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The Power of Having a Simplified Broker Approach to Specialty Insurance Distribution



Munich Re shows that a simplified approach to the insurer-broker relationship has proven an effective way to provide coverage to clients and stay ahead of the competition.

The way companies conduct business changes all but daily. From the addition of the internet and its instantaneous connection capabilities down to the growth of global trade, companies are finding that their operations extend far beyond their own four walls.

As companies grow, so too do their risk profiles. Brokers are continuously seeking out the most effective and meaningful ways to mitigate their clients' risks — but it isn't always straightforward.

"When brokers are trying to navigate the right solutions for their clients, they have to work with the complexities of the insurance companies," said Bob Rheel, Head of Distribution, Munich Re Specialty Insurance. "Often, brokers can be left puzzled. That's why it's important that we have a simplified, broker-centric approach."

By simplifying access to a complex insurance system, insurers and their broker partners can really start to hone in on the solutions that best fit client needs.

"Munich Re is setting a new benchmark in positive broker experience by strategically deciding to implement a unified approach to select brokers," said Rheel. "We are hearing over and over that delivering a more holistic broker experience is exactly what our partners want."

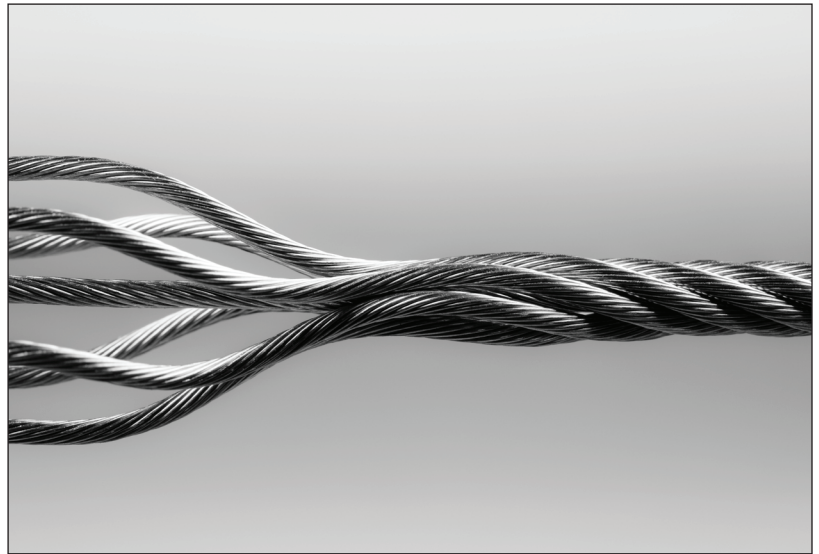
Here's a closer look at the power of having a simplified, broker-centric approach and how Munich Re is delivering on that goal.

Changing Landscape: How This Approach Empowers Brokers to Get the Job Done

The broker landscape has been changing thanks to three distinct causes: consolidation, globalization and innovation.

"There's an ongoing trend in the U.S. insurance industry where we're seeing a continued consolidation of brokers on both the retail side and in the wholesale channel," Rheel said. "As consolidation continues, the channels in which solutions are delivered to clients and customers alike is evolving."

It's driving a need to keep offerings current and streamlined so that clients are still receiving the best solutions possible.



Historically, the broker partner approach has been siloed, Rheel explained. Individual underwriters would have relationships with individual placement brokers. While still an effective means of communicating and partnering with brokers, Munich Re saw that because consolidation was changing the way clients received solutions, this distribution approach could benefit from review.

“What we’re looking at is adding on to that established process by bringing the broker partners access to more solutions within the company,” he said.

This is an added benefit for brokers, because of the globalization of underwriting that is also driving change in how brokers conduct business. Insurance companies are delivering solution sets on a wider, more global scale. Brokers looking to access solutions in other countries might not know about the solutions available in the U.S. because of the nature of the traditional approach. Giving brokers access to more of an insurer’s capabilities can break down such barriers and drive innovation.

“Insurance companies want to innovate and create something that matches what the brokers want and need to deliver to their clients,” Rheel said. “And that’s also driving the need to simplify the process and focus on the conversations we’re having with the brokers.”

What a Broker-Centric Approach Strives to Do

At the very core of this simplified, broker-centric approach is the idea to create effectiveness in the trading relationship. That means connecting brokers to the right areas within the organization that will provide answers to their demands and get the clients what they need as quickly as possible.

“We are very specific in our discussions with the brokers,” Rheel said. “This gives them the room to be focused in on Munich Re. We work to connect them within the business to the solutions that they need for their clients so that we may all be efficient in our trading relationship.”

Once the broker is set in the organization and has been connected to the right products, it comes down to building a strong relationship between the underwriter and the placement broker. But it shouldn’t stop there: “One thing that demonstrates to the broker the capabilities they’ll have with this approach is giving them an opportunity to create strong relationships with senior leaders,” Rheel said.

“So, we can have both a broad conversation and a specific account conversation within the trading relationship between Munich Re and the broker.”

Finally, Rheel said, responsiveness is key to a successful broker-centric approach. “Being responsive means fine-tuning our ability to respond to opportunities as they come up with the broker,” he said.

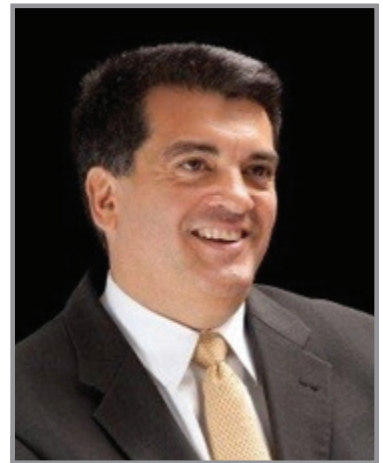
Succeeding at the Simplified, Broker-Centric Approach

“While we’re delivering product and solutions to the marketplace, what we’re really after is delivering an experience to broker partners who have a mutual commitment to us,” said Rheel. “That experience we’re offering is the ability for these brokers to have access to everything Munich Re has to offer in the U.S., and eventually globally by reaching out to one familiar contact.”

One broker partner, Hank Haldeman, President, Program Division of Worldwide Facilities, commented, “Two years ago, the Munich we experienced had a siloed approach. Now, we have developed an ambitious agenda and executed on it in 2020. We are experiencing great coordinated follow through, which is very different than previous years.”

Haldeman is not the only broker to find a successful partnership with Rheel and his team, either. “Feedback has been positive in the sense that the brokers appreciate the way we’re working with them to identify the appropriate connections between them and our underwriters,” Rheel said.

That positivity translates to the entire client experience the broker is able to deliver as well. When the broker has access to the



Bob Rheel
Head of Distribution,
Munich Re Specialty
Insurance

whole of an insurer's capabilities, their clients benefit too.

"They are able to see this insurance company with global capabilities in the local balance sheet," said Rheel. "With Munich Re, we're able to share our insights and innovation as we develop them directly to the client because of our broker-centric approach."

Learn more about Munich Re's specialty insurance solutions from your Munich Re Broker Relationship Leader or at <http://munichre.com/specialtyinsurance>.



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