

# TRAVEL TAKES OFF

How online insurers are responding  
to the great travel renaissance

Human-centred design  
Claims concierge services  
New Zealand Insurance Awards

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Freelance business journalist

**And or but?** — "By giving everyone a real voice in brainstorming sessions and embracing cultural and language innovation, it is possible to turn half-formed ideas into innovative concepts."



**DOMINI STUART**  
Freelance writer

**Only human** — "Nobody pays for a product; they pay for satisfaction. Design thinking and human-centred design can take insurers closer to that marketing Holy Grail."



**CHRIS SHEEDY**  
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**Made to measure** — "It's clear that the insurance industry is considering very carefully the potential impacts of the powerful and all-encompassing changes that will be brought by precision medicine."

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### Dear Digital, We need to talk

By Dr Kristy Goodwin

Are you guilty of constantly checking your inbox during meetings? Or perhaps you're one of 40 per cent of adults who use their phones while they're on the toilet? Digital wellbeing and productivity expert Dr Kristy Goodwin says we've all developed some dodgy digital habits that are putting a dent in our productivity and mental health. *Dear Digital, We need to talk* is full of practical ways to build healthier digital habits that will bolster productivity and support your wellbeing. Spoiler: none of them involve smashing your smartphone or cancelling your Netflix subscription.

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### General Insurance Claims Handling Framework

Looking to lift your game when it comes to claims handling? ANZIIF has collaborated with general insurers and claims service providers to develop a voluntary framework for best-practice claims handling and settling. From achieving regulatory compliance to strengthening customer satisfaction, the framework is set to bring greater consistency and professionalism across all levels of claims handling.

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In this recorded webinar, CEO of Berkley Re Asia Pacific Glen Riddell unpacks the latest trends in global reinsurance and how they apply to the local market. Riddell, a long-tail liability expert, also provides a deep dive into Australia's casualty segment and how reinsurers view the market, with insights on how to navigate the changing landscape.

[→ Watch here](#)

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### Business Made Personal: Aurora Voss

Aurora Voss is on a mission to “deliver better tools to the people who are servicing insurance” — and she's certainly making some headway as co-founder and CEO of Australian insurtech Zemble. In this candid chat with *Business Made Personal* host Mark Silveira, Voss opens up about the challenges of raising a young family while building a business from the ground up.

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## Mandarin feature



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# TRAVEL TAKES OFF

With COVID restrictions fading into collective memory, global travel is surging — and for online travel insurers, this means heightened demand for easily accessible cover options.

**C**ara Morton, group CEO of online insurance provider Cover-More, knew that the COVID-19 pandemic would turn travel insurance on its head and that tourists would expect much more from insurance providers once travel was possible again.

“Cover-More spent the two long years of the pandemic focused on digital transformation, a more relevant customer experience and product design that incorporated previously unavailable cover for pandemics,” she says.

“We also invested heavily in technology to support travel risk management services for both business and leisure travellers. In fact, the Cover-More travel safety app that we launched in Australia in 2022 and in New Zealand in November 2023 is the first of its kind, delivering corporate-level travel assistance services to Australian and New Zealand leisure travellers.”

## New enthusiasm for travel insurance

An unprecedented surge in travel in the years since the relaxation of COVID restrictions has been accompanied by an increase in demand for travel insurance. Allied Market Research reports that the value of the global travel insurance market was more than US\$14 billion in 2021, and a growth of nearly 25 per cent will see it reach US\$124.8 billion by 2031.

Etiqa Insurance Singapore chief marketing officer Shirley Tan says Singapore’s outbound travel is on an uptrend, with residents making 5.15 million departures by air and sea in 2022, compared with 1.5 million departures in 2020.

“Singaporeans are embarking on more trips for several reasons, including ‘revenge travel,’” Tan says. “The uptake of travel insurance has increased as many Singaporeans experienced sudden cancellations and disruptions during the pandemic.”



## IN SHORT

- › A surge in travel has spurred demand for travel insurance as customers strive to avoid the impacts of unexpected interruptions to their plans.
- › Online travel insurance has expanded to cover previously excluded risks such as pandemic insurance, and it now incorporates tools such as mental health support, parametric solutions and instant claims payouts.
- › Despite the convenience of online travel insurance for both consumers and insurers, evolving risks must be navigated and indemnity insurers must still impose exclusions to remain solvent.

“We’re also seeing more travel insurance purchased for short trips, which is a change in consumer behaviour. Consumers previously perceived nearby destinations as a lower risk so were less likely to purchase travel insurance when travelling to them.”

**Consumers learn the hard way**

Demand has been driven by greater consumer awareness of risks such as war, terrorism, lockdown and travel agents going out of business, resulting in Singaporeans proactively safeguarding themselves against unexpected events.

“We see the same trends for corporate travel insurance, which is expecting returning demand as organisations in Asia ramp up business travel this year,” says Tan.

Morton says Cover-More is seeing an increased demand for cover for more extreme adventure activities such as black-water kayaking and ice climbing.

“I think that is a symptom of being deprived of travel and adventure during the pandemic, so

Aussies are looking to accelerate their experiences before anything else happens,” she says.

Cover-More’s travel safety app has been downloaded more than 50,000 times since its Australian launch in 2022, signalling that customers want more information about where they are travelling, what is happening at a destination and how to access assistance if they hit trouble.

**Parametric solutions provide instant relief**

The number of people returning to travel has been so great that airlines, airports and many traditional travel insurers have been struggling to cope with the demand, especially if they haven’t been able to replace staff who exited during the pandemic.

Blink Parametric chief commercial officer Carl Carter, whose business specialises in flight disruption and lost or delayed luggage, says consumer awareness is greater for all types of travel insurance. “But with the increase in visibility and media coverage of widespread travel disruption, there has been a significant increase in demand for flight and luggage delay solutions,” Carter says. “Consumers are aware that they are more likely to have a delayed flight than a medical emergency.”

Given traditional travel insurance has no solution for real-time claims assistance, Blink Parametric has seen a significant increase in demand for its services. “The widespread implications of disruption caused by flight delays or cancellations and luggage handling problems have contributed to an acceleration in the adoption of real-time parametric flight disruption assistance and claims resolution for the travelling insured,” Carter confirms.

“Our 2023 half-year results show a 100 per cent renewal rate, 158 per cent increase in policies incorporating Blink Parametric technology sold, an 850 per cent increase in flights monitored and 250 per cent increase in claims paid.”

Carter also observes that business and domestic travel products have become more closely aligned, with customised service options providing timely support.

**Time is of the essence**

There’s no doubt that travellers want ease and convenience. They expect real-time services on demand and easily accessible via their handheld devices — plus, the immediate resolution of their insurance claims.

Chris Nam, chief of staff at online travel

**STRESS FACTORS**

**89% OF RESPONDENTS IN A CANADIAN SURVEY CITE AT LEAST ONE SOURCE OF STRESS WHEN TRAVELLING**



SOURCE: [www.bluecross.ca/travelstudy](http://www.bluecross.ca/travelstudy)

## 8 MAJOR TRAVEL CUSTOMER CONCERNS

- 1 Cancellations and delays
- 2 Losing luggage
- 3 Accidents
- 4 COVID-related expenses
- 5 Other overseas medical expenses
- 6 Safety and security
- 7 Finding information about the destination
- 8 Travel agents going bankrupt and being unable to fulfil their obligations

## BLINK PARAMETRIC PARTNERS WITH GETCOVER

Rather than incurring the costs and distraction of trying to build solutions internally, Blink Parametric allows travel insurers to retain focus on their core business.

The company has recently formed two strategic partnerships: the first with Firemelon, a platform that provides online insurance policy-processing services; and the second with Getcover, a provider of online direct-to-consumer travel insurance.

Blink Parametric chief commercial officer Carl Carter says the platform provides ease of access to Blink Parametric's real-time parametric solutions. "In effect, Firemelon's Magenta system is now Blink Parametric enabled," Carter explains. "Firemelon's Magenta platform powers around 70 to 80 per cent of direct-to-consumer travel insurance brands in the UK. Any Magenta-powered travel insurance brand can now simply 'switch on' Blink Parametric technology and benefits."

Getcover is the first partner to access Blink Parametric-enabled technology using Firemelon's platform.

and health insurer Insured Nomads, asserts that consumers and distribution partners are also looking for actively usable resources that come with travel insurance. “No longer are consumers wanting to purchase ‘add-on’ travel insurance that simply covers an accident or loss at the end of a check-out page,” he says. “Rather, they’re looking for travel insurance that comes with tools like mental wellness, emergency evacuations, medical coverage and more.”

All Insured Nomads travel and health insurance plans come with the company’s signature INC app, an all-in-one travel tool that features complementary mental health services, artificial intelligence (AI) travel concierge, cybersecurity and virtual private network (VPN), local and global news, push notifications to allow for quick alerts, SOS, and country guides. “This allows travellers to actively use their ‘travel insurance’ rather than paying for something that they may not even use,” says Nam.

Tan adds that there are now online platforms for customers to easily compare travel coverage and prices between insurers. “There is overall greater transparency as contracts with policy wordings are available for review prior to purchase to ensure that consumers are fully aware of the protection offered in each plan,” she says.

### Investing in technology and apps

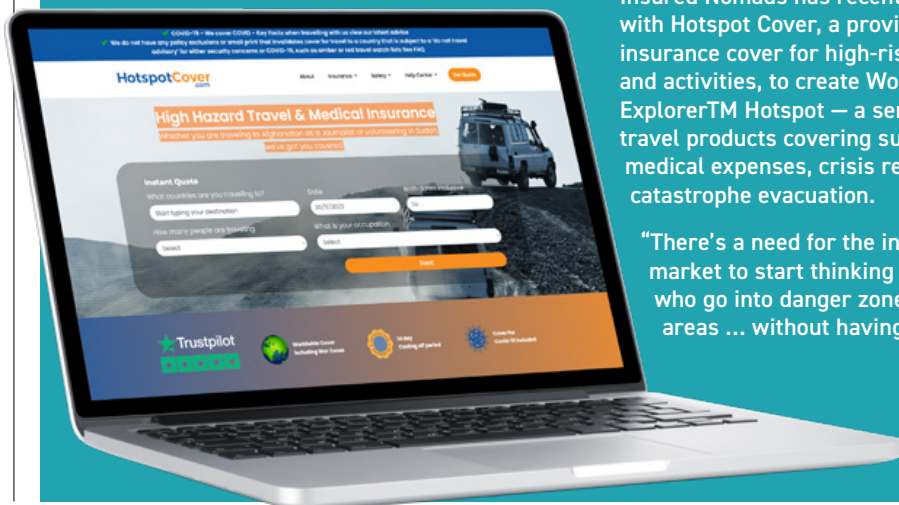
Like Cover-More, Etiqa Insurance Singapore has made a significant investment in its Etiqa Connect online platform and mobile app Tiq by Etiqa, so that customers can easily access travel information, purchase policies and manage their travel insurance on the go.

“Our customers can now update their flight details on the app to receive pre-trip notifications regarding the airport terminal or luggage retrieval belt,” says Tan. “With this information captured, customers no longer need to submit claims for flight delays, as these are automatically processed with payment made directly to customers through an e-wallet. Etiqa also uses AI to immediately process any small claims to reduce wait times.”

### Is online travel insurance financially stable?

Despite the many benefits for consumers and insurers, digital platforms must still navigate evolving risks, some of which include cybersecurity, fraud, data leaks and lapses in regulatory compliance.

## INSURED NOMADS PARTNERS WITH HOTSPOT COVER



Insured Nomads has recently partnered with Hotspot Cover, a provider of insurance cover for high-risk regions and activities, to create World Explorer™ Hotspot — a series of travel products covering such areas as medical expenses, crisis response and catastrophe evacuation.

“There’s a need for the insurance market to start thinking of the people who go into danger zones and conflict areas ... without having them look

all over the internet for such coverage,” says Insured Nomads chief of staff Chris Nam.

“Our partnership with Hotspot opens more opportunities for people to find insurance coverage for entering these countries and zones, including Ukraine, North Korea, Russia, Afghanistan, now Israel, and more. The market has been seeing more journalists, news reporters, volunteers, military units and family members travelling into these areas.”

In addition, to remain financially solvent, indemnity insurers incorporate exclusions. For example, many insurtech travel policies do not provide cover for pre-existing medical conditions unless the insurer allows for opt-in coverage with an added premium. Until recently, online travel insurance policies also haven't covered travel to high-risk countries declared unsafe for travel or participation in high-risk activities such as extreme sports.

Carter argues for parametric insurance, which typically provides cover or real-time services for areas that aren't covered or are excluded by indemnity-style policies.

"Our flight disruption solutions are sustainable, both in terms of integration costs and as a standalone or ancillary product, and they are affordable for consumers," he says. "In practical terms, we work to help insurers deal with significant high-volume, low-value insurance claims coming through contact centres.

"The insurer can adjust consumer pricing depending on the delay period as well as the monetary value of the benefits delivered to the end customer. This allows the flexibility to hit certain consumer target price points based on the customer demographic."

## Making travel insurance essential

Meanwhile, Morton's vision for travel insurance is to make it as critical to a journey as a passport.

"In 2020, we completed a state-of-the-art global command centre in Australia and followed with centres in Canada and the UK," she says. "We augmented our existing in-house medical assistance capability with security services to proactively keep travellers safe from natural disasters, civil unrest or terrorist activity."

Cover-More has also introduced travel risk management technology and platforms to its command centres, as well as geolocation and mobile apps for both leisure and corporate travellers. If an insured is on a motorbike, the company's Freely app can 'sense' it and send a prompt requesting the customer check their cover or purchase it straight away using the app, if necessary.

Tan says travel insurers will become more focused on environmental, social and governance (ESG) issues, while Nam points to quick, efficient purchase journeys and claims assistance as the future of travel insurance.

According to Carter, key trends to look for in the future include first responder-style insurance support in times of emergency, such as real-time

## "Key trends to look for in the future include first responder-style insurance support in times of emergency."

Carl Carter / Blink Parametric

payouts, liquidity and rapid claims resolutions — all of which play to the strengths of parametric technology.

"We will see weather monitoring paying out in the event of rain, wind [and] snow thresholds being hit. This will be relevant to travellers," he says. "In time, we'll see ferry and road delays being monitored to provide solutions."

Carter adds that consumer parametrics is an "underserved but rapidly growing area as adoption increases across primary insurance lines".

