

# Gen Alpha of Product Innovation

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Mike Cremisi, FSA, MAAA

Patrick OuYang, FSA, MAAA

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# Overview

## Innovation to enter the uncharted life insurance market

- Next generation of innovation
  - To enter market segment that's been traditionally under or even unserved
  - 46% of Americans not covered in 2020
  - Half of the people overestimate the life insurance cost
- Existing product innovation
  - Increasing term: Add more coverage as life needs grow
  - Policy liquidity a strong desire
  - Small premium outlay
  - Frictionless and fast
  - Term, WL, and UL chassis can be vehicle
  - Modernize distribution
- Future product innovation
  - Reach potential customer and build brand recognition in those markets
  - Unconventional insurance types
  - Creative distribution



# Current Market Innovation

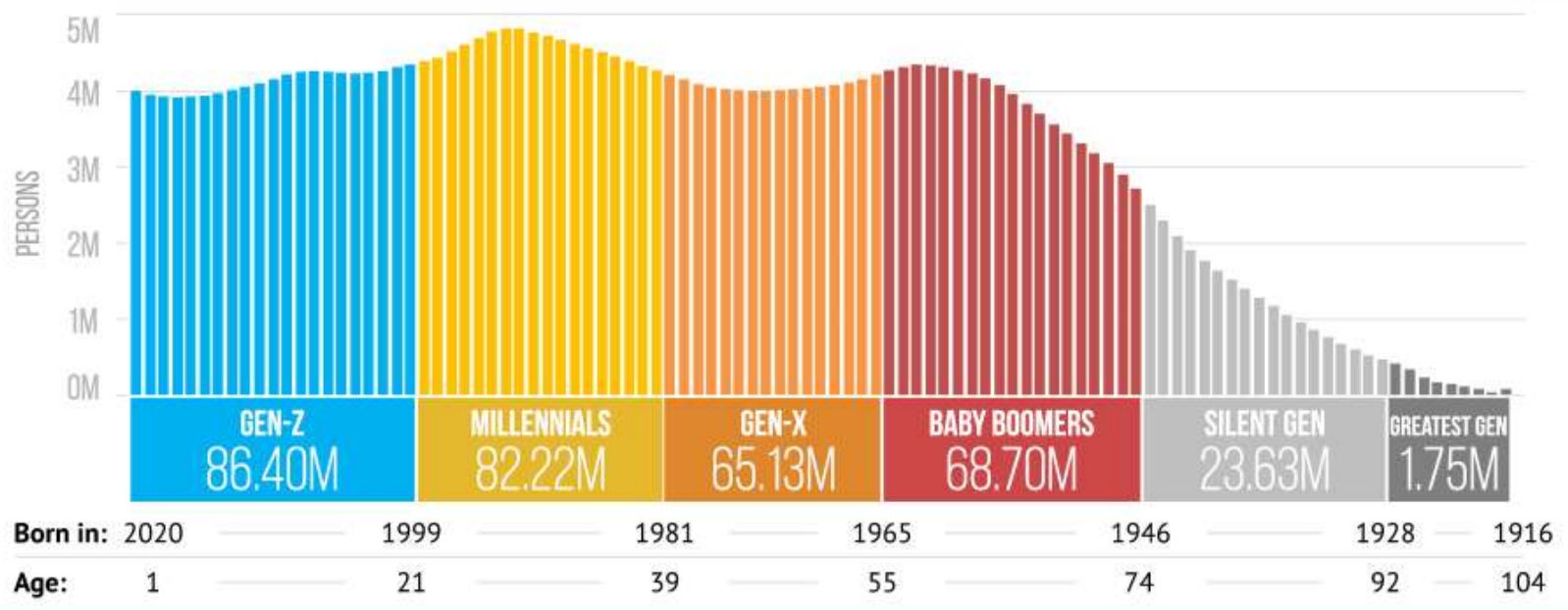
Existing products aiming to enter new markets

# Current Market Innovation - Changing Demographic

## Total US Population by Age and Generation

As of 2020

Data Driven



Virtual Reality (VR) and Augmented Reality (AR) headsets and components, Nano-computing, 3D printing, Electric and driverless cars.

