



# Product development update

2017 ASNY Annual Meeting  
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The presentation will cover **industry trends** in product development, particularly around how the product development process has evolved in recent years and **where the industry should be focusing going forward**. Topics will include **governance, organizational structures, and process improvement**. The second half of the presentation will cover **the product development process** and **current initiatives** at a life insurer.

# What is a reinsurer doing here?

Who am I  
and what  
brought me  
here?

What lenses  
do I have on  
when looking  
at this?

What's my  
interest in  
this?

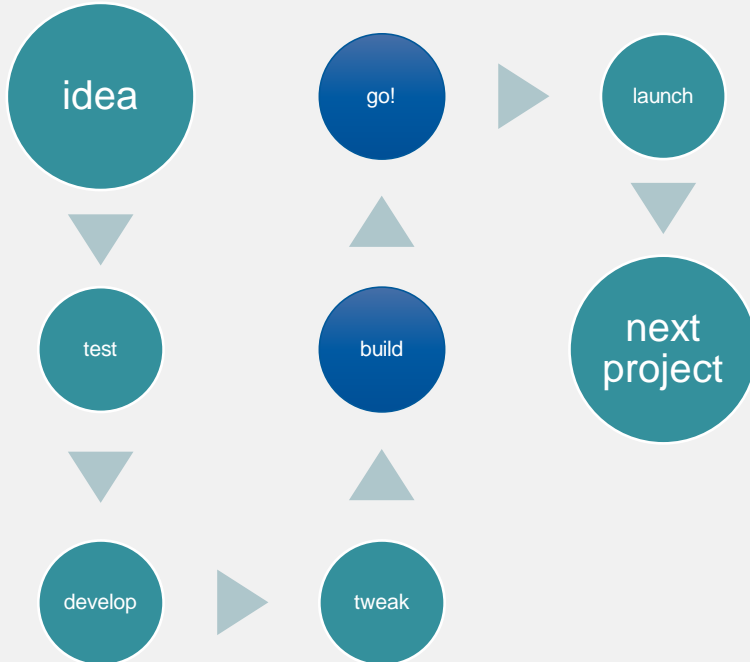
1. Hello, goodbye: Past vs Future in Product Development
2. A day in the life: How I live through these changes
  - Governance
  - Organizational structure
  - Process improvement
3. Twist and Shout: Focusing on the future
  - What's in it for me?

