



## ICMIF MORO Cyber Panel Intro

Matt Cullina, Head of Global Cyber Insurance  
CyberScout a TransUnion Brand

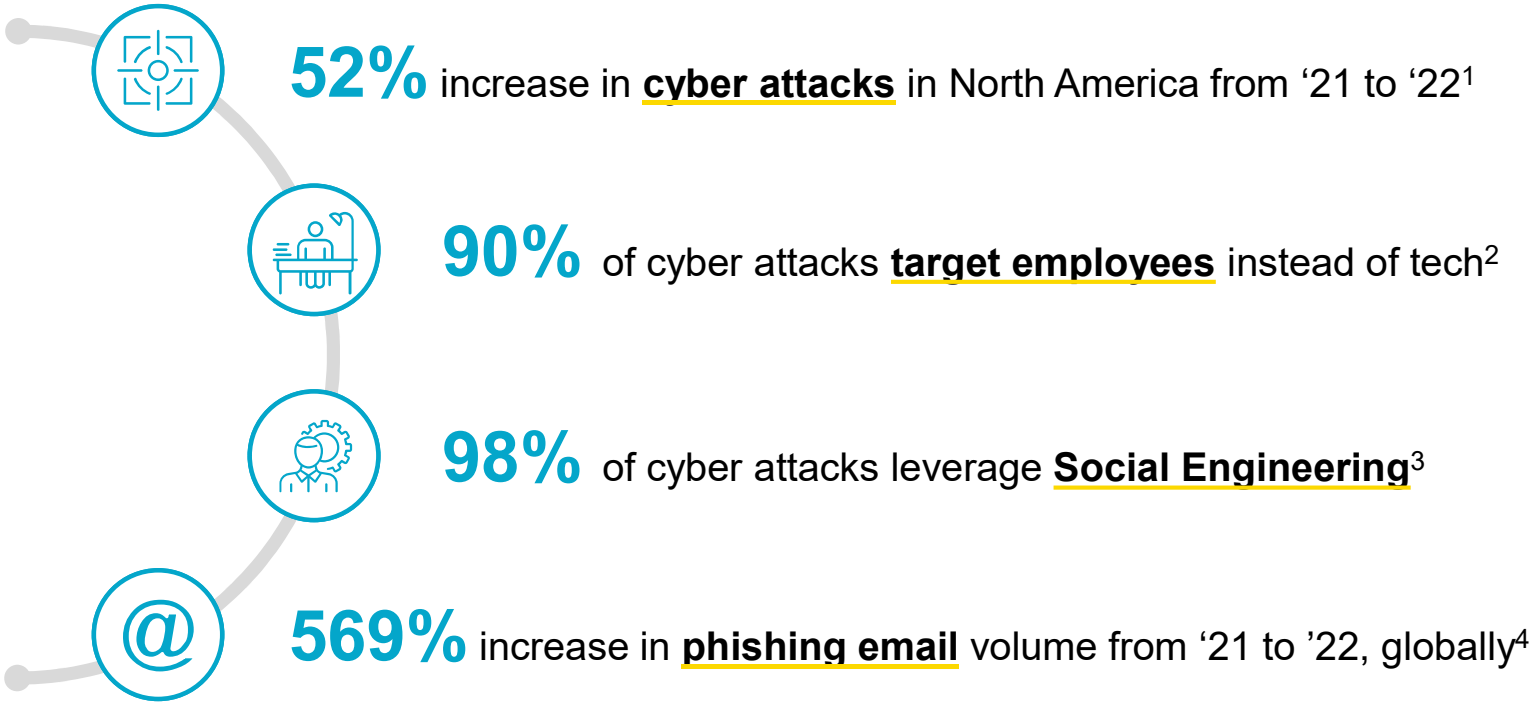


## What makes solving cyber risk for policyholders an innovative catalyst?

- Rapidly expanding global risk impacting all of us
- Protecting policyholders from complex, emerging risks
- Introducing benefits that extend to all policyholders
- Continuous solution improvement to address evolving risk
- Perceived as an innovative business
- Enhancing all areas of your business



