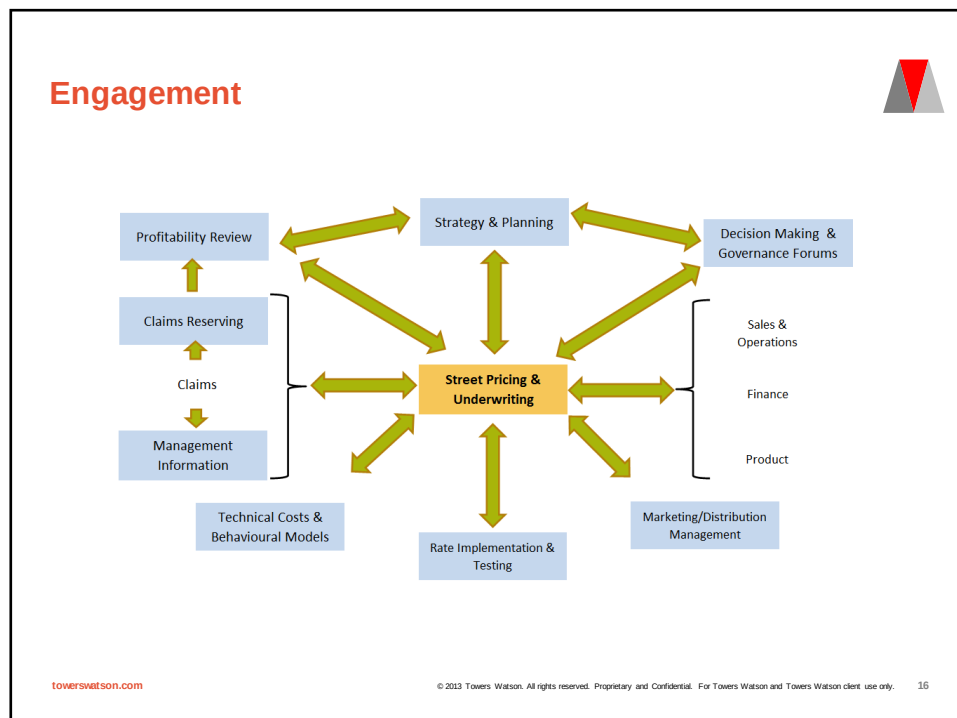
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## Pricing capability

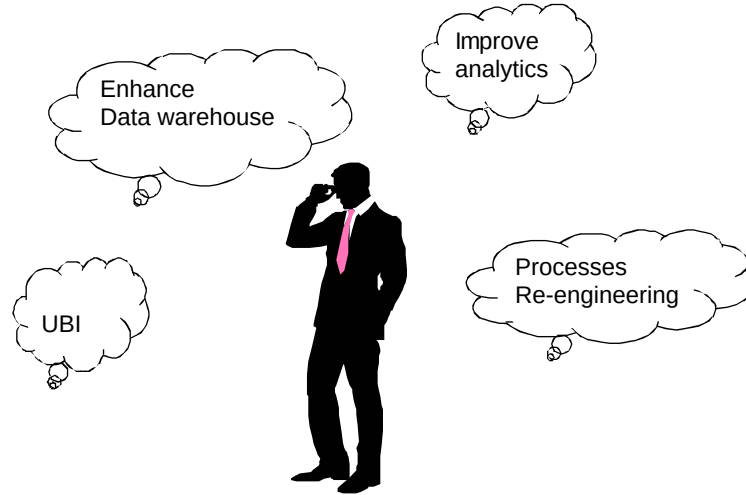


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## How can I raise the game?

