

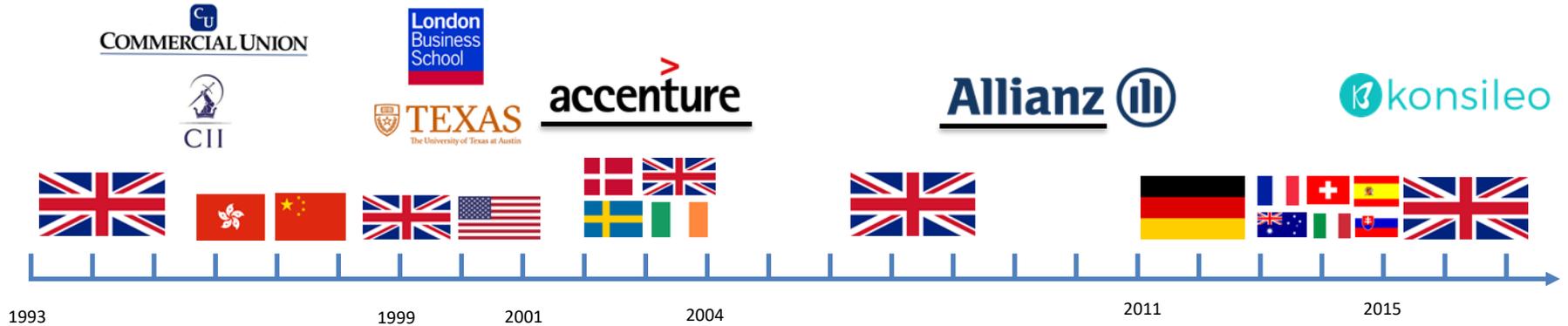


Protect your business. Properly.

## The Future of Broking

John Warburton and Laura Smith

# A BIT ABOUT ME ... JOHN WARBURTON



Insurance guy

Consultant

Worked/ lived in several markets

... enough about digital/ startups to be dangerous

# A BIT ABOUT ME ... LAURA SMITH



B2B Sales

B2B Marketing

Using variety of Social Media/ Digital Tools

... Now loving support sales & relationships in insurance broking

# KONSILEO – A NEW BROKER MODEL

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## Real People



Real people working in a virtualised but engaged organisation

## Powered by Tech



...Powered by the most advanced end to end commercial insurance broking platform in the world.

## Driven by Data



...Driven by data that will put clients in control and enable insurers to offer best terms

# FUTURE OF BROKING - DISCUSSION

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**PKF**

Accountants &  
business advisers



1. What will the 2027 client expect from insurance brokers?
2. What technology will brokers be using in 2027?
3. What will the 2027 profile of employees in broking be?
4. What do these developments mean for the 2027 insurance broking firm?

