Exploiting the potential of 'trusted data'

AdvantageGo InsurTech Survey 2018: What does it mean to you? - Highlights

Ian Macdonald
Principal Technologist

PYRAMID **- Who we are**

- Pyramid 2018, The Analytics OS, is an adaptive analytic platform, managing content as a shared resource.

- Supports your organization's entire decision workflow, and give everyone the tools to conduct self-service analytics.

- It closes the gap between your organization's stated analytics strategy and actual analytics implementation.

- Creates a universal analytics environment that finally solves today's analytic needs, and prepares the organization for tomorrow's data and technology challenges.

Over 1m users in various vertical markets

Focus on Lloyds Insurance Customers

MS Amlin

Faster Risk reporting and analysis for Global Risk team covering MSAmlin operating

ASPEN INSURANCE

Premium, Claims & Broker Analysis;
Gross Written Premium by region and business unit;
Pricing Analysis;
Exposure Analysis

ADVENT A FAIRFAX Company

Executive dashboards to detailed and sophisticated analytics to published reports for casual users

towergate insurance

Premium, Claims & Broker Analysis across multiple business units

Chaucer INSURANCE

Premium, Claims & Broker Analysis for thier UK private car and fleet market

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What's all the fuss about?

"The industry is on the verge of a seismic, tech-driven shift. In this evolution, insurance will shift from its current state of 'detect and repair' to 'predict and prevent,' transforming every aspect of the industry in the process."

McKinsey & Company Apr 2018

New sources of trusted data, new pervasive analytic platforms and the insight they bring to support these new business models.

Opportunities such as:
- Dynamic premium pricing
- New insurance / risk products
- Proactive risk prevention / mitigation
- Claim forensics

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PYRAMID and Advantage GO™

- Pyramid Insurance Market Partner

- An innovator in commercial P&C and specialty market insurance software for over 25 years

- Author of 2018 InsurTech survey of senior insurance and reinsurance professionals

Insurance Executive Survey

- Conducted by email and telephone interview

- 30 C-suite insurance and reinsurance industry executives
  - North America
  - London
  - Bermuda
  - Switzerland.

- The respondents included
  - CEOs, COOs, CIOs
  - Underwriters
  - Top level brokers
 - Legal, accounting, analytics and technology advisers.

WHAT ARE YOUR TOP FIVE CONCERNS ABOUT THE MARKET IN ORDER OF IMPORTANCE?
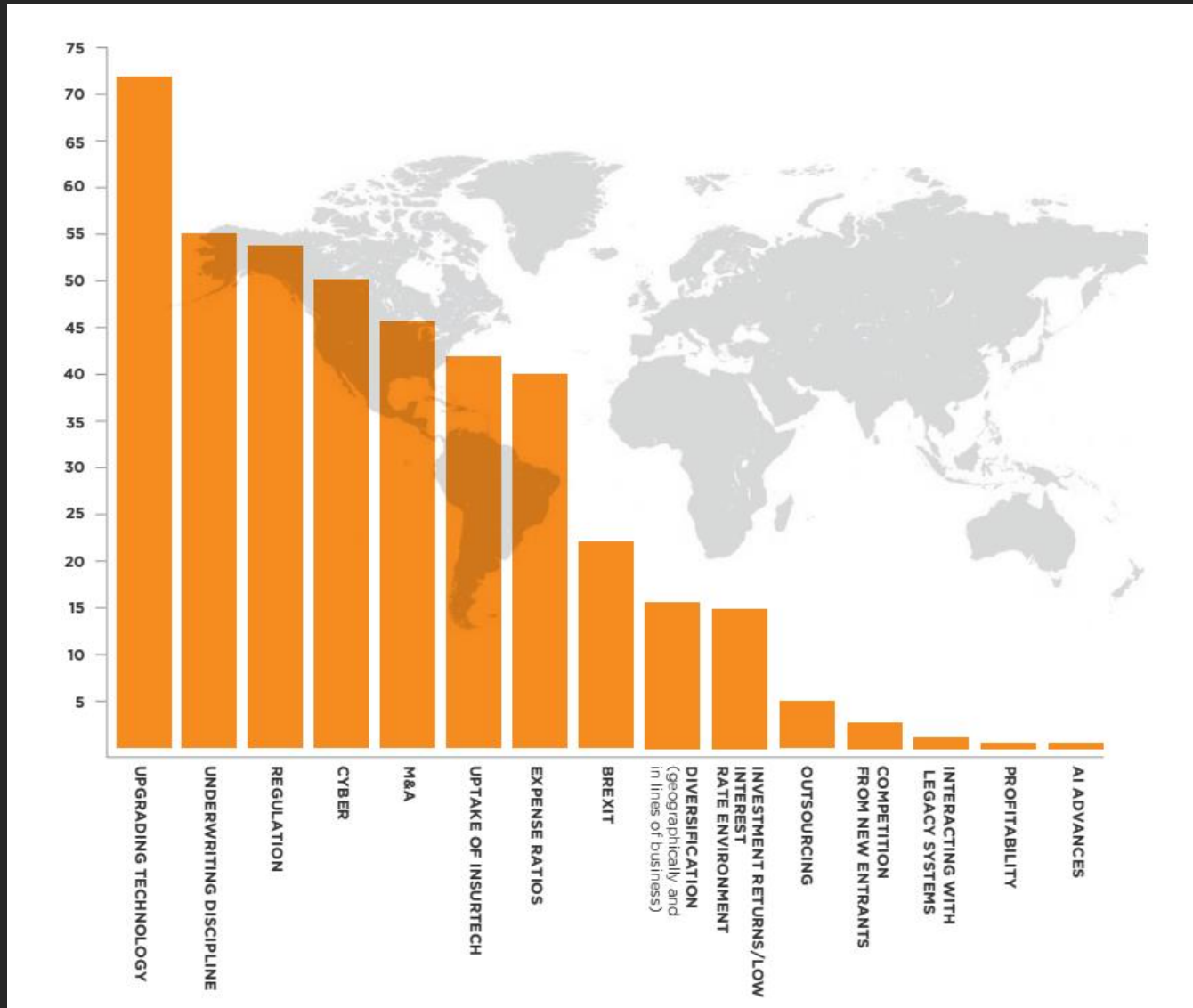
1. Upgrading technology (72)
2. Underwriting discipline (55)
3. Regulation (54)
4. Cyber (50)
5. Mergers and acquisitions (46)
6. Uptake of InsurTech (43)
7. Expense ratios (40),
8. Brexit (23)
9. Diversification geographically and in lines of business (16)
10. Investment returns/low interest rate environment (15)