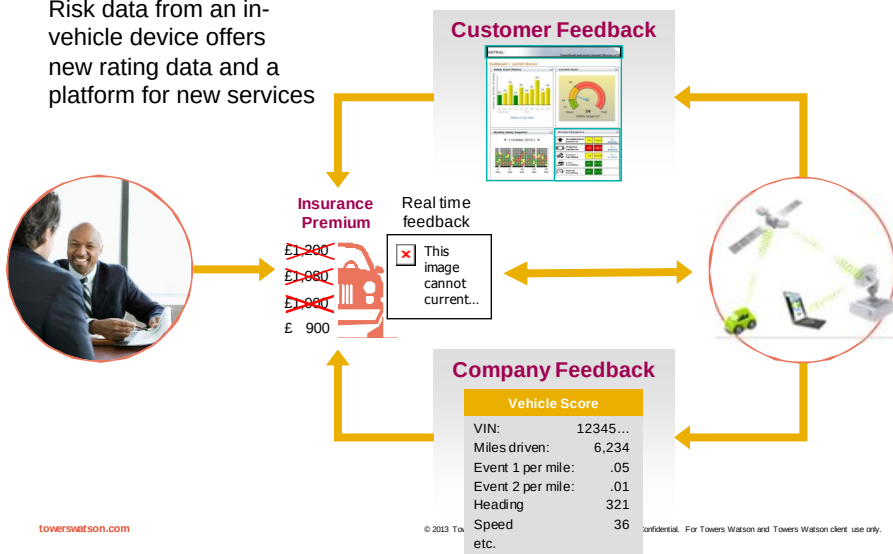


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## What do we mean by usage-based insurance (UBI)?

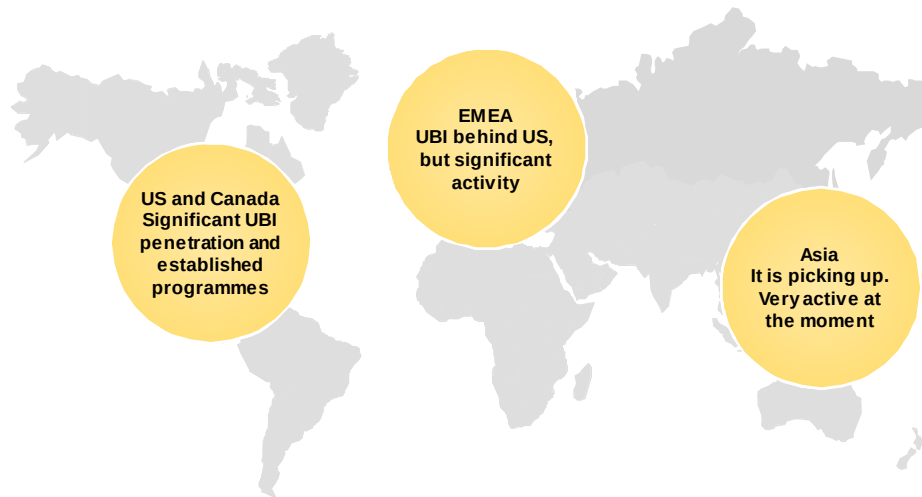
Risk data from an in-vehicle device offers new rating data and a platform for new services



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## Widespread development underway on a global basis Pace of development varies by region



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## 'Price' proposition

The advertisement features the "Snapshot Discount" logo, a car with a sensor, and a woman standing next to a display of Snapshot Discount signs. Text includes: "Our BIGGEST discount ever!", "Start saving up to 30% more with Snapshot™", a "Zip Code" input field, and a "Quote & Enroll" button.

### Snapshot Discount™

With Snapshot, Progressive's Pay As You Drive® (PAYD) program, you can turn your good driving into huge savings on car insurance. Your Snapshot Discount could be as much as 30 percent!\*

#### Why pay the going rate?

Good drivers can save big—up to 30%—with our free Snapshot program.

➤ How it works



#### Filed out—fast

Get detailed answers to your questions—about enrolling, saving & more.

➤ View all FAQs

### See who's saving!

"Just earned a 22% discount on my car insurance from participating in the Snapshot program—how cool is that!"

—Chad H., Dayton, OH via Twitter

TEENSURANCE. Liberty Mutual

Industrial Alliance "Mobiliz" Programme

Allstate Drive Wise<sup>SM</sup>

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Source: Progressive website  
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## 'Value-added services' propositions

### State Farm-Drive Safe & Save

- Programmes provide a variety of package choices for value-added services
- Moved to InDrive self-installable solution
- 10% enrollment discount that can increase up to 50% based on mileage, turns, acceleration, braking, speed, and time of day
- Initial fee of \$10. Services available for \$5-\$14.99 per month

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### Allianz - SestoSenso

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- Value added services linked to personal protection, theft and breakdown
- 24 hour emergency assistance – accident, breakdown and theft
- Based on annual fee

