

# Highlights from Insurance Research

Fourth Quarter 2024

## Top Studies of 2024:

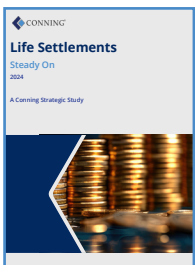
1. [Conning Insurance Industry Outlook - 2024](#)
2. [Small Commercial Insurance Market - Opportunities to Compete](#)
3. [Managing General Agents - Ahead of the Pack](#)
4. [Personal Lines State Study - 2023 Edition](#)
5. [Transformative AI Technology - Insights from Conning's Executive Survey](#)
6. [Crisis in Homeowners Insurance](#)
7. [2023 Property-Casualty Loss Reserves Outside Pressures Adding Uncertainty](#)
8. [Global Mergers & Acquisitions in the Insurance Industry 2023](#)
9. [Fronting Sector - More Complex Than Meets the Eye](#)
10. [E&S Insurance - New Challenges, New Solutions](#)

## Recent Studies:



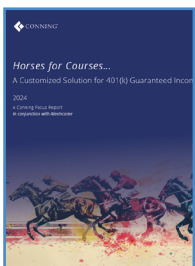
### [2024 E&S Insurance: New Challenges, New Solutions](#)

This most recent period, 2020 to 2024, represents the longest duration in history when E&S premium growth exceeded the overall market. Several factors have contributed to this growth...In this study, we explore the landscape of the U.S. surplus lines market, comparing its performance to the overall commercial lines market and the broader property-casualty industry.



### [Life Settlements Steady On](#)

This is Conning's 19th consecutive review and forecast of the life settlements market. This edition continues our review of the market and key issues that affect it. In 2024, we continue our forecast of the market's development through 2033, with an analysis of the impact economic factors such as higher interest rates, inflation, and recession will have on the life settlements industry. As in prior editions, we analyze the financial performance of those life insurers that have been targeted by life settlements investors.



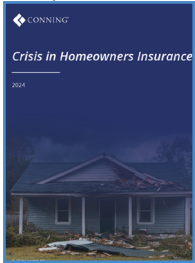
### [Horses for Courses - A Customized Solution for 401\(k\) Guaranteed Income](#)

The passage of the SECURE Acts has increased interest among 401(k) plan sponsors on adding GI (guaranteed income) solutions to their plan. Currently, those sponsors interested in doing so have access to several turnkey GI solutions. A turnkey solution bundles together an asset manager, recordkeeper, and asset manager to deliver the GI solution. Market trends suggest the number of these closed solutions will likely increase.



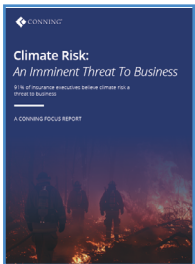
## [Workers' Compensation: Wearable Technology's Slow Acceleration to "Preserve the Reserve"](#)

This study explores available wearable technology options, explains why stakeholders should embrace these options, and perhaps most importantly, determines whether the appropriate stakeholders are embracing this emerging technology. A robust survey of workers' compensation executives is the source for this last point and explores what devices are being used, which devices are perceived as the most effective at injury mitigation, the degree to which insurers are supporting their insureds in deploying wearable devices, and what ROI, if any, these executives are seeing with wearables. After all, the workers' compensation environment has been quite favorable to insurers for the past decade or so.



## [Crisis in Homeowners Insurance](#)

One of the most significant drivers of the current crisis in the homeowners insurance industry is the escalating impact of natural catastrophes. Historically, natural disasters have always posed a risk to insurers, but the losses from these events have dramatically increased in recent years. From 1991 to 2016, losses from natural catastrophes averaged 3.9% of the industry's direct premiums written. However, in the past seven years, this figure has more than doubled to an average of 8.5%.



## [Climate Risk: An Imminent Threat To Business](#)

The growing threats of extreme weather and climate tipping points also create risks to financial markets, which affects the insurance industry as well. In addition to the physical risks associated with climate change, recent SEC (Securities and Exchange Commission) filings have changed the disclosure rules for businesses, leading to greater uncertainty and concerns surrounding transitional climate risk.