# Macro cyber trends reveal Social Engineering as the dominating cyber threat

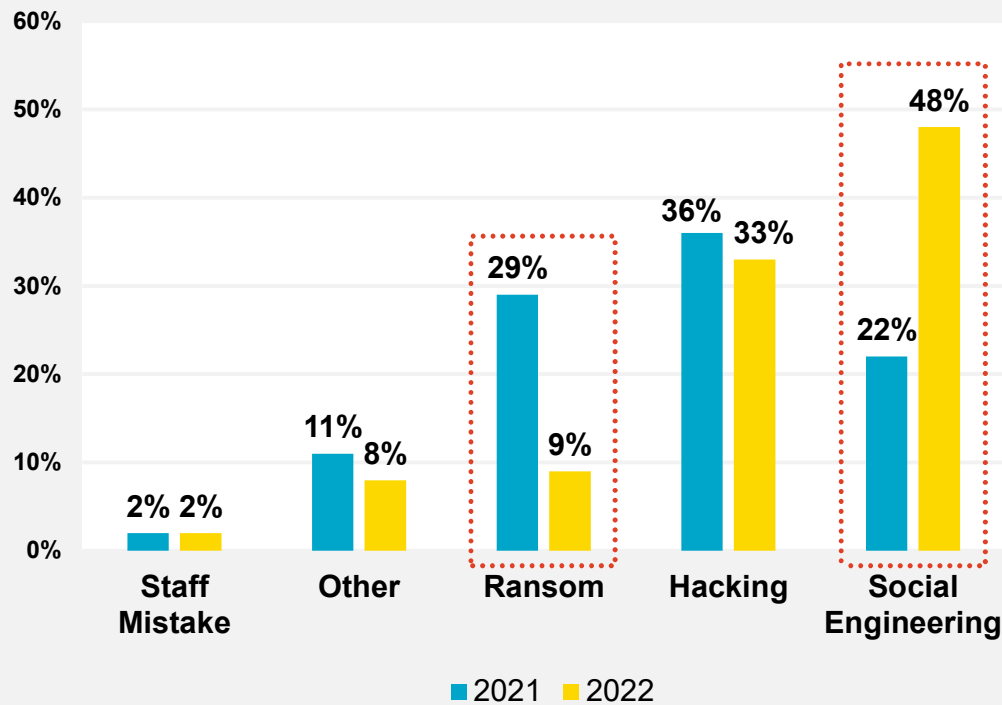


<sup>1</sup> Check Point Research, Jan. 2023  
<sup>2</sup> State of Cybersecurity 2023 Trends, 2023  
<sup>3</sup> PurpleSec, Oct. 2022  
<sup>4</sup> Dark Reading, Mar. 2023





# Cyber Claim Trends



**+235%**

increase in non-financial account takeover<sup>1</sup>



**+1,044%**

increase in social media account takeover<sup>1</sup>



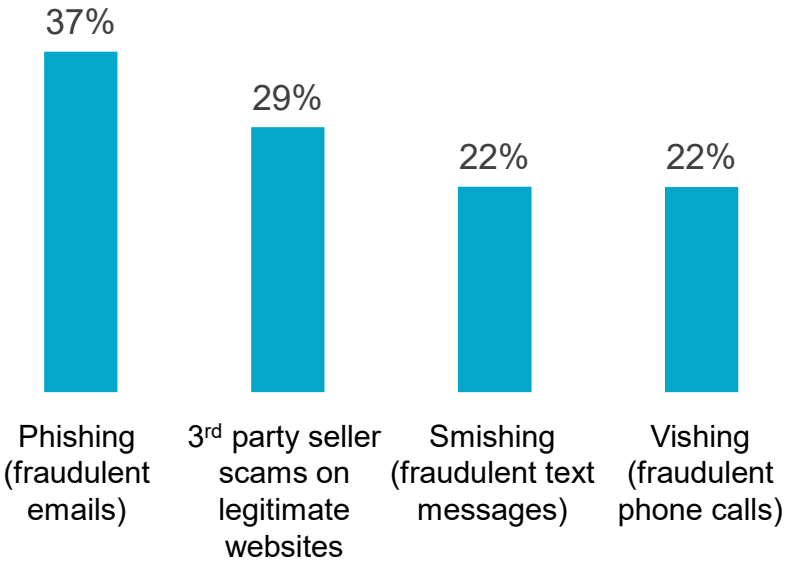
**+154%**

increase in misuse of government credentials or accounts<sup>1</sup>

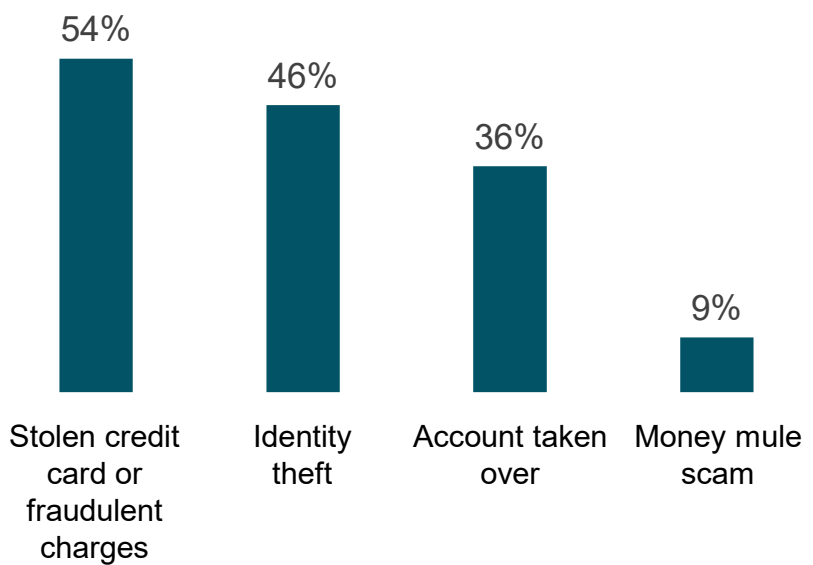


We asked consumers “Are you concerned about falling victim to any of the following types of fraud? (select all that apply)”, survey says...

