

Dedicating our time to high net worth

Unlimited access to our specialist team of underwriters

Helping you to grow your business

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# THE CONNECTED HOME: AN OPPORTUNITY FOR HOME INSURERS?

# RSA...at a glance

2015 Group Premium Income  
£6.8bn

(£1.6bn HH, £1.4bn Property)

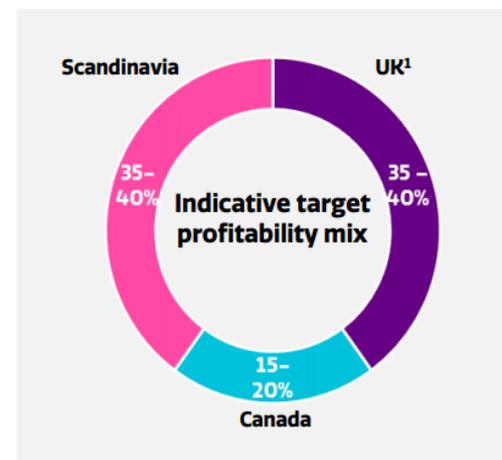
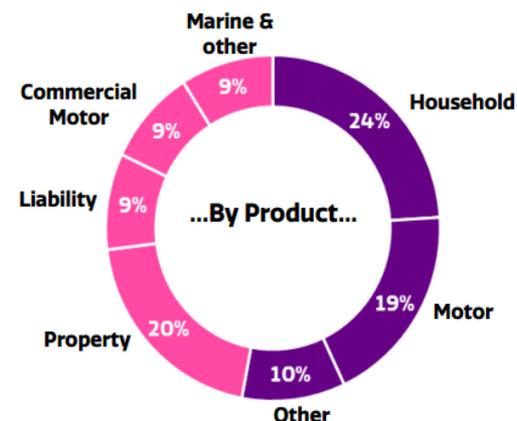
## A Global Insurer

With a 300 year heritage, RSA is one of the world's leading multinational quoted insurance groups

Focusing on general insurance, RSA's core markets are the UK and Ireland, Scandinavia and Canada

14,000 employees across our core businesses and, in 2015, our net written premiums were £6.8 billion

45% or £3bn relates to Household or Commercial Property



## ...and in the UK

Already one of the largest general insurers of Household and Commercial Property



In 2017 we will become sole insurers of Nationwide Building Society



Making us the UK's largest insurer of homes and businesses



# So why are we interested in connected home technology?



We will settle more property insurance claims than any other insurer in the UK

We know that connected technology is here to stay and we know it can reduce risk

In Motor Insurance, we have successfully harnessed data and technology to create a winning customer proposition:

- tailored insurance to the needs of the individual
- preventing claims and saving lives

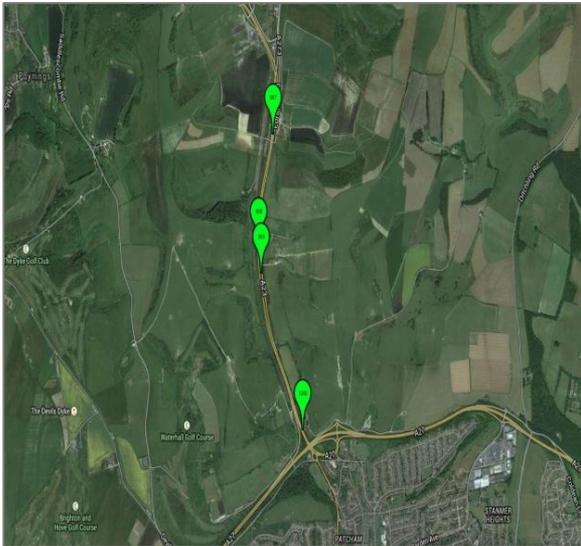
**We believe that we can do similar in the home and property space**

# Connected devices are disrupting every area of the home



Source: PWC, 2016

# Sm>art Wheels: How it works....and what can we learn?



**John, here's an overview of your driving style scores**

Your current Driving Style Score for Reward quarter 2 ending 18/06/2015 Your rewards overview

**+4.68**

How to read your list

**15%**

**£1**

Congratulations! Your Driving Style score for this reward quarter so far is an improvement on your starting score and currently you're set to receive a £1 cash reward at the end of this reward quarter.

