

Charitable insurance

Maximising impact, not profit: With its philanthropic approach a client in South Africa specifically targets the millennial generation, the digital natives. These tech-savvy 18-35 year olds make up the current and future customers of life insurers and exert a strong influence on purchasing patterns through their desire to engage through technology and in supporting social initiatives.

Concept

Life insurance, salary protection, critical illness or disability cover is sold online as well as via a call centre (inbound and outbound). Outbound leads for the call centre are sourced from mostly online sources. Distribution also makes heavy use of social networking and social platforms.

All products are fully underwritten via Hannover Re's underwriting system hr | QUIRC, allowing the company to close the sale on a fully underwritten policy in a few minutes.

Value proposition

End-consumers get full underwritten cover for life, disability and CI either online or via a phone call. Policies are fulfilled instantly with policy documents being e-mailed instantly to customers. The first monthly premium each year is donated to a charity of the policyholder's choice. Linking the sale of an insurance policy to philanthropic initiatives is expected to have major positive influence on the persistency of the policies and allows the insurer to engage more frequently and meaningfully with the customer.

Despite the simple way in which cover is sold, the product is still comprehensive enough to meet consumer needs – simple and convenient yet customised.

Hannover Re's contribution

- A scorecard that predicts the policyholder's negative status, thus in some cases making an HIV test unnecessary
- Automated underwriting via hr | QUIRC
- Upfront investment & new business financing
- Reinsurance risk transfer
- Reinsurance services
 - Product design
 - Pricing
 - Claims assessment
 - Constant "tweaking" of hr | QUIRC rules

Hannover Re's eagerness to partner with life insurers, who bring a fresh approach to the industry, paired with our in-depth expertise in financial solutions, have helped pave the way for this success story.