**Social Engineering (entry point)<sup>1</sup>**



**Financial Fraud (outcome)<sup>1</sup>**

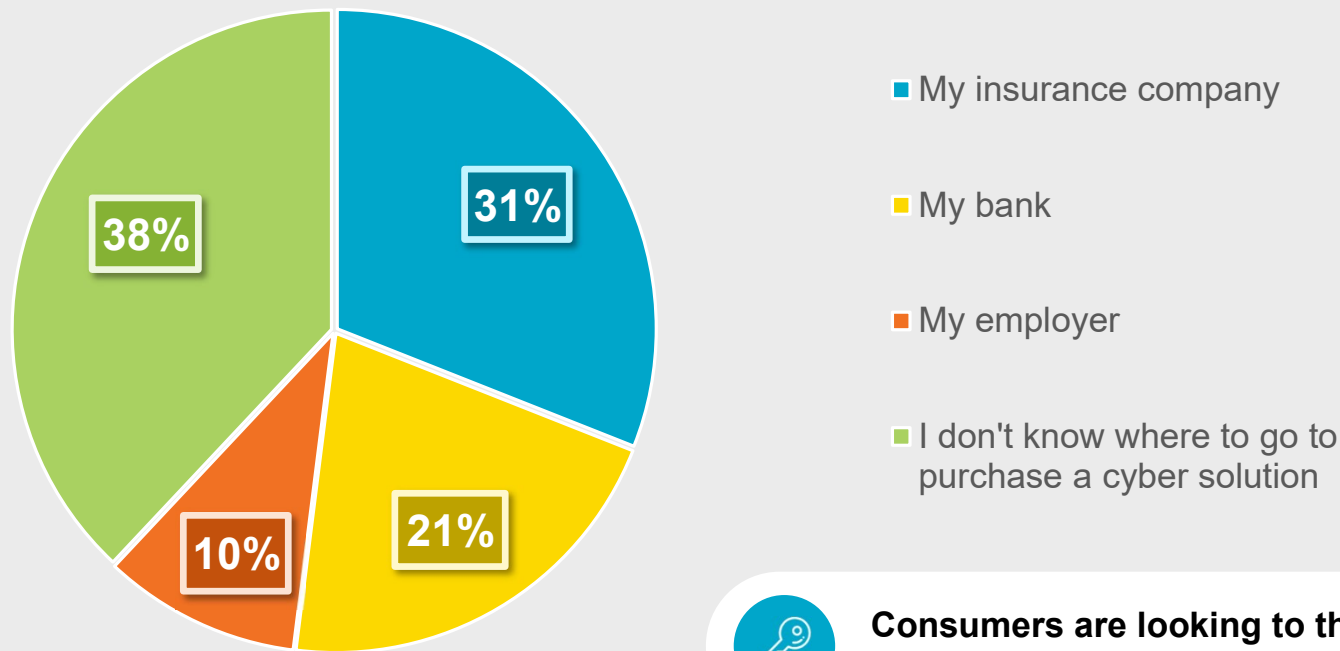


<sup>1</sup> TransUnion commissioned survey of 3,000 consumers, Feb. 2023



**Survey results:**

# Where would you first consider purchasing a cyber solution to protect you and your family from cyber risks?



**Consumers are looking to the insurance industry for cyber risk solutions**

Source: TransUnion commissioned survey of 2,791 consumers, Feb. 2022



# With evident concerns around cyber risk, consumers reveal trust in their insurance providers

## Concern

**87%** of respondents said they are **concerned about cyber risks**<sup>1</sup>

## Trust

**75%** of respondents said they are either **extremely confident or very confident** in their insurance provider's ability to handle & manage their personal information<sup>1</sup>

## Resolution

**38%** of total respondents (48% of Millennials) said they worked with their **insurance company to recover** an amount lost in an online scam, second to their bank at 52%<sup>1</sup>