# FUTURE OF COMMERCIAL INSURANCE BROKING IN A NUTSHELL

Broking market attractive but  
commoditisation at bottom end

Clients value advice & expertise

Technology not fully exploited

Broking as a career increasingly about  
becoming a professional risk advisor

**Broking Firms:** Choose business model

**Broking People:** Embrace learning

**Insurers:** Reward good practice and  
support brokers necessary change



# BROKERS & CLIENTS: BROKERS ARE AWESOME



Chartered

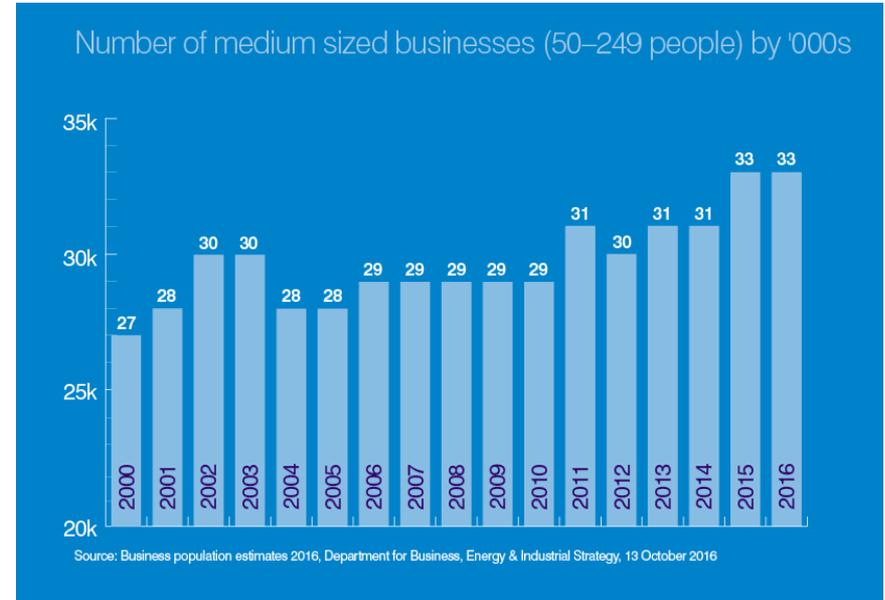


# THE GLOBAL ECONOMY PRESENTS SME OPPORTUNITIES

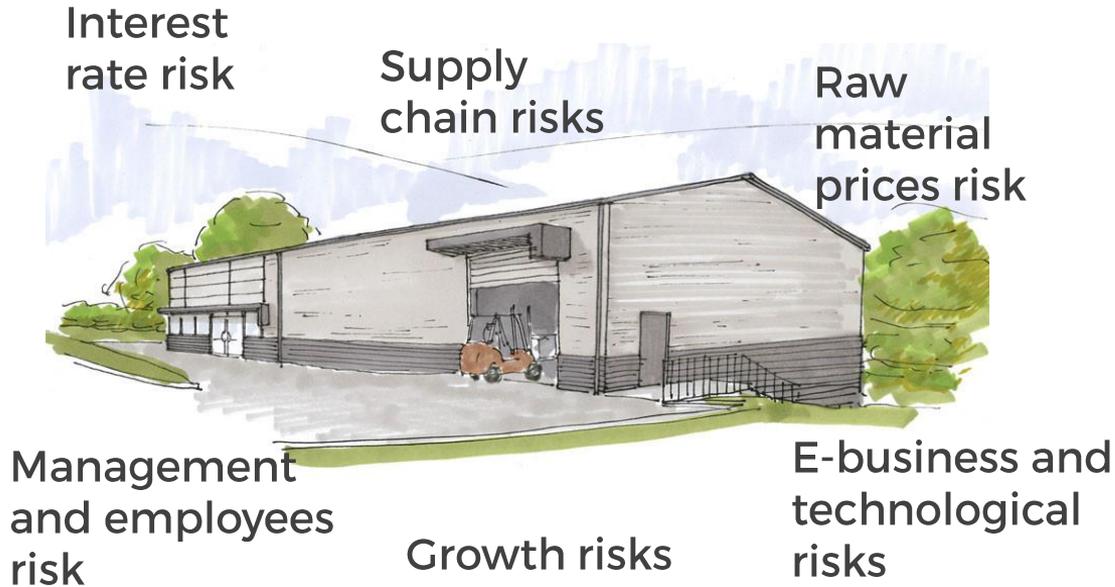
Global economy changing with a move towards to local markets

Number of SMEs increasing

Global economy impacting on insurance market that is driving change in the shape of the market



## BROKERS & CLIENTS: CLIENTS' NEEDS ARE COMPLEX & CHANGING



- Regulation and government oversight
- Information management
- Speed of innovation
- The variability of complexity

## WHAT SME CLIENTS WANT

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Less jargon

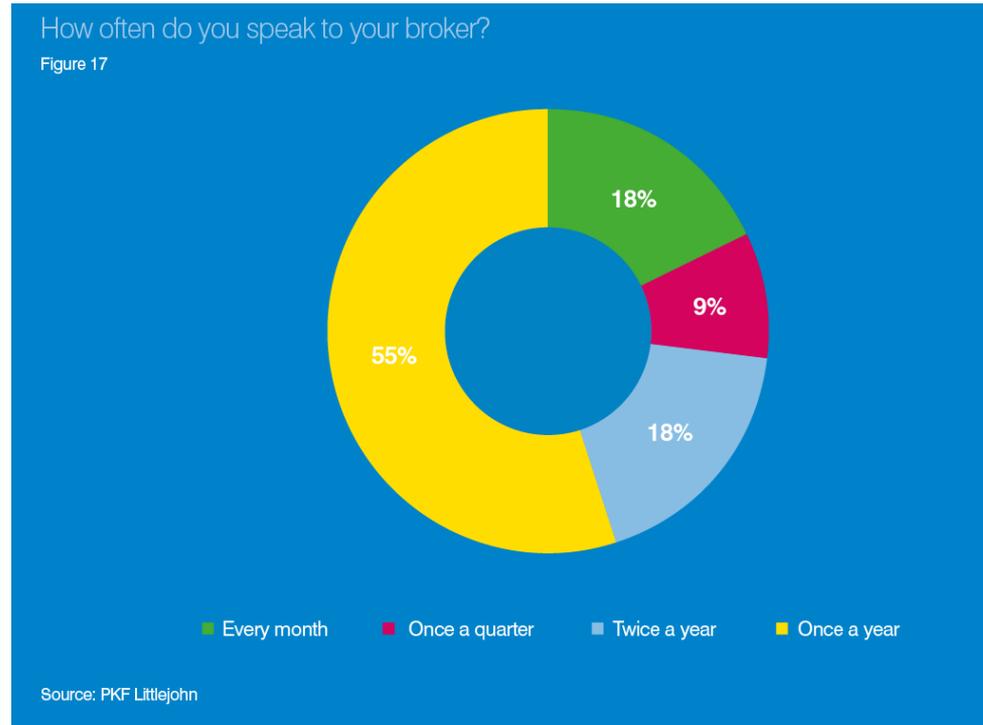
Less complexity & small print

Advisor who knows their business

Claims handling

Comfort around price

Risk management advice



## INCREASING GAP BETWEEN BROKER TOOLS & WHAT CLIENTS NEED

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**2007**

“Broker helps me  
access the  
insurance market”

**2017**

“I’ll probably stay  
with my broker ..  
unless something  
better comes along ”

**2027**

“My broker’s advice is  
critical to my business”  
**OR**  
“Insurance? I’ll sort it  
out myself”

*“However, many SMEs do not – or not adequately – apply risk management practices, ... cannot afford to rededicate resources” ([Marcelino-Sádaba et al., 2014](#)).*

*“SMEs focus on business strategies that have lower risks rather than on growth-oriented business strategies”([Gilmore et al 2004](#))*

## SURVEY QUESTION 1: CLIENT NEEDS

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**“To what extent will (non-micro) SME clients in 2027 view brokers as valued advisors versus seek to do it themselves?” (1-10)**

1 – Market will be entirely self-serve & commoditised, no market for advice – I’m getting a new job!

