

What kind of products and services did InsTech bring forth and what has been changed?

# Contents

## ① Sumitomo Life Insurance Company

Vitality, Health Promotion Product, Discount on Premium, Sales Trend, Changes in Health Consciousness, New Sales Promotion.

## ② Dai-ichi Life Insurance Company, Limited

InsTech, Dai-ichi Life Innovation Lab, Dementia Insurance, Web Application Snap Insurance.

## ③ Nippon Life Insurance Company

RPA Initiatives, PoC: Highly Effective Extraction of Target Customers

## **Kenichi Suzuki**

**Managing Editor of the Editorial and Sales Department of Hoken Joho, a specialized insurance marketing newspaper.**

**Hoken Joho features a wide variety of information, such as management strategies, marketing strategies, education systems, sales skills/motivational enhancement/guidance on activities for sales representatives, and the latest trends in foreign countries.**

**<Interview themes after the 1990s are as follows:>**

- ☆ A series of bankruptcies of life insurance companies that had happened since 1997 (such as 7 medium-sized life insurance companies)**
- ☆ Deregulation/liberalization (such as reciprocal extension of life and non-life insurance businesses)**
- ☆ The non-payment of insurance claims after 2003 and the management innovation afterwards**
- ☆ The moves of the online life insurance companies and the moves of the insurance shops which have been rapidly expanding as a new channel**
- ☆ The latest moves of InsureTech**

**He presides over Society for Research on Insurance Marketing.**

**He has given lectures at seminars in Japan and abroad held by Oriental Life Insurance Cultural Development Center (OLIS). Such overseas seminars include those held in Taipei, Beijing, Seoul, Bangkok, and Jakarta.**

**The Latest News in Japan's Life Insurance Market 2019 (in English and Chinese) is currently serialized on the OLIS website.**

# Health Promotion Type Insurance

- Tokio Marine & Nichido Anshin Life Insurance Co., Ltd.  
Aruku (Walk) Hoken (Insurance) with health promotion rider (Released in August 2017)
- Sompo Japan Nipponkoa Himawari Life Insurance Inc.  
Linkx: Production for you and your family with health challenge system (Released in April 2018)
- Sumitomo Life Insurance Company  
Vitality (Released in July 2018)
- The Daiichi Life Insurance Company Ltd.  
Just with health check-up discount (Released in March 2018)
- Meiji Yasuda Life Insurance Company  
Best Style with healthy cashback rebate (Released in April 2019)

# Characteristics of Health Promotion Type Insurance

## <Policyholder>

One's hard work of health improving activities will be paid off in a visible way, a premium.

Its game-like quality can be an incentive to keep up with health improving activities.

## <Insurer>

Data acquisition of physical condition of each policyholder.

The acquired data can be a source of hint for a new product.

# Sumitomo Life Insurance Company

## *Vitality*

## *Vitality*

### **Sumitomo Life has an exclusive agreement**

Making Japan healthier through health promotion type insurance.

Released in July 2018.

Insurance Contract and Health Promotion Program Contract.

## *Vitality* : Insurance Contract

### **Add a health promotion multiplier rider to the existing insurance policy**

A 15% discount on premium for the first year.

From the second year onward, premiums fluctuate according to a level of policyholders' health improving activities (4 different statuses).



## *Vitality* : Health Promotion Program Contract ①

### **Know your physical conditions**

Online Health Check (Lifestyle habit etc.)

Medical Check-up (At the company or at the hospital)

Prevention (Cancer Screening, Vaccination etc.)

Total points allowed annually: 2000 points

## *Vitality* : Health Promotion Program Contract ②

### **Improve physical condition**

Count steps and heart beat by a gadget such as smartphones

Exercise at a fitness gym

Participate in events such as parkrun

## *Vitality* : Health Promotion Program Contract ③

### **Reward with the status according to the points earned**

Blue: 0 point~

Bronze: 12,000 points ~

Silver: 20,000 points ~

Gold: 24,000 points~

## *Vitality* : Health Promotion Program Contract ④

### **13 business partner companies providing rewards**

Wearable device (Up to Vitality coins equivalent to JPY24,000 for 24 months)

Fitness gym membership fee (Member discount)

Sporting goods (30% discount)