"Travel insurance is a great use case for such services, due to the heightened stress levels when away from home and the ongoing volatility of global travel." //



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ANNA GAME-LOPATA

ANZIIIF content writer

"The brave new world of travel insurance is very exciting, and I'm impatient to be on a trip somewhere soon. I especially love the idea of parametric cover for flight delays and lost luggage, as I've experienced both. I'm also intrigued by all the different value-adds like mental health support and information about the destination, all of which will be extremely useful."



**“Insurance is going through digital transformation. Both the driver and the end goal for this evolution is client experience.”**

Erik Mitisek / Highwing

# Human at heart

Lots of insurers talk about putting the customer first or at the centre of their company's strategy. Design thinking and human-centred design are two methodologies that can do just that.

Within one year of its launch in 2020, Singapore-based insurtech company bolttech achieved unicorn status. Series A funding of US\$210 million — said to be the highest ever in this sector — lifted its valuation to over US\$1 billion. Within two years, the company had a presence in more than 30 countries across the Asia Pacific, Europe and the Americas.

"The vision of bolttech is really quite simple — to connect people with more ways to protect the things they value," the company's chief customer and operations officer, Ryan Mascarenhas, told *Forbes Magazine*. "In order to deliver this vision, we knew we had to rethink the way the insurance industry traditionally approached customer experience. And that meant developing a greater awareness of our customer needs, making customer journeys easy to navigate and making products and pricing easier to understand."

Erik Mitisek, founder and president of insurance software company Highwing, agrees the customer experience must improve. "Insurance is going through digital transformation. Both the driver and the end goal for this evolution is client experience," he says. "Clients demand faster, easier and more personalised service, and our industry needs to adapt to meet these demands."

Insurtechs and start-ups like bolttech are using two methodologies — design thinking and human-centred design — to position their customers at the heart of everything they do.

## IN SHORT

- > Successful insurtechs are using design thinking and human-centred design to build products around customer needs and preferences.
- > New digital marketing and customer experience automation platforms are enabling traditional insurers to adopt the same principles.
- > Taking a human-centred approach can increase customer retention and reduce call centre traffic.

# “These digitised and humanised journeys are enabling customers to experience frictionless purchase, sign-up, onboarding and renewal journeys.”

Francoise Gelbard / HumanableCX

YAS, for example, is a Hong Kong-headquartered insurtech that uses blockchain to create microinsurance policies for gadgets and activities such as hiking, biking, running and commuting. But why develop products for these very specific activities?

YAS head of Marketing and Partnership Samson Fong told Dr Joseph Wong, executive director of the Hong Kong Design Centre: “We spent a lot of time gathering data on current general insurance to see what most accidents are related to, and what the most common insurance claims are. That way, we could understand people’s needs first, before designing products to accommodate their needs.”

Advances in digital marketing and customer experience automation platforms are also empowering traditional insurers to apply design thinking and human-centred design. The aim is to deliver one-on-one interactions that incorporate humanisation and hyper-personalisation.

“These digitised and humanised journeys are enabling customers to experience frictionless purchase, sign-up, onboarding and renewal journeys,” says Francoise Gelbard, co-founder and head of

Business Development and Strategy at customer engagement platform HumanableCX. “This can increase engagement and sales, reduce customer acquisition costs and churn, and reduce contact centre traffic.”

## What are design thinking and human-centred design?

Some people use the terms ‘design thinking’ and ‘human-centred design’ interchangeably; some use one term to cover both. Broadly, design thinking implies a human-centred approach that places the user at the centre of the design process. And, while design thinking aims at widescale change and transformation, human-centred design is all about the details.

“Design thinking involves understanding the user’s needs, wants and behaviours through observation and research, then using that knowledge to create innovative solutions that meet those needs,” Venkatesh Ganapathy, associate professor at the Presidency Business School in Bangalore, told *The Actuary India*.

For example, online pharmacy PillPack applied design thinking in the development of its prescription home-delivery system. By observing and empathising with the needs of people who take multiple medications, the team came up with a system that organises pills by date and time. In 2018, Amazon bought PillPack for a reported US\$1 billion.

Human-centered design comes into play once a product or service is in use, to ensure it keeps pace with customers’ evolving wants and needs. For example, Google Maps, launched in 2005 as a simple mapping tool, continually draws on user feedback. Features added in response include real-time traffic updates, street views and offline maps.

“Design thinking determines your direction when you work on something new,” says Marco D’Emilia, design manager at digital experience insights platform Hotjar. “Human-centered design fine-tunes the details through iteration after it is in the users’ hands.”

## THE INTERACTION DESIGN FOUNDATION: FIVE PHASES OF DESIGN THINKING





# DESIGN THINKING VS HUMAN-CENTERED DESIGN

**Design thinking and human-centered design work together to improve the customer experience.**

Design thinking focuses on how user needs can be viably incorporated into product development, while human-centred design incorporates feedback throughout the development process and when the product or service is already in use, using iteration to fine-tune the design details.

Both are concerned with empathy — understanding and responding to user needs — but, technically, the terms aren't interchangeable.

To understand the difference, consider this real-life retail example. In the 1990s, dental healthcare giant Oral-B asked global design firm IDEO to create a new type of toothbrush for children — not just a smaller version of an adult toothbrush, but something distinctive. IDEO actually watched children brushing their teeth and could see they were struggling to hold the narrow handles. So they applied design thinking to develop a children's toothbrush with a big, soft grip that quickly became a bestseller.

Human-centred design can be seen in the iterations that followed this industry-wide product change, including refined shapes and colours to make brushing more appealing to young children.

HumanableCX has worked to enhance customer engagement with general and life insurers, including AIA, Woolworths Insurance and nib. "We have seen customer service centres reporting a 43 per cent reduction in failure demand calls — the calls customers make because the company has either failed to do something or failed to do something correctly," says Gelbard. "We have also seen customer satisfaction scores of over 90 per cent for our personalised claims management journeys in general insurance by following human-centred design principles." (See breakout above.)

## How can this help insurers?

People abandoning an online search or items in their shopping cart is a challenge for all online retailers. Denmark's Baymard Institute, which studies online user experience, puts the 2023 average global cart abandonment rate at more than 70 per cent.

"In insurance, a big reason for the abandonment rate is that customers feel they're being left to fend for themselves on websites," says Gelbard. "This is the opposite of the face-to-face dynamic that the insurance industry was built on.

"As insurance customer service becomes increasingly digitised, it's critical that insurers can deliver highly personalised, real-time information and calls to action at moments that matter. This applies right through the customer lifecycle, from acquisition and onboarding to claims and retention. Get this right, and both insurers and customers win."

General and life insurers are working towards this by partnering with enterprise customer experience (CX) automation platform providers who can help them use their customer data to create bespoke, interactive customer journeys.

"Insurers can use these digitised and humanised solutions to educate new policyholders about the features and benefits of their cover," says Gelbard. "From there, they can continue to engage customers using interactive video to provide claim updates, reduce churn by explaining policy details and increase business by cross-selling opportunities. This level of personalised information can also reduce contact-centre traffic."



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**“We have also seen customer satisfaction scores of over 90 per cent for our personalised claims management journeys in general insurance by following human-centred design principles.”**

Francoise Gelbard / HumanableCX

### Facing the challenges

Design thinking and human-centred design are powerful tools for generating innovative, customer-centric solutions. However, as Ganapathy points out, they can require organisations to rethink their approach to problem solving and challenge long-held assumptions.

“This can be difficult for organisations that are resistant to change or have a culture that values tradition and stability over innovation,” he says.

That said, many insurers have a huge asset at their fingertips: extensive datasets of customer purchases, claims, queries and feedback. This data could yield some design-thinking gems — similar to the claims data that helped YAS develop its niche selection of microinsurance products. Or it might suggest human-centred design tweaks to make an existing product or process even better.

Cooper Cohen, a risk management and insurance advisor at the IMA Financial Group in Denver, Colorado, believes that prototyping can be particularly challenging for large insurance companies that are navigating rigid parameters, regulation and competition.

“A good place to start would be to adopt a design-thinking strategy of finding, testing, using, learning and building at pace,” he wrote in an article published on the Insurance Nerds website. “This trains organisations to focus on minimising customer effort to maximise customer value.”

## PERSONALISED VIDEOS ENGAGE WOOLWORTHS INSURANCE CUSTOMERS

**Many customers are feeling stressed and upset when they make a claim on their insurance. Woolworths Insurance was looking for a way to reassure them that their claim would be dealt with quickly and efficiently.**

Typically, an insurer would provide information about the claims process in a physical letter or an email. However, people’s communication preferences have changed — they now watch an average of 17 hours of online video content per week.

Embracing this trend, HumanableCX created personalised claim update videos featuring a human presenter who provided the customer with:

- ➔ A clear overview of their cover
- ➔ The next steps in the claims process
- ➔ What they needed to provide or do.

The videos were sent to customers via HumanableCX’s SMS and email platforms.

Follow-up rated customer satisfaction at 96 per cent for car insurance and 93 per cent for home insurance. In both cases, the click-through rate to the video was 80 per cent. Woolworths also noted a significant reduction in inbound calls, email enquiries and complaints.

“The end result was personalised messaging that hit the mark,” says a Woolworths spokesperson. “We are now exploring what’s next with HumanableCX, as we look to expand our personalised video offering to more customers.”



DOMINI STUART

Freelance journalist

“As management guru Peter Drucker once said, nobody pays for a product; they pay for satisfaction. By looking beyond what people do and when they do it, to their physical and emotional needs, design thinking and human-centred design can take insurers closer to that marketing Holy Grail.”



# Thank you.

Thank you ANZIIF, and thank you to the judges who recognised the value of our digital billing and payments platform for premiums, which improves customer experiences and business outcomes for the insurance industry. The digitisation of billing and payment processes automates mundane data entry tasks, modernises customer payments, streamlines reconciliation, optimises compliance and credit control, reduces operational costs, and provides real-time revenue visibility and reporting.

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DALE  
SMITH

# CHALLENGE ACCEPTED

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**TITLE** / Chief Executive Officer

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**COMPANY** / JAVLN

With a strong instinct for innovation, JAVLN CEO **Dale Smith** is intent on revolutionising insurance industry technology.

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**STORY** *Alexandra Johnson*

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**PHOTOGRAPHY** *Mark Smith*

**W**hen Dale Smith was a teenager, he had no specific aptitude for any one subject. However, he knew how to work hard and he knew he wanted to do something entrepreneurial. “That’s a strength that I’m proud of. Hard work has carried me through not only my schooling and university, but also into my career,” he says.

“Also, my father gave me some good advice early on. He said, get a good grounding in numbers and that will set you up.”

Smith did just that, completing a degree in accounting and finance at Unitec Institute of Technology in Auckland, as well as a graduate diploma of chartered accounting at Chartered Accountants Australia and New Zealand. He then worked for five years in an accounting firm.

“I enjoyed the customer engagement side and was good at bringing clients into the firm, but I knew pretty early on compliance work and financial statements were not for me,” he says.

### Going solo

At the age of 25, Smith took the plunge and purchased his first company, DTC, a transport and logistics business. “I had to put everything on the line for that but ended up selling it profitably in 2007, just before the GFC,” he says. “That was good luck rather than good management I think, but, in hindsight, great timing.”

After waiting out the recession, Smith purchased his second business — one that put him on the road to becoming a tech entrepreneur.

“It was an import distribution company called Connector Systems,” he says. “When I sold it, the buyers didn’t want the software side of the business, so I kept it and that’s where JAVLN began.”

Twelve years later, JAVLN is an innovative cloud-based software company that offers an insurance policy and client management platform for brokers and underwriters. Designed to improve compliance and workflow and to automate repetitive tasks, it has grown from five to 120 staff located in Auckland, Melbourne and Brisbane.

“There is a lot of pressure on insurance companies caused by anything from natural disasters to dealing with big issues such as cybersecurity and liabilities. The role that insurance plays is very important.”

### Insurance’s Achilles heel

Smith thinks the insurance industry as a whole receives a lot of bad press.

“It doesn’t get enough credit for what it provides,” he says. “Businesses work hard to create asset value, and that has to be protected. There is a lot of pressure on insurance companies caused by anything from natural disasters to dealing with big issues such as cybersecurity and liabilities. The role that insurance plays is very important.”

But, adds Smith, technology is letting the Australasian insurance industry down, with widely used software that is outdated, inflexible and inefficient.

“In the intermediary space, such as in technology, the dominant legacy software vendors are not innovating at the pace the industry needs, and they are taking their customers for granted.”

He says it’s time that changed.



## TWO-MINUTE BIO

### EDUCATION

Bachelor of accounting from Unitec Institute of Technology; graduate diploma of chartered accounting from Chartered Accountants Australia and New Zealand.

### CAREER

After a five-year stint as a chartered accountant, Dale Smith bought his first business — a transport and logistics company — at the age of 25. Buying, developing and selling companies has continued to shape his evolution as a tech entrepreneur and business leader. He founded Auckland-based insurtech JAVLN in 2011.

### TOP TIPS

First, ensure the right people are on board, and that the business has a great culture. "That's something I've worked hard on; that's number one." Second, everyone in the company needs to be clear on the business's goals. "Make sure all your people understand what the strategy is and that everyone is rowing in the same direction and knows where they're going. Communication is everything."

### OUTSIDE THE DAY JOB

Smith is a keen outdoors man and spends as much time as he can at a beach village just north of Auckland, where he sponsors the local surf lifesaving club. "I love the fresh air and getting out fishing and diving: just getting stuck into anything that has some form of adventure."



### Getting smarter with data

Insurance is all about data, says Smith — “and modern technology offers the ability to easily consume structured data from other sources on the internet.”

Conversely, he says, legacy software relies on the user manually keying information into their old systems, which is “just ripe for human error”.

Smith says JAVLN has developed innovative and easy-to-use software that increases compliance by guiding the broker through certain steps. “You can’t place a policy with an insurer until you have given the client the necessary information,” he explains.

To address privacy concerns, the company has partnered with Amazon Web Services, “the best and most reliable cloud technology in the world, and we have made sure our systems are bulletproof”.

The platform can manage different tax regimes and currencies. “We built it like that from the ground up. We have customers in New Zealand, Australia, Pacific countries, and we’ve even got some customers in Guam, which illustrates it can be used in other geographies.”

Most importantly, Smith says the technology enables brokers to stay on top of industry trends in an increasingly complex landscape.

“Through our innovations, we’ve proved that our customers can increase productivity, take on more clients with the same number of brokers and enable them to grow their customer base.”

### Eye on the competition

To keep ahead of the curve, Smith says JAVLN “invests a lot of time in large technology partners to understand trends and what’s coming through”.

