



Client Engagement in a Hard Market



3 WAYS

FullCircl can help you turn adversity into opportunity

The Insurance industry is entering into a hard market – the likes of which we have not seen for over 20 years; during FullCircl’s recent webinar attended by 100 c-suite leaders from the UK insurance sector, we discussed the impact of the current conditions and how brokers need to change to meet the current challenges.

40% of attendees believe we won’t return to a soft market for at least another 2 years and 96% believe that brokers need to adapt their sales process following on from the “perfect storm” of the Covid-19 pandemic, the increase in flooding and the hard market.

FullCircl provides you with the tools you need to thrive, and even grow, during these difficult times.

Communicate Better – Engage Earlier

Our panelists all agreed that it has never been more important to have the right conversations with your clients and prospects at the right time.

FullCircl provides you access to all the latest news and insights on your clients and prospects, identifying changes in their world and how they are adapting to the challenging business environment.

Set up daily alerts on the companies that matter to you, to allow you to be “reactively proactive” to your client’s needs; overseas contract signed? Discuss marine or trade credit insurance. New premises purchased? Time to discuss property insurance!

Hot tip

Risk management services have never been more valuable to your clients, better health and safety and risk assessments lead to better-presented clients, which in turn leads to better rates and terms from insurers.

But risk management is not only valuable before a claim but post-incident too. With HSE currently charging £160 an hour for intervention, you can provide support for your clients and prospects following an incident by reducing inspection times and helping to mitigate fines.

FullCircl now includes standard perils and tort laws as news filters – allowing you to reach out to support companies when they need it most!

Better Relationships with Underwriters

69% of our webinar attendees believe relationships between brokers and underwriters are strained more than ever before, but new business acquisition is a key opportunity right now.

So how can FullCircl help improve underwriter relationships?

Underwriters were already time-poor before the pandemic, receiving more requests for quotations than they could process and would prioritise the quotations that had the best chance of winning.

FullCircl can help you to ensure your quotations are favoured by underwriters.

By utilising FullCircl’s structured and unstructured data, you can ensure you provide the underwriters with the best presentation possible. Utilise the last four years accounts to analyse trends, download companies house documents to align your messaging with your clients’ strategic goals and understand how they have adapted to meet the demands of the pandemic.

Did you know?

FullCircl also has the ability to extend our data to include information on any CCJs or legal notices issued against a company and to show the history of the directors of a business and any adverse history they might hold?

Allowing you to ensure you present the true material facts of a company to the underwriters.

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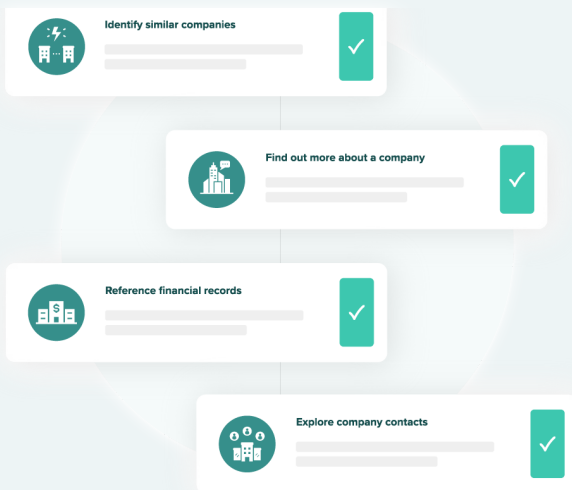
Be a Trusted Advisor

In the modern market, it is important to show you understand your clients, but it is also important to show you understand their industry, their sector, their world and the challenges they are facing.

FullCircl can help you promote yourself as a trusted advisor, by showing you understand your clients and prospects agendas.

Utilise our sector news tool to identify key industry trends, share relevant insights on your LinkedIn and directly with key contacts to demonstrate sector specialism.

Follow industry influencers and thought leaders through the FullCircl platform to be alerted to changes in legislation, to understand the key issues facing the industry and region and proactively engage with your portfolio with relevant topical insights.