Healthy foods (Up to 25% discount)

Travelling (Up to 40% discount on the booking through a certain online lodging reservation sites)

## *Vitality* : Health Promotion Program Contract ⑤

### **Start *Active Challenge***

Set weekly target points

Make exercise a habit by achieving a short-term target

## *Vitality* : Premium

### **Premiums fluctuate every year based on 4 different statuses**

Discount rates for the second year onwards are from -2% to 2%

Blue: +2% Bronze: No Change

Silver: -1% Gold: -2%

## *Vitality* : Sales Trend ①

**More than 100,000 participants for three months**

Breakdown of participants by age group

21% for the 20s, 27% for the 30s

30% for the 40s, 21% for the 50s

## *Vitality* : Sales Trend ②

### **Supporting activities for Vitality (Starting August 2018)**

Support the preparation for the program start

Continuously support health promotion activities

Establish Vitality Business Planning Section (October 2018)



## *Vitality* : Sales Trend ③

### **Employee Training**

Learning the contents of health programs

Understanding the dedicated app.

Improving health literacy to encourage policyholders to engage in health promoting activities

## *Vitality* : Sales Trend ④

### **Sales target is 5 million policies for 10 years**

As of the end of September 2019, the accumulated total is 300,000

Gain public recognition, "When it comes to health promotion type insurance, it has to be Sumitomo Life"

## *Vitality* : Changes in Health Awareness among Participants

93% became more conscious of their health than before joining

85% increased the number of daily step counts and exercise.

Average step counts per person increased 17%

48% improved blood pressure dropped more than 10 points.

## *Vitality* : Review

About 30% of Japanese people have exercise habits which contribute to health promotion. Vitality has potential to the remaining 70% to prompt them to exercise regularly.

Although there are clear answers to “how to exercise” or “how to improve one's health,” it is hard to get people started. With thoughts like “I have to walk,” or “I have to count calories,” chances to form motivation to keep up with are less likely.

On the other hand, Vitality Program showed us different approaches for building motivation. The idea of not changing insurance rates according to a result of becoming healthy, but rather, initiatives to become healthy, is interesting. In fact, some people changed their behaviors being pulled by this incentive.

## *Vitality* : New Sales Promotion

### **Launching a walk-in type insurance shop, *Vitality Plaza***

The store concept is the place where you get to like Vitality.

*Marunouchi Bike and Run*, a popular facility for Imperial Palace runners, who run the Imperial Palace running course.

## *Sumitomo Life Digital Innovation Labs*

**Established in Tokyo and US's Silicon Valley in April 2018.**

Invest in startups

Nurture and secure global innovation professionals

## Investing in Singapore Life Pte. Ltd.

Launched in 2017

Unique feature is in its use of digital technology.

Total investment amount is JPY 10 billion, holding a 25% stake.

The investment purpose is to enhance an information gathering ability and such.

# Dai-ichi Life Insurance Company InsTech



## InsTech is a top priority strategic issue

Promote “innovations unique to the life insurance business from the dual aspect of the Insurance Business and Technology.”

# Dai-ichi Life Innovation Lab ①

## 4 step cycle

- ① Formulate business concepts
- ② Gather information and consolidate skills/expertise
- ③ Conduct flexible PoC, Proof of Concept.
- ④ Contribute to existing operation, etc.

## Dai-ichi Life Innovation Lab ②

### **Further consideration surrounding business as a starting point**

Gerontology (Creating a new source of profit)

Healthcare (Same as above)

New product/scheme (Cultivating new customers)

Digital touchpoints (Digitalizing points of interaction with customers)

## Dai-ichi Life Innovation Lab ③

### **Gerontology**

When developing dementia...

Policyholders may forget to claim insurance benefit

Need to develop a scheme for policyholders in question to receive benefits

## Dai-ichi Life Innovation Lab ④

### **Healthcare**

The course of the disease-how each disease worsens.

Conduct analysis and the result makes a prediction possible.

Prevention will be followed ultimately.

## Dai-ichi Life Innovation Lab ⑤

### **New product/scheme**

The insurance claim procedure can be simplified through a smartphone, which everyone always keeps nearby.

## Dai-ichi Life Innovation Lab ⑥

### **Digital touchpoints**

AI analyzes customer attributes, infers the best proposal from analogy, and then, automatically suggests key points of the proposal.

