

Retention and cross-sell of retirement annuities

Identify when an RA policyholders would retire and then who would upsell to a living annuity

Benefit

The solution enables customer loyalty and retention while also increasing sales volumes of an alternative product with low acquisition costs.



Context

A large multinational insurer had a portfolio of retirement annuity (RA) policyholders to whom it wished to sell Living annuities when the RAs matured. Maturity could occur at any time from the age of 55. It was required to identify which RA policyholders were ready to retire and therefore mature their policies. Then it was also required to identify who would thereafter be interested in purchasing a living annuity from the same insurer.

Methodology

The insurer provided data relating to its database policyholders as well as to these policyholders. This data was used to train an AI solution to both identify when each policy model to identify which policyholders were prepared to mature their endowments and purchase a retirement annuity at a given point in time. The data included data relating to the policyholder as well as other policy details. This model was used to target marketing campaigns

Results

75%

Accuracy in identifying a combination of retirement date and propensity to buy a living annuity

79%

Of policyholders that converted to living annuities were identified from just 20% of the database