Other concerns were listed as insurance being able to draw from other bigger data sources, interacting with legacy systems, outsourcing, AI advances, profitability, and competition from new entrants.

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IN WHICH OF THE FOLLOWING INSURTECH INITIATIVES IS YOUR COMPANY INVOLVED?
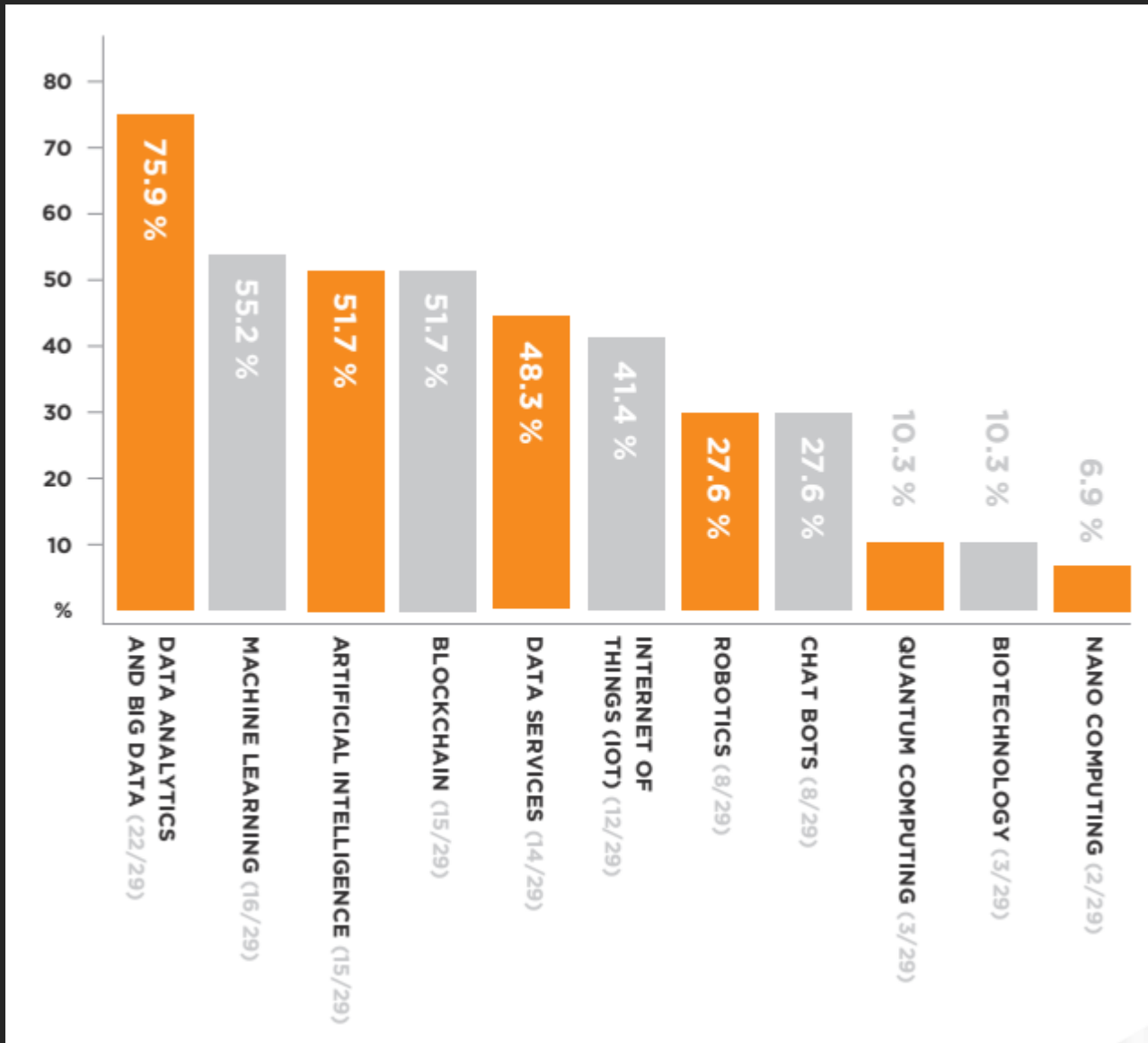