The company also keeps a close eye on what competitors and the broader industry are doing, as well as garnering feedback from customers to improve its product.

“We have a very large commercial opportunity to take our software further and so all our strategies hang off that,” says Smith. “Whether that’s about people, product or technology, we are unlocking that opportunity to sell JAVLN to as many brokers and underwriting agencies as possible.”

“We have a very large commercial opportunity to take our software further and so all our strategies hang off that.”

### No slowing down

In addition to organic business growth, Smith has acquired two Australian companies, to bolster JAVLN’s technology and support team and build a stronger Australian presence. These include Underwriter Central, an underwriting policy management platform provider for agencies, and OfficeTech, a document management platform provider. He also has his sights set on Asia, the United Kingdom and, all going well, the United States. “We’re innovating every day with everything we do, to be honest,” he says. “It’s an exciting space to be part of. And, we’d like to take JAVLN public in about two years.”

For the man who says providing for his family is his number-one driving force, the longer-term future is just as exciting.

“I have three boys, tremendous young Kiwis who are going to be the next generation of innovators.” //

A person is standing in a swimming pool, viewed from the side. They are wearing a dark long-sleeved shirt and yellow shorts. Their right leg is bent at the knee, and there is a visible injury on the knee area, possibly a bruise or swelling. The pool's tiled floor and walls are visible, and the water surface is rippling above. The overall lighting is a deep blue, creating a somber and contemplative mood.

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INSURANCE





# And or but?

Innovation rarely springs fully formed from the mind of one person. Rather, the perfect mix of good team dynamics and a focus on refining an initial thought can produce some killer ideas.

We have all been in a meeting or brainstorming session where the communication breaks down. On one side, the 'cheerleaders' are enthusiastically endorsing ideas, and on the other the 'naysayers' seem to be shutting down every suggestion. Such a scenario is a reminder that creating a proper environment for generating and discussing ideas is essential to unlock innovation and business growth. Dr David Burkus, author of *Best Team Ever: The Surprising Science of High-Performing Teams*, is regarded as one of the world's top business thought leaders. He says team development cannot be ignored if ideas are to flourish, advising that three fundamental elements are required to foster a strong team culture and a robust team dynamic: psychological safety, pro-social purpose and common understanding.

"Common understanding is particularly crucial when dealing with diverse personalities within a team," says Burkus. "It refers to team members sharing a common perspective on various aspects, such as their roles, responsibilities, assigned tasks, work preferences, differences [including personalities], behaviours, backgrounds and experiences. Think of it as a blend of role clarity and personal empathy."

He suggests that, over time, as team members come to understand not only each other's differences but also how those differences influence their behaviour, the team naturally adjusts its approach.

"This involves shifting assignments and finding ways to support each other in a manner that maximises individuals' strengths and preferences, leading to work that people excel at and genuinely enjoy."

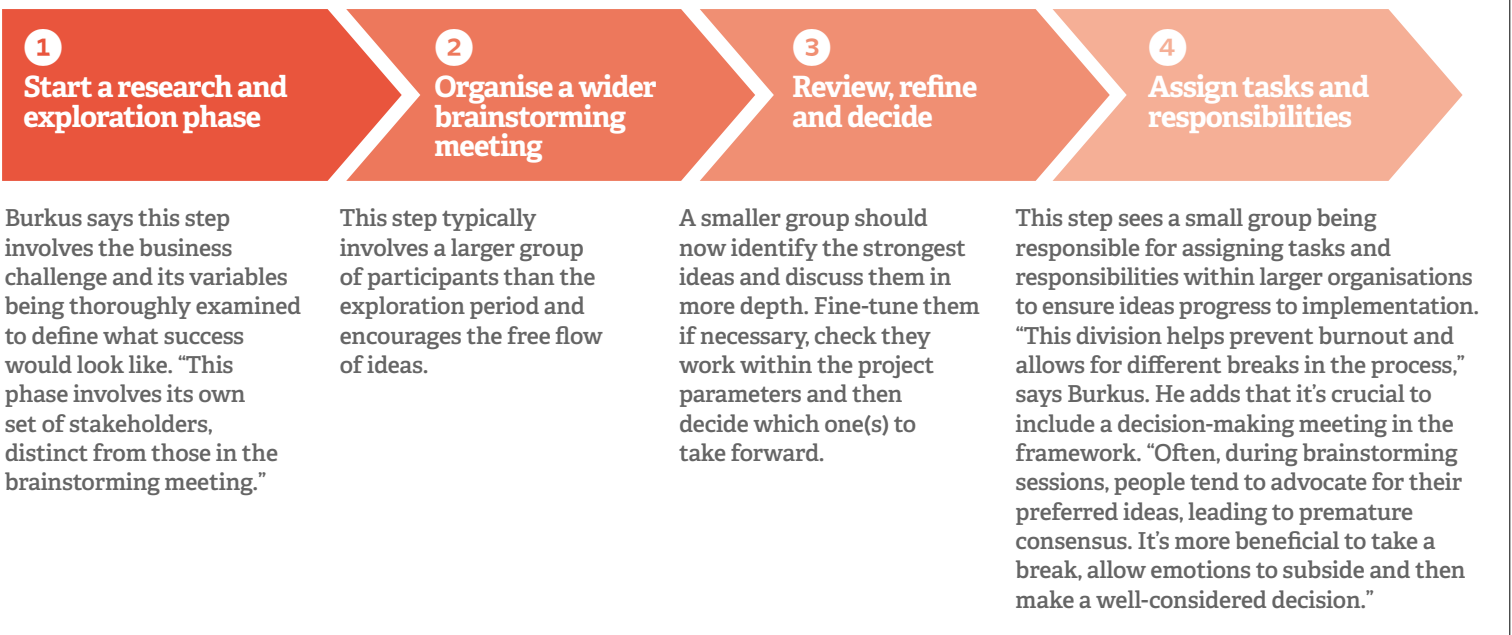
This shift is not solely about accommodating personality differences, but also accommodating work preferences. "It hinges on the presence of genuine empathy within the team dynamic," says Burkus.

## IN SHORT

- > Having a balance of different personalities — including 'cheerleaders' and 'naysayers' — in a brainstorming session often leads to better and more nuanced ideas.
- > Team members must feel safe sharing their opinions and challenging or refining ideas to get the best outcomes.
- > Project parameters and techniques such as 'yes, and ...' can help employees turn flawed or incomplete ideas into winners.

## FOUR STEPS TO GENERATE (& IMPLEMENT) NEW IDEAS

Business thought leader and author Dr David Burkus says there is a misconception that brainstorming is the “sole solution” to creative problem-solving. Rather, he believes, it is just part of the process.



### A safe space for all

Drawing on his leadership experience in financial services and recruitment in New Zealand, Consult Recruitment CEO David Page observes that the most productive teams for generating ideas typically have a common purpose or a vision “that gets everyone moving in the same direction”.

“So, you need your team to be aligned, you need to have a clear strategy, but also you need to have a culture around trusting and empowering people to get on with it,” he says.

Page agrees that leaders must create a safe environment in which people are happy to share their views or bring nuance to ideas or concepts that can ultimately improve business performance.

“Often a left-field idea, while not being relevant on the surface, might trigger another thought that evolves into another thought, which then transcends into something that’s relevant and actionable.”

Any discussion of brainstorming inevitably brings up the widely accepted notion that “no idea is a bad idea”. Burkus is not necessarily an advocate of this principle. He says challenging ideas during their generation phase, engaging in a robust discussion about their merits and having individuals defend their ideas can be beneficial.

### Setting team parameters

Being clear about discussion or project parameters can help teams generate more targeted ideas and choose between competing options. The following questions can be effective:

- Let’s start by defining our challenge and objectives. What are we trying to achieve?
- What is the budget or resource allocation for this project?
- Are there any legal or compliance requirements we need to consider?
- What’s our timeline?

“When ideas face scrutiny, individuals tend to think more deeply about them,” he says. “However, it’s essential to emphasise that this approach only works effectively in teams with a high degree of psychological safety. If your team lacks this safety net, you should prioritise building it first.

“Once that foundation is established, teach team members how to engage in constructive debates focused on the task at hand, rather than making it personal. By doing so, you can likely generate better ideas, even without adhering strictly to the notion that ‘no idea is a bad idea.’”

### Devil in the detail

Although naysayers often get a bad rap, Burkus believes they can be “incredibly valuable” when it comes to generating ideas and ensuring the soundness of business plans.

The caveat, he says, is that they should be assigned a designated role — “whether you call it a ‘devil’s advocate’, a ‘red team’ or something else entirely”.

That said, while the people who are inclined to challenge ideas may put their hands up for this role, team leaders should consider changing up their challengers regularly. Says Burkus: “When it’s always the same person playing the unofficial role of the naysayer, people often perceive that individual as excessively negative.”

Page has no doubt that getting a balance of personalities around the table — including those who are grounded and practical, and those who are aspirational and entrepreneurial — can improve the generation of ideas. He adds that more negative voices in the room can potentially call out unrealistic ideas that could hurt the business.

“If someone who has no sense of reality suggests you should go from selling cars to selling balloons, then perhaps that doesn’t work,” he says. “Sometimes you need a person to say, ‘hey, it’s great to do blue-sky thinking, but that’s just not practical’. It’s important to have tangible actions and accountable owners to move things forward.”

### The power of language

Language can also be a key element of team dynamics — and contribute to the success or failure of efforts to generate great ideas and strategies.

Page employs a game version of the ‘yes, and ...’ brainstorming technique (see breakout) to flush out and improve left-field ideas. As participants sit around a table, one person floats an idea. The next person has to say ‘no, but ...’ and the action is repeated as they progress around the group. This exercise can often lead to infighting and poorly formed ideas. Then participants are asked to repeat the exercise, this time using the response, ‘yes, and ...’

“This process can really build out the idea and create something quite wonderful, especially when I want to get everyone in a team in a growth mindset,” says Page.

The method is seen as a way of fostering a growth mindset and forcing each participant to listen to others, even if the initial idea does not resonate with them.

### From ideas to outcomes

Myriad other strategies exist to spark innovative thinking. Some experts suggest brainstorming for questions, not answers, because fresh questions often prompt new and transformative insights. Others believe it is helpful to apply parameters to ensure that ideas become reality, including setting definitive timeframes for action or stipulating the budgetary constraints to ensure that ideas and projects are achievable and don’t unnecessarily strain resources.

Page offers three practical tips for organisations seeking to improve ideas generation:

**1 Empower the introverts.** Some talented employees lose their voice in team meetings and are reluctant to speak up. With such personalities, Page likes to give them pre-session encouragement such as: “Hey, I know you’ve got some ideas on this topic, and I know you’ll probably wait for everyone else to talk. So, how about early in the meeting I ask you a couple of questions to get your views out there.”

Page says giving participants some warning often helps them feel more comfortable to contribute.

## THE ‘YES, AND ...’ TECHNIQUE

First touted in the 1970s by improvisation coach, actor and author Phil Johnson, the ‘yes, and ...’ concept has now become popular in corporate circles. It’s a technique that creativity and innovation expert James Taylor highly recommends when someone suggests an idea in a brainstorming session. “It requires a willingness to listen [and] a willingness to be open to new ideas,” explains Taylor. The format is simple. If someone puts forward an idea, even if it may appear flawed, another person in the group has to say ‘yes’ to the idea and then add something that builds on the concept. In essence, even if the second person opposes the idea, they are obliged to think deeply about it and advance and improve it.

“Once they’ve actually said something in a meeting, they’re away. In financial services, there’s a lot of introverted people who perhaps have amazing ideas but don’t have the ability to interject into the conversation or into the meeting.”

**2 Encourage reverse mentoring.** Bringing new ideas into a business and integrating them into strategy can be invaluable. To that end, Page endorses reverse mentoring, whereby a graduate or younger employee raises ideas and shares perspectives with the CEO through regular meetings or catch-ups. “This allows the CEO to actively seek out a different point of view, versus getting groupthink that just reinforces what the business has always done.”

**3 Get out into the fresh air.** The day-to-day grind of the office can wear down staff and stymie innovation. Page says it can help to schedule a meeting in a park or at the beach — anywhere but the office — to create a different vibe and body language with a group. “If you want blue-sky thinking, get out under the sky and see what they’ve got.”

Burkus concludes that while brainstorming — or divergent thinking — is an excellent way to practise the initial creative element underlying innovation, it is important to also recognise the significance of convergent thinking, which involves testing and refining ideas.

“Creative problem-solving is a structured process, with brainstorming serving as one of its tools,” he says. “One common misconception is the belief that brainstorming encompasses the entire process, which is not the case.” //



CAMERON COOPER

*Freelance business journalist*

“Despite the glut of team meetings in the modern workplace, many businesses still struggle to create an environment in which great ideas can flow. However, by giving everyone a real voice in brainstorming sessions and embracing cultural and language innovation, it is possible to turn half-formed ideas into innovative concepts and strategies.”



∟ CASSIE  
BELL + STEPH  
SKEVINGTON

# BUTTER IS BETTER

**TITLE** / Co-founders

**COMPANY** / Butter Insurance

Friends **Cassie Bell** and **Steph Skevington** were struggling to find insurance options that suited them. Their solution? Start their own insurtech with a fresh approach and tailored solutions that spoke directly to customers.

**STORY** *Anna Game-Lopata*

**PHOTOGRAPHY** *Michael Amendolia*



**C**assie Bell and Steph Skevington forged the idea for their company, Butter Insurance, over drinks at a party. Bell had lost an expensive earring, while Skevington had damaged her laptop. Neither was satisfied with the insurance options available.

“We just looked at each other and agreed that there really should be something better out there,” says Bell. “We thought an insurance offering should be more like AppleCare, which is really easy — you can add it to everything, it’s flexible and affordable and made for people our age.”

For the two young women — both former lawyers — that moment planted the seed of what was to come in 2021 with the establishment of their Sydney-based insurtech start-up, Butter Insurance.

“We kept mentioning it and talking about it, back and forth, and it really grew from there,” says Bell.

### Smooth and simple

With no experience in insurance, they came at it purely from a customer’s perspective and followed up with learning and upskilling as quickly as possible. “We digested everything we could get our hands on about the insurance industry, from news articles to laws and regulations and LinkedIn posts — anything to familiarise ourselves with the market and get up to speed,” recalls Bell.

The thinking behind the Butter brand was that it would be a smooth, simple insurance product you could ‘put on’ everything.

