

A Company that “Passes on Peace of Mind”

The Social Roles Required of

Renewing Awareness of “Customer First” Following the Earthquake

Furuya: I feel that it is precisely because the idea of putting the “customer first” pervades Dai-ichi Life that the company was able to respond rapidly following the Great East Japan Earthquake. What lessons have been learned from this disaster, and how have they been reflected in actual operations?

Sugawara: Following the earthquake, there were numerous instances where we had great difficulty contacting beneficiaries who were to be paid insurance benefits. Based on the idea that our customers are not simply policyholders and insured people but also human beings, the entire company worked together to make even greater efforts to encourage customers to put family contact information on their customer service information registration forms, and to create opportunities to gather their entire families and share the content of their policies to enable us to understand and confirm whose livelihoods the insurance benefits will support in the event of death.

Furuya: There are also likely to be cases where both parents pass away and minors receive insurance benefits. One of the expected roles of an insurance company is to provide advice on how these children can rebuild their lives and manage their finances.

Sugawara: We provide this type of consultation as well. We propose appropriate insurance according to the customer’s circumstances and, if there are financial products that are more appropriate, we propose those on the basis of an established trusting relationship.

Mizuguchi: In the responses to the earthquake disaster, the importance of face-to-face marketing channels was particularly notable. For consumers, a presence that can provide advice on making reasonable decisions concerning the risks they face and suitable insurance to cover such risks must be extremely important.

Hiramoto: Because we handle life insurance, which is an intangible product, the interpersonal skills of our sales representatives are the key to conducting business. Even employees who do not have regular direct contact with customers have indirect contact through administrative processes, notifications, and so on. Implementation of DSR involves all employees performing PDCA from the customer’s perspective with an awareness that their work concerns real people, and thus it is essential for “passing on peace of mind.”

More Evolved DSR Management at the Time of Demutualization

Mizuguchi: Dai-ichi Life was demutualized in the FY2010. I suspect that due to the nature of a life insurance company, it is not necessarily easy to achieve a balance between putting the customer first and providing returns to shareholders. From the perspective of policyholders, low premiums and high benefits is the best scenario, but when considering the interests of shareholders, there is a tendency to emphasize high premiums and low benefits. In order to provide high value to both policyholders and shareholders, it is necessary to invest funds with high efficiency, but this leads to high-risk management. Maintaining a proper balance must be very important.

Yamaguchi: One of the objectives of demutualization was to achieve management that can respond flexibly to changes in the environment so that we can maintain our guarantees of quality to customers in the future as well. Underpinning this objective is the customer first concept, which is something that we cannot depart from in the future. Just as you indicated, maintaining a proper balance is crucial, and if we lose the support of our customers, we will be unable to continue our business, which will lead to a loss of confidence on the part of shareholders. This is why management quality is given particular emphasis in the medium-term management plan.

Furuya: One point that concerns me is the extent to which

Dai-ichi Life

In June 2012, Dai-ichi Life conducted a dialogue with stakeholders to review the significance of life insurance and the social roles required of Dai-ichi Life. During the dialogue, a lively exchange of opinions took place with the two experts.

Dai-ichi Life has embraced the idea that the fundamental purpose of CSR is not the sustainable growth of the company, but the sustainable development of society. Taking measures to achieve customer satisfaction is a core business purpose, while CSR should be implemented by identifying the issues that society is facing and addressing them. It is not suffice to simply offer products by saying, “We have these types of insurance products that will cover these kinds of risks.” Rather, it is necessary to begin by asking how the customer lives and what kind of risks the customer is facing and to change the nature of the proposal based on this information. In some cases, you may come to the conclusion that what the customer needs is something other than an insurance product.

Yamaguchi: As you rightly point out, we need to develop further the perspective of making wide-ranging proposals not premised on insurance products but as a general household finance consultant. The New Total Life Plan launched in 2010 emphasizes this point, and we are establishing structures with the aim of listening carefully to the customer’s family composition, life stage, and concerns, considering their security, and making proposals that will provide peace of mind.

Business Activities that Lead to Strong Ties with Society

Mizuguchi: Another important consideration is that you don’t sell insurance, you sell peace of mind. If you adopt the idea that your job is to sell insurance, then you will only think about the types of insurance that are available and in what ways they can help customers. However, if you embrace the idea that your job is to sell peace of mind, then you will consider how you can help customers lead healthy lives without the need for insurance. If fewer people get sick, then payments of insurance benefits will decline, and this will lead to higher profits for

Dai-ichi Life. This means that you will be able to contribute to society and provide returns to shareholders. Addressing health and other issues by providing consultations on lifestyle practices and so on is therefore likely to become a core service that you provide to customers.

Hiramoto: At Dai-ichi Life, we have started large-scale programs designed to improve the health of customers and employees. As demand shifts to insurance for long life from insurance in preparation for time of emergencies, which was the most common use of life insurance, I hope we can produce steady results.

Mizuguchi: One other thing that we shouldn’t overlook is that fact Dai-ichi Life is an institutional investor that manages a massive amount of funds. Decisions about in which companies Dai-ichi Life will invest have an impact on society, too. When making investments, if the company doesn’t give thought to the natural environment, it may indirectly have an adverse impact on the global environment. Events such as the floods in Thailand have an impact on the Japanese companies the company invests in, so, ultimately, this can cause investment results to deteriorate. In this sense, making investments in careful consideration of the environment is a rational decision for an insurance company, and it is essential that the company incorporate these principles into its investment activities.

Hiramoto: As you point out, when making investments, it is important to consider the global environment and to undertake measures from the perspective of a “passenger on spaceship Earth.” By speaking with you today, I have become aware of your broad perspective. In the future, we will remain committed to developing communication with stakeholders even further and carrying out our mission of “passing on peace of mind” to society. Thank you very much for your participation.