2 ...

3 ...

4 ...

5 - About where it is today

6 ...

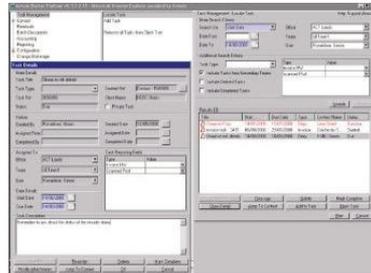
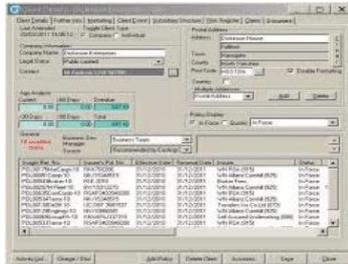
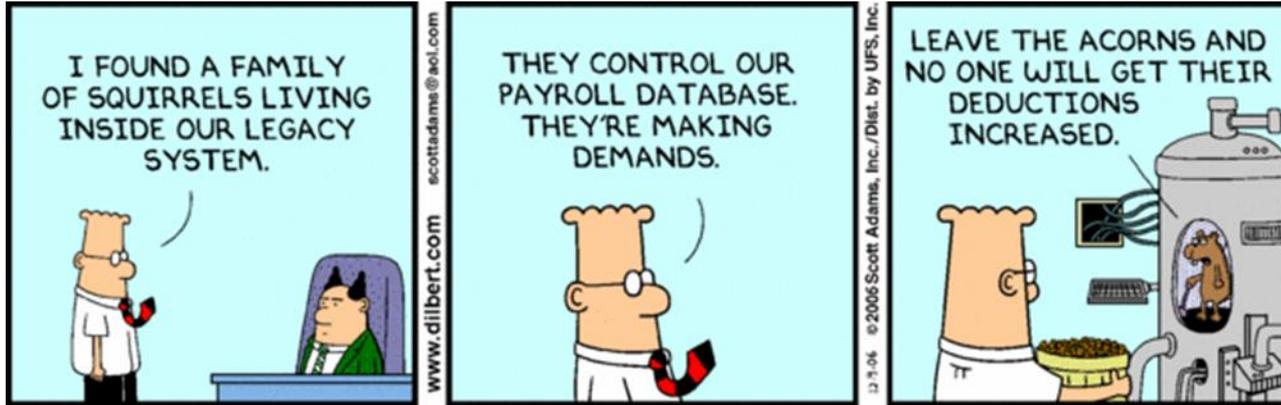
7 ...

8 ...

9 ...

10 – Brokers will find many ways to become more trusted advisors, more revenue in broking sector

# BROKING TECHNOLOGY NOT STATE OF THE ART



## .... BUT NOT ONLY THE FAULT OF THE VENDORS

---

Multiple  
customisations

Small size of  
the market

Slow  
adoption of  
new features

Few project  
roles in  
Broking Firms

I-market not really  
delivered open  
architecture in  
market

Insurers' focus  
on micro-SME  
etrade

## BROKER TECHNOLOGY EVOLUTION – LEGACY BUT OPPORTUNITY

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+ In-house

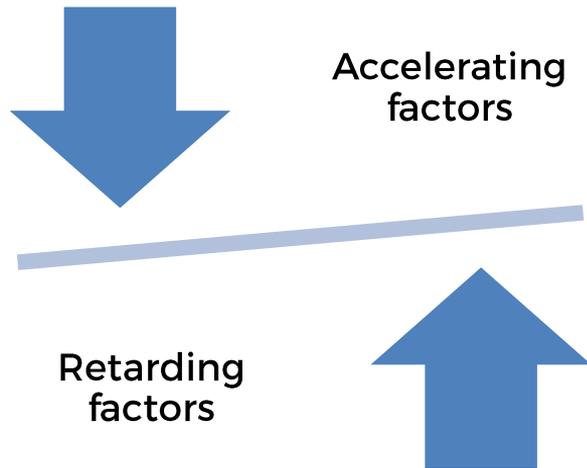


- Broker/insurer focus
- High customisation
- 10+ years old

- Broker innovation/experimentation
- Client/broker interaction

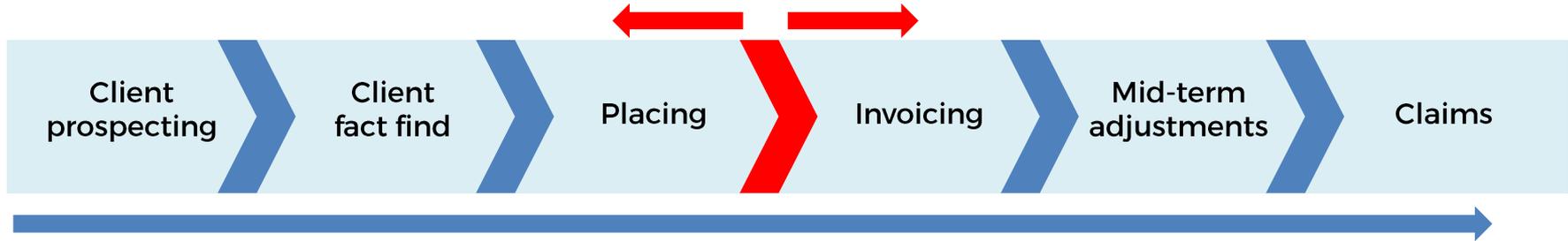
# AUTOMATED UNDERWRITING CAN ONLY GO SO FAR

