

**INSUR.
TECH.
TALK**



WELCOME



Hi everyone, Blimey, we did it!

Two of the biggest and best events (in my humble opinion, but also verified by some lovely people) the insurance industry has seen in the space of just two months. The sleepless nights are over (for now) and the jet lag has started to wear off, and I'm now excited to share with you some of the key learnings from the biggest USA conference we've ever hosted.

In this issue of Insur.Tech.Talk, I speak with some of the most prominent thought leaders in the sector, all of whom I'm delighted to say, spoke at, attended, or hosted roundtable discussions at our recent event in New York.

It was an absolute pleasure to see so many faces who, up until now, I had only managed to speak to on the other end of my laptop. I also got to meet so many amazing leaders across the number of evening cocktail receptions, parties, and gatherings that took place during Insurtech Week New York. I've been in the insurance space for three years now and, honestly, before joining I could never have imagined how much energy there is in the sector, and how many down-to-earth, incredibly knowledgeable, and fun people I'd have the privilege to meet.

Before you read the key learnings from those who, I'm unashamed to say, are far more learned about insurance transformation than myself, I'd like to once again thank the entire industry, our speakers, partners, and sponsors for their support. I've never witnessed such willingness from any industry I've been involved in to get so engaged with these events, which I think is a testament to the clear desire which insurers, insurtechs and investors currently have to drive the industry forward. It's certainly an exciting time to be part of insurance!

I'm proud to share some of the key learnings from the event in the ensuing pages...

Bradley Collins

Bradley Collins,
Chief Commercial Officer, Insurtech Insights



**Insurtech
Insights**



boltttech



Q Rob, it was a real pleasure to have you as our opening keynote speaker. I'd love for you to share with Modern Insurance Magazine your thoughts on where the insurance industry is heading, and what insurers need to think about to be prepared for the years ahead.

A As one of the first global insurtech events that I've attended in-person post pandemic restrictions, Insurtech Insights was a thrilling few days! Thank you to the entire organising team for helping mark the comeback for insurtech events. It was great to finally meet old friends again, and of course, make new ones.

Gatherings like these remind me of the importance of collaboration in our industry. This was very much the theme for my keynote with Laura Hay (Global Head of Insurance at KPMG), and in fact, a thread that ran through the entire conference agenda.

It's clear that while the insurance industry continues to evolve, the pandemic only accelerated digitisation trends that were already underway. Customers have increased the time they spend online and expect businesses to keep up with smooth, simple, and digital interactions. To satisfy these growing customer expectations, the whole industry needs a mindset shift towards more collaboration and partnership.

Insurtechs and insurers have shared interests in building a better insurance experience for people around the world, but we have to pick up the pace. The good news is that we don't have to do it alone, all we have to do is to work together and pick the right partners.

At a roundtable discussion on day two, looking at the power of partnerships, I had the privilege of sitting down with top insurance executives, and we all agreed that partnerships are a valued resource for how we are going to meet customer needs, faster and more comprehensively. Cooperation, when competitors cooperate for better shared outcomes, is becoming more important for the industry. There's a widening protection gap globally, and this means a huge amount of untapped potential with opportunities for us all to build a brighter future for insurance.

A partner is more than just a vendor - partners are equally invested in solving the same problems and willing to do things differently to deliver greater value to customers. This is a fundamental belief we have at boltttech. Because we see ourselves as enablers, we love being a conduit between traditional insurance and the exciting opportunities coming out of insurtechs and industry innovation.

The hot topic amongst all the event attendees was the growth of embedded capabilities in insurance. The possibilities this presents of working together and reaching more customers is an exciting prospect for insurers and non-insurers alike. It's only the first chapter of this story - there's so much more we can do. Adding choice to these journeys for example, and thinking about how to augment products with value-add services. The evolution and growth of embedded over the coming years will improve financial inclusion and take customer experience to the next level.

The number one event takeaway for me was that insurtechs, no matter which aspect of the insurance journey they support, are helping the industry to raise the bar. It's only going to get more exciting!

Rob Schimek,
Group Chief Executive Officer, boltttech

Benekiva



Q Hi Bobbie, whilst I'm slightly upset that I wasn't invited to your and Nigel's pre-event Barry's Bootcamp session - it was a pleasure to finally meet you in person, and thanks for taking the time to join our overcoming IT legacy panel! I'd love if you could share some of the key learnings from this session with our readers of Insur.Tech.Talk.