[Full details of your Driving Style Score](#) >



**John, here's your mileage usage for this policy year**

**ANNUAL MILEAGE**

- Miles used: 2,253
- Miles remaining: 18,747
- Predicted excess miles: 0

So far, you've used 2,253 of the 21,000 miles that you selected when you bought your insurance from MORE TH>N on 19/12/2014

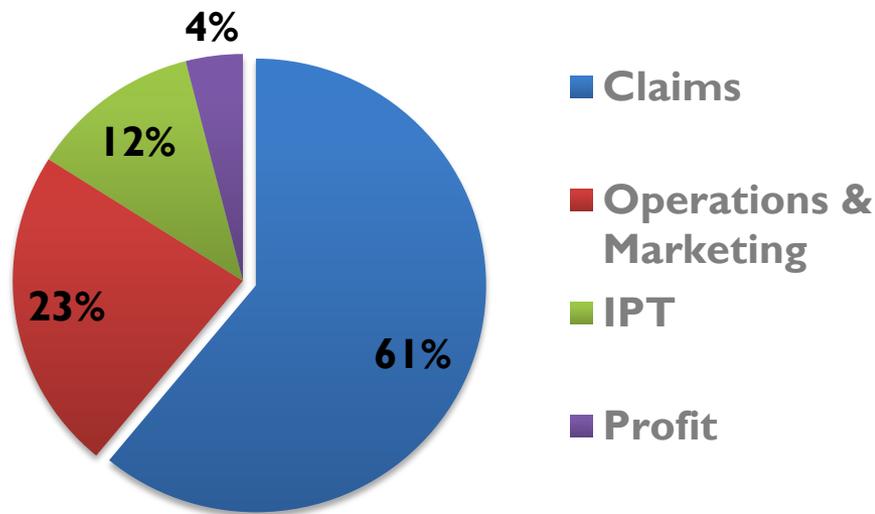
Remember that you can buy Top-Up miles at any point during your policy year if you find your needs change

**To get a quote for Top-Up miles call 0345 072 4422**

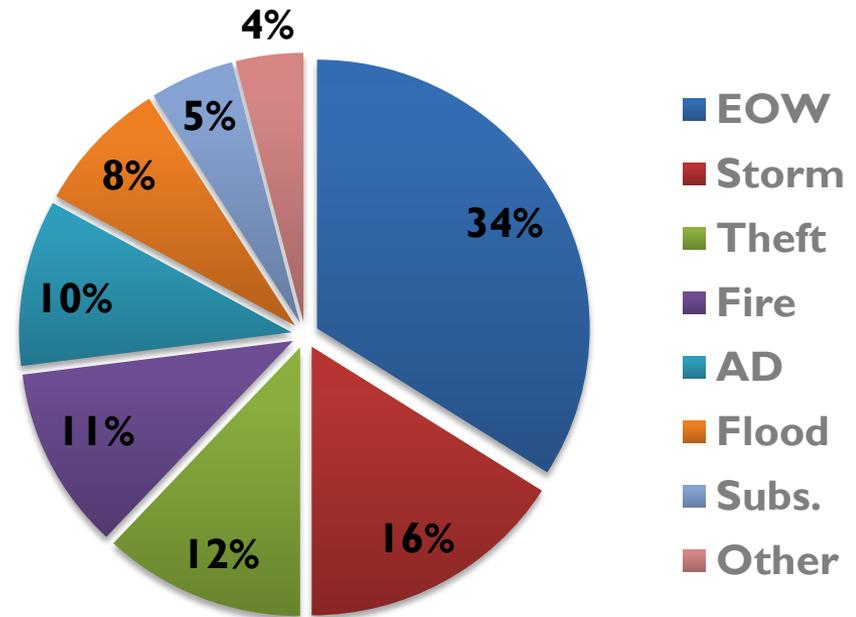


# Home Insurance cost structure (simplified example)

## Home Insurance premium breakdown



## Claims breakdown



Approximately £0.21p per £1.00 pays for EOW

# How can we engage customers more in home insurance?

## Home insurance

- Responds following material loss or damage

## Home maintenance

- Provides cover for call outs following boiler breakdown, water leaks, electrical maintenance.
- Material damage is not required for product to respond

## Points to consider:

- Is there an opportunity for a single-product in this space?
- Annual premium of subscription based?
- Who should pay for the leak detection device & who owns this?
- Supplier network logistics – who responds to a claim?
- What happens if the customer ignores the water leak notifications prior to a loss?
- How do we ‘reward’ customers for this?

# How do we get a leak detection device into all UK homes?



# How are we approaching this?



Through partnerships – we cannot do this ourselves

RSA has 3 key assets

- Distribution and scale
- Back catalogue of claims
- Bringing new stuff to market is tough – but we've done it before
- Currently piloting with More Than customers – OAK will follow

Reducing water damage risk is key, as is creating an engaging protection package

# EOW is the start...customers can be engaged in in fire & security risk management through connected technology

MORE TH>N

Tell Me More 



We're always thinking  
how to keep what's important to you safe.

With SAM in your home you'll be in, even when you're out.



#### Moisture

Water tanks bursting, leaking pipes or floods needn't be left until it's too late for your carpets.



#### Temperature

Frozen pipes, overheating radiators or early detection of fire, don't get hot under the collar - let SAM take care of it.



#### Doors & windows opening

Take control when there could be an intruder.



MAKING THINGS BETTER, TOGETHER.