Skevington, who was born in New Zealand and grew up in Melbourne where she started her career, says both she and Bell felt it was important to build a brand that connected with young people and engendered loyalty.

“It’s a bit of a cheeky, more approachable brand we’re going for ...” adds Sydney-born Bell, whose background spans both law and media.

“The branding is really about aligning ourselves more to ecommerce and retail rather than identifying as an insurance company.”

As you would expect of women who have been friends for nearly five years, Bell and Skevington bounce off each other easily, with a respectful affection that’s infectious.

Because of their legal backgrounds, the pair weren’t afraid to tackle the complex and detailed regulation required for compliance in the industry.

“That part wasn’t scary to us, like it might have been for others,” says Skevington. “It was just something to learn and read as our base for creatively solving the insurance problems that Butter tackles.”



The Butter platform allows access to a huge amount of insightful data, such as how customers get to the website, how they browse it, when purchases are made and any sticking points for consumers.

### **First product over the line**

As an authorised representative of Virginia Surety Company (VSC) — a subsidiary of global risk management company Assurant — Butter's first consumer electronics product was launched in 2022.

Having underestimated how much effort and refinement goes into starting up an insurance business, Bell and Skevington found getting their first product across the line especially sweet.

"Our first thousand, then 2,000 and 3,000 account sign-ups were very exciting, especially as we watched those numbers go up as a direct reflection of so much hard work from the team," says Bell.

"We digested everything we could get our hands on about the insurance industry, from news articles to laws and regulations and LinkedIn posts..."

### **Bespoke tech delivers control**

The tech for Butter — including its pricing engine and policy administration system — was built in house, initially using a contractor and then the talents of the "small but mighty engineering team" now responsible for its upkeep.

"Maintaining control of the tech was crucial," says Skevington, "because we wanted the functionality for monthly subscription-style policies, the ability to cancel easily and to provide a customer service experience that feels like any other part of the internet." Bell adds: "It's also important to scale and iterate quickly when we want to bring out new products or features that our customers are asking for, or that retailers would like. We didn't want to be beholden to a SaaS [software as a service] provider."

"Every policy we get, every customer we win, is a big achievement and very motivating."

While the Butter team handles customer communications, VSC manages claims resolution.

"We were a bit nervous about our first claim — as you would be — but it just went so well and the customer was so happy with the outcome that it was actually nice," recalls Bell. "It was also nice to see the full insurance life cycle play out for the customer."

"It actually worked the way we expected," Skevington chimes in, "because you can plan and plan, but until it happens, you can't know."

### **Building partnerships**

With Butter's main distribution strategy being embedded insurance, Bell and Skevington have

created a partnership with Eftpos Australia, which is now part of Australian Payments Plus (AP+). They say this will eventually allow them to integrate into the Beem digital wallet app and partner with retailers through the AP+ open payments offering.

“We expect our digital product to ramp up over the next 12 months, which is a massive opportunity for Butter,” says Skevington. “This, along with direct retail partnerships, can put us in front of customers at the point in time when they’re buying something worth insuring.”

While private capital is hard to secure in the current economy and the cost of living is high, Bell and Skevington have successfully raised A\$1.3 million in pre-seed funding, which has given them plenty of leeway in an industry “still seen as a kind of risky or unsexy”.

### Balancing speed with care

Bell and Skevington say a challenge has been finding the right balance between iterating as a fast-moving insurtech and making insurance decisions that traditionally take time.

“Obviously, a lot of time and effort goes into a decision around underwriting a new product — for good reason,” says Skevington. “There’s lots to think about, including compliance. You can feel stuck in the middle of it, trying to make everything come together and align.”

As leaders of the Butter team, the women aim for a culture of taking work seriously without taking yourself and others too seriously.

“We encourage camaraderie, a kind of community feel to the workplace,” says Skevington. “Everyone wants to work hard at their jobs, achieve amazing outcomes and enjoy it along the way.”

Bell agrees. “Steph and I also have a lot of trust in our people and, as a result, they buy into the success of the business,” she says. “Every time we [sell] a policy, we’re all on Slack saying, ‘Yay, another one!’. It’s not just Steph and me celebrating those wins, it’s exciting for everybody.”

Encouraging a high level of transparency builds on that team culture. “Just because we’re the leaders, it doesn’t mean we can’t share critical information,” says Skevington. “Your people get really encouraged to hit milestones when they can see where the next target and goal come from.”

### Thinking ahead

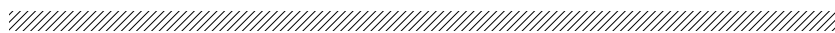
Once the electronics product is bedded in, Bell and Skevington plan to bring out more categories, including jewellery, sporting equipment, bikes, art and collectibles.

Bell says the “big, big scary goal” is to become the insurer of choice for young people. “We want young

people to come to Butter first, because they know we’re the insurer for them,” she says.

Skevington’s ambition is for Butter to be synonymous with “meaningful and innovative approaches to insurance”. “So, not just cutting it from the same cloth, not your standard home and contents — we want to be known for listening to our customers,” she says. “What do they really want? What’s missing from their current experiences?”

Another ambition is to expand overseas within the next three years — perhaps to Asia, where the embedded insurance market is already mature. “We’d definitely like to, but the question of where is still undecided,” says Bell. “Right now, we’ll just see how things go.” //



## TWO-MINUTE BIO

### EDUCATION

Steph Skevington studied a Bachelor of Laws and Bachelor of Commerce (majoring in Business Information Systems) at the University of Sydney. Cassie Bell has a Bachelor of Laws (Honours) and a Bachelor of Media, Communications and Journalism from the University of New South Wales.

### CAREER

Skevington’s background combines law, operations and commercial expertise. Professionally, she cut her teeth as a lawyer at MinterEllison, focusing on government infrastructure projects within the property and construction team. She then honed her commercial skills as an associate at infrastructure group Plenary, before moving into the fintech space with Upstreet, where she worked in operations. She was inspired to venture into the start-up ecosystem by completing the Startmate Women Fellowship in early 2021.

Prior to co-founding Butter in 2021, Bell was a commercial lawyer at Gilbert + Tobin, where she guided many businesses through initial public offering processes, capital raisings and strategic acquisitions. Under their joint leadership, Butter has achieved a number of milestones, including raising A\$1.3 million in pre-seed funding and forging a strategic partnership with Australia’s largest payments provider.

### OUTSIDE THE DAY JOB

In her free time, Skevington likes doing anything that doesn’t require screen time, such as catching up with friends, reading, cooking, painting and getting outdoors for a walk every morning. Bell, likewise, enjoys physical pursuits — more specifically, punching a boxing bag about three times a week. Both of them share a taste for a glass of wine or a margarita, especially in the company of friends.

### ADVICE TO YOUNG PEOPLE

**Bell:** “My answer is always to actually get some life experience. It doesn’t necessarily have to be work experience because we were lawyers, not insurers. Our work did help us in getting amongst the regulation, but it’s not a huge wall if you don’t have work experience. “I think what’s more important, especially if you’re young and coming out of school or uni, is to travel and work in different jobs and different areas. Just dabble and see what you’d like and see what most interests you. “We’re not confident in every decision we make and we second guess ourselves a lot, but we know the direction of the company and we know where we want it to go. We know that we’re in the right place kind of at the right time.” **Skevington:** “Get to know yourself. If you start a business or you’re going out on your own, you need to develop a thick skin pretty quickly, so being sure of yourself and who you are can help a lot. Impostor syndrome is a real thing, but you just have to keep going and realise that most people don’t always know what they’re doing. And it’s OK.”







# 2023 ANZIIF New Zealand Insurance Industry Award winners



It's often called the insurance industry's 'night of nights', and this year the ANZIIF New Zealand Insurance Industry Awards celebrations certainly lived up to the hype.



A full house of more than 300 insurance professionals in their black-tie best gathered at Cordis in Auckland on 22 November to celebrate ANZIIF's 11th New Zealand Insurance Industry Awards.

ANZIIF's outgoing CEO Prue Willsford acknowledged the "extraordinarily challenging year" the New Zealand industry had faced and said the event was an opportunity to commemorate "the ongoing support our industry provides to its customers, communities, and workforce, while also acknowledging the exceptional accomplishments of the diverse talent present within our sector".

Winners were named in 14 categories, in a night that recognised exceptional dedication to the industry in broking, underwriting, claims management, life insurance, insurtech innovation, professional services and support services to the industry.

Willsford also acknowledged the 2023 judging panel, which included insurance leaders from across the industry.

"Thank you to our diverse judging panel that have given their time to assess the submissions and to our great sponsors, who continue to support this celebration of excellence, and truly make this event possible," she said. 🔄



## LARGE BROKING COMPANY OF THE YEAR

+ MARSH

This year's Large Broking Company of the Year — **Marsh** — celebrates a second win in a row.

The judges were impressed with the expansion of Marsh's chief client officer network, which provides each client segment with a dedicated contact. Executives called clients directly to develop relationships and facilitated client vulnerability assessments. Consequently, client retention rates and Net Promoter Scores were excellent.

Marsh also performed well in the environmental, social and governance (ESG) arena, with an award-winning ESG risk-rating tool using a case study to help measure each organisation's progress. Plus, Marsh offers preferential financing rates on premium funding to clients committed to ESG integration, via a partnership with Clearmatch.

Marsh also provided staff with professional development opportunities, including a learning platform to upskill and connect with others. There was also dedicated learning time for staff to focus on their personal career goals.

## BROKER NETWORK OF THE YEAR

+ INSURANCE ADVISER NET NEW ZEALAND (IANZ)

**Insurance Advisernet New Zealand (IANZ)** was recognised as Broker Network of the Year for the second year running. This follows two previous awards as ANZIF's Large Broking Company of the Year.

IANZ is the fastest-growing network in the country, and around a third of its 55 practices grew by more than 20 per cent. In 2022, client retention was more than 85 per cent and client satisfaction more than 95 per cent, off the back of three years of continuous improvement. Average staff tenure is nine years.



Beyond this success, the judges were impressed with the true collaboration within the network, exemplified by the training rolled out for insurers and underwriters following regulatory changes.

The judges also praised IANZ's learning and development (L&D) approach, which included appointing an L&D manager and developing a roadmap for inclusivity and empowerment.

IANZ also donated more than NZ\$75,000 to charity.



## UNDERWRITING AGENCY OF THE YEAR

+ UNDERWRITING AGENCIES OF NEW ZEALAND (UANZ)

**Underwriting Agencies of New Zealand (UANZ)** offers a bespoke risk portal to track risk incidents and provide reporting and analysis. Its peer review system enhances continuous improvement.

The company's focus on its people made this year's submission truly stand out.

UANZ primarily hires entry-level positions and deliberately brings in people from diverse backgrounds and with no prior insurance experience. Staff are offered flexible working conditions, group insurance (if eligible) and gender-neutral paid parental leave. Litmos is used to help track learning, and employees can access fully funded study at ANZIF, as well as higher education locally and overseas. Staff wellbeing is further enhanced by the provision of weekly fruit baskets to encourage healthy eating habits and fortnightly corporate massages to reduce stress.

As a result, employee turnover is less than 10 per cent, and staff retention and engagement are more than 90 per cent.

### PICTURED

(Left to right) Teams from Marsh; Insurance Advisernet New Zealand; Underwriting Agencies of New Zealand.



## YOUNG INSURANCE PROFESSIONAL OF THE YEAR

*Isabelle Kwek*

+ WOTTON + KEARNEY NEW ZEALAND

**Isabelle Kwek**, winner of the 2023 New Zealand Young Insurance Professional of the Year award, believes young professionals can play a crucial role in steering the industry through the rocky road that lies ahead.

An associate at Wotton + Kearney New Zealand, Kwek identifies greater financial and technological literacy, and commitment to diversity and inclusion as important attributes that young professionals can offer.

Kwek finds it meaningful and inspiring that the insurance sector is championing young insurance professionals through a specific award category. She says it was an honour to be nominated among such talented and accomplished finalists and to be named the winner on the night was “a surprise and truly amazing”.

“I am grateful for the outpouring of support from across the industry,” she says.

Winning the ANZIIF New Zealand award has further boosted Kwek’s motivation to represent the next generation of insurance professionals and to continue providing excellent service and advice.

“I view this award as an opportunity to showcase to the sector that there are many young professionals like me who are passionate and prepared to lead the industry into a bright future,” she enthuses.

Kwek also hopes to one day reach a position of leadership in which she can continue to promote diversity within the legal and insurance sectors.

“In the future, I hope to inspire generations of young insurance professionals to find successful, meaningful careers in this industry, and create opportunities for them in the same way that I have been offered incredible opportunities by the generations before me.”

→ [Read our full profile on Isabelle Kwek here.](#)



## LIFE INSURANCE COMPANY OF THE YEAR

+ ASTERON LIFE

**Asteron Life** took out ANZIIF’s Life Insurance Company of the Year award for a fourth time, after wins in 2013, 2014 and 2021.

The organisation has a Voice of Customer program, which provides insights into the customer experience. The judges were impressed with the company’s high customer satisfaction scores and its fast response to feedback — from understanding detractor data to helping customers build financial resilience as the cost of living rose.

This year, the company also extended its Best Doctors telehealth service and provided automatic premium relief for vulnerable customers.

To drive growth, the business upgraded its underwriting rules engine, and this has supported better processing, point-of-sale outcomes and claims delivery.

Grant Willis, executive general manager for Asteron Life, says the recognition from the industry is a testament to the effort of the Asteron Life whānau (family) and its commitment to providing insurance that is accessible, affordable and sustainable.

“One of the things the Asteron Life leadership team is most proud of is how our people consistently put customers at the heart of everything we do,” he adds. “Our adviser relationships have gone from strength to strength over the last year, and this comes through in customer and adviser feedback.”



## GENERAL INSURANCE COMPANY OF THE YEAR

+ FMG

Rural insurer **FMG** took out the top spot in this highly competitive category, based on its people focus and agility.

FMG is a two-time Gallup Exceptional Workplace Award winner — the only company in New Zealand to receive this recognition. The business has worked with Deloitte, PwC and Safetac to implement human-centred design and outstanding wellbeing offerings for its employees.

It has used this focus on people with its customers too, conducting extensive customer satisfaction research and eliciting customer care stories from staff.

Faced with challenging weather events in early 2023, FMG implemented the RAPID decision-making model, to enable it to move leaders around the business as needed. It retrained people with claims experience, deployed certified Toka Tū Ake EQC assessors and was able to help 6,000 east coast customers within just two weeks.

### PICTURED

(Left to right) The team from Asteron Life; Isabelle Kwek; the team from FMG.



