

**Seminario Aleatorio***Sesión 422***Virtuous Innovation or Obfuscation?  
Product Innovation in the Variable Annuities Market****Xiaochen Jing**

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<https://math.illinois.edu/directory/profile/xjing4>**Abstract**

Variable Annuities, which comprise a substantial proportion of the retirement products sold by insurance companies, have become increasingly complex over the past decades. We investigate the drivers of the product trends. We distinguish "virtuous" innovations that expand upon the existing set of consumption paths in retirement from "obfuscating" innovations that increase complexity without clear benefits to consumers. We document a recurring pattern where, in each benefit category, obfuscating products follow the introduction of virtuous innovations. This pattern generates the overall increase in product complexity. Our results challenge prevailing perspectives on Variable Annuities in the popular press and the literature.

**Viernes 15 de marzo de 2024,  
Salón 306 ITAM, Campus Río Hondo  
13:00 horas de CDMX**