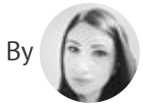


Ongoing pressure points provide industry ‘opportunity’ – John Mullen



By [Clare Ruel](#) | 3 April 2024

‘With data and technology coming together, I believe we’re at a generational turning point,’ says president

“It’s difficult to be an insurance executive today” due to the ongoing pressure points in the insurance market, according to John Mullen, president and chief revenue officer of insurance software company Guidewire.

Mullen was speaking during his keynote address at the Guidewire Insurance Forum on 28 March 2024, held in London.

He told delegates that the insurance market was entering a “new normal” that featured challenges such as inflation, extreme weather events, as well as the cost and demand of reinsurance piling additional pressure onto insurers’ portfolio management.

Reinsurance has been a challenge since last year, Mullen noted – he commented at [Guidewire’s Connections conference in Nashville last November](#) that rising reinsurance renewal rates on 1 January 2023 were “the most difficult [Guidewire] had seen in a long time”.

The impact in 2024 is that “it’s difficult to make priorities and to set the course of change,” Mullen summed up. He described increasing reinsurance rates as “a new high frequency problem” that was “not yet priced into the insurance premium tables”.

Despite these issues, Mullen told event attendees last month that “pressure points give us an opportunity”.

He continued: “Finding market equilibrium has been and is a very real challenge for this industry, but we’ve proven time and time again that we



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can find our way through market cycles to re-establish equilibrium.”

Technology turning point

Mullen was hopeful that there was a “light at the end of the tunnel” in terms of the insurance sector tackling key challenges – he believes that even though pressures are “going to increase and persist” for some time yet, the industry is at a “generational turning point” regarding data and technology.

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He continued: “It has been literally hundreds of years where these competing forces have made it harder and harder to do business everyday. I believe we’re standing at the precipice of a moment in time where we can shape a much more dynamic future – but we have to embrace it.”

Mullen observed three competing forces affecting business decisions in insurance – the commerce of insurance, the science of insurance decisions and insurance operations.

“It’s important that we understand, first and foremost, that the competition of these vectors has left us at odds with decisions, [the] efficiency of decisions and, maybe most importantly, the improvement of the decisions we make over time,” Mullen added.

For Mullen, the “convergence of technology and data and operational efficiency” provides a “real opportunity to pursue a level of harmonisation”.

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