

Mitsui Sumitomo Insurance wins “BEST GENERAL INSURANCE COMPANY, JAPAN” at the Global Insurance Awards 2020 organized by WORLD FINANCE

Mitsui Sumitomo Insurance Co., Ltd. (President: Noriyuki Hara, “MSI”), a member of the MS&AD Insurance Group, has won “BEST GENERAL INSURANCE COMPANY, JAPAN” at the Global Insurance Awards 2020 organized by WORLD FINANCE*1.

MSI is promoting DX (digital transformation) on a global basis to improve the value of customer experience and business productivity in order to achieve sustainable growth. We will continue to accelerate these efforts and develop products and services utilizing advanced digital technologies on a global scale.

*1 WORLD FINANCE is the quarterly British economic magazine and online media, launched in 2004, published mainly in Europe and the Americas.

1. Outline of “Global Insurance Awards 2020”

Established in 2008, the Awards recognize companies that make innovative efforts in the global insurance industry. In 2020, 69 applications from around the world including Japan were received.



2. MSI’s Initiatives

(1) Overall

MSI is promoting digitalization based on the 3 pillars of DX (digital transformation), DI (digital innovation) and DG (digital globalization). MSI developed “MS1 Brain”*2 in the DX field and is reforming the sales model of approximately 40,000 agents in Japan in order to provide new experience value to customers.

*2 “MS1 Brain” is an agent system utilizing AI.

(2) Points Evaluated

As the insurance industry continues to change rapidly, MSI’s digitalization efforts have been at the forefront of innovation worldwide, and MSI was recognized for making the value it provides through “MS1 Brain” a customer-centric experience. It was also recognized for its industry-leading insight into the changing role of data analysis in the business model of non-life insurance companies and its deep understanding of customers.

3. About the British Economic Journal “WORLD FINANCE”

This is a quarterly economic magazine and online media focusing on opinion leaders in the business world published by World News Media in the UK. Publications are mainly issued in Europe (Western and Eastern Central Europe) and the Americas (North and South America). This time, a case study from MSI was published in this magazine, which has about 120,000 readers. It will also be posted on the website*3.

*3 “WORLD FINANCE” website: <https://www.worldfinance.com/>

<Reference: MSI’s Case Study>

Titled “Two brains are better than one,” it was introduced as an advanced example of the fusion of humans and AI (digital).

• World Finance Winter 2021 (online): <https://www.worldfinance.com/magazine>

Two brains are better than one

The Japanese insurance firm MSI is using its artificial intelligence system, MSI Brain, to enable its agents to offer clients the best possible choice of products

Shinichiro Furubai
DIRECTOR AND PRESIDENT, INSURANCE
SPECIALIZED DIVISION, HEADQUARTERS
AND OPERATIONS OFFICES,
MITSUBISHI SUMITOMO INSURANCE

Mitsui Sumitomo Insurance boasts a history of more than 100 years, dating back to the establishment of Osaka Insurance Company in Osaka in 1893 and Taisho Marine & Fire Insurance Company in Tokyo in 1918. Both companies grew in tandem with the post-war economic recovery, with Osaka Insurance merging into Sumitomo Marine and Fire Insurance Company in 1954, and Taisho Marine and Fire Insurance in 1991. Later, in 2001, the two companies merged to form the present Mitsui Sumitomo Insurance.

Mitsui Sumitomo has roots in both the Sumitomo Group, which has a history of more than 400 years, and in the Mitsui Group, which has a history of over 160 years. Today, Mitsui Sumitomo Insurance is one of the largest non-life insurance companies in Japan, a Fortune 500 company with a global reach, and a core part of M&S&D Insurance Group Holdings, itself formed in 2010. MSI is number one in the Japanese non-life insurance market, with profits of almost 140 billion yen (1.1 billion) a year with the most recent final results, and number one in terms of gross premiums written in the 10-nation ASEAN region. They operate in a total of 40 countries and regions based on the knowledge and credibility cultivated from more than 90 years of overseas expansion.

However, despite reporting a rise of 2.3 percent in net premiums written, to 1,547.9 trillion yen in its last financial results, the company, led by Shirotsuki Haru, president and chief executive, is not standing still, as it seeks to improve the service it offers to both its customers and its agents.

A perfect fusion

MSI believes it has transformed the conventional insurance company sales model for its 40,000 agents in Japan by developing what it claims is the first artificial intelligence-powered agent sales support system in

the industry, MSI Brain, a fusion of humans and artificial intelligence (AI), combining customer relationship management (CRM) with sales force automation (SFA). The agent is able to uncover the customer's potential needs through analysis of massive amounts of data, with MSI Brain then suggesting what insurance products to propose and in what way. In addition, by collecting customer information and accumulating it in the AI system, agents create a sustainable system in which AI and people grow together.

Since MSI Brain was launched in February 2020, it has provided agents with 860,000 individual sales leads per month and 80,000 corporate sales leads per month, with sales agent productivity increasing between 20 and 130 percent compared to the conventional sales model. We take pride in the ease with which we interact with our customers. We build strong relationships and we strive to build client trust. The experience we have gained will be integrated with AI to provide customers with an improved level of experience. Using digital technology we will revolutionise communications with our customers. MSI Brain will be our tool of choice.

It will mean a revolution in proposals, with the use of AI to analyse big data. Predictive needs analysis will inform us of customers' potential needs, resulting in a 'Brain Video' proposal presentation, with recommendations personalised for each customer. This will create opportunities never seen before. We are building a process for insurance proposals where each step of the way is guided by 'Next Best Action', which accumulates the knowledge practised by experienced agents, with objectives and effects made clear.