A Nigel started back in 2020 - the longest fintech/insurtech fitness thread. It started out with 5 of us and has now grown to over 50. Recently, I saw Nigel posting photos in NY and decided to join him. The invitation is open to all - feel free to join the fitness thread to get the latest updates!

Back to the topic of key learnings from this session...The technology "Legacy" dilemma is a topic of conversation in all industries, and at Insurtech Insights we had a similar discussion. No one wishes for legacy, no one wishes for technical debt. These challenges will continue to be part of any organisation as they offer more product and services, acquire new and closed books of business, etc. The key question for IT leadership is - How do we continue to be innovative while being in a hybrid situation of legacy and modern?

Many, many years ago, I was part of an organisation that was replacing a mainframe system with a new ERP solution. After two to three years of implementation, my team had the "privilege" to work on the upgrade for the next release. The version of the solution that we had just implemented would be unsupported within a year. The upgrade project needed to start right away, as we had customized some of the interfaces and those needed to be re-configured and coded in the new version. The initial implementation wasn't an easy task. There were a lot of sleepless nights and long hours to ensure smooth execution. My team had to endure that all over again.

I shared a portion of this story at Insurtech Insights and here are a few take-aways as we look at core system initiatives:

- What is the purpose of modernising the system? What business value and outcomes are going to be achieved?
- The customisations that are requested - What business value and outcomes are going to be achieved with those versus without? In my example, the business unit should have looked at different ways of managing work versus customising to fit their current process.
- As an organisation, how might I bring in best-of-breed players to solve specific challenges versus being dependent on one big "mega" platform? This is where conferences like Insurtech Insights add amazing value to organisations, as they allow exposure to early-stage start-ups, scale-ups, mature vendors, and consultants who are solving pieces of the value chain puzzle. Setting up an ecosystem is not a job for the faint of heart. It takes rigour, discipline, strong vetting skills, not falling for shiny-object syndrome, and an innovative-minded team to pull it together. I loved what Sunith Roy, SVP of Chubb, shared - a process of innovation where resources are pitching their initiatives. I was in an operation that had a similar process and I saw how it increases the quality of implementation and the level of buy-in from the organisation.
- Scope and budget for technology initiatives. I enjoyed hearing Axel Schell, CTO of Allianz, share the approval limit for any new technology initiatives at his organization. A project over a certain amount won't get approval, which prevents these "mega" systems entering an organisation. This also allows his team to understand the problem statement they are trying to solve and have the rigour to determine the solution.
- Agile Delivery - I'm a big fan of "crawl, walk, run" when executing a big initiative. Rather than spending years executing a large project with business value coming at the very end - how might you chunk up the work in an agile way to get incremental value over time? Agile delivery done right can be beautiful for the organisation. We have a practice at Benekiva for monthly releases and our customers can take the releases whenever they choose. When we are in implementation, we recommend a crawl - walk - run approach because we want our customers to get value as soon as possible instead of waiting for months.

Bobbie Shrivastav,
Co-Founder & Chief Product Officer, Benekiva

Majesco

Q Hey Denise, after 2 years of the odd Zoom call, it was an honour to finally meet such an industry legend and influencer in person. I'm a big fan of your insights and I know the Modern Insurance Magazine readers will be too. Please do share your thoughts on where you see the industry heading.

A Tremendous changes for the insurance industry continue to emerge. From generational shifts in buyers to new risks, channels, products, data, and technology, it is all creating clarity that insurance must operate differently to succeed in the future. I saw this in real-time at InsurTech Insights 2022 in NYC with all the fabulous panel sessions and networking!

Since the emergence of InsurTech seven years ago, we see the rising importance of platform technologies, APIs, microservices, digital capabilities, new/non-traditional data sources and advanced analytics capabilities that are crucial to industry leadership. Market trends like the gig/sharing economy, fading of industry silos with emergence of new competitors, the rise of ecosystems and partnerships, and much more, are driving insurance innovation with new business models, products, services, customer experiences, and distribution channels.