Did you know?

You can easily follow regulators, trade bodies and influencers through FullCircl's managed list function.

Here we curate lists of key companies, such as the Food and Drink Federation, The Road Haulage Association, HSE, ROSPA and governmental bodies; allowing you to receive valuable insights at the click of a button.

Sub-sectors we serve:

- **Commercial Lines Insurers**
- **Insurance Brokers**
- **MGAs**
- **Re-insurance**
- **Assurance**
- **Risk Management**

Keep Reading

Don't miss an exclusive commentary from our Insurance Success Director, Ashleigh Gwilliam, on the ramifications of the hardening insurance market and how collaboration, innovation and data-driven know-how can help you continue to thrive in the face of adversity.

Collaboration and Innovation

The key to surviving a hard commercial insurance market

FullCircl research depicts an acceptance from both underwriters and brokers that no one can predict how long the current tough conditions will last. And that whilst there is some stabilisation in certain areas of the market, in the commercial sector rates are still high, capacity is still hard to find and risk appetites are still a challenge.

Although brokers and underwriters are experienced and prepared for the challenges of operating in a complex and rapidly changing hard commercial insurance market, each cycle presents its own mitigations, and this one is no different. Brokers and underwriters alike must adjust to the post-covid business environment and rapidly changing customer needs and expectations.

FullCircl hosted an intimate roundtable event, chaired by David Williams, Former Managing Director, Underwriting & Technical Services at AXA Insurance (UK), and attended by 26 underwriting and broking leaders as well as insurtech innovators across both the composite and specialist insurance markets.

Bringing the best insurance minds together

During the roundtable discussion, two recurring themes emerged – collaboration and innovation.

Firstly collaboration, brokers and underwriters working together, building a symbiotic relationship for a wider purpose – to improve what they collectively offer clients in terms of both underwriting innovation and service.

Secondly innovation. The arrival of a global pandemic forced the insurance industry to embrace and accelerate digital transformation and technology innovation. Moving forward, to counteract the effects of a hard market, proactive use of data is the best way to secure coverage and work around lack of capacity.

Collaboration and innovation are not mutually exclusive

Broker and underwriter relationships are under strain according to 89% of stakeholders (underwriters, brokers, MGAs, Insurtech/fintech respondents).

For underwriters, building a strong relationship with brokers has never been more important, and vice versa of course. But who has ultimate responsibility when assessing the risk of a policy?

Brokers need underwriters to craft policies and take on risks on behalf of their clients, but to do this underwriters need top-notch presentations from brokers.

The key of course is collaboration, and I would actually go a step further...the key is investing in collaboration and enhancing technology innovation. Greater access to better quality data and insight enables brokers to make the best possible submissions to underwriters and armed with this better-quality intelligence underwriters can make more accurate assessments of risk and therefore provide better terms and prices to the broker's clients.

Win-win – brokers can rely on their underwriter relationships to insure their clients, and underwriters can rely on their broker relationships to present new opportunities for profitable growth in a hard market. Neither can thrive without the other, they must collaborate and innovate in unison.

How **brokers** can harness data-driven know-how to minimise the impact of a hard insurance market

Covid-19 accelerated the hardening of the UK (and global) insurance market, a trend that was already emerging pre-pandemic. Insurer capacity is tougher to come by, competition is limited, premium rates are increasing, coverage is contracting, and insurers are being more selective with risks, and disinclined to negotiate terms. Similarly, underwriting standards have tightened significantly. It is estimated the combination of Covid-19 insurance claims, reduction in business, and investment losses will cost the worldwide industry in excess of £200 billion, making it the most expensive insurance event ever.¹

A perfect storm for commercial insurance brokers. Speaking of which, fires, floods and storms have also played their part in creating a market whereby demand for insurance is exceeding supply for the first time in 20 years.

What is a hard insurance market?