## INSURTECH START-UP OF THE YEAR

+ SIMFUNI

Insurtech Start-up of the Year, **Simfuni**, is a digital payment platform for insurance brokers. Launched in 2022, ecommerce payment options can be built into invoices or provided via SMS, QR code or a link.

The business developed its payment solutions working directly with insurance brokers, who became Simfuni's clients. They continued to provide feedback, and this collaboration helped the Simfuni team understand the pain points on both sides — such as the wait times for premium funding quotes for customers and the risk that lies with broking staff doing credit card transactions over the phone and performing manual reconciliations.

"We are in the business of enabling great experiences for clients and their customers with technology," says Simfuni CEO and co-founder Shaun Quincey. He explains that they hand-picked a team of insurance brokers and another team of insurers, underwriting agencies and administrators to provide feedback via discovery sessions and user testing. "This feedback loop has helped power the development of highly scalable invoicing, payment, reconciliation and customer self-service technology," he says.

The judges noted that while the start-up is young, it has the potential to expand into security and compliance down the track.

"It's fantastic that our team has been recognised for the valuable contribution we're making to the insurance industry alongside our clients," Quincey says.



## INSURANCE LEADER OF THE YEAR

Amanda Whiting

+ IAG NEW ZEALAND

Mitigating the risks of climate change is high on the agenda for **Amanda Whiting**, chief executive of IAG New Zealand, which consists of AMI, State, and NZI.

Whiting has been awarded ANZIF's 2023 Insurance Leader of the Year and says it's vital that the insurance industry continue to lobby New Zealand's incoming government to ensure climate change remains a key area of focus.

"Climate change is having a profound impact on the country and presents huge risks for the insurance industry," says Whiting. "We've done a lot of great work in keeping mitigation on the agenda, and we need to continue this work with the new government."

During her time with IAG, Whiting has delivered the first automated insurance advice model for SMEs in Australia and has led award-winning customer experience teams that have delivered record employee Net Promoter Scores.

Her commitment to the industry includes working on several internal and external boards and committees, such as the Climate Leaders Coalition, Sustainable Business Council, Global Women and Champions for Change in New Zealand. She is also a member of Chief Executive Women in Australia and vice president of the Insurance Council of New Zealand Board.

Whiting's work as chair of the Cyclone Taskforce Insurance Subgroup was applauded by ANZIF award judges. The Taskforce spearheaded the recent climate disaster response, recovery, and next steps alongside central and local government. It also applied shared claims data to models that now help councils make decisions about how to categorise vulnerable properties.

→ [Read our full profile on Amanda Whiting here.](#)



## PROFESSIONAL SERVICES FIRM OF THE YEAR

+ MCLARENS

For the third year in a row, **McLarens** won Professional Services Firm of the Year, based on a standout submission that outlined the work the company has done on its assessment model systems, ESG targets and talent management.

When IAG decided to change its assessment model after the January weather events, McLarens responded with new systems and processes that allowed it to scope more than 3,000 properties in 10 weeks and an additional 1,630 properties in a further five weeks.

Building on its ESG achievements from last year, the company engaged Planet Mark to validate its emissions reduction targets. It also contributed to reforestation efforts, purchased hybrid vehicles and provided a dedicated ESG intranet channel and activities for staff.

A new learning, health and safety and compliance officer now provides better health and safety workflows and better contractor management. Staff engagement and retention remain outstanding, judges said.

### PICTURED

(Left to right) Simfuni CEO and co-founder Shaun Quincey; Amanda Whiting; the team from McLarens.



## EXCELLENCE IN WORKPLACE DIVERSITY AND INCLUSION

+ AIA NEW ZEALAND

Winner **AIA New Zealand** focuses its diversity and inclusion activities on six segments: gender, accessibility, LGTBTTQI+, age, culture, and Māori and Pacific. Each group has an executive sponsor and at least one employee-led network group. Leaders within the company are tasked with diversity and inclusion responsibilities across recruitment, development, remuneration and workplace environment.

The judges praised AIA's support of Māori and Pacific Islanders, which included using the te reo Māori language, and the Accessibility Committee's many activities, which were recognised with an Accessibility Tick from the New Zealand Disability Employers' Network.

A new initiative this year was the Menopause Toolkit. Research showed that women over 50 are the fastest growing workplace segment, and the new toolkit provides manager upskilling, webinars, desk fans and the option to dress for comfort, as well as other support measures.

"Through research, we discovered that 90 per cent of women going through menopause said symptoms impacted their work negatively, and women who experienced menopause-related symptoms at work felt less engaged and less satisfied with their job," says Brynlea Hunter-Morpeth, AIA NZ chief people and culture officer.

"Recently we achieved Advanced GenderTick Status, which stems from our work to design and implement initiatives around menopause, and we continue to receive invitations to knowledge-share and work with organisations on their own menopause journeys."

### PICTURED

(Left) The team from AIA accepted awards for Excellence in ESG Change and Excellence in Workplace Diversity and Inclusion.

## EXCELLENCE IN ENVIRONMENTAL, SOCIAL AND GOVERNANCE CHANGE

+ AIA NEW ZEALAND

**AIA New Zealand** took out the gong for Excellence in Environmental, Social and Governance (ESG) Change. Central to this is the company's active commitment to achieve net zero by 2050 and to reduce Scope 1 and 2 emissions to zero by 2030.

In the awards period, the organisation reduced Scope 1 emissions by more than 30 per cent and Scope 2 emissions by almost 25 per cent.

New buildings meet industry-recognised green standards, waste is being managed more efficiently and vendors are being encouraged to improve their ESG performance. AIA New Zealand is also committed to ethical investment, including green bonds, sustainability bonds and investments in renewable and alternative energy and infrastructure.

With an eye on social change, the company debuted a co-created employee whai ora (wellbeing) strategy. A range of wellbeing suppliers were hosted on site at the first Whai Ora Day, which led to a 118 per cent increase in the number of staff engaging in wellbeing offerings.

"As the largest life insurer in New Zealand, we recognise the scale of positive transformation we can make to create a healthier, sustainable future for people and communities, as well as the planet," says Jackie Waddams, AIA NZ general counsel and company secretary.

"I was delighted to accept this award on behalf of our AIA NZ team. We are proud to have made a solid start on our ESG journey — but openly acknowledge there is significant mahi (work) still to do.

"Some other areas of focus include investing in ESG-benchmarked funds where possible, and supporting the next generation and those in need through partnerships with the likes of TupuToa [which provides professional opportunities for Māori and Pacific tertiary students], Mental Health Foundation of New Zealand, Trees That Count and the Heart Foundation."

## CLAIMS TEAM OF THE YEAR

+ AA INSURANCE

Winner **AA Insurance** has achieved consistently high Net Promoter Scores across three lines of business since 2020, as well as a supplier satisfaction score above 95 per cent this year, up from more than 90 per cent in 2022.

It has invested in its claims lodgement and fulfilment processes, including a dispute resolution procedure that incorporates a dedicated customer resolution service. In addition, AA Insurance worked with shareholder the NZAA to provide more face-to-face support for customers impacted by weather events in Muriwai, Napier and Hastings.

"As insurers, our job is to help customers get back on their feet when disaster or misfortune strikes, and we know this has been a particularly tough year for those Kiwis who withstood the worst of the severe weather from earlier this year," says Simon Hobbs, AA Insurance general manager Operations.

"I know how hard our teams worked to support customers in the aftermath of the Auckland Anniversary Weekend floods and Cyclone Gabrielle, and I know how hard they continue to support people still working through the complexities of their claim. To have their work acknowledged is a wonderful honour."

The company used inclusive recruitment, job resizing and employee-led action groups to attract, retain and develop team talent, and its engagement scores stand in the top 25 of all New Zealand companies.



### PICTURED

(Left to right) The team from AA Insurance; John Stubbs; RedBook's Nick Auld.



## ANZIIF LIFETIME ACHIEVEMENT AWARD

John Stubbs

+ GENERAL REINSURANCE (GEN RE)

Facultative underwriter **John Stubbs** feels fortunate to have been able to help keep the reinsurance voice alive in New Zealand.

Stubbs spent more than three decades as property facultative manager at General Reinsurance (Gen Re) New Zealand, and says he is proud to have been able to provide the company's global expertise to the local market. "Without reinsurance foundations, insurance can't exist," he says. "My biggest legacy is that reinsurance in New Zealand didn't simply disappear into the back office."

Stubbs joined South British Insurance in Takapuna as a junior straight out of school.

He progressed to servicing direct commercial clients, witnessing rapid changes in the insurance industry throughout the 1970s, including the introduction of market-driven pricing.

Stubbs joined Cologne Re in 1987, "just in time for the Bay of Plenty earthquake, Cyclone Bola and the Global Financial Crisis". At the time, New Zealand was still home to seven reinsurers; however, the 1990s brought major restructuring in the industry and many of the traditional companies disappeared through mergers.

Stubbs stayed on when Cologne Re was bought by Gen Re in 1995, and he retired in April 2023.

As a member of many industry committees, Stubbs is recognised for making a significant contribution to the insurance landscape following the 2011 Canterbury earthquakes.

"Because we hadn't had an event like this, some of the existing wordings just weren't up to scratch, so a lot of work was done around trying to interpret them in order to do things better in the future," he recalls.

"I think we managed to gain a better understanding of what will happen during the next large earthquake swarm, so any mistakes made originally... won't be repeated."

➔ [Read our full profile on John Stubbs here.](#)

## SERVICE PROVIDER TO THE INSURANCE INDUSTRY

+ REDBOOK

Part of the carsales.com group, this year's Service Provider to the Insurance Industry winner, **RedBook**, provides vehicle valuation, identification and pricing. RedBook won the award previously, in 2015 and 2017.

The business has achieved more than 100 per cent year-on-year growth since 2020 and boasts a 100 per cent client retention rate for the past three years, too.

Most recently, RedBook was looking at manually making 9,700 extra vehicle price adjustments per month. In response, it developed Price Adjustment Up-Loader (PAUL), which can automatically make these updates in minutes.



Nick Auld, general manager of RedBook, says the company used the time saved to expand its offering in insights and market updates. "We provide a market update for everyone to read on our LinkedIn page by way of general comment on the New Zealand market and what's happening in the EV [electric vehicle] space," he says. "We have more developments coming shortly that will also support the industry."

On the staff side, the company's progressive and flexible benefits, as well as its professional development initiatives, have contributed to near-perfect employee retention and strong engagement.

"In a smaller company, everyone gets more involved and has a key role," says Auld. "Recruiting and keeping good staff is increasingly difficult, so we go above and beyond."



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### **RISK //** **Personal cyber**

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Concierge services are an opportunity for insurers to guide customers through the claims process, keeping them up to date with progress and managing any complications.

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Precision medicine could have a powerful effect on insurance, but its reliance on genetic testing presents ethical dilemmas.

## **REINSURANCE //** **Cat modelling**

As climate change accelerates, historical data is no longer a reliable predictor of future loss ratios. New catastrophe models are helping reinsurers improve their scenario planning.

# Insuring our virtual lives

Cyber insurance is no longer just a concern for businesses. Savvy individuals are taking up personal cyber cover — but does it provide the level of protection customers expect?

## IN SHORT

- › A number of insurers have introduced personal cyber insurance products to address the risk of identity theft, cyberbullying and other forms of online attack.
- › Many of these products are bundled with home insurance lines, while some are standalone and others are being offered via employers as an employee benefit.
- › Much of the value of personal cyber lies in the access to expert response teams if you experience a cyber event, as well as the price of replacing sensitive documents and time-off-work costs.

Innovation these days is often driven by people's desire to work, play, communicate and shop online. But with increasing numbers of individuals losing out to scams like 'Dear mum' and fake SMS payment demands — to the tune of more than A\$3 billion across Australia and New Zealand — many insurers are responding in the form of personal cyber insurance.

In the United States, for example, multiple insurers are offering personal cyber cover as an addition to home insurance or as a standalone product. Others are targeting identity theft insurance: a particularly costly cyber event for individuals, both in terms of the financial losses, and the time spent reporting the crime and addressing the fallout.

Identity theft can result from phishing attempts (where a person responds to a scam email or SMS and provides sensitive information), but also from online data breaches (such as the 2023 Optus data breach in Australia). These details can be used to access people's existing bank accounts, open new credit accounts and apply for loans. Identity theft cost Australian citizens more than A\$10 million in 2022 and experts believe the true cost is much higher, owing to the complexity of reporting identity theft.

Many other countries have similar — albeit smaller — personal cyber markets. For example, in Singapore, Etiqa and StarHub offer standalone personal cyber products, with StarHub's cover underwritten by Chubb. FWD bundles personal cyber cover for some online shopping fraud and fraudulent transactions with its home insurance policy, and Delta offers a personal cyber add-on through its business cyber insurance.

In Australia and New Zealand, the market is smaller again. Underwriting agency Emergence has a standalone personal cyber offering available via brokers and Chubb offers personal cyber as an add-on to its home and contents insurance. AIG underwrites broker offerings from Norton and Experian for identity theft insurance.

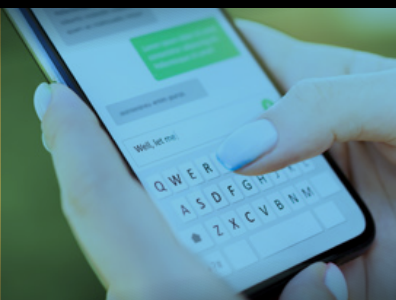
Norton — which has recently launched a free scam detection tool — blocked over 55.5 million scam threats in Australia and New Zealand and over 1.5 billion globally in the first half of 2023, says Dean Williams, a senior systems engineer with multinational software company Gen, which owns the Norton brand.

## WHO'S ON THE HOOK FOR LOSSES?

**NEW RULES THAT come into force in 2024 will make it mandatory for banks and other payment companies in the United Kingdom to reimburse victims of authorised push payment (APP) scams. These are bank transfer payments (not card payments), where someone uses online banking to pay a fraudster for goods or services that don't exist or are counterfeit, or where a cybercriminal tricks someone into transferring funds to the fraudster's bank account.**

**Meanwhile, the Monetary Authority of Singapore is currently considering a shared liability scheme that will mean both consumers and banks are on the hook for financial losses from scams. In Australia and New Zealand, however, regulators are focusing more on encouraging prevention activity than compensation schemes.**

**While the UK's new measures may cover some losses and also force banks to develop better fraud detection systems, Emergence CEO Troy Filipcevic says that bank scams are only one aspect of the cyber risks that individuals and families are facing. In his view, having access to response experts who can help navigate a situation like identity theft and decrypt locked files or photos, for example, is a core advantage of a personal cyber offering.**



“Personal cyber insurance could become a staple in insurance portfolios. While the market is still relatively young, its growth potential and the enduring relevance of cybersecurity make it a promising area.”