## Dai-ichi Life Innovation Lab ⑦

### **Analysis of medical big data, both internal and external**

Broadening the scope of underwriting according to individual health conditions.

Increased underwriting 12,000 of new business annually



# Dai-ichi Life Insurance Dementia Insurance

## Dementia Insurance: Points of product development

Reducing economic burden stemmed from dementia treatment and nursing care costs.

Services to support the insured and their family.

Partnership agreement with Neurotrack Technologies, Inc. of the US.

## Dementia Insurance: Product details

Released in December 2018.

A lump-sum payment upon the diagnoses of dementia and the certification of nursing care level 1 and above.

Insurance amount up to JPY 10,000,000 (between JPY 2,000,000 and JPY 10,000,000)

Whole life

## Prevention and Early Detection

### **The most appealing point is Neurotrack cognitive function test tool.**

Measure the eye movement during a five-minute test, and detect risks of deterioration in cognitive functions at the early stage.

A testing tool is a part of Kenko Daiichi dementia prevention app, exclusively available for the policyholders of Kenko Daiichi.

Dai-ichi Life Web App.  
*Snap Insurance*

## Smartphone-complete-type Leisure Insurance

Developed Web app, *Snap Insurance*.

Application and insurance claim are completed in a chat format.

Able to sign up on a daily basis.

# *Snap Insurance*

## **Three product concepts**

Only when needed

Easy purchase procedure through a smartphone

Together with friends

## Only when needed

24 hour increments and up to 28days

Since it is small amount and short term insurance, low premium.

For female aged between 20 and 24 with a simple plan, a minimum premium is JPY81.

Premium payment is accepted only by a credit card.



## Easy purchase procedure through a smartphone

Simply by entering a type of activities and user information in a chat format, the application procedure is completed.

After the first application, it will take only 60 seconds from the second time.

By taking a picture of medical receipt by a smartphone and uploading the picture, the insurance claim procedure is completed.

## Together with friends

Users can share insurance details with friends who enjoy the activities together through SNS services such as Facebook and LINE or a 2-D barcode.

# Nippon Life Insurance Company Initiatives on RPA and PoC

## RPA Initiatives during FY2018

Applied 204 robots (software) in 183 business operations

Contributed to work efficiency gains with 70,338 hours

Expanded into 8 departments with 40 operations

## PoC initiatives for FY2018

PoC is short for Proof of Concept

14 cases such as the use of AI for sales agent training.

Initiatives by utilizing AI for a high effective extraction of target customers.

## High Effective Extraction of target customers ①

Target customers with whom sales agents should make appointments.

The target list was sent from HQ every month before.

However, always the similar targets listed on the list.

Some of reactions from sales agents are :“The same target again,” “I have tried every single person on the list already,” and so on.

## High Effective Extraction of target customers ②

Utilizing AI to extract the combination of items with strong correlation producing results from various data, and verifying more effective target setting.

- Existing policy data

- Service data

- Proposal preparation record data

- Sales Agent's personal memo (Text data)

## High Effective Extraction of target customers ③

### **There are 440 items for data analysis**

100 items in customer attributes

200 items in existing life and general insurance contracts

50 items in proposal preparation records



Selecting high probable condition of targets

Delivering the result to the field concerned as *AI Target*



## High Effective Extraction of target customers ④

### **Significant improvement in the rate of utilization**

Visit rate (the number of appointments): 40% (25% with the previous list provided by HQ)

Proposal rate (the number of proposal prepared ): 35% (20% with the previous list)

Policy contract rate: 22% (9 % with the previous list)

# RPA: FY2019 Initiatives

## **Enhancement of the governance**

- ① Setting up “Robot ‘HR’ Team” in the system planning department Introduction of a system to manage the operation status of Robot (software)
- ② Thoroughly implement initiatives in accordance with the guidelines for RPA introduction and operation

# Utilization of digital and leading-edge IT as a driving force of business growth

## **4 elements required for growth**

- ① Improving work efficiency
- ② Improving customer convenience
- ③ By equipping digital and advanced technologies, changing the way of sales agents activities and increasing productivities.
- ④ Driving innovation

Thank you for your attention!