
Q& A:

with Markus Niederreiner
Managing Director, Hiscox Germany

Network news

Through ambitious system changes and integration into its partners' digital infrastructure, Hiscox Germany is seizing opportunities for growth and efficiency. >





Markus Niederreiner joined Hiscox Germany in September 2021, bringing with him extensive experience of implementing growth strategies and overseeing the digitisation of business processes.



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Q: Tell us about your professional journey. What experiences did you bring with you to Hiscox?

A: I came over to the UK to do an MBA at Leeds University before I started my professional career in the financial services industry. Then after seven years in different leadership roles for Allianz Germany, seven years in management consulting and five years as Managing Director for BNP Paribas in Germany and Austria, I joined Hiscox in 2021. I would say that in my previous roles a recurring starting point was adapting to regulatory, technological or market-related change, resulting in the pursuit of growth opportunities. That is something I've brought to my role at Hiscox – my experience of transforming and scaling financial institutions from very different perspectives.

Q: What was it that attracted you to the Company?

A: I was fully attracted to the values, to the culture, to the whole spirit of the Company. I was able to feel that in every interview I had. I was also drawn to the

enormous potential and ambition the Company has. What makes Hiscox unique, I think, is the way we integrate the expertise and financial strength of a stock-listed insurance company with the entrepreneurial spirit and dynamic of a real growth company. I love the drive of getting better every day, adapting to changing conditions and building a sustainable business for the future. My role here, together with an ambitious team, is to write the next chapter of Hiscox Germany's growth story. This means preparing our internal set-up for profitable growth and building an increased footprint in Germany. That's basically the mission, and for me it's a really exciting one.

Q: How have you found it so far?

A: My predecessor, Robert Dietrich, was in this role for 15 of his 25 years at Hiscox, and he built this business in Germany up to where it is now, before moving on to his current role as Hiscox Europe Chief Executive Officer. Coming in from outside of Hiscox to take on the role was of course a challenge, but I have absolutely loved it. What has helped is that my job is not just to step into the shoes of a person who did a fantastic job before me for such a long time. My job is to create something that will prepare us for the future. We now need to take the next step in growing our business and organisation and I'm very lucky to be able to build on such solid foundations.

Q: Looking back over the past year, what are you most proud of?

A: This has been a year of intensive transformation, and we've also had to face the challenges of a demanding market environment, but we've been able to deliver important foundations for future growth without sacrificing

short-term results. We've achieved double-digit growth and stable profitability while making necessary adjustments to our product line and delivering important milestones within our digital transformation projects. All these achievements were only possible with an enormous team effort where everybody really went the extra mile, and it makes me really proud to be part of such a team.

Q: With those digital transformation projects, what is it that you're seeking to achieve?

A: Our digital transformation initiatives are for sure the key enablers for our growth ambitions and efficiency targets. We decided to not only digitise on the surface but to build a new core system, which for any insurance company is one of the most demanding projects you can handle. The implementation and migration of the new core system was piloted here in Germany before being rolled out to other European countries, so that was a big challenge for us. But in combination with new front-ends and data architecture, these system changes give us enhanced connectivity, easy integrations into existing partner infrastructures and new opportunities to advance our analytics and data-driven business models. They will help us react quickly to constantly evolving customer and partner expectations and create new growth opportunities. At the same time, we will be able to break the interdependency of revenue and expense growth.

Q: Being the pilot country for the core system change must have been a significant responsibility.

A: There's a special responsibility in piloting such a project in one country. The lessons we have learnt mean that



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not every country following us will have to go through the same tough journey. As well as being able to share those lessons, the good thing about the pan-European set-up here is that it helps us leverage return on investment and gives us all opportunities to take on ambitious digital transformation projects like this that we would never be able to tackle alone.

Our new cyber product for Germany is another example of a pilot. One of the features is an innovation for business interruption that helps to accelerate claims regulation for small businesses and mitigate surge risk scenarios. With that, we were not only introducing a market-leading solution for Germany, we were implementing a pilot for other European countries, and that is very exciting.

Q: Where do you see the biggest opportunities for growth?

A: Beside building on our strong position within our private and commercial insurance lines, we see enormous potential in SME commercial insurance, as major parts of this segment are

under-served in Germany – or even unserved. On the product side, we are looking to expand and develop our verticals for certain target groups like employee leasing or e-education businesses. This will be complemented by digitising and simplifying our quote and bind processes, integrating them into existing partner infrastructures and improving the underlying data exchange. The objective is to make it easy for our partners, and to offer also more standardised products to their smaller mass clients.

A concrete example for new business models arising in this context is our partnership with an ecosystem for the creator – by which we mean content creators, influencers – and the freelancer industry. This is an exponentially growing target group, completely within our appetite, but difficult to access and often with a low sensitivity to risk exposure. Our approach allows us to integrate insurance solutions for creators and freelancers with other products and services like factoring solutions or business loans, which is a really compelling proposition for this target group. These new sales partnerships mean we need the ability to deliver modular products and easy processes, rather than individual case-by-case underwriting. This requires a mindset shift as well as a logistical one, but it’s an approach which holds a lot of promise for us.

Q: How close is your relationship with the other Hiscox Europe offices?

A: It is very close. Compared to other geographies like the UK or the USA, we have this diversification of different countries, different geographies, different cultures and different market mechanics, which can sometimes be a challenge. But this also gives us an opportunity to

learn so much from each other. We all have different strengths. For example, in France and Spain, bancassurance is already much more mature than it is in Germany, so we can learn a lot from them about that segment. We have meetings on a very regular basis, across geographies and functions. This is also something that makes Hiscox unique for me – the culture and the aspiration to create something greater together.

Q: Outside of work, what gives you energy?

A: My family, for sure. I became a father for the first time last year. I have a small daughter who gives me a lot of energy, of course! And the other part is that living in Bavaria, we are quite close to the mountains. The mountains are the perfect place to recover: skiing in winter, hiking in summer. This is the privilege of living in Munich. You’re in a city but you’re close to the lakes and the mountains, and for me this is the perfect environment. ■