In the words of FullCircl customer Marsh Commercial, a hard insurance market is characterised by a high demand for insurance coverage, and a reduced supply.² A hard market will only soften when new capital is injected into the market - this is usually done by new market entrants. However, these days it's rare for new insurance companies to start up and get past all the regulation and security ratings, therefore don't expect to see new capital entering for a long period of time.

Six ways insurance brokers can harness the know-how to succeed against hard insurance market conditions.

Intelligent investment for hard market success

To maintain a competitive advantage during these challenging times, insurance brokers need to harness data and insight more than ever. It may seem counterintuitive to spend on new tools and technologies when business is tough, but think again...

It could be harnessing AI and machine learning automation to free up time for customer-facing activities whilst simultaneously improving accuracy and efficiency, improving prospecting, or surfacing unique insights for tailored service provision and relationship building. Or how about layering structured and unstructured data over customer and market know-how for improved risk selection and advanced underwriting submissions. Leveraging modern data and analytics tools and technologies is the best way for commercial insurance brokers to win in a hard market, and ensure they stay ahead when better days (soft market conditions) return.

New business development

Most businesses will have faced some of the biggest challenges ever experienced over the last 18 months, so they'll be out there shopping for insurance. In a hard market, the differentiating factor isn't just price, it's also what brokers have to offer their clients – that all-important value proposition stuff. Harnessing structured and unstructured insights provides new opportunities to engage, establish credibility, and create new leads with well-timed, contextually relevant outreach that differentiates the broker from their competitors and increases their chances of securing that next meeting.

Engaging with purpose

Insurance brokers are always consultative, not transactional, but this is more important during a hard market. It's about building stronger relationships, being purpose-led in interactions with clients, and being proactive in caring for, and ideally one step ahead of, their needs. Vitally, brokers must harness intelligence to ensure they are always relevant to the client landscape, aligned to needs, and deliver on that all-important long-term value factor.

Retention

Trust and credibility are king for insurance brokers operating in a hard market. It has never been more important for insurance brokers to establish themselves as a trusted advisor to their clients. A deep understanding of a customer's businesses will ensure a broker is better able to help them navigate the impact of market conditions, anticipate their needs, evaluate their risk exposures and therefore present better submissions to underwriters.

Securing coverage

During hard insurance market conditions, it's essential for brokers to prepare and present high-quality insurance submissions to an underwriter. It really is a case of the more information the better. Leveraging data-driven customer intelligence will make sure there are no knowledge gaps, and that the submission process is aligned to customer needs as well as the requirements of tougher risk-averse underwriting conditions.

Cultivate existing book of business

Operating in a hard market means being more efficient and keeping costs under control – doing more with less. The key to achieving this is for insurance brokers to generate more value from their existing book of business. Likewise, in a hard market clients will be expecting more from their broker. Upselling and cross-selling means that not only are policies per account more profitable, but it fosters a stronger sense of trust, establishing the broker as an advisor rather than simply a service provider. This in turn increases customer satisfaction and retention.





About **FullCircl**

FullCircl is a Customer Lifecycle Intelligence (CLI) platform that helps B2B companies in financially regulated industries do better business, faster. Its solutions allow front and middle office teams to win the right customers, accelerate onboarding and keep them for life. Best-in-class data enrichment provides a comprehensive customer view and a powerful, low-code rules engine reduces the regulatory burden and drives greater automation. Through its web application and API, FullCircl drastically reduces the cost to acquire and serve the right business customers.

FullCircl was formed following the merger of Artesian Solutions and DueDil. Backed by top tier investors including Octopus Investments, Notion Capital, Augmentum Fintech and notable angel investors, FullCircl brings together decades of combined experience serving UK financial institutions. Today, it serves more than 600 customers and 15,000 users.

Learn more about how FullCircl can help you unlock the intelligence you need to engage with the right business customers, accelerate onboarding – and keep them for life.

fullcircl.com

Article References:

¹<https://embarkgroup.co.uk/insights/the-insurance-market-2021-hard-markets-conditions-bite/>

²<https://wordpress.artesian.co/resources/wartime-ceo-insurance-at-risk-covid-19/>