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1. **Substantially commoditised**  
e.g. motor vehicle
2. **Commodity potential**  
e.g. small PI
3. **Unlikely to commoditise**  
e.g. complex commercial combined
  - ~~Self-serve~~
  - Client risk
  - Heterogenous data

## TECH IN INSURANCE BROKING NEEDS A RE-THINK



1. Open API's !!!
2. User journey design
3. Have [more & better] data

# MODERN TECH NOT THAT HARD

## Modern Methods

Start with best process - "Use Cases"

Open API's

Make use of pre-existing components/ applications

Agile Development

Modern UX

+

## Emerging Technologies

Internet of Things

Machine Learning

Robotic Process Automation

Big Data

Blockchain

Broking Technology: from **TRANSACTION** to the **CLIENT and BROKER NEEDS**

## SURVEY QUESTION 2: BROKER TECHNOLOGY

---

### **“To what extent will technology for brokers and client risk management change for the better by 2027?” (1-10)**

1 – In 2027 Technology for broking and client risk management will be relatively further behind other sectors than today

2 ...

3 ...

4 ...

5 - About where it is today

6 ...

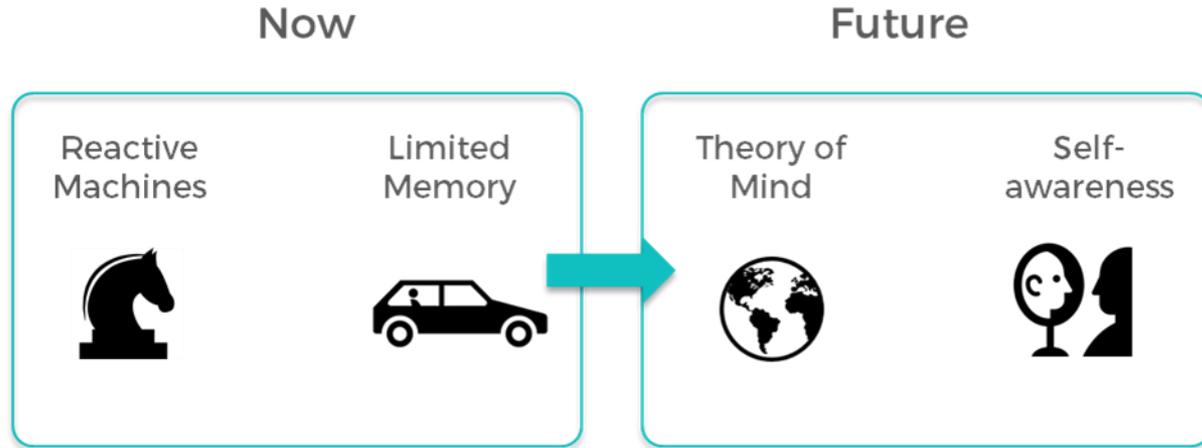
7 ...

8 ...

9 ...

10 – Technology for broking and client risk management will be state of the art by 2027

# FUTURE OF EMPLOYMENT - THE ROBOTS ARE COMING



Source: Arend Hintze, Professor for Integrative Biology, and Computer Science & Engineering, Michigan State University

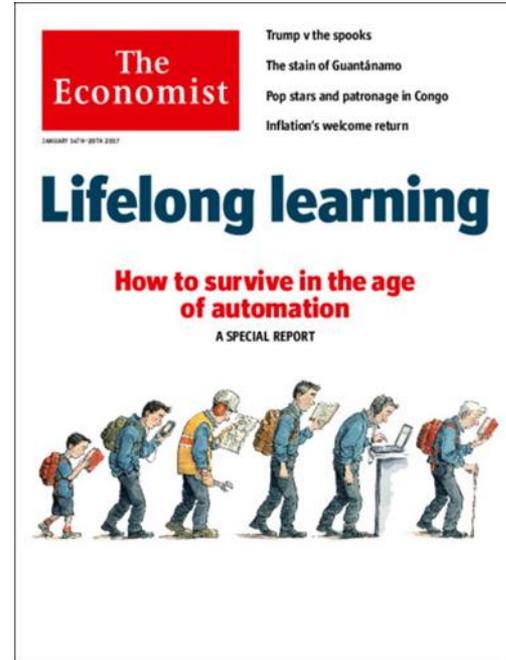
Tasks **NOT** roles will go  Repetitive, data manipulation tasks early  Empathetic tasks that rely on tacit knowledge