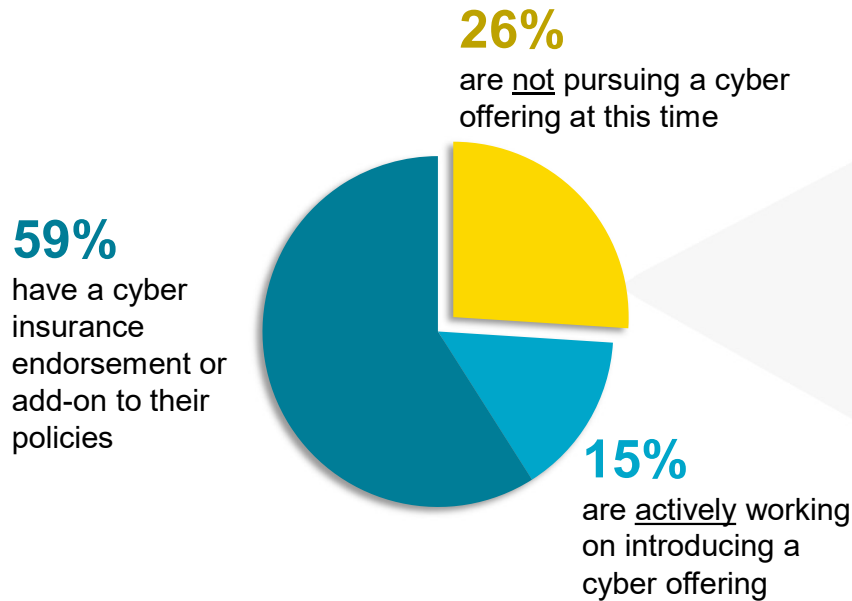
*How do we protect consumers and help them become a better risk?*



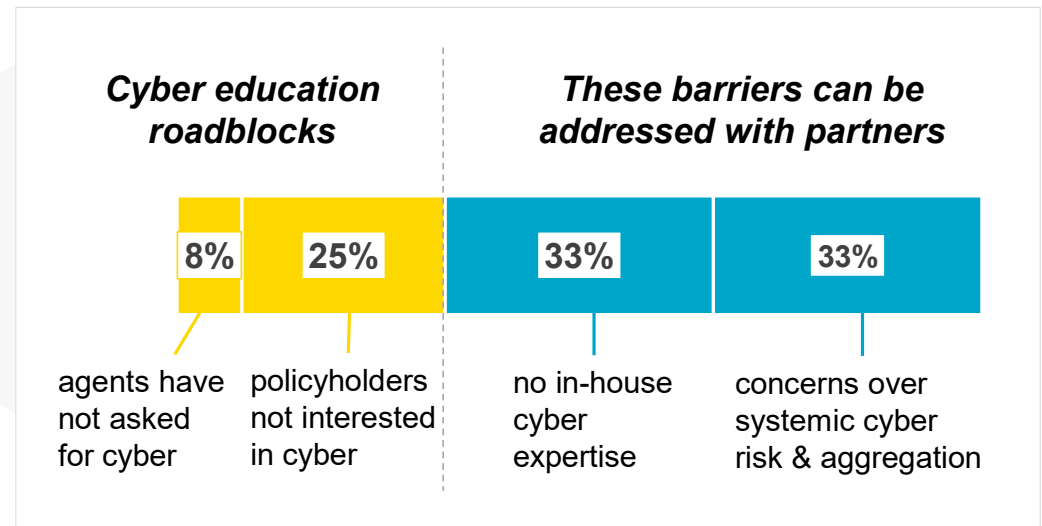


# Are you offering a cyber insurance endorsement or add-on today?

Survey says...



## Reasons for not pursuing a cyber offering



*Ideal timing for Small Commercial and Personal lines cyber insurance products*



Juni 2023

# Univé Cyberhulp: A digital risk expansion on the mutual promise



Univé  
**Cyberhulp**

Vermoeden van Cybercrime?  
Bel direct **0592 74 22 22**  
of bezoek [unive.nl/cyberhulp](https://unive.nl/cyberhulp)

We staan 24/7 voor u klaar



René van der Linden

General Manager Univé Her

**univé**

## Meet Geert Reinders

- Founded by farmers in 1794
- Awareness and controls resulted in less fires





# Univé today



over **4 million** policies

**1,7** million clients



Headoffices in **Assen & Zwolle**

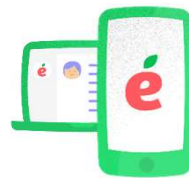
**8** Regional mutuals



**100** Stores in The Netherlands



**3.400** employees



**1 site, 1 app**





# How does Univé Cyberhulp fit in to our strategy

As a cooperative, we see it as our duty to help our members prevent and mitigate the risks of cybercrime, and to provide them with a safety net if they do have to deal with it.



We do this by supporting our members and working together on solutions to cybercrime incidents. For this we have the Cyberhelpdesk (24/7).



And also by including cybercrime coverage as standard in our products at a very small extra premium.



Through this standard integration we create volume: 'volume is the key'. That is the power of together.



With this proposition we are unique in the Netherlands. This distinguishes us as a cooperative insurer.



As a result, we load Univé as a cooperative brand and give more substance to our cooperative philosophy.