Dean Williams / Gen

“Personal cyber insurance could become a staple in insurance portfolios. While the market is still relatively young, its growth potential and the enduring relevance of cybersecurity make it a promising area,” says Williams.

Swiss Re estimates the global cyber market has tripled in volume in the past five years, expanding to around US\$13 billion in size in 2022. If personal cyber grows at the speed of commercial cyber products in the past few years, those insurers who are already in the market could be well-placed for a dramatic take-up of personal cyber insurance products.

### Unique benefit

Backed by Lloyd's, Emergence's personal cyber product has been on the Australian market since 2020. Previously, it could only be accessed through brokers, but in August this year Emergence adopted a new distribution strategy similar to Delta's in Singapore: offering personal cyber insurance to employers looking to give staff that extra layer of protection.

Emergence founder and CEO Troy Filipcevic says he is seeing "tremendous" signs from employers for this product, and he doesn't rule out a similar offering in New Zealand, where Emergence recently launched its business cyber product.

"We are educating brokers to have those conversations with clients and that takes time, but since we've launched, we've been extremely happy," he says. "The only thing we do is cyber insurance, so the personal aspect was just an addition to our cyber products."

"We see cyber as a major risk across businesses but also personal, as family lives become increasingly entwined in technology. Technology isn't going away. It makes sense that people start thinking about cyber risk more holistically."

Emergence's personal cyber insurance limits range from A\$50,000 up to A\$1 million. The product covers cyber events such as hacking, ransomware attacks, identity theft and phishing, as well as providing assistance for cyberbullying and cyberstalking. Response experts are part of the coverage, as is compensation for unauthorised fund transfers, identity restoration costs and time-off-work costs.

### Questions to answer

Win-Li Toh, vice president of the Actuaries Institute and principal at Taylor Fry, estimates the Australian cyber insurance market is sitting at around A\$500 million and that personal cyber would represent a tiny portion of that at present. She says personal cyber cover has appeal.

"It's early days, but Emergence covers cyberbullying and helps with related forensics, and it pays you a little bit of income while you're getting your life back in order, which is more than commercial cyber covers," observes Toh. "I imagine the kind of person who buys this sort of cover, unless it's for employees, is probably someone who's pretty PC or cyber savvy."

However, mainstream customer awareness of personal cyber is in its infancy and one additional hurdle could be the public's understanding of what a policy actually covers. Toh questions if customers who fall prey to scams, where the victim authorises payment to a fraudulent bank account, will be covered by personal cyber products. Her reasoning is that banks may not reimburse payments made to fake e-commerce retailers; because if a person has authorised a payment without checking for the signs

"I imagine the kind of person who buys this sort of cover, unless it's for employees, is probably someone who's pretty PC or cyber savvy."

Win-Li Toh / Actuaries Institute

of a scam or verifying the integrity of the website, this suggests negligence on their part. According to the Emergence PDS, for example, cover generally applies to attacks of the unauthorised kind, suggesting that Toh has correctly defined a coverage gap.

Toh says another big question around cyber insurance — commercial and personal — is what happens during acts of war. Most insurance policies do not cover damages resulting from an act of war. However, as we saw, following the Russian-backed NotPetya malware attack that targeted Ukrainian infrastructure in 2017, people and businesses across the globe with no connection to a conflict could be collateral damage in cyber warfare. The Lloyd's Market Association has tabled exclusion clauses to exempt insurers in the event of state-sponsored cyber attacks, but the clauses are yet to be tested.

"The market has not yet settled on wordings that excludes acts of war," confirms Toh. "Lloyd's wording attracted some controversy and it has never been tested in the court, so market clarity on exclusion for this big systemic risk is still unsolved."

What is clear is that responding to cyber risk with the right personal cyber insurance product presents a huge opportunity for insurers — if they can underwrite the risks correctly and ensure policy wordings are clear and fit for purpose. //



**BEN FALKENMIRE**  
Freelance journalist

"The market for personal cyber insurance is currently niche but if the commercial cyber market is anything to go by, it is only a matter of time before personal cyber becomes a solid profit play."



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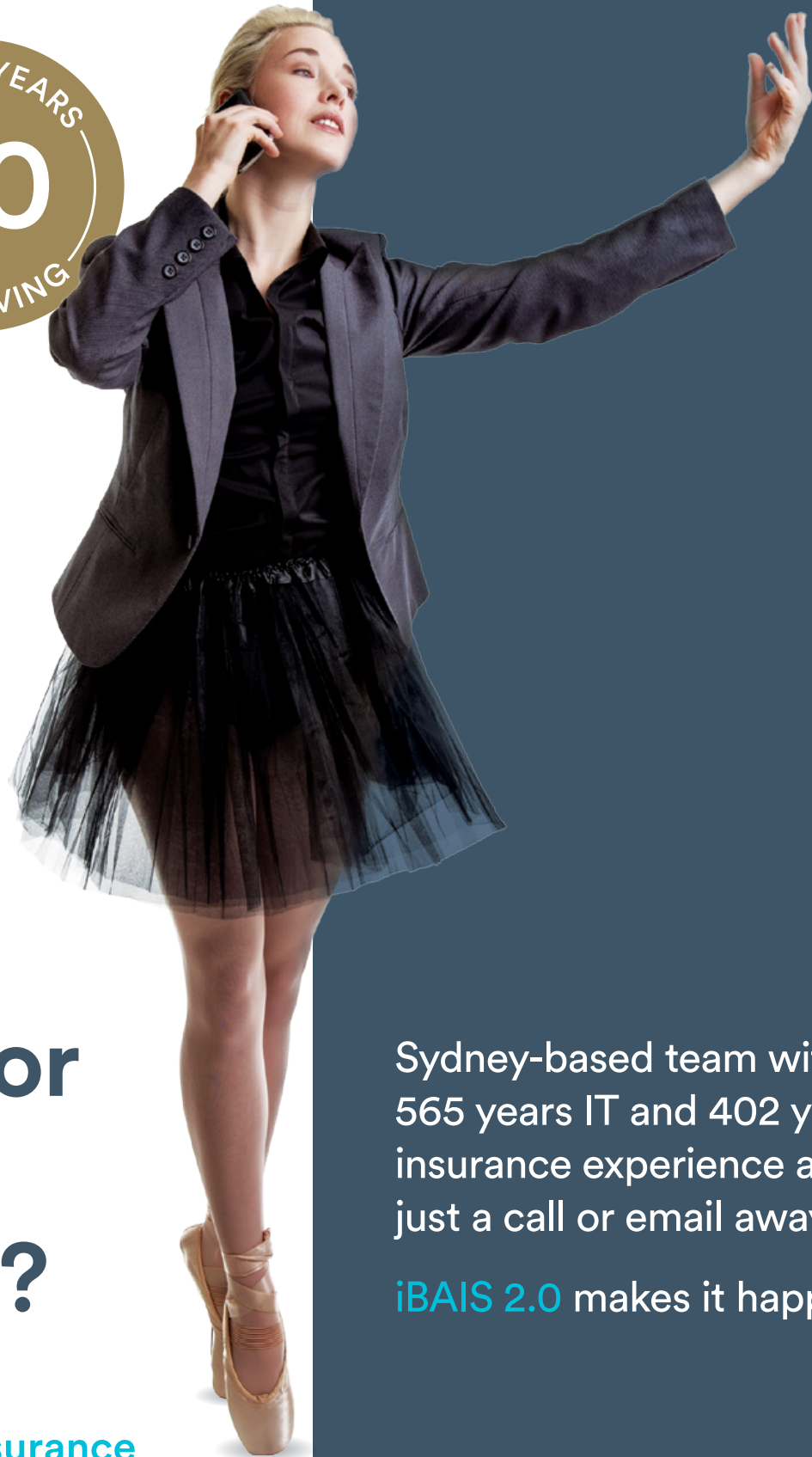
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# Safe as houses

The construction industry can't control the availability of materials and labour. But contract works brokers can mitigate its other key risks by asking the right questions of the right people.



## IN SHORT

► **The hard insurance market is contributing to the higher cost of contract works insurance.**

► **Many customers misunderstand what they're covered for and assume some optional covers, such as insurance for equipment on site, are included as standard.**

► **Engaging independent consultants and clarifying policy wording can help brokers to ensure that cover is appropriate.**

**W**hen Australian house builder Porter Davis went into liquidation in March 2023, it left more than 1,700 people with half-finished homes and made insurers even more selective in their appetite for construction risk.

Factors like fixed-price construction contracts, an inflationary squeeze on costs and the availability of materials and labour have added significant pressure on the industry. Porter Davis is among more than 2,500 construction companies that have folded in Australia since mid-2021, according to data from the Australian Securities and Investments Commission. The industry in New Zealand is also feeling the strain, with data from Centrix showing 199 construction companies have filed for liquidation this year, a 35 per cent increase on 2022.

The ongoing hard insurance market is also contributing to the higher cost of cover like contract works insurance, which covers builders, tradies and subcontractors against accidental loss or damage to their projects during the construction period.

"The cost of claims contributes to the hardening of the market and, over the past few years, weather perils have impacted the construction industry in terms of high-level losses," says Lesley Connolly, principal at Irecon Insurance Services, an authorised representative of Insurance Advisernet.

"The claims are more complex because the bigger the loss, the more work involved to get it resolved. The cost of reinsurance goes up, which flows on to the customer."

### Struggle for cover

Jennifer Steger, principal broker at Trade Risk, says there are two main components to contract works insurance.



## CONTRACT WORKS INSURANCE OUTLOOK

**Higher-hazard industries like construction continue to attract premium increases, with insurers being more selective about the risks they write. However, the latest Construction Market Update from broking and risk advisory firm WTW (formerly Willis Towers Watson) suggests pressure is beginning to ease. Renewals for contract works insurance range from flat to increases of 15 per cent for good risks.**

**However, WTW also notes that insurers remain concerned about materials and labour inflation, particularly in light of recent insolvencies across the construction industry.**

**"As a result, insurers are requesting greater detail around clients' financial position, their contracting regime and how they are mitigating against inflationary pressures," says WTW.**

"The first is the material damage side, which covers risks like weather-related damage or malicious damage, and the second component relates to liability. If a policyholder causes any injury to a third party or damage to someone else's property, they may be covered by contract works insurance."

In places like Australia, Connolly says there is a shrinking pool of insurers willing to provide this kind of cover, especially for high-risk construction projects, such as wet civil risks and large refurbishment projects on high-value residential and commercial properties.

"If you're doing a \$600 million job where there's a big fat premium, you get a bit of interest from the big insurers, but when you've got someone doing a high-risk project for \$4 million, there's a struggle," she says. "Few insurers like to cover wet civil construction because it is high risk. We've got about three insurers in this country that will do it at that value."

Natural disasters are also leading to a spike in premiums in New Zealand, says Caleb Dowman, senior broker — Construction at Gallagher (formerly Crombie Lockwood).

"Places like Wellington are prone to natural disasters, so the premiums tend to be astronomical, especially for big projects where you're going to need a decent panel of insurers. Right now, you're not going to be able to obtain that from the local market," he notes.

### Asking the right questions

Contract works insurance is complex and Connolly says customers often misunderstand exactly what they're covered for.

"We have several different manuscript wordings, which have been written to cater to specific buyer groups. This makes the wordings more relevant and easier for clients to understand," she says.



“Clarifying the intention upfront is critical, because that’s where things could be won or lost when it comes time to claim.”

**Lesley Connolly /**  
Irecon Insurance Services

Connolly points out that every policy has exclusions, which can influence what damage will be covered if there is a loss.

“No two claims are the same and, as brokers, we can never guarantee claims outcomes based on the ‘what if’ scenarios.” Steger says some customers assume contract works insurance provides complete cover.

“Often the customer might believe that the equipment they’re using on site is automatically covered under the policy for something like theft, whereas it’s not an automatic cover, it’s an optional cover.”

Connolly says brokers must have a thorough understanding of their customer’s business and ask the right

questions to provide the right cover.

“The number one question is, what’s your business activity as a builder? Are you building dams, rivers, bridges, houses? What’s your maximum construction time and what’s the contract value?”

“Some of the biggest failings arise from administration issues, rather than the actual construction works themselves. Builders breach policy limits such as maximum construction period and maximum contract value, rendering themselves uninsured with no knowledge of even doing so. It’s our job, as the client’s representative, to make sure we educate clients well enough that they understand how the policy operates and set up ongoing reporting to mitigate any potential breaches.”

## Finding the solutions

In a hard insurance market, Connolly says it’s challenging to find innovative solutions for contract works clients.

“There’s no trick to it, to be honest, and you really just have to understand the risk,” she says. “The best way to do this is to get everyone in a room and ask the right questions.”

Dowman says engaging independent consultants to review items in a construction contract can assist with cover exemptions.

“We’ve called in independent consultants to look at items in a contract that may be exempt from the Fire Service Levy, for example, because it can be quite expensive,” he says.

Connolly adds that brokers should review and clarify policy wording to ensure that the cover is understood.

“We checked a policy the other day with a \$50,000 excess for water damage, but there was no definition of water damage in the policy. We went back and asked, ‘What do you classify as water damage? Leaking pipe? Flood? Tsunami?’.

“Clarifying the intention upfront is critical, because that’s where things could be won or lost when it comes time to claim.”



**SUSAN MULDOWNEY**  
Freelance writer

“Fixed-price contracts are common across the Australian construction sector, leaving companies exposed to the rising costs of materials. This is outside the control of brokers, but the more they understand their customers’ business, the more they can help them to navigate the complexities of contract works insurance.”



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## IN SHORT

Insurers are using claims concierge services to offer better, faster and more customised experiences as part of their standard offerings.

A claims concierge service can be managed by humans, web applications, robots or a combination of these.

Artificial intelligence could lead to further advances in the claims concierge model and will enable more cases to be handled.

# Claims process *on a* platter



Concierge services are an opportunity for insurers to guide customers through the claims process, keeping them up to date with progress and managing any complications.

The concept of a white-glove concierge service is usually associated with five-star hotels, offering customers next-level attention to detail and making sure their stay is as comfortable as possible. It's a nice add-on if you can afford it. So, what if that kind of service was available to help customers making an insurance claim — as part of a standard offering and at no extra cost?