Expertise and Relationships will **STILL** be the key to great broking

# BROKERS WILL NEED TO INVEST IN SKILLS, MIX OF TECHNICAL AND SOFT



Chartered  
Insurance  
Institute



Broking is about - Clients, Clients, Clients

# HOW TO FUTURE-PROOF YOUR INSURANCE BROKING CAREER



+ Mentoring

1. Technical Insurance Knowledge



2. Client Industry Knowledge



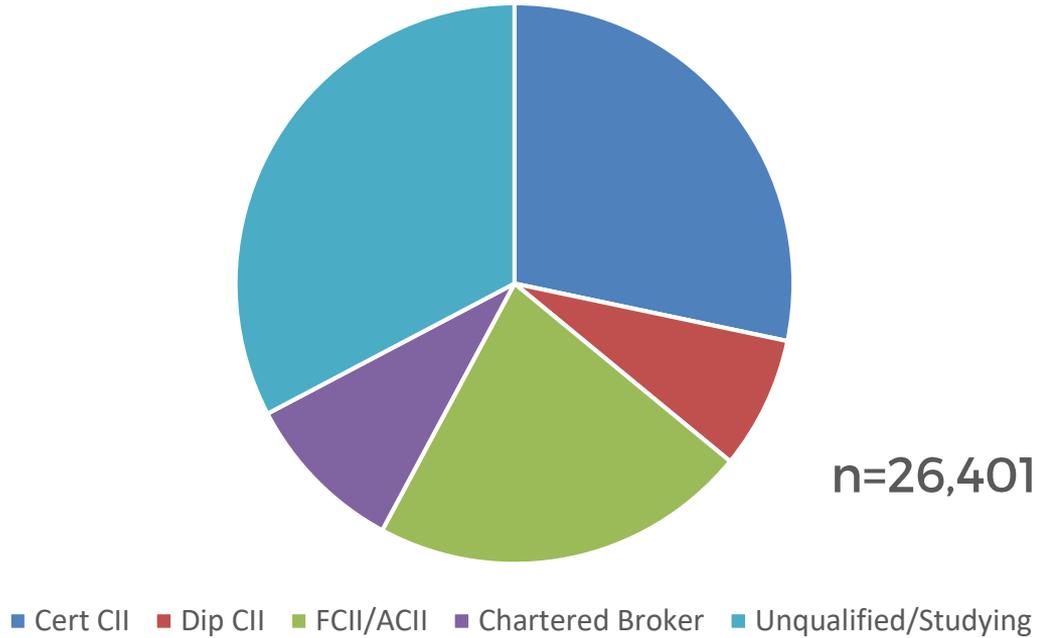
3. Develop Thought Leader Status



# BROKING PEOPLE IN 2017: MORE TO DO ON PROFESSIONALISM

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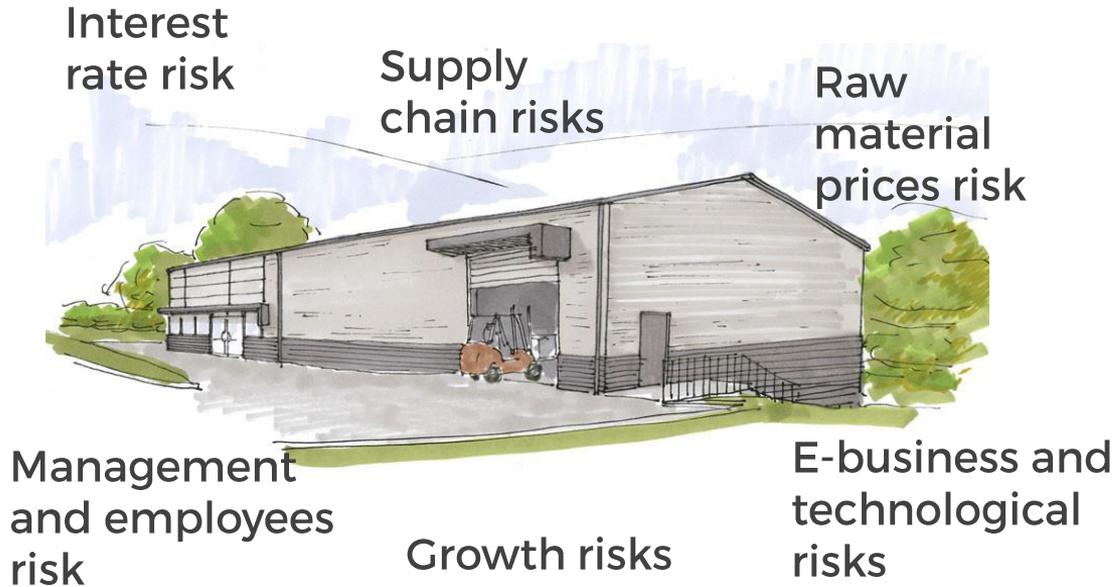
## Insurance Brokers that are CII members



Source: CII, Konsileo & PKF Analysis

# BROKERS CAN USE CLIENT INSIGHT TO BECOME AN INDUSTRY EXPERT

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## Industry Knowledge – Sources

- Clients themselves!
- Trade publications/ sites
- Industry events
- Trade Associations
- ???

What matters to the strategy of your clients' business?