Strategic sales plan

For its agents, by adding a data-based approach to accumulated experience, MSI Brain will enhance sales activities, bringing a revolution in management support: data to maximise profits and grow the business, the ability to view sales activity and improve performance through graphic visualisations, develop a strategic sales plan, and become a 'management compass'. Proposals backed by carefully parsed data, actions modified to higher degrees of accuracy, and better

Impact of MSI Brain
860,000
Individual sales leads per month
80,000
Corporate sales leads per month
20% & 130%
Increase in sales agent productivity

management, will be realised through a combination of human knowledge and AI. The MSI Brain is very intuitive and user-friendly, even for those who do not have a lot of experience as an insurance agent. Recommendation analysis predicts customers' needs via AI and automatically tells agents the recommended products every month. Customer needs are indicated by a start-up system. For corporate customers, it reviews a variety of products, such as casualty insurance, while for individual customers it looks at products such as well-compensated automobile insurance and life insurance, and gives reasons for the recommendations. For corporate customers, MSI Brain can also analyse partner companies' needs with the corporate information of a credit research company. It displays analysis recommendations for sales customers and suppliers; in addition, top tips and scripts for approaching customers and role-playing videos for practice are also provided.

It also has a management menu that shows the activity of the agents' representatives, including what kind of customers they are approaching, and allows managers to optimise the skill of the agents and the level of the next best actions they want them to use on the settings screen. The management function



a digital insurance platform utilising API (application programming interface) to enable someone to buy an appropriate insurance product at the same time as they make a purchase, by embedding the related insurance proposal in the digital platform used by the sellers of goods and services. Someone buying, for example, goods such as home appliances and smartphones on Yahoo Auction (Yahoo's eBay-style service, which is very popular in Japan) can now buy product repair insurance at the same time, with the system integrating the online completion of accident notifications and claims, while still maintaining a smooth user experience.

Improving customer experience

MSI's Digital Globalisation project involves global digital hubs both in Tokyo and in Singapore, opened in April 2020, to promote digital COPE and solve the issues involved in cross-border digital assets worldwide, improving the customer experience and business process productivity, especially in Asia. At the same time, MSI is promoting a data analysis initiative with its subsidiary, the City of London-based MS Amfin, which provides insurance cover to commercial enterprises and reinsurance protection to other insurance companies around the world, and which was acquired by MSI in 2016 for 2.8 billion yen.

To support these initiatives, and in order to realise the creation of new digitalised business models, as part of its digital strategy, Mitsui Sumitomo Insurance is working to improve the basic digital literacy of all its employees and develop digital human resources as well. The company has assigned a digital ambassador to act as a change agent in each department and drive operational efficiency and process innovation. It is training data scientists who will contribute to building a safer and more sustainable society by analysing data. It is also implementing original educational programmes in cooperation with universities to nurture personnel who can create ideas and develop advanced analytical skills for business issues and, ultimately, plan and realise ideas of unprecedented social value.

To enable its digital initiatives to take root as part of the company's internal culture, a comprehensive system will be constructed and operated, including the creation of what is being called the Digital Human Talent Certification System, to provide an open innovation space that will offer places for MSI's employees to use their new digital knowledge and specialised data analysis skills and apply them to the company's business.

allows managers to check the status of the agency, compare its performance against other agencies and plan sales initiatives based on this information.

Customers are analysed based on transaction periods and insurance premium size to enable managers to make proposals to customers in a systematic manner. The MSI Brain helps managers develop management strategies effectively. The management menu ensures that all agents use the system properly.

Innovative digital approach

The development of MSI Brain is part of an attempt by MSI to transform the conventional non-life insurance business operation and sales model, both within the company and across the insurance industry as a whole, with an innovative digital approach that has three main pillars: digital transformation, digital innovation and digital globalisation. To support this approach the company is also digitalising human resources, digitalising system infrastructure and digitalising governance.

On the digital innovation front, MSI launched a new service called RiskTech (Risk + Technology) in May 2019, combining data held by MSI and its clients to offer risk analysis and reports, to provide new opportunities in risk management that go beyond conventional

insurance. The initiative, led by MSI's Digital Strategy department, alongside its Corporate Sales and Product Planning departments, has seen more than 150 companies in different industries approached by September 2020, and more than 20 billion yen of insurance premium sales achieved. We are aiming to visualise and minimise risks that could not be done through conventional approaches, thereby protecting companies, communities and the earth from accidents and natural disasters in order to create a hazard-free world.

As well as MSI Brain, the innovations include:

- Supporting customer requests and proposals through chatbots
- A record of detection of fraudulent claims using AI
- Realising a sales performance dashboard system using business intelligence tools, spreadsheet and data information that collects, stores and analyses the data produced by a company's activities
- Setting up a workflow system for application of reporting work between employees within the company and agents
- Integrating a web-based deficiency management system that enables agents to receive notices by themselves
- Bringing the automation of contract work by using CRM (customer relationship management) systems designed to reduce the burden of repetitive, single tasks on employees.

Behind every AI-powered purchase is a delighted customer

What if you could sell significantly more insurance than with conventional models? And with every sale, your customer information system becomes smarter. Revolutionize your sales with MSI's first-of-its-kind, AI-powered MSI Brain to predict and fulfill your customers' needs. Talk to us.

MSIG Insurance that sees the heart in everything

A member of M&S&D INSURANCE GROUP

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