

The role of brokers must change tremendously



Brokers have had to conduct their business – which is largely based around relationships and communication – during a time when the world was stuck at home. However, rapid digital adoption and adaptation allowed them to operate almost uninterrupted, and even continue looking for ways to grow. The Asia Brokers Summit 2021 explored how brokers used technology to maintain their business and how their roles will change in the coming years.

By Ahmad Zaki



Brokers in general did a great job in the transition to working from home and dealing with people digitally, said Brokerslink chairman Jose Manuel Fonseca.



Mr Jose Manuel Fonseca

Speaking during the opening minutes of the summit, he pointed out that even without a crisis plan in place, many brokers were prepared for the dramatic changes that occurred last year. “We had all been heavily investing in digital transformation, hardware and infrastructure. All of these investments and changes in culture enabled us to adapt our model of communication and working in a distant environment very fast and very efficiently.”

The year 2020 also saw many brokers taking the opportunity to speed up their transformation

projects, improving the efficiency and effectiveness of their productivity and client experience models. “On the business side, this created a huge opportunity to get even closer to our clients. We were able to be more present and timelier,” he said.

Beyond technology

Vumi Global Services managing director, Middle East, Africa and Asia David Youssef said that his company needed to move everything onto a digital platform to continue delivering to their customers. “Our website allows customers to complete an application form and it’s spelled out for them, and our agent can turn around any applications quickly. And while a lot of it is automated, we still do not want to lose that personal touch,



Mr David Youssef

especially in health insurance.”

He noted that while it is mostly the employer purchasing health insurance, it is the employee that ends up using it, or their dependents. “It is very important at that stage to maintain some semblance of a relationship through the various digital communication platforms.”

At the same time, telemedicine usage went up by 1,000% in March 2020 and then 4,000% in April 2020, while in person medical services dropped by 23% and 52% in those two same months.

Mr Fonseca also highlighted health insurance as having greater importance, with customers demanding much more from insurers and brokers beyond the transactional. “They demand a partner that can help advise them in matters related to wellbeing, work environments, predictable behaviour models, telemedicine and many other services. Brokers need to be seen as a preferred partner of the human resources departments and customer teams,” he said.

By utilising existing digital tools and accelerating their digital transformation, Vumi was able to support its clients through the height of the pandemic. However, Mr Youssef said that the business goes on and it needed to continue growing. “We had to identify new tools that were required by us to assist our clients, and to also find new clients and balance communication with growth strategies.”

During a panel on the relationship between brokers and insurers Acclaim Insurance Brokers CEO and managing director Tony Lim said that the industry needed to go beyond adopting technology and look at maximizing and leveraging the use of this technology so that they can improve efficiency across the entire organisation.

“An example is during the easing of the circuit breaker in Singapore, a lot of companies moved into split shifts. We decided against this, and we instead created a mobile app to track who would be going into the office and how many people we had

in there at any one point in time. And subsequently, we also used it to track client visitations,” he said.

It is vital for insurers and brokers to unlock the full potential of technology, as they have the tendency to only use a fraction of it, he said.

Future relationships

At the same panel, QBE Singapore CEO Ronak Shah said that personal and consumer lines would definitely be driven by technology, with AI and dynamic pricing ring-fencing how those lines are executed.

“My prediction is that risk advisory will also be more prominent, and that advice will be the value proposition that intermediaries are expected to provide. This will be the differentiator for the client that is going to make or break their financial balance sheet when an event occurs,” he said.

Claims advocacy will be an even stronger proposition for brokers, especially as insurance products become increasingly whitelisted within other consumer products, as can be seen in air travel or purchasing new phones from telecommunications providers. At that point, insurance itself becomes a value proposition for other industries trying to rise above the competition.

“With sustainability and climate change and other risks that have surfaced as a result of the pandemic will be good business generators for us all, which emphasises the resilience of the industry,” he said. “With the right risk advisory and claims advocacy, I think the industry will continue to be very strong.”

Mr Lim agreed with the idea that the role of brokers will change tremendously in the future. “There is a bit of mistrust with the recent pandemic claims going around and the terms meted out to clients who are going through a very harsh environment themselves during this crisis. I think the broker plays an important role in building the relationship between the client and the insurer. They need to show the value in a long-term relationship with the insurer.”



Mr Ronak Shah

Being social

Another area of untapped potential is social media.

“The average daily time spent on a smartphone has gone up 15% in the past year and the usage of social media platforms from January 2020 to January 2021 has gone up 100%,” said Mr Youssef. “I would highly recommend that all of you, especially providers, communicate and stay relevant to your customer base and target audience through these platforms.”

Social media has become a way to deliver news that is of special interest to customer bases, and the pandemic has created a new link between brands and their followers.


“We created an informative guide on COVID-19 when it first started, putting together as much scientific data and information from well-respected sources. Because of this on post, our Instagram followers jumped 300%,” he said. “Now, we’ve evolved that into information about the vaccines and our follower base is still exponentially growing because we keep posting relevant data and information for our audience.”

Birth of the big Asian broker

With the shake-up in how work was done last year, the M&A space also saw an acceleration, with Marsh and Aon embarking on several deals. “They liberated a lot of energy and talent within the market, associated with the internal disruption these deals created, and are still creating,” said Mr Fonseca. “The pure financial perspective of these deals was probably great to shareholders, but not good at all for customers, insurers and staff.”

He added that the dynamics of global broker networks have also changed, with big US domestic brokers leaving the ‘typical American comfort zone’ and becoming much more aggressive on international broker acquisitions.

“It’s time to see the birth of the big European or Asia broker. It is clear that the global market is becoming more connected and decentralized. For me, it is a trend that will speed up in the near future,” he said.

The Asia Brokers Summit 2021 was organised by *Asia Insurance Review* and sponsored by Brokerslink, Vumi Global Services and Fenchurch Law. 



Mr Tony Lim