# 'CONSUMER' TECHNOLOGY CAN HELP BROKERS A LOT

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Individuals can develop and grow relationships digitally...

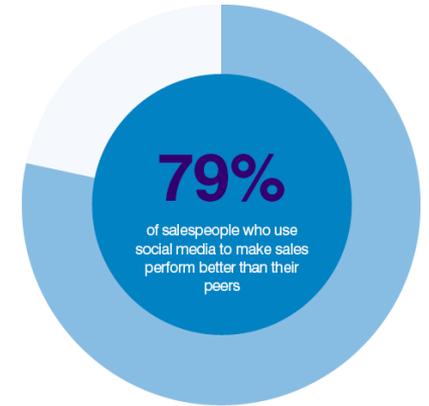
EXPERTISE



ADVISOR RELATIONSHIP



... and employers need to not get in their way



Professional  
brand

Communicate  
knowledge

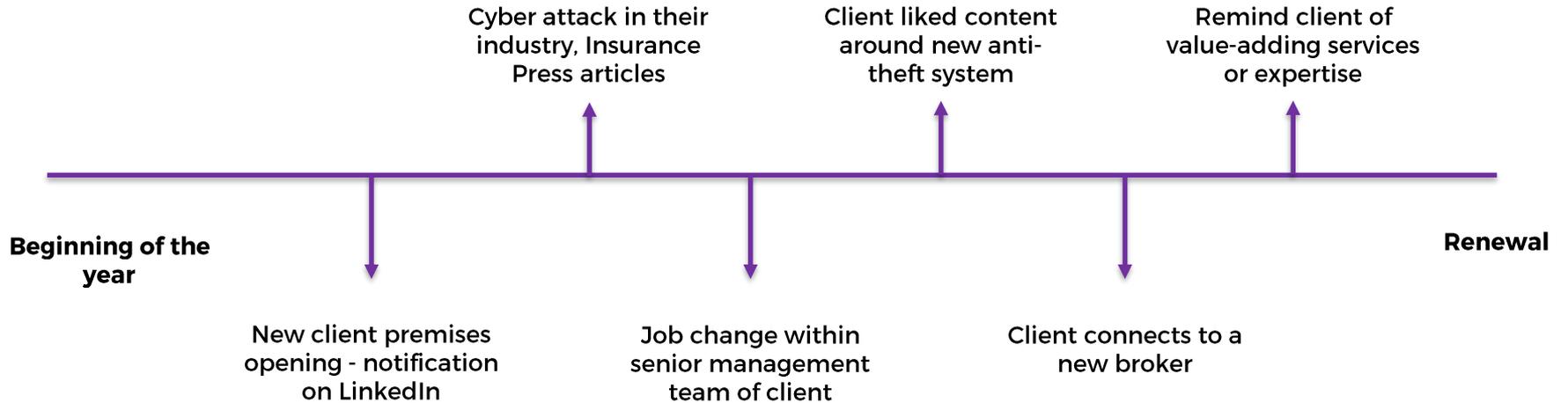
Build  
relationships

Share  
knowledge

Understand  
data

# SOCIAL SELLING – A DIGITAL SALES OPPORTUNITY

## Increased opportunity for touch points



# PROFESSIONAL BRAND – LINKEDIN PROFILE

**Professional photo & header image**

**Compelling headline**

**Up-to-date work information**

**Personalised URL**

**Up-to-date contact info**

**Profile Content:**

**Header:** Add new profile section

**Profile Picture:** Laura Smith

**Headline:** Marketing Manager at Konsileo, helping commercial insurance brokers succeed

**Current Position:** Konsileo • Chartered Institute of Marketing  
Hadlow, Kent, United Kingdom • 500+ 28

**Summary:** I have over 5 years marketing experience including a First Class Advertising and Marketing degree from Coventry University. I also passed my Professional Diploma in Marketing with CIM in June 2015. After almost a year...  
[See more](#)

**Right Sidebar:**

- Edit public profile & URL
- Add profile in another language
- Promoted:
  - CX for Financial Services**: Network with 80+ Heads of CX in the Financial Services sector
  - MobileIron Customer?**: Demonstrate Proof That Your Mobile IT Strategy Is A Success with IronWorks
  - Make Web Traffic Count**: DBD Help Optimise Your Site For Conversions The Easiest Way To Increase ROI
- See connections (500+)
- Contact and Personal Info**: Laura's Profile, Websites, Phone, Email, Twitter, and Birthday  
[Show more](#)

**Footer:** Your Dashboard Private to you All Star

# PROFESSIONAL BRAND – LINKEDIN PROFILE CONT...

ACII qualified  
 Chartered Insurance Broker  
 Too many years to remember in the insurance industry.  
 28 years broking.  
 Goals - to over deliver on client service and help to run an efficient forward thinking insurance broking business.  
 Contact me on 07889 967110 or [barry.packham@thecleargroup.com](mailto:barry.packham@thecleargroup.com) for more information

Expertise:  
 Operational management  
 Business change  
 Broking IT  
 Commercial/corporate insurance - professional indemnity, directors & officers, liabilities, contents, stock, transit, fleet.  
 Charity and/or care sector.  
 Not for profit organisations insurance  
 Insurance for the Fine Dining sector.  
 Building services maintenance and Commissioning Consultancies insurance

- Qualification status
- Years of experience
- Personal goals
- Contact Information
- Expertise

You can also include company information and links

**Marketing Manager**  
 Konsileo  
 Jun 2017 – Present • 5 mos  
 London, United Kingdom

Konsileo is a commercial insurance broker using technology and data to put people first.