### Other Recent Research

- [Life-Annuity Forecast & Analysis - Year-End 2024](#)
- [Insurance Trends - Third Quarter 2024](#)
- [Beyond The Text: AI in the Insurance Industry](#)
- [Beyond the Text: Crisis in Homeowners Insurance](#)
- [Beyond The Text: Inside Target Markets: Conning's Key Takeaways from the 2024 Conference](#)
- [Beyond The Text: Technology in the MGA Market](#)

### Upcoming Topics

- 2025 Insurance Industry Outlook Webinar
- 2025 Insurance Industry Outlook Report
- Annual Global Insurance M&A Report
- Fourth Quarter Property Casualty Forecast
- Insurance Technology Survey 2025
- Personal Lines State Study
- Liability Study
- Commercial Auto Report

## Articles from the Conning Commentary

### [October](#)

- *2024 Election Special: Once More Into The Breach*

### [November](#)

- *Tech Power: How MGAs are shaping the future of insurance*
- *Initial reactions to Hurricanes Helene and Milton*
- *The impact of ransomware litigation on cyber liability*
- *Where is the farm bill?*

### [December](#)

- *2025... A Year For Staying Flexible*



## BEYOND THE TEXT



### New This Quarter: Beyond the Text

#### *Exploring AI in Insurance: Insights from Industry Experts*

In this episode of "Beyond the Text," host Alyssa Gittleman, Director and Head of Consulting and Customer Operations at Conning, delves into the transformative impact of artificial intelligence on the insurance industry. Joined by Jay Sarzen, Director in the Insurance Research department, and Manu Mazumdar, Director and Head of Data Analytics and Insurance Technology, the discussion covers key takeaways from the recent ITC conference, the role of AI in improving operational efficiency, and the challenges of AI adoption, including regulatory concerns. The episode also highlights Conning's initiatives in AI governance, predictive modeling, and the development of advanced tools like retrieval augmented generation models. Click [here](#) to listen to the podcast.



### Consulting Corner:

#### *Market Evolution and Distribution Insights for Specialty Insurance Broker*

**Objective:** A specialty insurance broker sought a comprehensive analysis of the distribution landscape for stop loss and group health markets. They wanted to refine their market strategies by having Conning identify emerging trends and compare wholesaler and direct-retail distribution models.

**Solution:** Conning delivered a detailed evaluation report featuring an overview of distribution models, insights into market evolution and key trends, and a profile of leading group health and stop loss carriers. By analyzing metrics such as premium growth, and agent productivity, the report provided actionable recommendations to help the insurer optimize their distribution strategy and stay competitive in a dynamic market.

### Fourth Quarter 2024 Events

- Target Markets Annual
- LISA Annual
- ITC
- Spark
- Property Insurance Report



Conning's booth at the 2024 Target Markets Conference

### Upcoming 2025 Events

- ACLI ERT
- Conning's Outlook at St. Johns
- LISA Institutional Investor
- Insured Retirement Institute Annual Conference

## About Conning Insurance Research

For over 50 years, Conning's Insurance Research group has been providing solutions that help management teams understand and navigate a rapidly changing insurance landscape. Conning's well-respected research solutions result from deep industry knowledge; ongoing surveys of industry executives; proprietary Conning data, forecasts, and models; and our in-depth reviews of insurer performance.

### How We Add Value

- » Singular focus on the insurance sector
- » Dedicated sector analysts
- » Independent and objective, unbiased research
- » In-depth expert insights on critical market topics
- » Broad product suite offers insights for entry-level employees to seasoned veterans

### Core Publications

#### **Strategic Study:**

In-depth analysis on key industry issues

#### **Focus Report:**

Concise, graphical reports on targeted issues

#### **Forecast and Analysis:**

Comprehensive three-year forecast of line of business and industry performance

#### **Market Overviews:**

Periodic line of business assessment reports

#### **Commentary:**

Monthly newsletter focusing on trending topics

#### **Trends:**

Quarterly publication of leading insurance and economic indicators

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