# What does our Cyberhulp proposition consist of?

A cyber helpdesk for 24/7 assistance in preventing and limiting damage caused by cybercrime for all members

An insurance safety net for cybercrime linked to product ownership

- Private: Household contents insurance and private liability insurance: limit € 2.000, no deductible
- SME: commercial contents insurance and liability insurance (AVB): limit € 10.000, deductible € 1.000

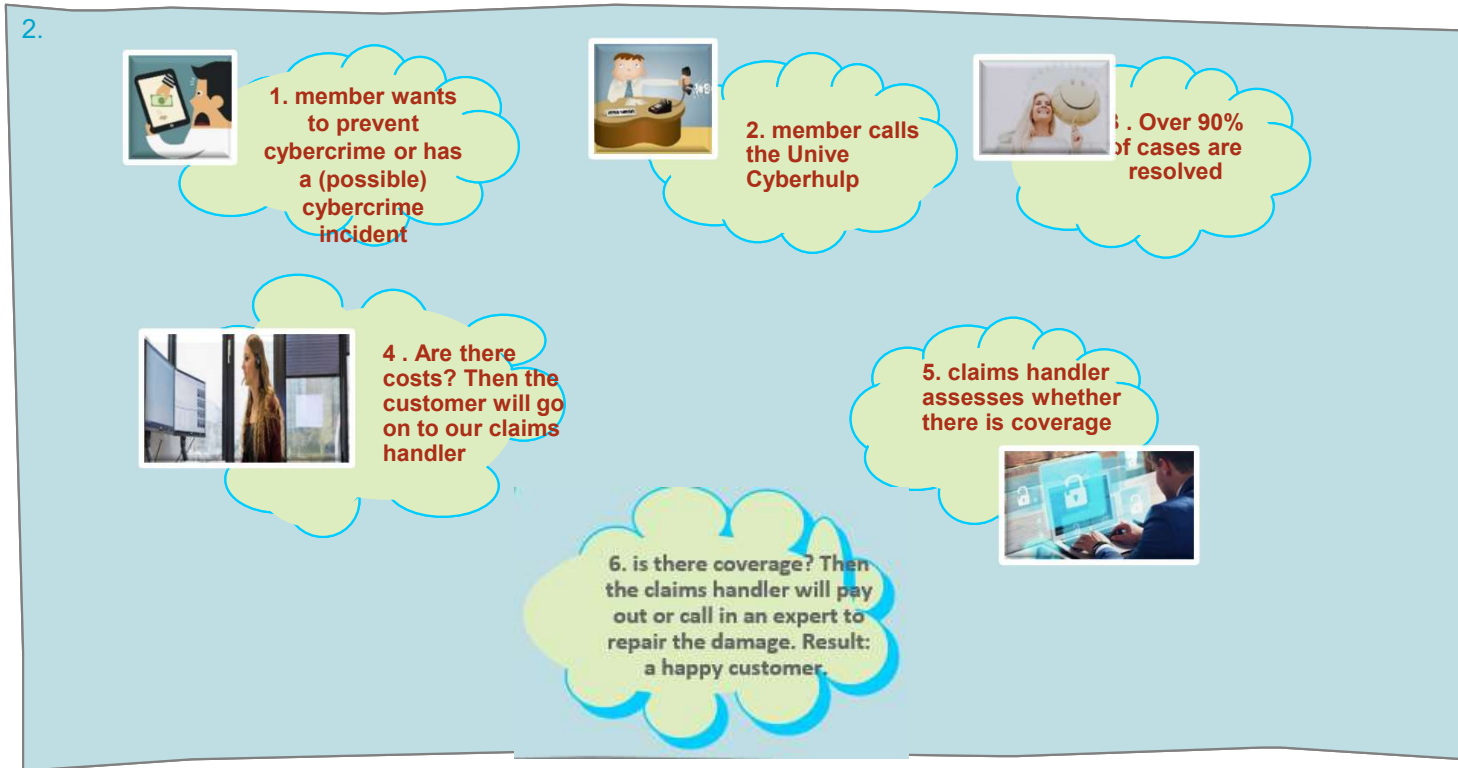
And that fully embedded in all our products and for all our members, both sme and private.

We do this together with external, specialized partners

# Customer Journey



We staan 24/7 voor u klaar



# Learnings

**Fully embedded solution. Requires a different way of thinking than introducing a new coverage in a product:**

- Organization is used to thinking in terms of product and coverages. The idea of insuring an extra risk in all your products demands a lot from the organization and the people
- impact is large (all products/entire and organization is affected) and difficult to oversee
- non-optional insuring a risk is something that is rarely done and involves risks in addition to opportunities.

- Preparation phase is crucial!
  - What is the demand, coverage/price
  - Service element adds value!
- The policy, wording, service had to be in Swedish (LFish)
  - What is relevant in your jurisdiction?
- Clear definition of product and project ownership!
  - Cyber is not property nor liability...
  - Project leader vs product owner

**Do we really dare to innovate, to think out of the box or do we get too much outside our comfort zone?**

- \* After enthusiasm about the idea in the initial phase, as the project progresses, we tend to mainly see the risks and impossibilities. Of course you have to look at the risks and name the impossibilities, but do not forget the great opportunities and dare to look for solutions outside the normal pattern.
- \* Full support from management is really necessary.