Hello, goodbye

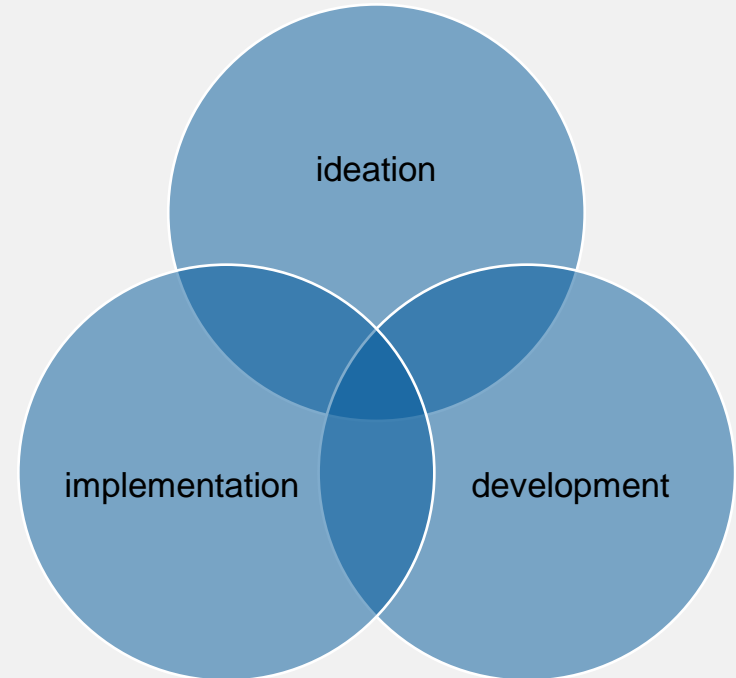


# Product development and actuaries: Past vs Present

## Traditional



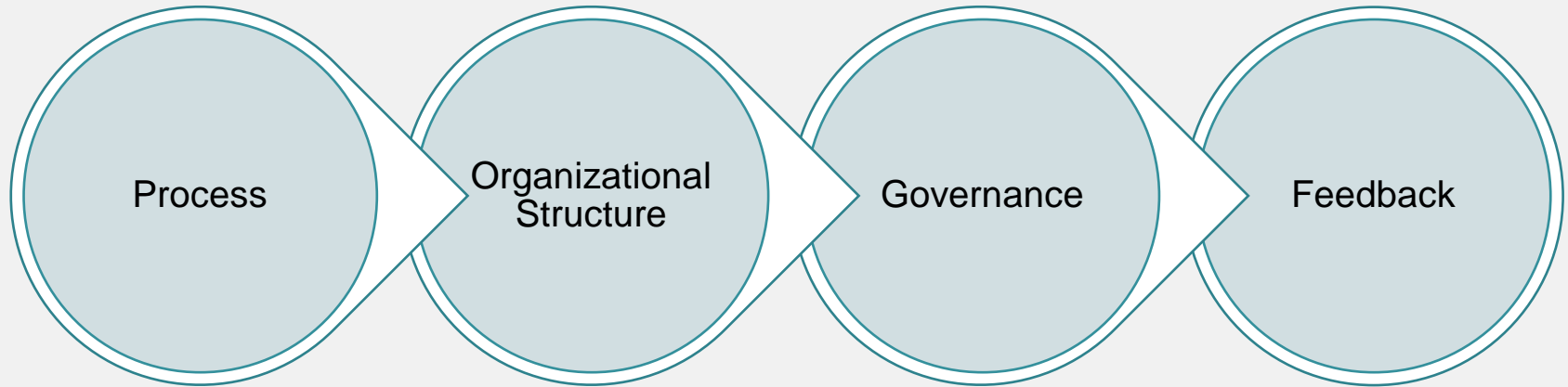
## New mindset







# How does this impact the organization?



- Communication is key
- Document the how's and why's

- Allocate resources where they make most sense
- Make timely decisions

- Know your limits (and thinking outside the box)
- Ensure that this all works

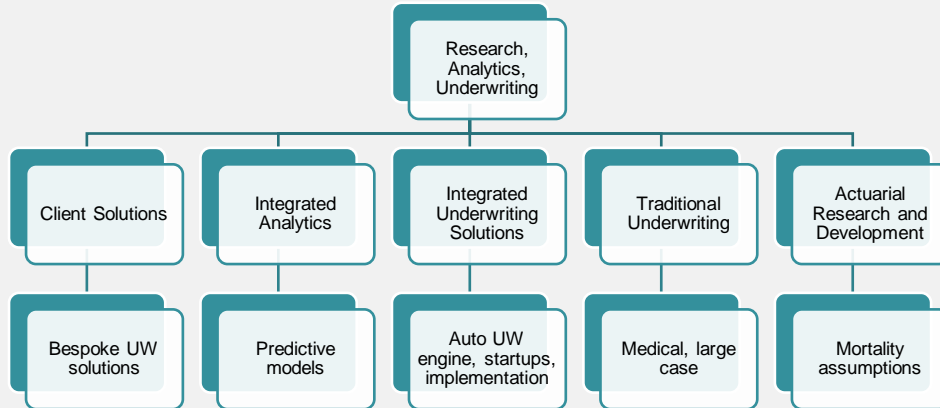


A day in the life



# Within our organization

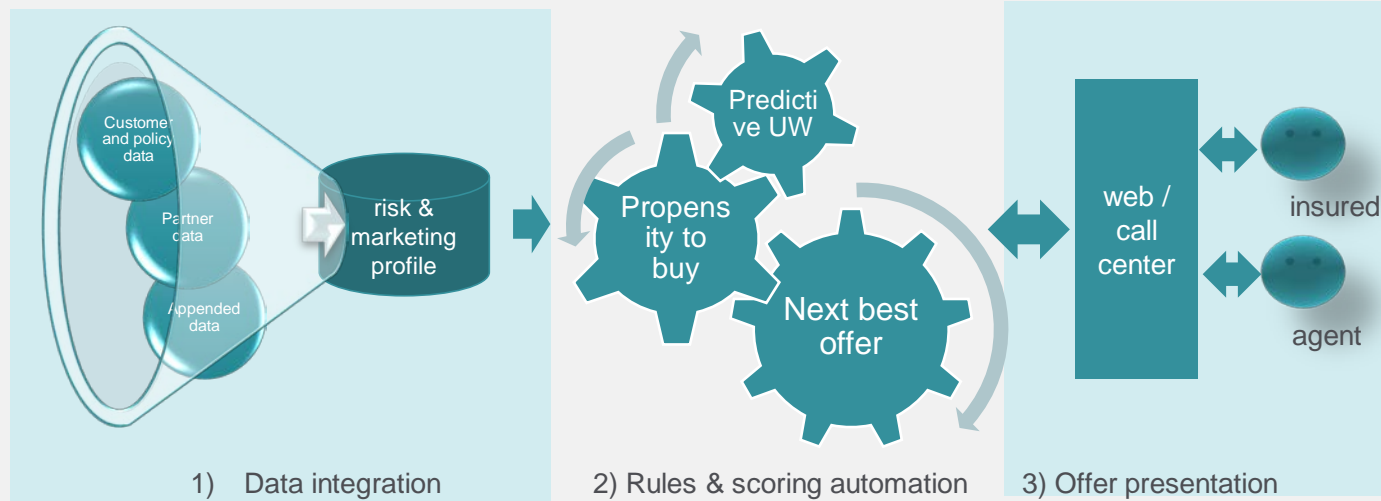