Rapid technological advancements and the growing availability of data have already expedited the claims process in many ways. Some insurers are now using technology to introduce their own take on a concierge service by providing better, faster and more customised claims experiences as part of their standard offerings. Others offer a human touch, with a personalised service and access to specialised support if needed.

A claims concierge service is distinct from the traditional claims process in several significant ways. It serves as a single point of contact for the claimant, offering a dedicated service throughout the entire claims process. It takes a proactive approach, keeping the claimant well informed at each stage of the process, and handles administrative tasks by submitting the required paperwork and documentation on the customer's behalf. Additionally, concierge services expedite the claims process and are ready to escalate any issues if necessary.

Insurers who offer a claims concierge service may also have an advantage in addressing many of the five key areas of concern highlighted by the Australian Securities and Investments Commission (ASIC) in its review of insurance claims handling, released in August this year. These areas are: improving consumer communications; enhancing project management; recognising and managing dissatisfaction and complaints; identifying vulnerable consumers and handling their complaints; and ensuring there are sufficient resources for claims and complaints handling.

In particular, a claims concierge is an additional resource that can improve customer communications and claims management — which will likely also reduce the incidence of complaints. Even then, the service can escalate problems that may arise to a human claims handler.

### Gaining traction

There are already examples of claims concierge services in the global market, handling anything from medical and personal injury claims, through to property damage, vehicle repairs and more. In Australia, insurance provider NTI says introducing a concierge service for its transport customers has sped up the claims process by 60 per cent, with more than half of all customers choosing it as an option.

“Customers can access the concierge service to get assistance to process feedback or enquiries straight away. It takes away the wait time around communication and paperwork.”

James Peplinkhouse / Wilbur

James Peplinkhouse, chief technology officer at Wilbur, the tech arm of the Claim Central Group, says a claims concierge service is delivered through human staff, apps, bots or a combination of these, offering specialised support tailored to the specific needs of the policyholder filing a claim.

“The current concierge services have turned customer interactions into a two-way conversation, as opposed to a reply and response process through emails,” he explains.

## WHAT DOES A CLAIMS CONCIERGE SERVICE DELIVER?

**A concierge service can provide valuable assistance during the insurance claim process. Here are three ways it can help:**



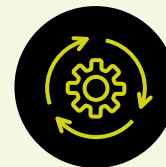
### 1 Guidance and support:

Concierges can help customers understand the steps involved in a claim, the information needed and what to expect at each stage of the process. This can reduce the chance of delay or denial and ensure the information the customer provides is accurate and timely.



### 2 Document collection and submission:

They can advise on what evidence or paperwork is required, help customers fill out claim forms and even collect relevant records from external sources such as government databases and registers.



### 3 Claim status updates and advocacy:

They can keep customers informed about the progress of a claim and act as advocates if there are any delays or issues.

"We've already had a lot of changes in technology this year, and we've got all of these great AI [artificial intelligence] products that are available."

**James Peplinkhouse** / Wilbur

"It's about compressing the time it takes to handle each claim, which improves the customer experience by making interactions available 24/7 through an online portal.

"Using Claim Central's concierge service, users can upload videos and photos of damaged property to an online claim file, communicate at any time of the day or night, and upload invoices for repairs as they come in."

Customers also have a dedicated human claims consultant on hand to answer any questions that arise.

"It's a technology-driven concierge service that gives customers a better and faster experience," says Peplinkhouse. "For example, through our video streaming service, we can remotely view a damaged property while we are speaking to a customer, instead of booking someone to come out in three days' time.

"Customers can access the concierge service to get assistance to process feedback or enquiries straight away. It takes away the wait time around communication and paperwork."

### Bridging gaps

Concierge services also have the potential to help customers beyond claims management. In New Zealand, for instance, Tower Insurance has partnered with real-estate company Ray White to launch Concierge. It's a service that helps customers purchase their home and contents insurance, book a tradesperson for repairs and improvements, buy discounted art and more.

"It is a unique and innovative example of how the concierge model can be used across industries, by making it even easier for people to insure their home during the house-purchase process and ensuring they have the right insurance for their needs," says Jonathan Beale, managing director of partnerships at Tower Insurance.



Tower also offers a digital self-service platform called My Tower, which helps to speed up the claims process and guides customers along the way.

"Customers can lodge a claim and check the progress of their claim without having to pick up the phone or email our customer care teams," says Beale.

### Where to next?

Peplinkhouse predicts that as technology continues to evolve and offer new solutions, the concierge service will likewise become more advanced.

"We've already had a lot of changes in technology this year, and we've got all of these great AI [artificial intelligence] products that

are available," he says. "I think the future of the claims concierge will be adding generative AI into the mix, to boost that reasoning ability and handle even more cases."

Generative AI can draw on large datasets to provide answers to customer questions and anticipate the next steps required.

Despite these advances, Peplinkhouse says the claims concierge service still requires the human touch.

"The most complex claims will continue to be handled by humans, who can bring empathy and expert judgement," he says. "Complex claims will always require more nuanced judgement than AI-based tools can provide. Technology is just helping us cover more ground, more quickly." //



**MEGAN BREEN**  
Freelance writer

"Having a dedicated concierge service to guide people through a claims process is very appealing — not only for customers, but because it can also free up claims assessors to help customers in other ways."



# General Insurance Claims Handling Framework

The insurance industry is fundamental to our economy, and our Claims teams are the proof point for insurance.

As an industry we are not well understood by our broader community – and the less we are understood, the more important it is that we can point to a frame of reference of ‘what good looks like’.

*The recent implementation of licensing requirements for Claims Handling has provided an opportunity for the insurance industry to establish a minimum professional standards framework for Claims Handling and Settling Services.*

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# Made to measure

**Precision medicine could have a powerful effect on insurance, particularly the life and health lines. But its reliance on genetic testing presents ethical dilemmas for how insurers can use the information.**

In the 24 hours before he spoke to the *Journal*, paediatric oncologist Professor Nick Gottardo was beginning to decode three precision medicine puzzles. Their solutions will carry great weight in a life-or-death outcome for three children with brain tumours.

Each one is a real-world example of the potential of a personalised treatment, versus traditional protocols that take a one-size-fits-all approach. Precision medicine, as it's known, typically relies on testing the genetic make-up of the patient. While it can offer tailored medical solutions, it also raises ethical dilemmas insurance professionals continue to wrestle with.

## Brave new world

Precision medicine is a relatively new direction in therapy that promises better outcomes, fewer side effects and a much-improved quality of life for people who otherwise had little chance of survival, or who faced the prospect of ongoing medical issues resulting from their treatment. While Gottardo specialises in the treatment of childhood cancers, precision medicine is also being used to treat adults with breast cancer, melanoma, colorectal cancer and many more life-threatening diseases. In some instances, tests establish if cancer cells exhibit a certain gene or protein changes that are being targeted in clinical trial by a new medicine. This gives researchers better information on how a new treatment works, and it can get patients better outcomes.

"[Precision medicine] has become embedded in our day-to-day practice for making the diagnosis, assisting with the diagnosis or refining the diagnosis, and to find specific treatments that are more effective and less harmful," says Gottardo, co-head of the Telethon Kids Institute's Brain Tumour Research Team and head of the Department of Oncology and Haematology at Perth Children's Hospital.

"It is most commonly used when you're talking about cancer. In children, it helps rationalise how much therapy a specific child needs. If you undertreat a child with a specific tumour, their chance of relapse is higher. Conversely, if you overtreat them, you're causing more side effects."

## What does precision medicine mean for insurers?

Insurers, particularly those in the life and health spaces, are watching the development of precision medicine with great interest. Giving people access to the most effective treatment with the fewest side effects is in everyone's best interest. However, few insurers are willing to comment now on how it will affect their underwriting and their products. In Australia, a moratorium is in place, preventing insurers using genetic test results to discriminate against customers who might apply for health insurance. Life insurers are permitted to use genetic test results in limited ways, and Treasury is currently reviewing regulations. In New Zealand, people have no protections in terms of how their genetic test results are used.



Mandarin feature



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## IN SHORT

› Precision medicine is now a reality, creating more targeted therapies and saving lives, particularly in the field of oncology.

› Many policymakers around the globe are prohibiting the use of genetic testing for the purpose of underwriting in life insurance.

› Some insurers have found ways to use precision medicine to offer more personalised cover for their clients.

Illustration: iStockphoto

"It will reduce side effects. It will be more specific and effective in the way we treat, so you will have better chances of success. And the patient will then have a more productive life because of the minimised side effects."

**Professor Nick Gottardo** / Telethon Kids Institute

A white paper from RGA Reinsurance called *Genetics and Insurance: Challenges and Opportunities III* argues that genetic and genomic testing is playing a pivotal role in life and health insurance. While information from such tests can improve the population mortality and morbidity experience, the paper explains, it also creates challenges for insurers around the use of such information.

"Many countries continue to prohibit genetic test results for use in underwriting, even if the results have been shared with an insurer," researchers say. "In addition, as more individuals order their own genetic tests, a growing asymmetry of information continues to emerge. This may create added challenges and could signal a significant shift in the information balance between proposed insured and insurer."

Similarly, a 2019 report from the Swiss Re Institute called *Can life insurance pass the genetic test?* says if such information is not treated in "a careful, balanced way", that information could provide enormous challenges for life insurers.

### Regulation and innovation

Territories around the world are coming up with their own solutions. For example, in Singapore, the use of predictive tests in insurance underwriting is regulated. In the United States, significant legislative activity is currently underway at state level to limit the use of genetic testing data in life underwriting.

In Australia, the FSC Standard No 11: Moratorium on Genetic Tests in Life Insurance ensures individuals can access life insurance without having to disclose an adverse genetic test result. Insurers can only

## 3 BRANCHES OF PRECISION MEDICINE



### PHARMACOGENOMICS

understanding how an individual's body is going to react to certain therapeutic drugs.



**GENE THERAPY** identifying a gene that is abnormal, missing or mutated in an individual, then modifying

their genes to treat or cure the resulting issue.



### NUTRIGENOMICS

an individualised approach to diet and exercise that begins with an understanding of a person's genetic make-up.

request results of past tests if those tests are relevant and if lump sum death cover or TPD cover is over A\$500,000, if trauma cover is over A\$200,000 or if income protection cover is over A\$4,000. The Financial Services Council is currently reviewing the moratorium, which is due to end on 30 June 2024.

### Exploring the possibilities

Meanwhile, some insurers are dipping their toes into precision medicine to improve offerings to their clients.

For instance, Pru Life UK offers the myDNA Pro bundle in the Philippines, which "provides tailored diet and fitness recommendations on reducing health risks based on an individual's DNA". Essentially, the insurer is using precision medicine to advise clients and help prevent future health issues.

Canada Life health insurance customers have access to Pillcheck, a personalised DNA analysis tool that claims to help identify the right medication type for each customer's genetic make-up. The Atlanta, Georgia-based Centers for Disease Control and Prevention (CDC) explains that our DNA can influence how body tissues absorb certain drugs and how quickly our bodies remove them from the system. This can impact how effective medications — even relatively commonly used ones such as statins (cholesterol lowering drugs) — are for different people.

Other insurers, however, are taking a wait-and-see approach to precision medicine. While better data makes for greater efficiencies when assessing risk, there are social, legal and ethical issues to navigate.

This was highlighted by a 2023 report from the Australian Genetics and Life Insurance Moratorium, *Monitoring the Effectiveness and Response*, that recommended "the Australian Government amend the Disability Discrimination Act 1992 to prohibit insurers from using genetic or genomic test results to discriminate between applicants for risk-rated insurance, and consider amendments to the regulation of financial services to ensure insurers are subject to a positive duty to not discriminate".

At the same time, precision medicine could also ensure people get the most effective solutions for their unique make-up: potentially leading to shorter and more cost-effective treatments — which benefit customers and insurers alike.

Despite the ethical challenges, precision medicine marches onwards.

"In the long run, it is going to be much better for the patient," says Gottardo. "It will reduce side effects. It will be more specific and effective in the way we treat, so you will have better chances of success. And the patient will then have a more productive life because of the minimised side effects." //

# PRECISION MEDICINE FOR THE MIND?



At least one Australian health insurer is in discussions with inTruth Technologies, which will soon release a wearable in the form of a watch and wristband that measures, among other things, heart rate variability and electrodynamic activity in the skin to identify emotional states.

“Our approach is to train a machine learning model to enhance heart rate variability’s capacity to identify valence [whether an emotion is positive or negative]. By combining valence and arousal [the strength of an emotion], we capture emotional states through the PPG sensor in the heart rate variability, ensuring real-time, day-long monitoring,” says CEO Nicole Gibson.

This offers users a window into their own emotional wellbeing via an app to help them manage their emotions.

“Over 85 per cent of our decisions are influenced by emotions,” says Gibson. “As a result, mastering emotions is crucial for genuine life transformation. Many prioritise mental and physical health, but the emotional impulses often dictate choices, like unhealthy eating or avoiding exercise.

“I believe health insurers can understand the potential, and most practitioners recognise that emotional fluctuation and emotional health have been challenging to quantify... Our solution aims to be a key antidote, turning what has been ambiguous into something tangible, measurable and easier to address.”

The wearable will be available in the first quarter of 2024.




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**CHRIS SHEEDY**  
*Freelance journalist*

“It’s clear that the insurance industry is considering very carefully the potential impacts of the powerful and all-encompassing changes that will be brought by precision medicine. It’s an enormous challenge, but insurers globally are already finding ways to innovate around it, particularly to create a better customer experience.”