## Show entrepreneurship

- Show courage by choosing to invest in substantial commercial attention for a new proposition.
- Assess the Business Case not only in euros but also in other benefits (brand, cooperative basis, added value for members) Introduceer vol overtuiging of introduceer niet.
- Introduce with conviction or do not introduce at all!

## Time-to-market versus quality

- \* Continuous tension on wanting to go to market quickly (first mover advantage) and careful analysis and well-founded proposals.
- \* Fully embedded and non-optional implementation of a proposition that provides cover for a new risk for Unive is very impactful and affects the organization broadly.
- \* This requires a different way of thinking at all levels



## Next steps on our Cyber journey

With this proposition, we introduced a basic cybercrime proposition for all our members.

This is only the beginning, the following steps will be expanding coverage options on demand and offering additional services to our members.



Thanks for your  
attention!

If you would like more  
information about our  
experience, I remain available  
for further questions

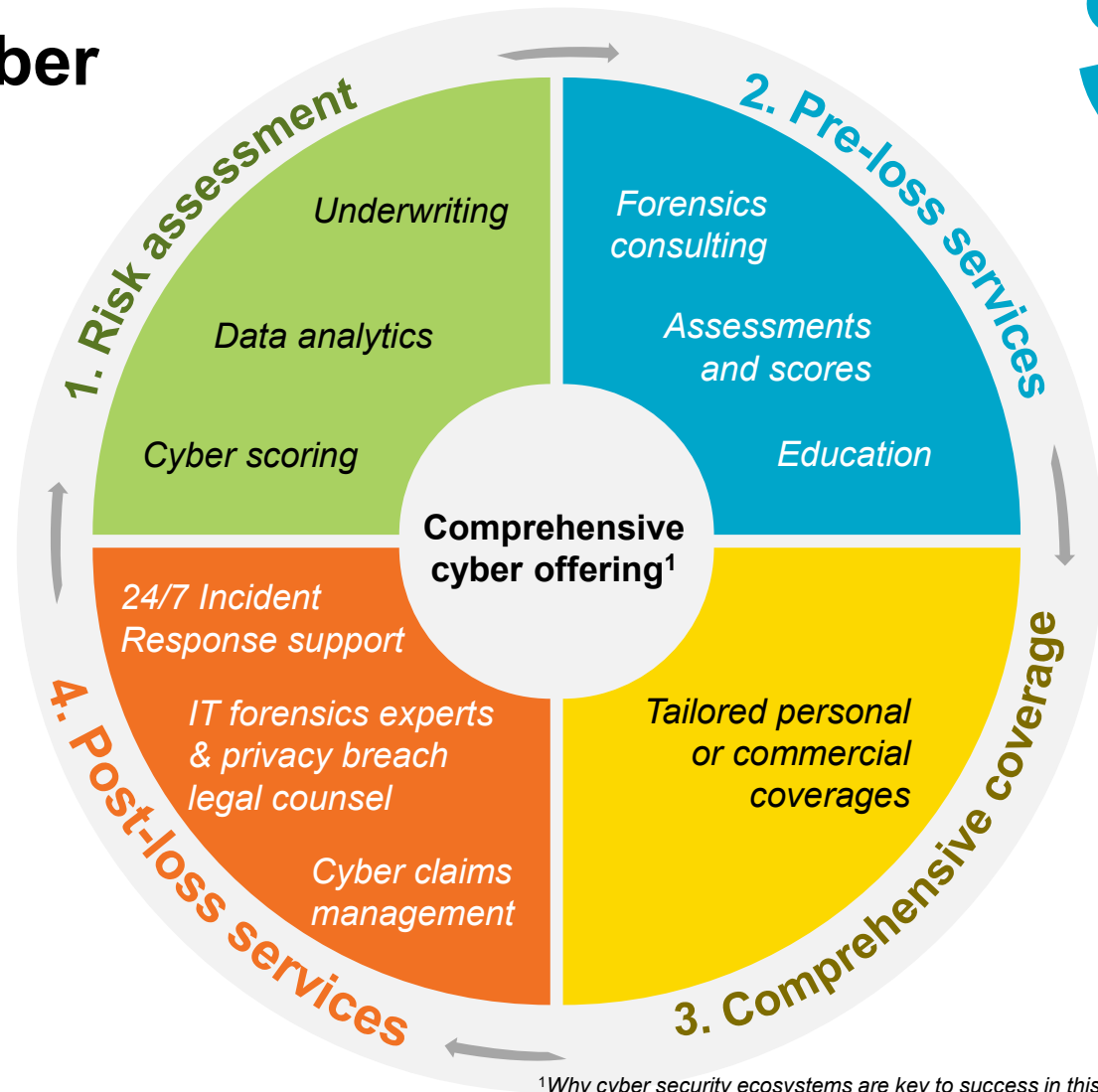


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# A comprehensive cyber solution includes four core areas