75.9% currently working on initiatives involving data analytics and big data.

Just over half (55.2%) are involved in machine learning.

51.7% are exploring the idea of using artificial intelligence (AI) in their business.

The same number are looking at one of the hottest advances in the market, blockchain.

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DOES INSURTECH POSE MORE OF A THREAT OR AN OPPORTUNITY TO YOUR BUSINESS?

81.5% OPPORTUNITY 18.5% NEUTRAL 0% THREAT
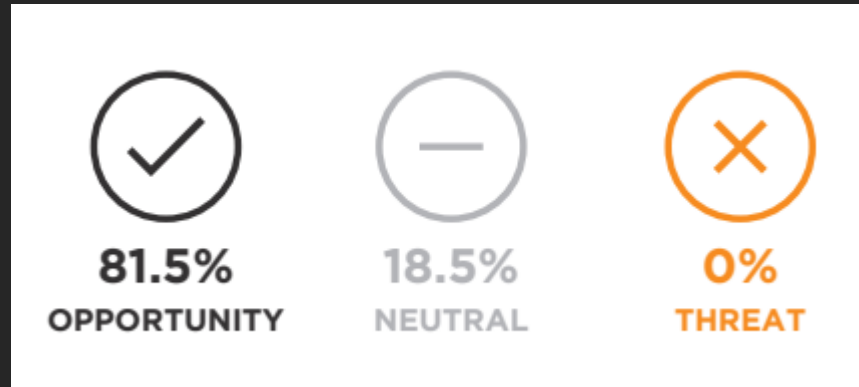
The re/insurance industry overwhelmingly sees InsurTech as a positive opportunity to improve the way that business is conducted.

"If you're in the vanguard it is a top priority, a massive opportunity. If you're lacking in awareness of the explosive disruption that is taking place, it can only be a threat."

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DO YOU THINK YOUR BOTTOM LINE WILL BE IMPACTED BY INSURTECH IN THE NEXT THREE YEARS?