As Marketing Manager I am building the Konsileo brand in the insurance and insurtech space via print and digital channels. I am also building a recruitment strategy to attract and support the best commercial insurance brokers in the market to future-proof their careers and their client relationships using the Konsileo broking platform and lead generation tools to increase client loyalty and trust. To find out more about becoming a Konsileo broker go to [www.konsileo.com](http://www.konsileo.com).

The future of insurance broking is here, find out more about our research with the CII and PKF LittleJohn below.

Media (1)



The Future of Commercial Insurance Broking - CII research re...

- Tell your story
- Show your development
- Talk about what you gained from each role
- Highlight your achievements

# SOCIAL SELLING INDEX

A means of identifying how successful your social selling techniques are on LinkedIn

Social selling leaders have **45%** more sales opportunities



**Laura Smith**

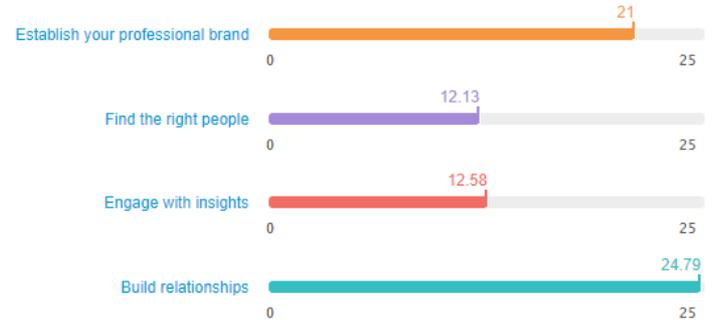
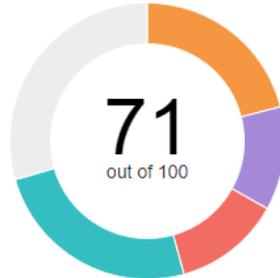
Marketing Manager at Konsileo, helping commercial insurance brokers succeed

Top **1%**  
Industry SSI Rank

Top **8%**  
Network SSI Rank

## Social Selling Index – Today

Your Social Selling Index (SSI) measures how effective you are at establishing your professional brand, finding the right people, engaging with insights, and building relationships. It is updated daily. [Learn more](#)



## WHAT MAKES A THOUGHT LEADER?

---

Provide insight

Have a POV

Share high  
quality content

Engage in  
industry news  
and trends

Connected to  
industry leaders

Active on social  
media

Creates content

Has a large  
network

## TYPES OF CONTENT FOR THOUGHT LEADERSHIP

---

**Original:**  
Article or blog  
you have  
written yourself

**Curation:**  
Information you  
have brought  
together

**Sharing:**  
Another person's  
post or an external  
article

**Commenting:**  
Adding a comment  
to someone else's  
post

**Discussion:**  
Starting a  
discussion in a  
LinkedIn Group

## SURVEY QUESTION 3: BROKING EMPLOYMENT AND SKILLS

---

### **“To what extent will employment in insurance broking change by 2027?” (1-10)**

1 – A great deal, more than 80% of current roles will go

2 ...

3 ...

4 ...

5 - About where it is today

6 ...

7 ...

8 ...

9 ...

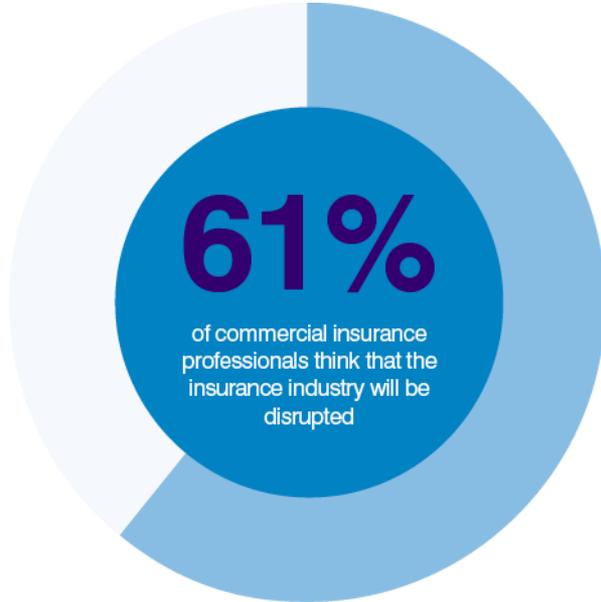
10 – Employment will increase a great deal 2027

# BROKING ORGANISATIONS A LOT OF CHANGE



## TECHNOLOGY DRIVING CHANGE FOR COMMERCIAL BROKERS

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**Insurance market seen as ripe for disruption**