## An example within our organization



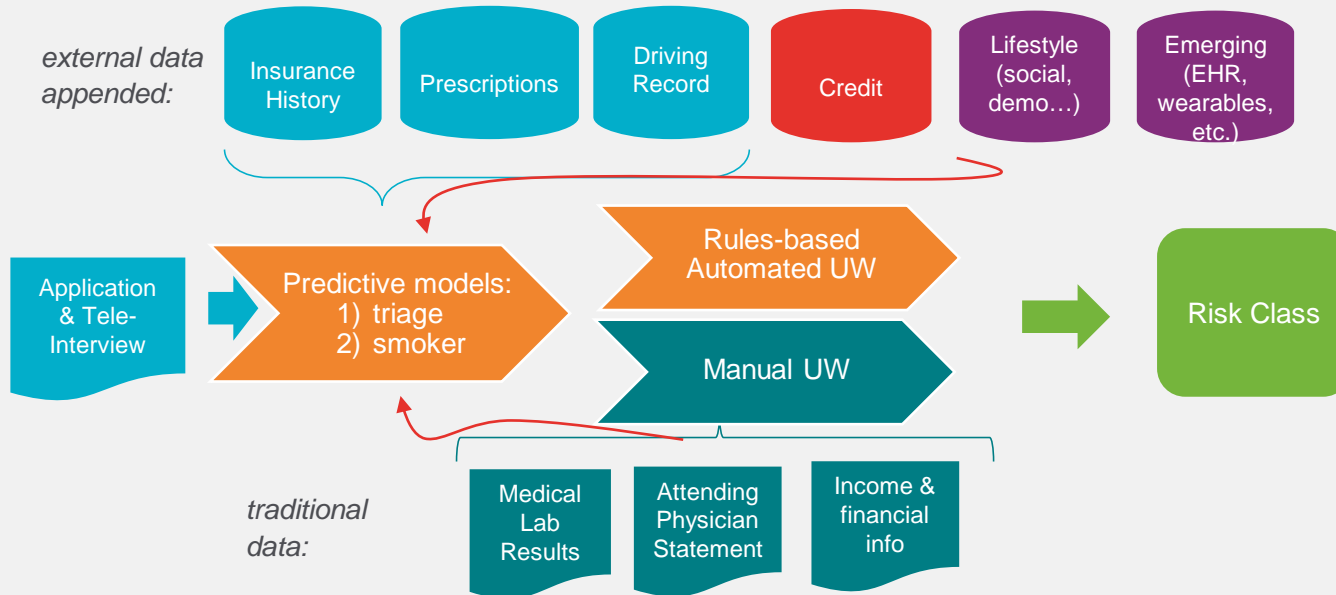
## Focused growth



## Model-driven marketing and underwriting: emerging global practice

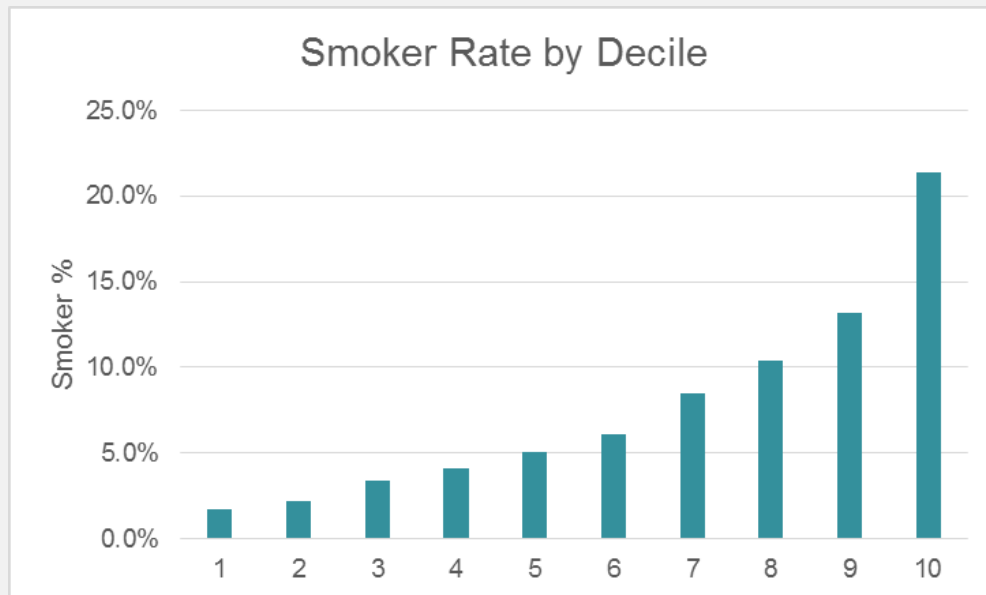


# Predictive models to triage underwriting



# Predictive models to build a smoker predictor

| Area      | Predictor   | Direction |
|-----------|---|-----------|
| Affluence | Face amount   | ▼         |
|           | Home value  | ▼         |
|           | Client issue age - older  | ▼         |
|           | Education   | ▼         |
|           | Investment assets   | ▼         |
| Lifestyle | Catalog stationery buyer  | ▼         |
|           | Healthy behavior change index   | ▼         |
|           | Survey Rock-n-roll music  | ▲         |
|           | Survey travel casino vacations  | ▲         |
|           | Survey lotteries or sweepstakes   | ▲         |
|           | Survey diet concerns  | ▼         |
|           | Dog owner   | ▲         |
| Location  | Counties, grouped (i.e. Orange CA, Westchester NY, Salt Lake UT, Fulton GA) | ▼         |



