

Hall of Fame



ITIJ spoke to Adrian Hall, vice-president of RSA Travel and managing director of RSA Travel Insurance Inc. in Canada

Where were you born, where did you grow up, and where do you live now?

I was born and grew up in the historic city of Bath, Somerset in the Southwest of England. I went to an all-boys school called Beechen Cliff and then took a year out travelling the world before going to Swansea University, from where I graduated with a Bachelor of Science Honours degree in Business. I currently live in Toronto, Canada with my wife Jenny and our four children, James (born in England), Alex (born in Dubai), Natalie and Olivia (both born in Canada). It makes for an interesting discussion in our household when we discuss the diverse places where our children were born! I still have a house in Bath and enjoy going back and spending time with my family.

How did you first become involved in the travel insurance business, and how did you progress to your current role?

I have worked for RSA Insurance and in the industry for 20 years. It has only been in the past four years that I have dedicated my role to travel insurance, which has been one of the most enjoyable aspects of my career. Looking back at how I joined RSA, I was offered a fast-track European position straight after university. I spent two years working across Europe and then joined our Latin American division, where I focused on opening new distribution channels for personal lines insurance. I then spent the next three years in Riyadh, Saudi Arabia heading up the corporate partnership, marketing and communications division, before moving to Dubai for two years. Following Dubai, I returned home to London before accepting a job in Canada, where I have worked in various positions, from leading commercial insurance in Ontario, to running marketing and communications and heading up broker distribution. Four years ago, I moved on to lead personal specialty insurance, where travel insurance forms the biggest part of the portfolio. After heading up the 2011 acquisition of etfs, a prominent travel insurance distributor in Quebec, it seemed like a natural choice for me to focus on travel.

Having worked in various senior management roles around the world in places like Dubai, Peru and Colombia, where would you say was the most interesting environment to work in – from a business and cultural viewpoint?

I found my five-year experience in the Middle East fascinating from both a business and cultural viewpoint. It was a chance to immerse myself in a very different culture that was truly life-enriching. I certainly look back with very fond memories of working in Saudi Arabia and Dubai and thoroughly enjoyed the business aspect of developing insurance solutions in the Middle East.

In the future, where do you think that travel insurance sales will see the most significant growth rates?

I'm very excited about the prospect for growth in Canada's travel insurance market. It accounts for about CA\$1 billion in premiums and is growing. Snowbirds are a very significant customer segment, and with Canada's ageing population, there is more growth in store for this group. Foreign nationals who come to Canada to study also represent a potential growth area, as Canadian universities continue to attract more international students.

I think we will certainly continue to experience strong growth from brokers and distributors who specialise in travel insurance. They have the expertise and the insights, and a deep understanding of the specific needs of travellers. RSA is keenly focused on meeting the needs of the traveller, and our distribution partners are vitally important to delivering this. This channel continues to be a primary growth avenue for us.

Of course, in this digital age, online will no doubt account for an increasing share of sales growth. Travellers are turning to the Internet more and more to research and purchase insurance. While they want to ensure they have the coverage they need, they also want a simple and convenient process to obtain this coverage, and online, either direct or intermediated, will continue to evolve to make the transaction simple. As this trend develops, our focus will be on supporting our distribution partners as they provide their customers with options to buy from them in whatever fashion they want.

What are the biggest challenges for Canadian travel insurance companies currently?

The ever-increasing cost of claims is a significant challenge for the entire industry, and I believe that will hold true for the foreseeable future. In fact, it will probably become even more acute, because we're seeing continuing trends like the rising costs of medical services. This is particularly relevant in the US, which is a popular destination for many Canadian travellers. In 2012, for example, prices for patient services in US hospitals went up by about five-and-a-half per cent, according to the American Health Care Cost Institute. This has obvious implications for the insurance industry. Another factor in claims costs is the relative strength of the Canadian dollar, which has been declining recently and most forecasts predict further weakening of the Canadian dollar through 2014.

There is also the fact that we have an ageing population in Canada, and an older population will consume more healthcare services. By 2017, for the first time ever in the country, seniors will outnumber children under 14 years of age. This, combined with the fact that seniors are travelling more, also puts an upward pressure on the overall cost of claims. Another challenge is for insurers to create travel insurance offerings through the lens of a traveller, rather than products and services that don't recognise their changing needs. Everything needs to be simplified and easy to understand and buy, because that is what today's savvy consumers demand. Also, coverage must consider the improving health of travellers over time. Enhanced medical technologies and remedies have potentially altered health risk factors concerning longevity and travelling with pre-existing conditions. What was once considered an extremely risky health condition might not be as risky with the rapidly evolving treatments. So, this is also something to follow closely.

Cost containment services remain vital for Canadians travelling in the US. What do you consider to be the key elements of successful cost containment practices?

There are several key factors that impact cost containment, and of course they largely revolve around expenditure on medical care and services, especially in light of the growing challenge of the rising costs of healthcare globally. Active medical case management is important. Medical costs can be particularly volatile when you consider that so many Canadians vacation in the US, where a hospital visit can be very pricey. Effective medical management can help keep costs in check by assessing more closely whether patients are getting the most efficient treatment, and considering lower-cost alternatives.

Having a comprehensive understanding of US healthcare is another cost containment factor. US healthcare operates differently than Canada's government-funded system, and it is going through reform now under the Affordable Care Act. This is a developing picture that we'll be keeping an eye on.

Other elements that are key to cost containment efforts include contracting with networks of key providers internationally, and having strong Preferred Provider Organisation coverage.

If you could do any other job in the world, what would it be?

I always wanted to join the diplomatic service and had ambitions to become an Ambassador one day.

What do you like to do in your spare time?

I love to ski, run, watch (as opposed to playing these days) rugby, and travel with my family.

What's the best vacation you've ever been on, and where do you plan on visiting next?

I have travelled to so many places that it is difficult to pinpoint one vacation, but I would say a road trip we did last year down the California coastline was truly spectacular, if somewhat frightening at times for someone like me who is terrified of heights! Next, I am off on a Caribbean cruise with friends and family, including my parents who are joining us from the UK. I'm looking forward to heading south and away from the current freezing weather in Canada! ■

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You have your main responsibility leading RSA Travel across Canada and also have a wider role as Chair of the Worldwide Centre of Excellence (CoE). Could you explain what RSA Travel offers and the broader CoE role across RSA?

RSA Travel is the second largest travel and health insurance provider in Canada.

Our products are marketed to the end consumer through brokers, travel agents, financial services organisations, consultants and third party administrators. We service over 1,000 distributors and over one million customers. Driving sustainable profitable growth in our travel business relies on strong distributor relationships, leading consumer propositions and technical capabilities with expertise through underwriting and claims.

In terms of the broader worldwide role, I chair the Centre of Excellence across RSA globally. The CoE mission is to provide an open and candid forum to build networks and connections across RSA's travel businesses by sharing expertise and best practice to deepen knowledge across the company.