

Customers and insurers in GDPR era



Topics

- ❑ GDPR – impact on customers
- ❑ GDPR – impact on insurers
- ❑ Customer journey in GDPR era
- ❑ Challenges for insurers in GDPR era
- ❑ UNSAR's support for insurers in GDPR era
- ❑ GDPR – looking forward: digitalization

GDPR – impact on customers (1/2)

□ More transparency on personal data processed

Detailed and easy to understand information on processing (“lawfulness, fairness and transparency”)

Each insurance company will inform customer about their data, how they are processed and where they are transferred.

□ More control on personal data processed

What type of personal data are processed?/Why the personal data are processed?/By whom are processed?/For what period?

Insured persons will be more aware of their data processed (health data, identification data, biometric data, etc.)

GDPR – impact on customers (2/2)

☐ More rights

Right to be forgotten/Portability/Notification of data breaches

Right to be forgotten – not applicable for carrying on contractual relationship and archiving obligations. More applicable for offers not concluded with a contract

Portability – more appropriate when fully automated processes of data in insurance market

Notification of data breach – insured person aware and able to react when his data are in danger

☐ Consolidate trust between customer and insurer

Consolidate between the various stakeholders from the market. The customer will benefit from a clean and trustful market.

Brokers, insurance sales agents, insurance companies, authorities will consider the customer best interest and his/her protection.

GDPR – impact on insurers (1/2)

❑ Change of mentality and way of doing things

Data don't belong to insurer, belong to the customer, data mustn't be kept for longer than it is required (“**purpose limitation**” and “**storage limitation**”)

Only data that are really necessary for processing will be asked from the client (“**data minimization**”)

Keep data up-to-date . Keeping inaccurate data is a waste of time. Checking data is right, is common sense and a great discipline.

❑ Processing should be documented

Ensure policies and procedures are in place and they are right, lawful and future-proof

❑ Increase security

Checking data security has always been a must. But now insurers need to do so there is a chance to make it robust and fit for purpose.

GDPR – impact on insurers (2/2)

□ More awareness on risks

Privacy Impact assessments (PIA). Insurers should be aware of the risks resulting from processing data, prior that such risks becoming reality and to avoid them. It makes good business sense and could save an organisation money and reputational damage in the longer run by getting it right now.

DPOs be appointed and consulted in data protection

□ More awareness among employees and partners

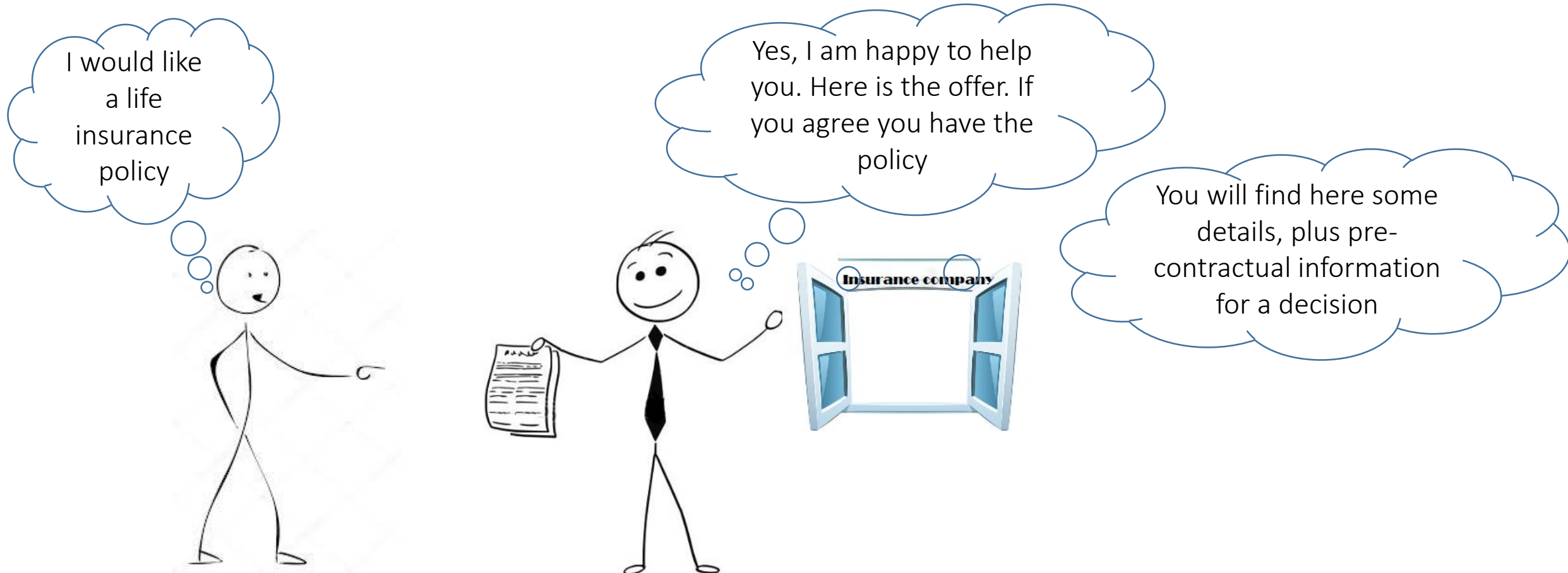
Ensure data protection is an integral part of the organisation. All stakeholders will see the difference and understand the value of protecting data (“**Data Protection by design**” and “**Data protection by default**”)