**Technology driven change largely confined to SME business**

**Significant investment into commercial insurance market disruptors**

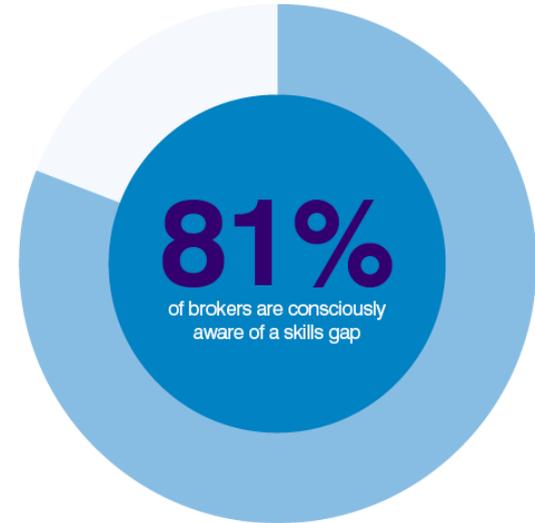
## BROKING IS BECOMING A PROFESSION

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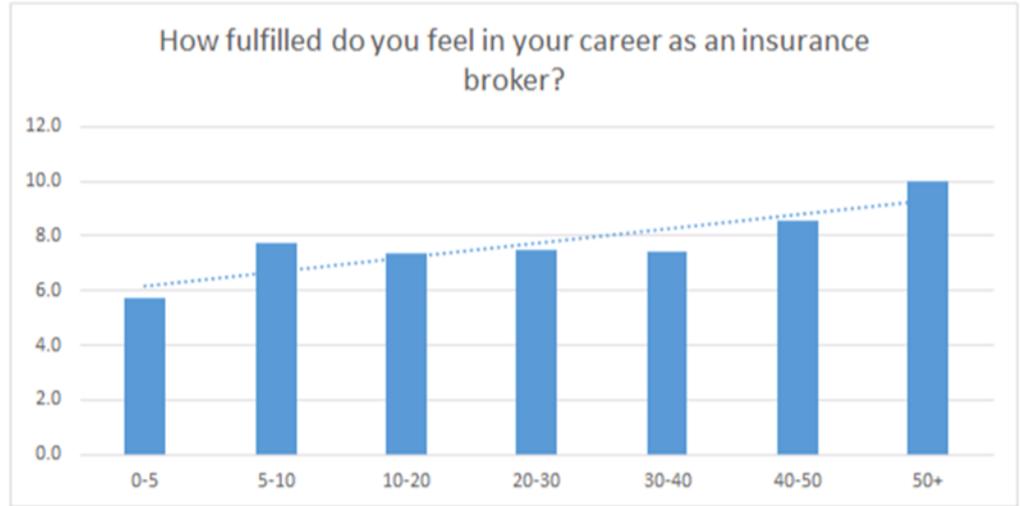
1. Insurer training is reducing
2. Risk advice becoming more complex
3. Demographic bulge

Attract talent and then...

Formal training + mentoring + client contact



# STAFF SATISFACTION BEHIND OTHER EXPERT SECTORS



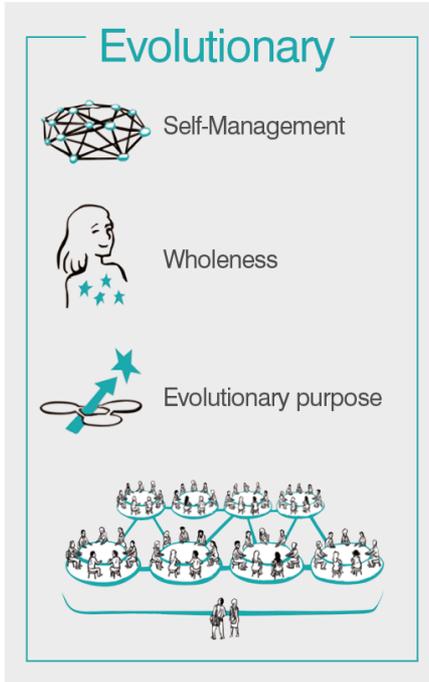
Source: Glassdoor.co.uk 18/2/17

Source: CII, PKF & Konsileo Broker Survey 11/16

# EMERGING ORGANISATIONAL THEORY INTERESTING FOR BROKING



# 'BROKNG WITH SOUL' IS POSSIBLE



Source: Frederic Laloux, *Reinventing Organizations*

Example pitch from CEO of a firm that attracts top talent

Understanding the 'why'

**“We want to be the most technically expert broker in the UK”**

Team input

**“Our firm allows brokers to do the broking job they love and to earn better because of it.”**

Social purpose

**“We bring insurance products to vulnerable and less financially capable customers.”**

## SURVEY QUESTION 4: BROKING ORGANISATIONS AND LEADERSHIP

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### **“In which direction will insurance broking organisations change by 2027?” (1-10)**

- 1 – They will be small in number and very efficient, managing resources more tightly
- 2 ...
- 3 ...
- 4 ...
- 5 - About where they are today
- 6 ...
- 7 ...
- 8 ...
- 9 ...
- 10 – Broking people will work somewhat independently and in self-organising teams

## BROKING IN 2027: KEY QUESTIONS

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1. Client/ Broker Relationship - Self-Serve or Advice Led?

2. Broker Technology - Lagging or Leading Other Sectors?

3. Broking People - Skilled Expert Advisors or Robot Maintenance?

4. Broking Organisations - Squeezing the Pips or Constantly Evolving?





Protect your business. Properly.