### Allianz – Allie

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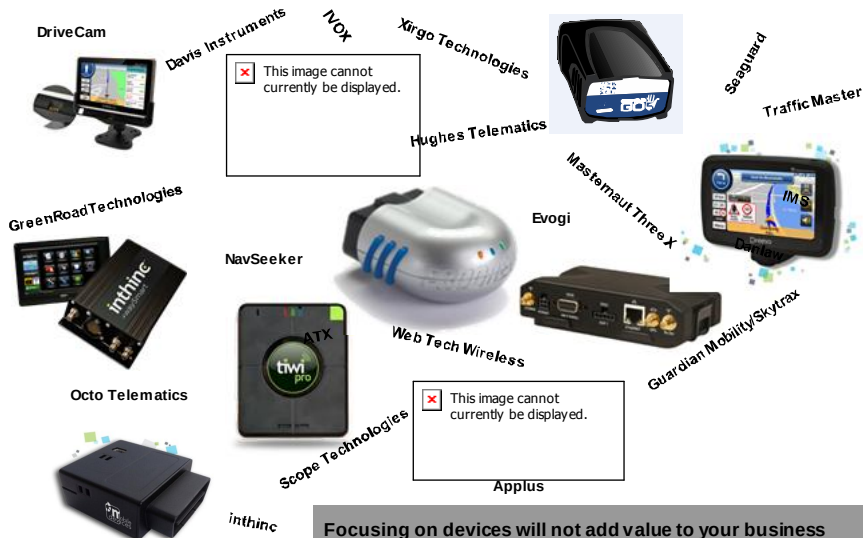
- No insurance included
- Value added services – accident, breakdown and theft
- Based on annual fee



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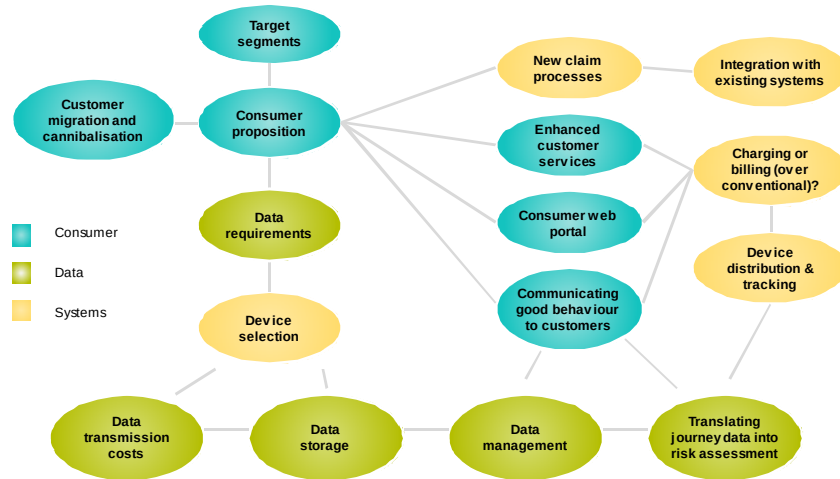
## Proliferation of devices can be confusing



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## Many moving parts need to come together

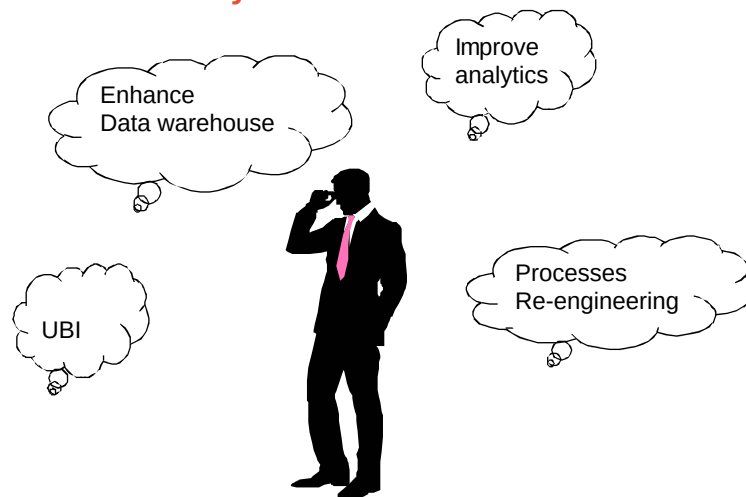


...It is far more critical focusing on strategies and on appropriate foundations

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## What does it mean to you?

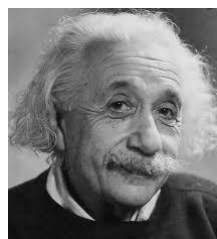


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**“Nothing happens until  
something moves”**  
*Albert Einstein*



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**TOWERS WATSON** 

**Roberto Malattia**  
Towers Watson  
[roberto.malattia@towerswatson.com](mailto:roberto.malattia@towerswatson.com)

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