## Cyber coverages

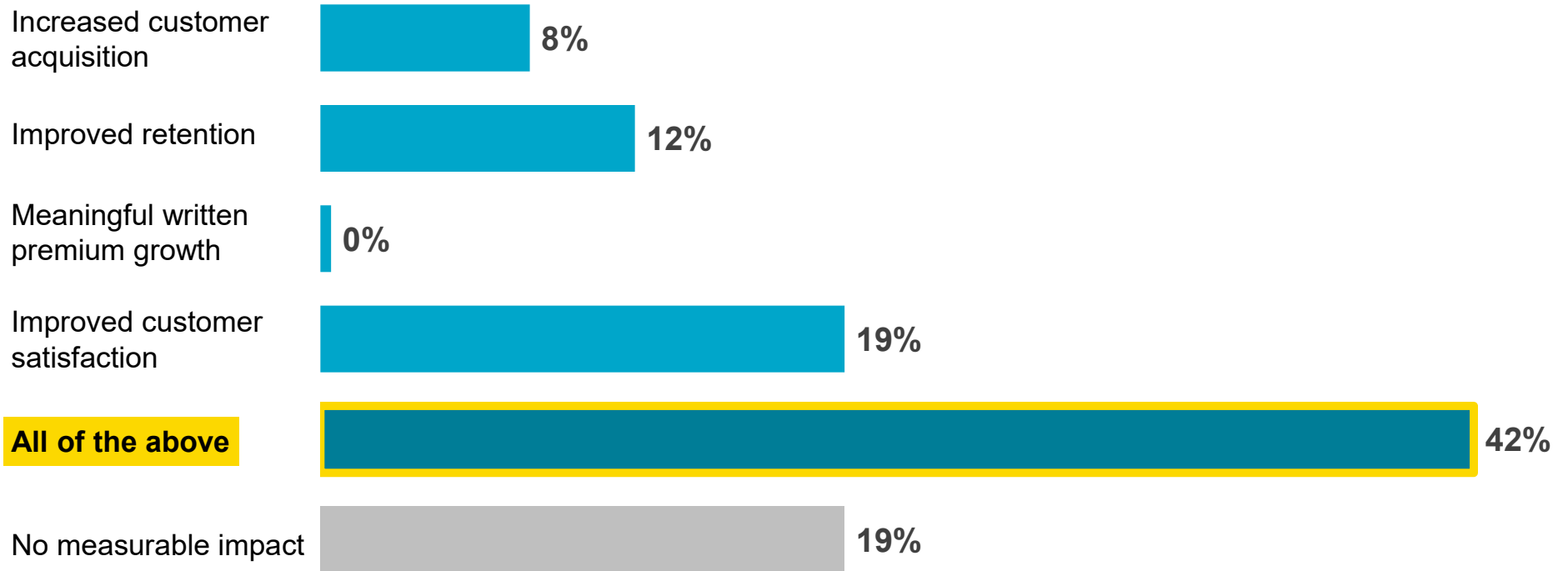
- Identity Theft & Fraud
- Ransomware
- Financial Fraud & Loss
- Extortion & Reputation Damage (Social Engineering, Cyber Bullying)
- Online Retail Fraud
- Liability Exposure
- System & Data Compromise
- Privacy Breach (CL)
- Business Interruption (CL)
- Data Restoration (CL)





# What measurable impact do you believe (current or planned) a cyber offering has on your overall business?

Survey says...



# What's most important when delivering innovation through a cyber offering?

Survey says...

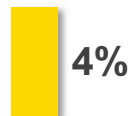
## Risk assessment

Underwriting, data & analytics, cyber scoring



## Pre-loss services

Forensic consulting, assessments & scores, education



## Comprehensive coverage

Tailored personal or commercial



## Post-loss services

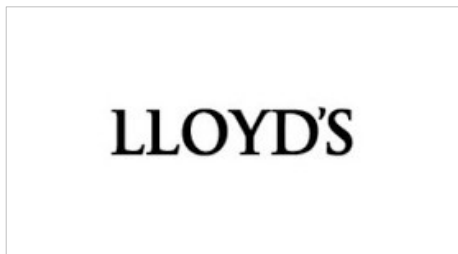
24/7 incident response, IT forensic experts & breach legal counsel, cyber claims management



## Successful launch takeaways

- Early to market has lasting impact
- Respond to market demand with a holistic solution (insurance+)
- Right-fit solution tailored to SME and Personal lines audiences
- Broad go-to-market strategies to distribute cyber to the masses across core books and alternative channels
- Revisit cyber offering to keep up with emergent and ever-changing cyber risk

