

# CRYSTALIZING THE ROLE OF DIRECT INSURANCE BROKERS AS A VALUE-ADDING INTERMEDIARY IN PRODUCTION, MARKETING AND DISTRIBUTION OF THE INSURANCE PRODUCT IN TODAY'S DIGITAL AGE

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# Outlines

- An Insurer, Reinsurer, Retrocessionaire
- An Insurance Broker
- Roles of An Insurance Broker
- Key Skills for Insurance Broker
- Value added services in Production, Marketing and Distribution
- Challenges Insurance Brokers
- Today's Digital Age
- Conclusion

# Insurer, Reinsurer, Retrocessionnaire

- Insurer: A person or company that underwrites an insurance risk; the party in an insurance contract undertaking to pay compensation.
- Reinsurer: A reinsurer is an insurance company that insures the risks of other insurance companies. A cedant is an insurer who transfers all or part of a risk to a reinsurer. The reinsurer covers all the insurance policies coming within the scope of reinsurance contract
- Retrocessionnaire : A retrocession is a transaction in which a reinsurer cedes to another(the retrocessionnaire) part of the reinsurance the former assumed in order to reduce their net liability on individual risks

# An Insurance Broker

- A person or company registered as an adviser on matters of insurance in order to arrange insurance cover with insurer on behalf of the client
- In line with the topic of this conference; an insurance broker is a professional who offers, negotiates and sell policies. He acts as intermediary between insurers, customers and receives compensation
- Brokers helps their clients to outline risk management strategies, which are suitable for their profile
- Brokers also work in conjunction with underwriters to advise a tailor made insurance products for their clients

# Role of An insurance Brokers

- Building and maintaining business relationship with clients
- Scheduling and attending meetings
- Discussing and assessing clients' current and future insurance needs
- Researching insurance policies and products
- Negotiating policy terms and costs with insurance providers
- Arranging insurance cover for clients with the insurance provider
- Collecting insurance premiums and remitting same to insurance company
- Keeping details records both in hard copy and computerized form
- Preparing reports for insurance underwriters
- Advising clients on making claims on their policies
- Renewing or amending existing policies for clients
- Undertaking general administrative duties on behalf of both client and insurer
- Marketing services

# Key Skills for Insurance Brokers

- Confident negotiation skills
- Reliability and honesty
- Excellent time management
- Decision-making
- Analytical skills
- Accuracy and attention to details
- Interpersonal skills
- Verbal and written communication skills

# Value-Added Intermediary

- Production: An insurance provides or serves as a point of contact for institutional, government, grass root clients seeking to buy an insurance products. With this contacts, an insurance broker is able to decipher the needs and guide underwriters in providing tailor made products to satisfy the needs of identified potential buyer of insurance product
- Marketing: Marketing is everything you do to place your product or service in the hands of potential customers. An Insurance broker engages in diverse discipline that are corollary to marketing such as sales, public relation, pricing, packaging, distribution on daily basis with the aid of human activities culminating in the use of computer(Digital Age) and related/adaptable software to aid the process of reaching out and satisfying the customer/clients
- Distribution: Do you know that 80% to 90% of all purchasing decisions start on the internet?. What does that mean for you and your business' future? It means consumers are now in control because have opportunity through the internets for options to choose. The aim of distribution channel is to allow customers to access and purchase products in the most efficient way for the business. Insurance broking is an indirect way of distribution of insurance services. The role www related channels such as email, facebook, whatsapp, instagram, etc. cannot be over emphasized. In todays business world nothing can be achieved again without digitalization. The insurance or reinsurance broker had over time deploy these tools to place business and conclude on transactions with the rest of the world in the comfort of their offices

# Insurance Products & Services

- Life Assurance and all related Investment link Policies
- Non-Life Insurance: General Accident & Casualty, Motor, Fire & Special Perils, Bonds
- Special Risk: Marine, Aviation, Oil & Gas
- Emerging Risks: D & O Insurance, Cyber Insurance, Kidnapping and Ransom Insurance, Terrorism, Critical Illness Assurance etc.



# Challenges Facing Insurance Brokers

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- Customer Experience
- Workflow Efficiency
- Lead Generation
- Uncertainty In The Market
- New and Emerging Risks
- Undefined Sales Process

# Today's Digital Age

- It is more important now than ever that you overcome stereotype way of doing business of broking
- Brokers will have to learn how significantly the insurance distribution system has changed in the blink of an eye, what it means to you and how you have a choice
- Brokers have a choice to ride this paradigm change to more success than you ever imagined or be crushed by this same paradigm change
- The paradigm change has already occurred, the wave though is just building; so you still have time, though not much time to make definitive decisions. The decision is yours
- As Warren Buffet said “ what the wise do in the beginning, fools do in the end”
- It is time to embrace digitalization in order to be able to effectively crystalize the role of a broker towards the enviable service delivery for non- negotiable customer satisfaction

# Conclusion.....

- The reality of today's business is that customer tastes keep changing at geometric and supersonic speeds
- The best approach to crystallizing the role of direct broker for customer satisfaction is by applying the platinum rule. “*,,,,,,*Treat the customer in the way they want to be treated,*,,,,,,*”
- In doing this, as the broker there is the need to understand the customer taste, preference, options, buying and competitive behavior/attitude in this dynamic world

# Conclusion

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□ Thanks for  
listening