Employees to be trained and make them aware of responsibility towards personal data processed.

Partners carefully selected.

Customer journey in GDPR era

Selling the insurance policy before GDPR



Selling the insurance policy in GDPR era...GDPR + PRIIPs

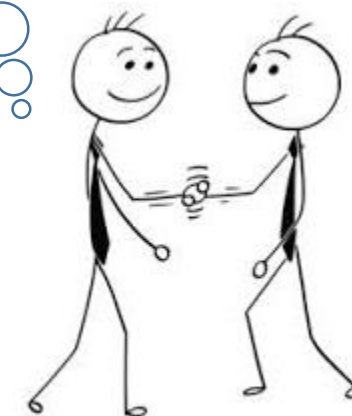
I would like a life insurance policy

Yes, I am happy to help you.
I will need your consent in order to prepare you a personalized offer

PRIIPS and GDPR bring:

- More details (in written format) to the client before the contract is concluded
- Information regarding personal data
- Consent for health data is in this moment mandatory

Plus, I kindly ask you to read this **GDPR information...and KID...and all pre-contractual information ...**



Challenges for insurers in GDPR era

- ❑ **How to deal with more documents to read ?** Much more papers for the customer to read and insurer should present information in an easy understandable way.
- ❑ **Relevant information vs. a lot of information.** Customers should be properly guided among the amount of information received
- ❑ **Health data.** Insurance industry has its specific and processing of health data is a must (price is based on health data). Consent is given when entering into contractual relationship, still the execution of contract and claims handling is a legal and contractual process
- ❑ **How to grant the right to be forgotten?** Cannot be accommodate for customers still in contractual relationship (unless the service is ceased), also after that there are retention terms for archiving documents.
- ❑ **Customer's satisfaction will increase?** Hopefully yes, but more requirements will increasing time and effort for the insurers to answer properly.
- ❑ **Tougher sanctions will lead to better processing?** Irrespective of sanctions, insurers should aim for a clean process, no complaints from the customer, building trust. **Code of conduct among insurers to have best practices and standards agreed.**

UN SAR's support for insurers in GDPR era

- ❑ Create a **working group** to discuss relevant aspects on GDPR implementation
- ❑ **Code of Conduct** at industry level to set standards and best practices
- ❑ Collaborate with other professional associations from financial industry (such as **UN SICAR, PRBAR, APAPR**)
- ❑ Initiate **discussions** with relevant authorities in order to **accommodate requirements** for the specific of the industry (to have a common understanding on the application of relevant requirements, such as processing health data, biometric data, consent)
- ❑ **Monitor legislative** process for transposition of GDPR and discussions with authorities when needed

GDPR – looking forward

Increase trust in digitalization in insurance



Data protection needs an update to keep up with new technologies and appropriate risks



GDPR compliance will improve industry standards

GDPR is a great incentive for companies to improve performance. Compliance could soon be a competitive value. It may pay to adopt a customer-first, responsible attitude.



Complying will improve your data quality and boost marketing performance

These new regulations will act as incentive for companies to move away from brokering in data and cold calling strangers. .

Increase trust in digitalization in insurance



Lead generation after GDPR

Lead generation after GDPR will also require a lawful basis for the collection of data, and must meet specific principles and processing conditions.

As a result of this, companies won't be able to just buy in a data list and assume that it's OK. You will have a responsibility to check whether your suppliers are compliant with GDPR. If not, you will also be held responsible for the transgression and could face huge fines.



Our digital market will benefit

GDPR is vital to creating harmonization of customers' rights throughout the EU in a digital single market.



Accountability - GDPR aims for make you responsible for breaches

Thank you