



# Insurance Marketing in KOREA

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  - product
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  - place
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**Insurance  
Marketing**

**Marketing activities for profit-seeking by selling insurance products**

Insurance  
marketing

Insurance  
product

Insurance  
consumer

Insurance  
company

Insurance  
channel



## Characteristic of insurance products

- 1 An intangible and ideological product**
- 2 Less voluntary purchase**
- 3 Value of product utility in the future appears**
- 4 Prepaid type that pays the premium in advance and receives the guarantee later.**
- 5 Customer information is important.**



## Characteristics of Insurance Consumer

- 1 Insurance requires people who meet basic needs**
- 2 Push type sold**
- 3 Easy to complain about the service**
- 4 Very few consumers have a good understanding of the product**
- 5 Reluctant to reveal information about themselves**



## Characteristics of Insurance company

- 1 Essentially homogenous customers**
- 2 Consideration must be given to reverse selection**
- 3 Sales channels are an important factor**
- 4 Image and reliability of insurance companies are important**
- 5 Highly regulated at the level of consumer protection**



## Characteristics of Insurance channel

- 1 Standard Requirements Required**
- 2 Need to have expertise**
- 3 Maintaining and renewing contracts is important**
- 4 May cause a lot of trouble in the sales process**
- 5 Reliability of distribution channels is important**





## Analysis of SWOT in the Insurance Market

### Strengths

- Risk management capability superior (non life insurance)
- Excellent long-term product management in response to aging (life insurance)

### Weaknesses

- Asset Management and Risk Management
- Global Competitiveness Vulnerability

### Opportunities

- Expanding the secondary business to create new growth engines
- Establishing the Foundation for Entry into the Overseas Insurance Market

### Treats

- Changes in the Population Structure and the maturity of the insurance market
- The contraction of the insurance industry by banking industry-oriented financial policy
- having trouble to contact the customers due to CIVID 19



## SWOT Strategy

SO

**Using strengths to seize opportunities**

▶ Enter overseas insurance market with excellent risk management

ST

**Using your strengths to avoid threats**

▶ Prepare for maturity of insurance market with excellent operation of long-term products related to aging population

WO

**Complementing weaknesses and seize opportunities**

▶ Complementing global competitive weaknesses, entering Southeast Asian markets where competition is relatively low

WT

**Complement weaknesses to avoid threats**

▶ Prepare for the maturity of the domestic insurance market by advancing overseas by strengthening global competitiveness.

▶ Prepare for post COVID19 with untact channel

## Insurance product in Korea

**Life insurance**

**Non life insurance**

**3<sup>rd</sup> insurance**

## Life Insurance product in Korea

**Death insurance**

**Pension life insurance**

**Variable insurance**

**Mixed insurance; education insurance**

 **Non Life Insurance product in Korea**

**Fire insurance**

**Car insurance**

**Liability insurance**

**Special kind insurance**

**Long term non life insurance**

## **Non Life Insurance product in Korea**

**compulsory insurance;**

**Insurance that is required by law to be insured and insurance products that are encouraged or supported by government departments for policy purposes**

 **Non Life Insurance product in Korea**  
compulsory insurance; 57 kinds

year	accidents	insurance
1973	Daeyeongak Hotel fire	Fire liability insurance
1993	West Sea ferry sinking	Ship liability insurance
1994	Ahyon-dong explosion of city gas	Gas liability insurance
1995	Sea Prince oil spill	Oil pollution liability insurance
1999	Hwaseong Sea-land Fire	Facility fire liability insurance
2009	Busan Indoor Shooting Range Fire	Public Facility fire liability insurance

