

Monitoring New Product Performance

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Stages of Product Development

Starting with a spirit of teamwork ...



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Stages of Product Development

Collaborative meetings ...



3

Stages of Product Development

Successful launch ...



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Stages of Product Development

And something goes horribly wrong ...



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Include a Monitoring Plan in the Product Development


- Develop scenarios and action plans
- Downstream data requirements
- Reporting frequency
- Schedule corrective actions
- Manage expectations (management, underwriting, claims, field, agents)



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Include a Pilot Phase


- Limited initial launch – e.g. roll out in two states, available for a limited number of classes, etc.
- Monitor pilot closely prior to expanding



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Document Expectations and Compare to Early Indicators


- Win ratios
- Premium growth
- Average exposure
- Average premium
- Frequency
- Severity
- Expenses
- Schedule pricing
- Effective rate
- Class mix
- Geo mix
- Risk characteristics



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Interactions

- Predictive model
- Agent behavior
- Competition with other lines of business
- Underwriting practices
- Claims practices
- Customer service



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Ongoing Discussions

- Underwriting
- Loss control
- Field and agents
- Claims



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Questions



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