10.35% → N/A

10.35% → NO

YES

79.3%
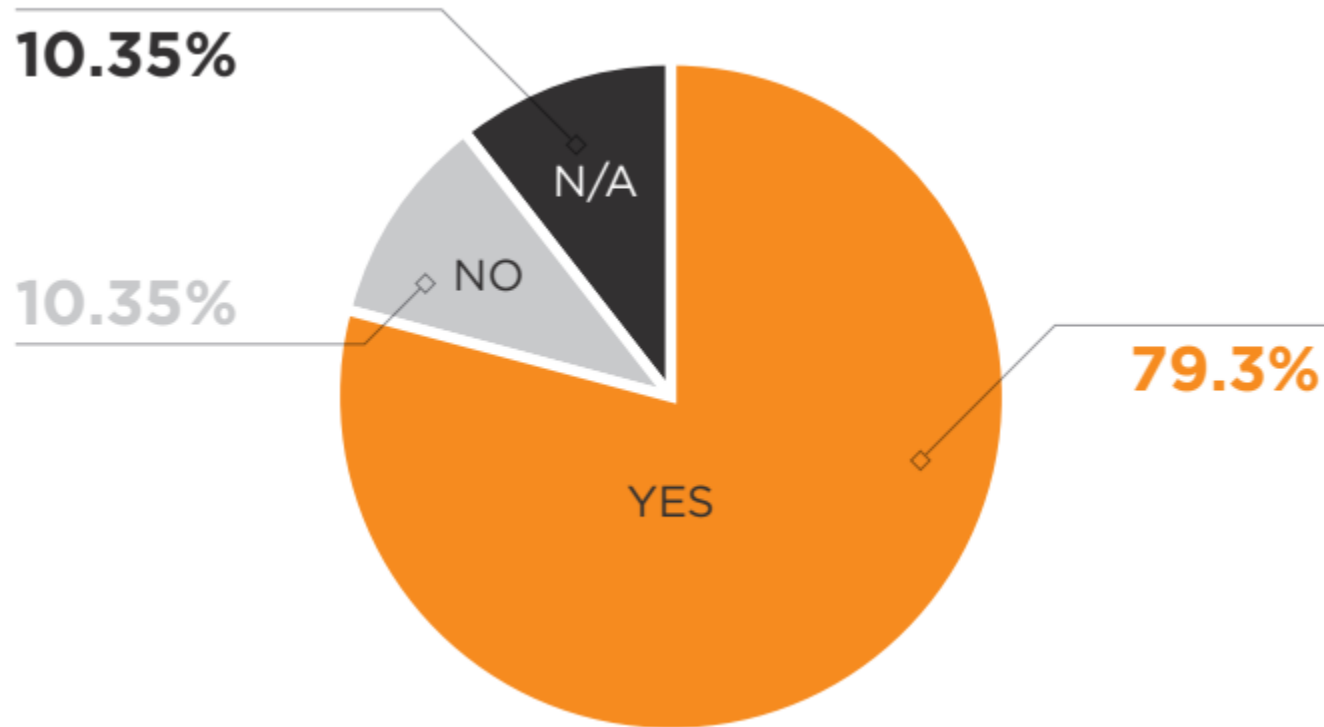
Our survey found that executives are in no doubt that the profitability of their business will be affected by InsurTech – with most believing it will deliver positive benefts.

"It already has affected us. Without InsurTech, your bottom line will be negatively affected."

"The real question is what is the payback period on the investment, which remains to be seen."

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WHAT WILL THE MARKET LOOK LIKE IN 10 YEARS' TIME?

We asked our experts to look into their crystal balls and predict how the industry will look in a decade – and they provided some fascinating observations:

"As technology continues to separate the leaders from the rest of the pack, we expect to see a more concentrated market share among the most technologically advanced and well-capitalised insurers."

"The London market will fall behind as more nimble players will start to disintermediate and replace capacity providers in the value chain."

"There will be something, some innovation, that has changed the market in a way we just cannot see now because we are too close. I think there will be fewer people working in the industry because of technology. I don't believe actuaries will completely disappear, but their role will evolve."

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Introducing the **The Analytics Operating System**
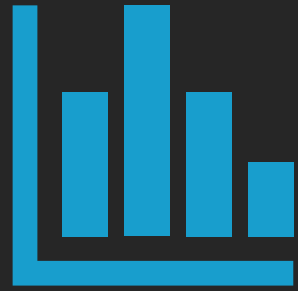
Analytics & BI Platform

Full-featured analytics and reporting platform that leverages *yesterday's* investments

+

AI & Machine Learning

Hardened ML framework for *today's* challenges

=

ANALYTICS
OS

The Operating System

Universal platform for *tomorrow's* analytic needs

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Pyramid 2018 enables business users to visualise and understand their data and for enterprises to manage, govern and scale without compromise.

Simply created sophisticated analysis, intelligent discovery and self-optimised decisions on any data, anywhere.

PYRAMID

The Analytics OS

Universal platform for *tomorrow's* analytic needs

- Data Governance
- Collaboration
- Machine Learning
- Data Modelling
- Data Discovery
- Presentations
- Publications
- Administration

Read it for yourselves!

Insurtech survey:

https://www.advantagego.com/assets/8475f700fb/2018-AdvantageGo-InsurTech-Survey.pdf

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