Tablet and Smartphone

Personal Computer

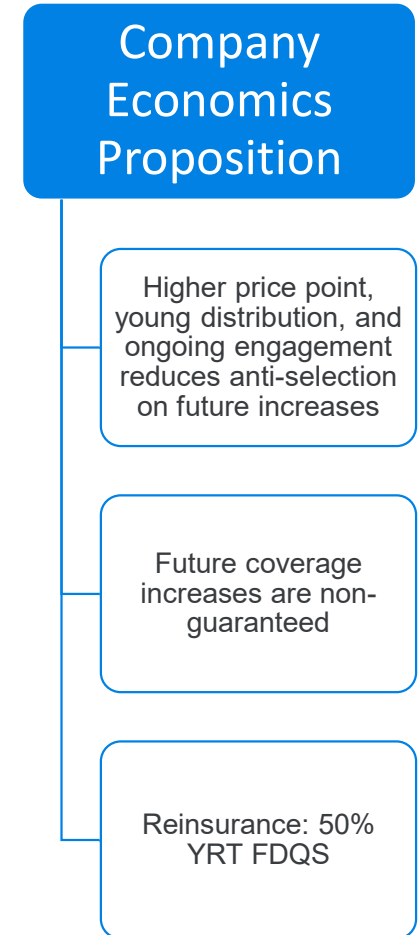
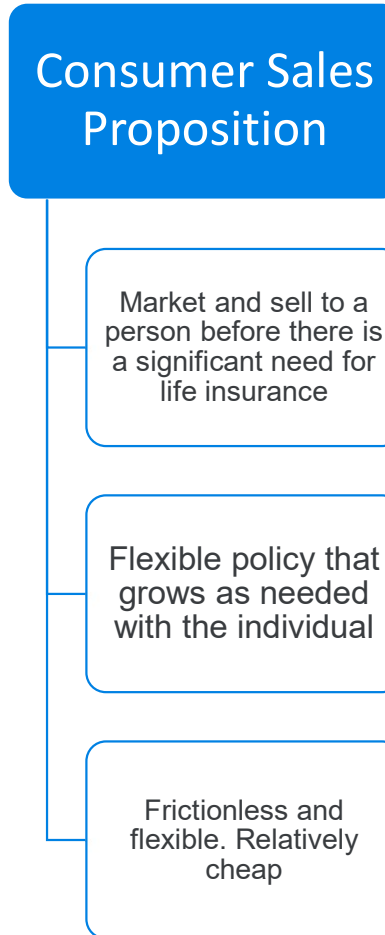
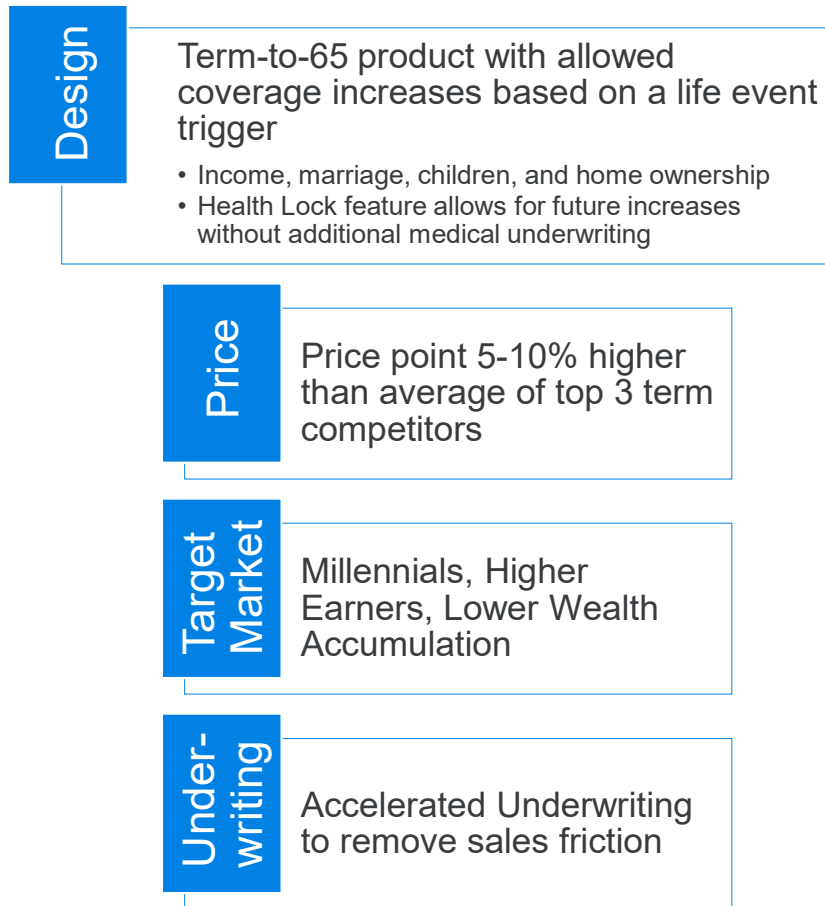
Television

Source: U.S. Census Bureau



Defining Technological Product

# Current Market Innovation - Example



# Traditional vs. Gen Alpha

Low Cost vs. Widespread Audience

## Traditional

- FY Commissions generally drive sales
- Robust / accelerated underwriting
- Multiple “clicks” to purchase
- Marketing through agency
- Volume vs. Quality
- Sales diverse and dispersed

## Gen Alpha

- Commissions must be minimal or zero due to short-term nature
- Simplified / Guaranteed Issue to facilitate ease of purchase
- Experience is key
- Single “click” purchase
- Partnership-driven
- High volume of sales required
- Concentrated sales

# Future Product Innovation

Future product ideas to attract new customer and build brand recognition

# Future Product Innovation

Not a product to generate sales or profit

## Product Mission

- Reach the under and unserved life insurance market
- Increase brand recognition

## Features to include

- Low cost for both consumer and company
- Simple process to apply and get insured
- Digital distribution to engage consumers directly

## Mainstream products not a good fit for this

- Universal life: too complicated for average consumer; may scare them away
- Whole life: too expensive for this market
- Term life: may be a good fit with automated underwriting, but can still be a commitment













**Thank you**