



Allianz Rewrites the Rules

AURA Helps Allianz Bring Life Insurance Direct to the Australian Market

Roger had known for a while he needed life insurance, but avoided taking the time. He was busy and he was certain an application would take weeks. Besides the inevitable questionnaires, there would be blood tests and doctor's reports. He decided to put off applying for life insurance because of the time commitment involved.

Then he heard that Allianz Australia Life Insurance was selling policies directly through their website—no advisor, no long questionnaires, and easier to understand policy language. It almost seemed too good to be true.



"I was in my office," said Roger. "I jumped online, pulled up the Allianz website and completed it in about six minutes. The longest part of the whole process was putting in my address and payment data."

Of course, not everyone is completing the application in six minutes, and not everyone is approved. But Roger's pleasant experience is happening to Australians daily as Allianz realizes that their market research has paid off—there is a very large opportunity in Australia's direct-to-consumer life insurance market.

"It was highly impressive," Roger said. "I was accepted and they sent me a policy document straightaway. Everything was electronic. I had an option to receive a paper copy or a PDF document. I opted for both."

Planning for Direct Sales

Flashback twelve months. We find Meredith Barnes, National Manager Business Development, sitting in her office at Allianz Australia, wondering if their new life insurance strategy could be pulled off given their desired underwriting approach. The entire program was beginning to look like its success would hinge on an 'expert system.'

"Once we formulated the strategy of going direct," said Meredith Barnes, "it wasn't too long after that we knew we would need a pretty dynamic system to accomplish our goals!"

Meredith had encountered automated underwriting in a front office environment, being used by advisors. She felt that it was something they could turn from “advisor-facing” to “direct customer-facing” with simple adaptations.

The search began for a software vendor who could quickly supply a flexible system to automate this process, all through the Allianz website.

“We set out to bring a product to market that would only be

A Whole New Business

The approach of marketing directly to the consumer allowed Allianz to start with a clean slate, taking full advantage of AURA functionality and automated underwriting processes.

In January 2007, the project team was assembled with the vision to create a unique offering in the Australian marketplace. Allianz knew they would need to find a balanced list of questions, short enough to give the consumer a pleasurable buying

“We’ve been really pleased with how the AURA implementation has gone. We are happy and we consider it a success.”

— Meredith Barnes, National Manager Business Development, Allianz Australia

sold direct,” said Meredith. “We work in a crowded market. The IFA (independent financial advisor) space is congested. There are dozens of offers that hit the mailbox each week. We really wanted to have an offer that was more like you would get from an advisor.”

Allianz looked at five different systems, then chose the system best suited to the challenge—AURA (Automated Underwriting and Risk Analysis) from Reinsurance Group of America (RGA). RGA is based in the United States and has regional offices in around the world. Once Allianz selected AURA as the technology solution, RGA worked with Allianz on a business case and a project plan for implementation.

experience, yet detailed enough to yield accurate underwriting decisions without paramed tests. Here they turned to their reinsurer, RGA, for help.

April of 2007 was a very busy time as the team architected an effective customer journey. They designed new underwriting rules and articulated an efficient business process. It was decided that customers would be offered options in underwriting. They could start and complete the full application online, or they would have the option to start the application online and complete the interview by using the Allianz call center.

Within months, everything was in place. The quality assurance process was completed and marketing plans were finalized. Allianz was ready to hit the market with the news and be ready for the business.

Launch

In September, Allianz released the exciting news to the press and simultaneously began airing television spots, advertising the new direct sales program. The story was picked up immediately and Allianz has had great results in the months since. Not only are they meeting their expected production levels, but they are exceeding production expectations at an early stage in the program.

“What Allianz has done here is truly innovative,” said Jym Barnes, President and Chief Executive Officer, RGA Technology Partners. “They have pioneered a direct program in Australia that is able to rely on a proven underwriting solution while delivering a unique customer buying experience.”



Allianz is pioneering direct life policy sales using automated underwriting and their website.