# Reinsurers Partners – Offering Cyber Turnkey Programs





# You'll protect policyholders and **counter rising risks of payouts**

75% of consumers are at least somewhat concerned about the privacy of their personal data collected online<sup>10</sup>

In the past 3 years<sup>11</sup>

Cyber insurance claims increased 100%

Cyber insurance payouts rose 200%



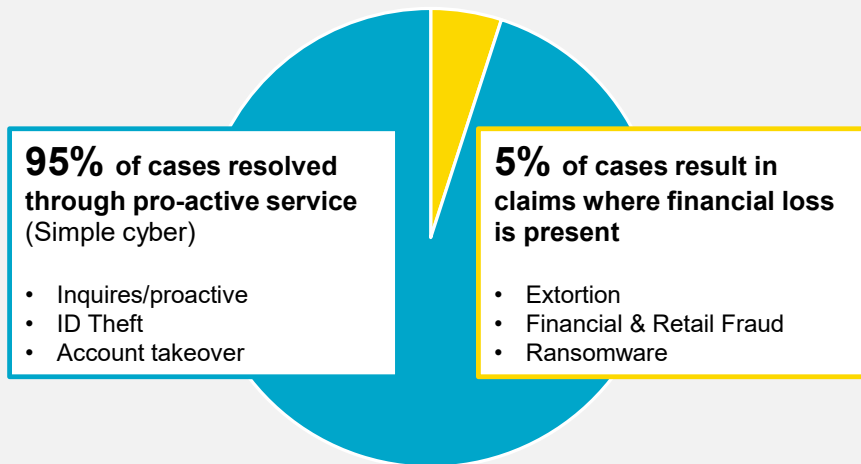
<sup>10</sup>Consumer Readiness Report, Consumer Reports 2022

<sup>11</sup>FitchRatings, US Cyber Insurance Payouts Increase Amid Rising Claims, Premium Hikes, 2022

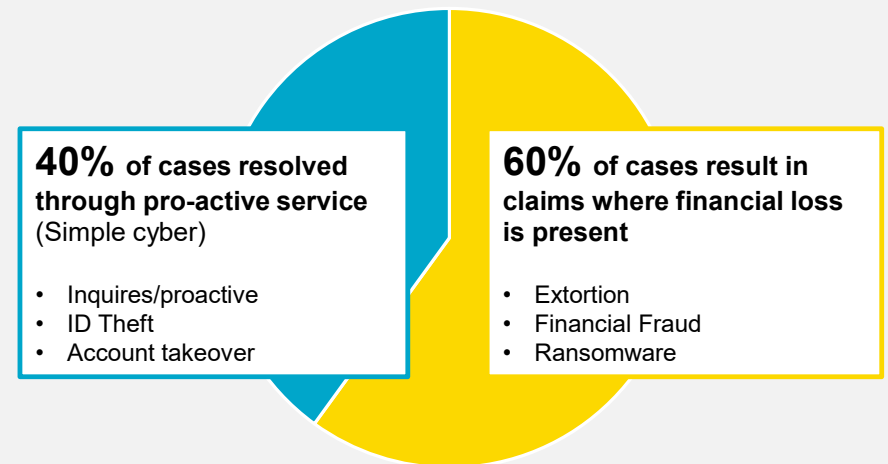


# Cyber Claim Trends – Personal & Commercial

## 2022 Personal Cyber Claims



## 2022 Commercial Cyber Claims



**Social engineering has eclipsed ransomware as the top claim type with a staggering drop-off of ransomware cases in 2022**



## Insurance buyer persona: Romeo and Juliet



### Personal

- Gen Z couple entering adulthood
- White-collar jobs, working from home
- Prefer digital channel engagement
- Social media presence both personal and professional accounts

### Goal

- In-market for insurance products to protect their physical and digital assets

### Challenge

- Previous victims of online scam, they're now hesitant to provide their identity details when shopping online

**35%**

**of Gen Z respondents** have experienced a **cyber related incident** personally or within their family in the past 6 months, **20% average** from total responders<sup>1</sup>

**58%**

**of Gen Z respondents** said they would **modify their identity attributes** when shopping for an insurance product, **36% average** from total responders<sup>1</sup>





# Benefits to offering cyber coverage



## Revenue

### Rollout Options:

#### Embedded in the book of business

- **Opt-in: 15-25% personal homeowners:** +\$50-\$75 cyber premium per policy<sup>1</sup>
- **Cross-sell/up-sell:** enhanced personal cyber bundles with digital tools



## Retention

- **2-3 percentage point increase in retention** rates where cyber coverage is provided compared to those without cyber coverage<sup>1</sup>



## Relevancy

- Product **differentiator**
- **First-mover** advantage (late mover disadvantage)
- Solving for **emerging risk**
- **Connecting to the customer** with a digital risk management product
- **Competition** from alternative embedded insurance offerings



**Questions?**