 3rd Insurance product in Korea

**Disease insurance**

**Accident insurance**

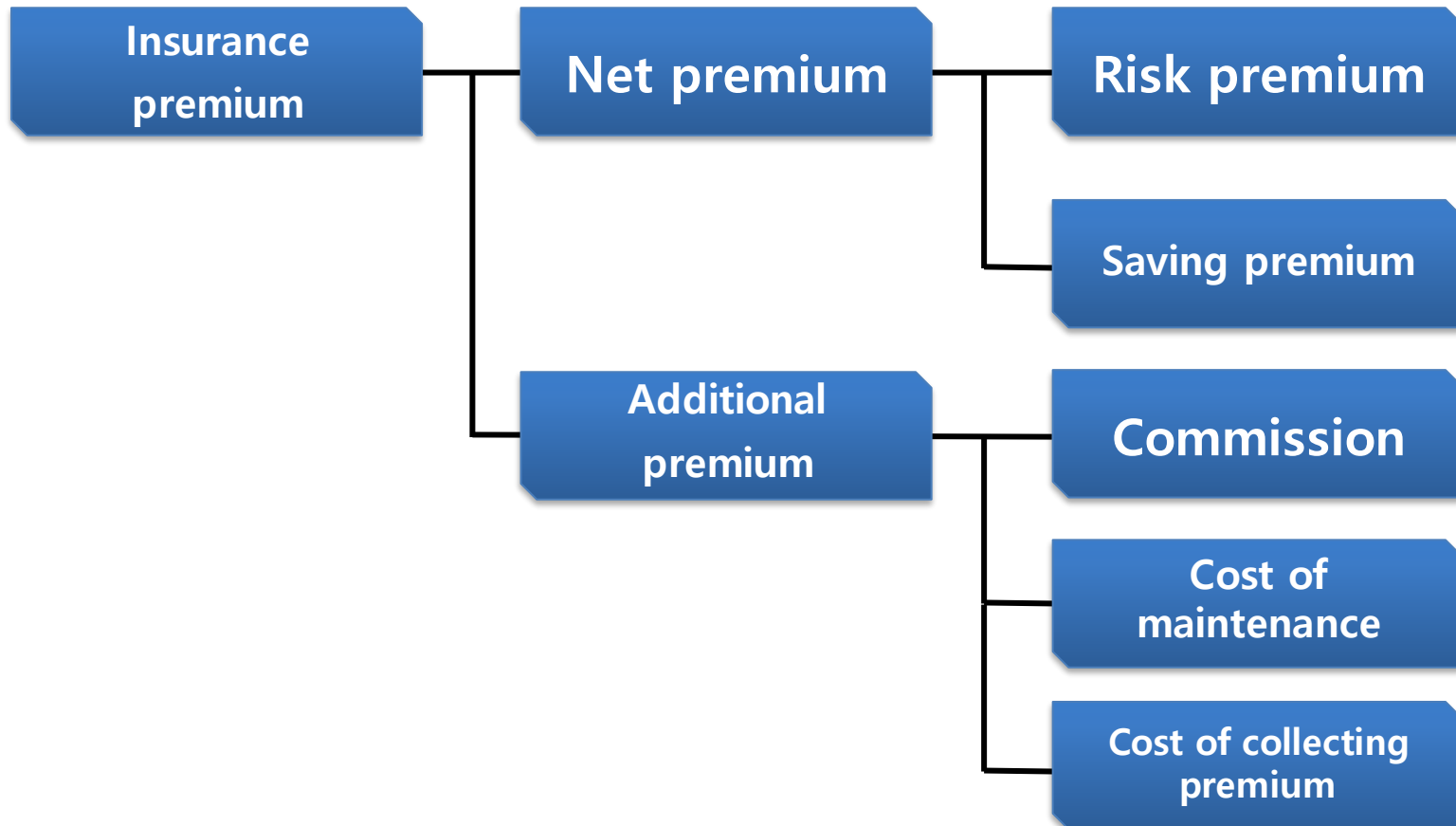
**Long term care insurance**

**Income reward insurance**





## Insurance pricing





## Classification according to insurance sales method

### face-to-face selling channel

- Channel sold face-to-face with consumers

**VS.**

### Non face-to-face selling channel

- Channel using communication method, etc. without direct face-to-face

### Exclusive sales channel

- Channel that sells only the products of a particular insurance company.

**VS.**

### Non Exclusive sales channel

- Channel that sells multiple insurance company's product.



## **Insurance promotion**

**Advertisement**

**PR**

**Human sale(door-to-door sales)**

## Insurance promotion; **Human sale(door-to-door sales)**

	employee	Sales person (sales planner)	Agent	Broker
Characteristics (relationship with insurance company)	employment relationship (dependent)	internal organization (dependent)	external organization (independent)	discrete independent organization (independent)
right to negotiate insurance (rate)	○	X	X	○
right to receive insurance premiums	○	△ (business recognition)	○	X
agency right of contract settlement of contract	○	X	○	X
right to receive notice	○	X	○	X
Company obligations	○	○	X	X
Liability of indemnity for illegal acts	insurance company	insurance company	insurance company	broker

## Insurance 4P in KOREA



### Insurance promotion;

### Award for **Human sale**(door-to-door sales)

#### Money or

- cash
- travel
- goods

#### Individual or

- personal
- team

#### Sales or

- recruiting
- sales

#### According to period

- spot
- weekly
- monthly
- yearly