

How Riverside works with global reinsurers to increase the embedded value of insurers' existing portfolios

Riverside specialises in increasing the value of existing life and health portfolios and is now active in more than 30 countries. Riverside offers additional benefits using proven customer communication techniques that deliver high returns in terms of new policies sold and improved retention on existing policies.

Riverside works with a number of global reinsurers to provide the optimal solution for leading insurers around the world. Typically, the reinsurer provides the product and pricing support and Riverside provides its marketing expertise. Together they collaborate with the insurance company to develop, implement and monitor upgrade programmes on their behalf.

Everything begins with understanding the insurer's business so that Riverside can combine its experience with the insurer's existing processes. Based on a portfolio analysis, Riverside proposes a plan starting with a pilot campaign and building an ongoing programme of product offers.

After an insurer has agreed to the plan, Riverside conducts a field trip where its experts meet with the insurer's legal, product, IT, marketing and administration experts to fully understand their processes before implementing the pilot campaign.

Riverside manages the budgeting, creation of marketing materials, campaign data management, local suppliers, production and all campaign execution, obtaining approvals from the insurer throughout the process.

Once the programme is established, new offers can be introduced but initially the focus is on products that the insurer already has available. The offers are a simple optimisation of a policyholder's current cover, including upgrades and rider benefits.

What are the benefits?

The upgrade programmes are designed to:

- Support the existing sales channels
- Engage with in-force customers
- Reactivate dormant policies
- Provide a service to policyholders and agents
- Reduce lapse on the active portfolio

In addition to generating significant new premium at a low acquisition cost they have been shown to improve policyholder connection, lower lapse rates, increase product penetration and generate leads for the sales force.

Riverside and the reinsurer share in both the risks and returns of the campaigns. This ensures that our focus and interests are aligned with the Insurer in increasing their portfolio's embedded value.

Riverside offers funding up to 100% of the marketing costs, with a quota share adjusted to compensate. In a typical campaign the insurer co-invests 50% of the marketing costs and cedes 50% of the new premium to the reinsurer under a quota share treaty.

How long does it take to implement?

The timeframe from portfolio analysis to agreement can vary, depending on the insurer's approval process. From field trip to contacting customers in the first pilot campaign takes 4-6 months, with implementation of subsequent campaigns usually taking less time since the logistics and processes are already set up.

For further information, contact Riverside today: +31 (0) 20 218 4170. info@riversidegroup.nl