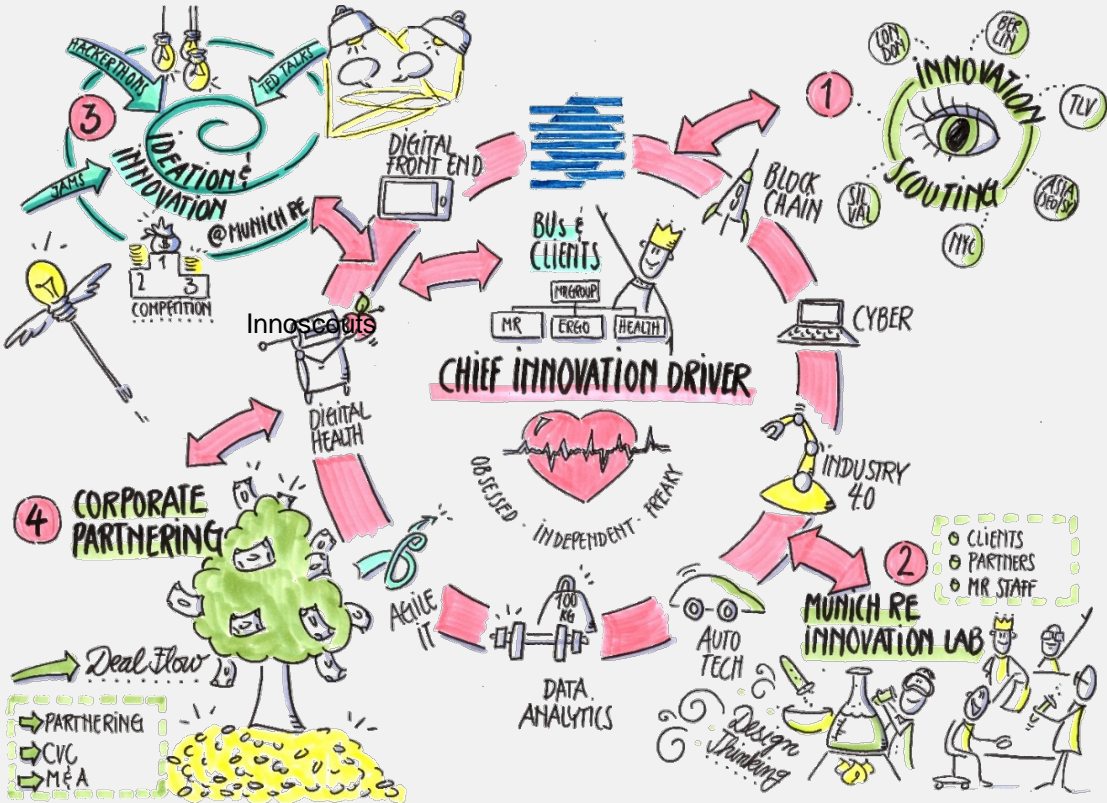
Across the universe



3

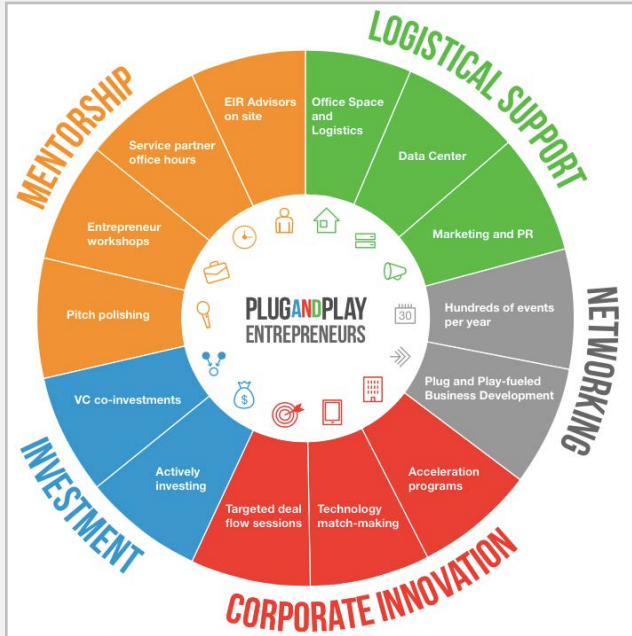


# Global innovation structure





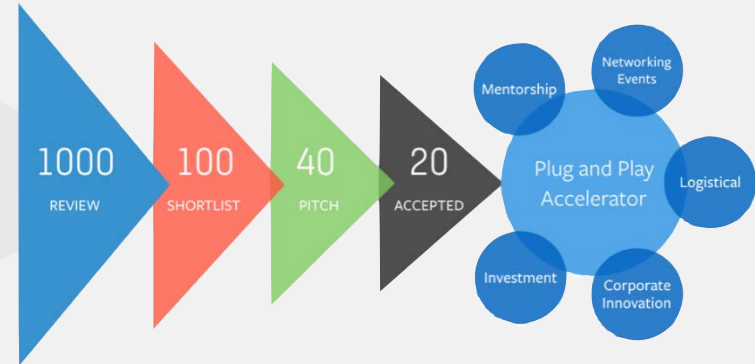
# Plug and Play Ecosystem



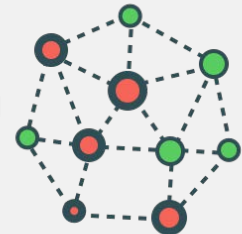
## Sourcing

- Universities
- International
- VCs
- Events
- Corporate Partners

## Accelerator



## Network Matchmaking (Alumni)



## In the U.S.

- HIV
- Breast Cancer - exploring
- Underwriting liver diseases - implemented

## Around the globe

- Critical Illness experience  
Morbidity and longevity  
risk experience

# Twist and shout

4



# What should we focus on going forward?

## For the industry

- Be proactive with the change
- Know the customer better
- Ensure that we are positioned to deliver

## For yourself (and our industry)

- Encourage yourself get out of your comfort zone
- Remember not to live in a vacuum
- Pay it forward