# Supersizing cat modelling

## Catastrophe modelling

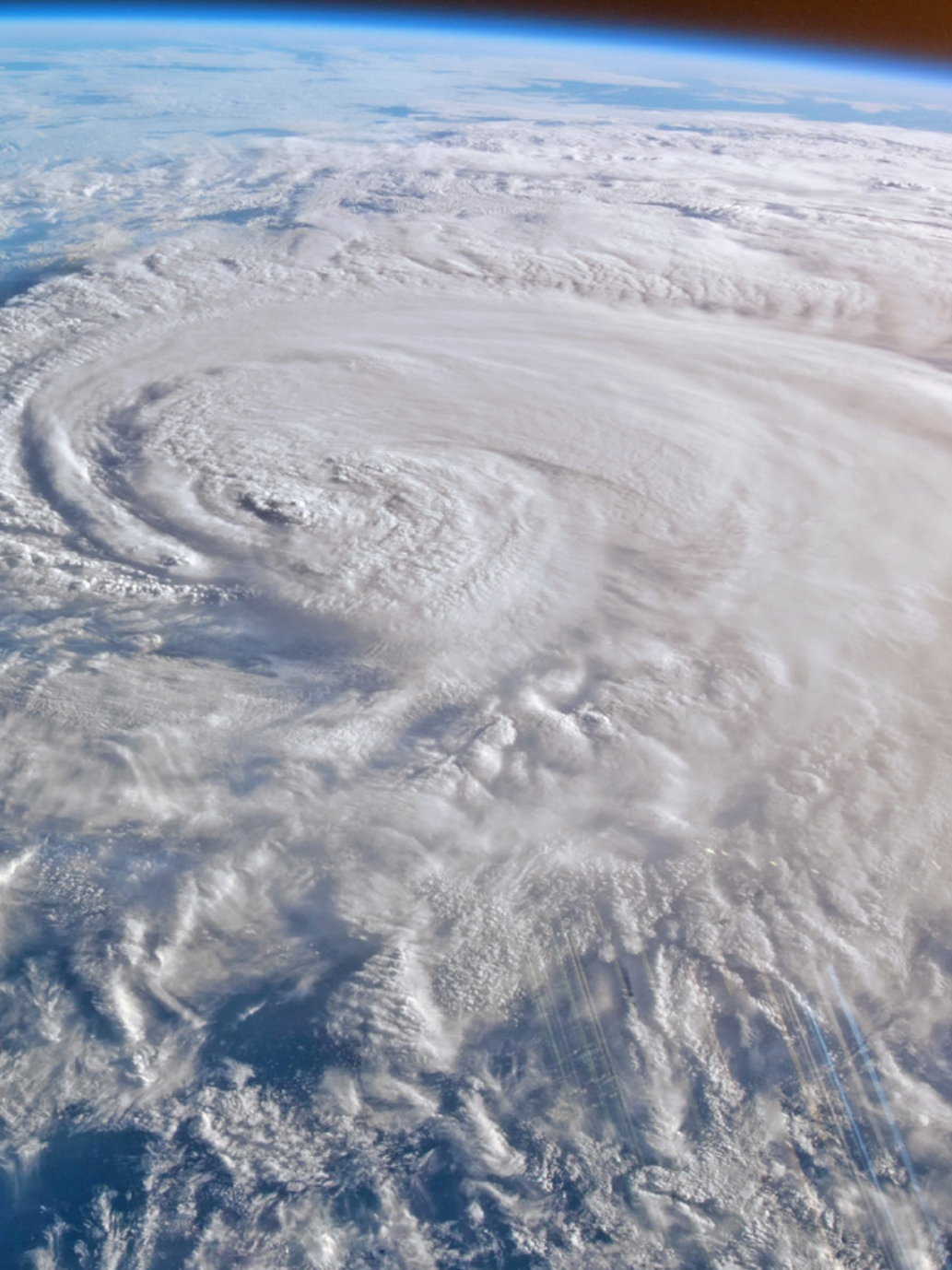
by Lachlan Colquhoun

### IN SHORT

› Catastrophe (cat) modelling has come a long way from its inception in the late 1980s, when it began as a response to major disasters in California and Florida.

› Originally based on actuarial and statistical analysis, cat modelling now uses machine learning, artificial intelligence, quantum computing and satellite imagery in models that harness hundreds of thousands of data points.

› The result is that even though the world's weather is becoming more unpredictable, reinsurers are much better informed as they price risk in a volatile environment.



Photography: iStockphoto

**As climate change accelerates, historical data is no longer a reliable predictor of future loss ratios. New catastrophe models are helping reinsurers improve their scenario planning.**

**T**oday's low-orbiting satellite technology is so ubiquitous and so precise that it can deliver information about roof types on buildings in particular geographic areas. The satellite images can discern flat roofs and pitched roofs, and can even help make an assessment of what condition they are in.

At data analytics and risk assessment firm Verisk, the information can be assessed through machine learning and artificial intelligence (AI) techniques that also combine up to 50 years of climate data, not only on temperature but also on hail, wind speed and barometric pressure.

"The result is catastrophe modelling that aggregates hundreds of thousands of data points and uses AI training algorithms to create a multitude of potential scenarios," says Verisk's executive vice president and managing director for the EMEA and APAC regions Dr Milan Simic. "For reinsurers this means more insight than ever, as they price risk and consider their appetites and capacity."

Simic says Verisk looks at what happened in the past but aims to create models that are fit for what the company calls the near-present climate. "Insurance contracts are usually one year, although some will be out to two or three years, so we need to make sure that the models are appropriate for this near-present climate — but also have one eye on what is likely to happen in the future," he explains.

"Obviously, we are in an environment of climate change and we need to price risk not just for today but also the models need to be able to create what we call conditioned catalogues for the future so we can assess those potential losses."



“What catastrophe models are essentially trying to do is understand tail risk a little bit better, because that is the bit which insurers want to transfer to reinsurers.”

SONAR 2023 report / Swiss Re

### Past and future thinking

The world of catastrophe modelling has changed significantly from its inception in the late 1980s and early 1990s. It emerged as a response to hurricanes Elena (1985) and Andrew (1992) in Florida and a series of earthquakes in California which peaked at magnitude 7.3 in 1992. Under this pressure, several insurers went under, due to a lack of understanding of their potential losses.

Prior to these events, the reinsurance industry was modelling natural disasters

using actuarial principles and the discipline of statistics. Fast-forward to today and sophisticated modelling is now fully embedded in the risk transfer chain.

While the models don't claim to forecast what might happen in the future, they are built with the understanding that world weather patterns are changing and that historical data is not necessarily predictive.

“For Australia, we have several different models for earthquakes, cyclones, severe thunderstorms or hail and bushfires — and for New Zealand we also model for earthquakes,” says Simic. Elsewhere in APAC, Verisk also has flood models for China, Japan and Thailand.

“So, we model hundreds of thousands of potential events and their impact, meaning the losses and the implications for reinsurance companies. For example, the models tell us about properties that are insured, and we put geolocation on those properties and that gives you potential outcomes of losses.”

This process delivers an exceedance probability curve, which gives the likelihood that losses will be more than a certain threshold, and these are then used in the risk transfer chain by both reinsurers and insurers to price their policies.

### Data-hungry models

At risk management and professional services firm Aon, senior catastrophe research analyst Dr Tom Mortlock leads APAC's climate risk advisory and is also adjunct fellow at the Climate Change Research Centre at the University of New South Wales.

Mortlock says that, while the methodology and structure of the catastrophe models have largely remained the same, the ability to analyse an exponentially bigger number of data points through machine learning has been the big game changer.

“Essentially, we are still using a bottom-up approach [collecting and aggregating data related to the weather, geography, vegetation and habitation], which has remained similar to how it was when catastrophe modelling began,” he says.

“There are pros and cons in that approach. Bottom-up means you can be very granular on what you produce at the portfolio level,

## AVOIDING TUNNEL VISION

**Nick Hassam is a co-founder of Sydney-headquartered technology start-up Reask, which builds solutions for the reinsurance and insurance industries to manage their exposure to climate risk.**

Hassam set up Reask five years ago with a colleague experienced in machine learning techniques. They have built a new framework for catastrophe risk modelling that takes global climate models and analyses huge volumes of information, such as sea temperatures, sea-level air pressure and upper-level wind shear.

Taking 40 years of data divided up into monthly segments, Reask might be working with up to 200 different parameters. Using machine learning, the framework then converts these insights into algorithms that build views of risk which help to determine the frequency and severity of events. It is also able to look at future climate scenarios under different scenarios, such as one or two degrees of warming, to create an understanding of future climate expectations.

Reask used two supercomputers in Australia, located in Canberra and in Perth, to build its machine learning training dataset.

“The volume of data is such that, with these volumes, we really need high-performance computing to push out these simulations,” says Hassam. “Essentially, the machine learning reduces the insights in that massive volume of data down to something that is more manageable and consumable.”

The Reask business model is data-as-a-service. Most clients access pure data from Reask and then run their own risk and pricing models. They will also consult a range of sources and opinions, because as reinsurers they understand that there is a risk in confining decisions based on only one viewpoint.

“Clients will take our service and that of a competitor and an actuarial model and internal view, because regulators stipulate that (re)insurance companies need to take multiple views,” says Hassam.

“If you took just one view of risk, you would be building up a significant level of systemic risk.”

## FIRE RISK AND EL NIÑO

**As the world enters an El Niño weather pattern, experts are weighing in on what that means for bushfire risk.**

In New Zealand, scientist Hugh Wallace from research institute Scion believes the hot, dry and gusty winds that typify El Niño conditions are likely to slightly increase the local bushfire risk. However, he and other experts are quick to point out that almost all New Zealand bushfires are started by people — a factor that cat models struggle to predict.

In Australia, a similar increased risk of bushfire is predicted, and fuel levels are higher than normal because of three cool, wet La Niña seasons in a row. The Bureau of Meteorology introduced new modelling in 2022, called the fire behaviour index. It incorporates a more detailed view of vegetation density and types in specific areas, and how a fire will behave in different conditions. Once again, what cat models can't predict is ignition points (for example, from lightning strikes), but once a fire has started, they can predict fire intensity and direction much more accurately than older models could, drawing on real-time weather data, topography and vegetation information.

but on the downside it also means that the models are very data hungry.”

The challenge of working with such high volumes of data, Mortlock explains, is managing the quality. If data isn't properly assessed and cleaned, it can impact the forecasts and make the models less accurate.

The best results, he says, are when you combine the climate modelling with an understanding of where assets are and the nature of those assets. Using details such as floor heights in the modelling, for example, can make a significant difference in understanding potential losses.

While insurance contracts are typically priced for the next 12 months, this pricing is often undertaken using a long-term mean estimate. Nowadays, a concern is to ensure the 'old climate' is not being used in this mean estimate.

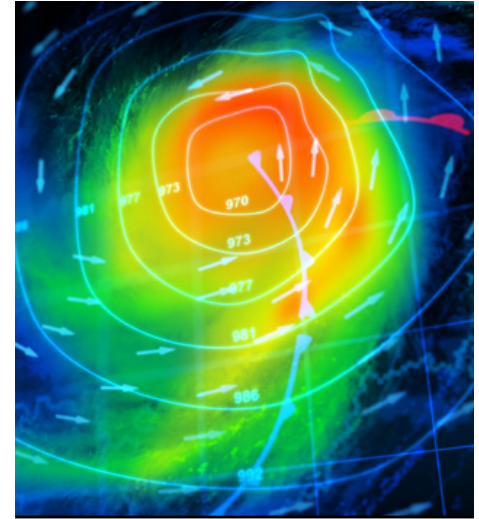
“We certainly don't want to be building catastrophe modelling with any information

which is much beyond the last few decades, because we are in a different climate state now,” says Mortlock.

“What catastrophe models are essentially trying to do is understand tail risk a little bit better, because that is the bit which insurers want to transfer to reinsurers. Observations alone often fall short in this regard, as they are just not long enough to properly capture the tail, and so for this we turn to cat models.”

This is where catastrophe modelling has evolved to. Where once it might have delivered scenarios on extreme weather events and their incidence, today's technology is finding ways to better understand the impact on insured assets because the characteristics of those assets have become part of the modelling.

This might not be forecasting the future, but it is giving insurers a more accurate understanding of what is at stake, so they can price it and protect it accordingly. //



## OPEN-SOURCE SOLUTIONS

**Whether we're talking cyclones (in the Indian Ocean and south Pacific), typhoons (in the north-west Pacific) or hurricanes (in the north Atlantic), tropical storms can cause enormous destruction.**

The University of California has launched a free, open-source catastrophe model to help governments in at-risk countries prepare better for storm risk and also work out disaster response plans.

The model combines tropical storm risk modelling with information on household vulnerability, so authorities can identify communities that may need more support if they are impacted by a storm.



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**LACHLAN COLQUHOUN**  
Freelance writer

“To understand that satellite images were so powerful that they could determine roof types in particular areas and factor that information into catastrophe modelling brought home to me how sophisticated cat modelling has become. It also made me realise that the reinsurance industry must be on the cusp of a major transformation driven by next-generation technology.”

# NEW ANZIIF MEMBERS

ANZIIF would like to extend a warm welcome to its newest members.

\*For the period 5 July to 12 September 2023

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# steps to perfect your elevator pitch



When a great opportunity presents itself, you may have only one chance to make an impression. That's when you need a killer elevator pitch ready to go.

Our expert:

DAVID PRICE // Presentation skills coach

IMAGINE YOU'RE IN an elevator with your dream client. After a bit of small talk, they ask what you do. How will you capture their interest before the doors open and they walk away?

This is the value of an elevator pitch — a short, compelling explanation of who you are, the problems you solve and what sets you apart from others.

It can be used to promote your business to a potential client, suggest a new idea to your boss or introduce yourself at a network event.

How can you perfect your elevator pitch? We asked presentation skills coach David Price to share some tips.

## 01 // Keep it short

To keep the attention of your audience, your elevator pitch should be as brief as possible. Price suggests aiming for 30–45 seconds.

"The shorter the pitch — within reason — the better, because that helps you to stay focused on your message," he says.

"If you've got more than one idea to share, or if there are many aspects to what you do, prepare a few different pitches that focus on just one element. And choose the right pitch for the right audience or circumstance, such as a networking event, leadership meetings or suggesting a new idea."

## 02 // Grab their attention

An elevator pitch should be compelling enough to spark your listener's interest, so Price recommends grabbing their attention from the start.

"Start with an interesting fact or a compelling statistic or a question," he says. "If you're pitching an idea, for example, it usually relates to solving a problem or making something better, so start with a question, like, 'When was the last time you ...?' or 'Have you ever noticed ...?'"

"Leave your name to the end of your pitch, because that's not the thing that will pique their interest."

## 03 // Follow a formula

Your elevator pitch should be clear and simple, so Price suggests following a basic formula.

"Start with a grabber or a hook, followed by what you do, how you do it, who you do it for and what makes you or your idea different," he says.

"At a networking event, for example, the 'who you do it for' might be a description of your ideal clients. If you're pitching a new idea, your differentiator might be new technology that you're using or your depth of experience in the industry."

## 04 // Practise your delivery

Putting together a sharp pitch takes preparation and practice, but there's a risk of sounding robotic.

"Practising your pitch will make you feel more confident, but you don't want it to sound too rehearsed," says Price.

"Practise delivering your pitch as naturally as possible. The more natural you sound, the more credible you'll appear and the more likely you'll be able to get what it is that you're pitching for." //

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