The result? Insurers must lay the groundwork of a new digital insurance business model that embraces these changes with vision, energy, and speed. So, what stood out? It's all about multiples:

- Multiple channels dominate. Changing customer expectations are rapidly pushing insurers into a multi-channel world, requiring a rethink of their distribution strategy to ensure growth. Channels must be frictionless, easy to use with products that are easy to understand, moving insurers from a sell to buy model that is seamless at the point of need. The entire distribution spectrum is relevant - from agents and D2C to marketplaces, insurer partnerships and embedded insurance partnerships. From the opening session with bolttech to panels on distribution, MGAs, and embedded insurance, it was made clear that the alignment of channels, technologies, and partnerships is crucial to success. Market leaders are creating distribution ecosystems that leverage their strengths and expand market reach as noted in our strategic priorities research.
- Multiple entities reinvent the insurance industry. From insurers, MGAs, Brokers, Reinsurers, solution providers to outside industry players, everyone is focused on reshaping the industry through innovative partnerships and ecosystem development. There is not enough time, money, or resources to go at it alone. This requires innovative approaches and value creation by transitioning from vertical market boundaries to porous market boundaries and ecosystems. Leading companies have innovative partnerships that are driving growth including embedded insurance - one of the hot topics requiring development of partnerships today before they are taken!
- Multiple Data Sources and AI/ML gain traction. From interesting new sources of data, AI/ML providers to Google's data and analytics at scale strategy focused on customer centricity and risk management, data is increasingly viewed as a strategic asset and a critical source of competitive advantage. From identifying markets, profitable niches, assessing risk, and channel optimisation to improving customer experiences - combining traditional data with new sources expands the richness of information and extends the gaps between insurance leaders and those falling behind. Insurers must partner to deliver these capabilities, because hiring data scientists is difficult and may not be cost-effective.

If InsurTech has taught us anything, it is the time from recognising change to reacting to change must grow shorter to remain competitive. The only shortcut is through innovation, innovative technologies, data, channels, and partnerships to succeed in the future.

Denise Garth,
Chief Strategy Officer, Majesco



InsurTech Scout

Q Hi Manjit, you were involved with both our London and New York events. Was there any difference in the topics / conversations between London and NYC?

A For me it feels like European InsurTechs generally have more sophisticated propositions compared to their American counterparts. There are probably a number of reasons for this:

- Access to funding: US investors seem to be prepared to back start-ups at a much earlier stage and the raised amounts are generally way higher so they can scale much more quickly whilst focusing on a simpler proposition. In Europe, accessing funds still seems to be much harder and takes much longer, as a result the gestation period between idea and initial market launch is longer which means propositions have had to be in the development stage much longer, resulting in more sophisticated propositions.
- Insurer expectations: In Europe, I think we are generally much more risk adverse by nature and as a result we look for reasons why something won't work and where the issues could potentially arise from. Whereas, the American attitude seems to focus on capturing market share through smaller improvements on traditional products and processes, and so US carrier conversations are more around speed to market.
- Market awareness: I was actually quite surprised during several conversations at the event with InsurTech founders that clearly didn't understand the way the market works. They were focusing on solving challenges that are not really an issue, but they'd already raised some funding - those conversations were much rarer at the London event.
- Ecosystems: It was interesting to see the number of InsurTechs at the NYC event that stated they had built an API layer around their propositions, and as a result could integrate into any core systems that a carrier may already have in place. Having spent over 30 years in this market, I've lost count of the number of times I've been in discussions with Insurance companies where connecting / integrating 3rd party solutions to their core systems is a multi-year / multi-million-pound investment - even when they've recently invested tens of millions of pounds implementing new core platforms. It's rarely just a technology problem.

Q I'd also like to thank you once again for moderating our claims-focused roundtable, what were the key learnings from the discussion?

A We had an interesting discussion at the Claims roundtable where the theme was around improving claims experience and efficiency. There is clearly a lot of talk around the use of AI and automation to speed up the claims process for traditional, high-volume products, like auto and home, but does the same traditional thinking apply when it comes to products like cyber insurance? The challenge with cyber insurance is that unlike repairing a car or replacing someone's stolen laptop, you can't really put the claimant back into the position they were in before the

hacking. So, the focus really needs to be on prevention of the potential claim rather than just the fix.

This leads us to start exploring what a next-gen 'prevention-led' insurance proposition could look like for products such as home, motor, healthcare. This is definitely a very interesting area that requires some 'out-of-the-box' thinking.

Q Finally, what does the future of insurance look like?

A There were a number of interesting conversations, particularly during the networking sessions around how we see the industry evolving and where the threats and opportunities in the future are likely to arise from. The key themes seem to centre around:

- The move from insurance being a fix / replace solution to a prevention-led proposition;
- The need for traditional insurance businesses to be able to more easily ingest and utilise dynamically-generated data, whether that's coming from cars, phones, IoT devices, satellite feeds or the millions of other sensors and devices generating increasing amounts of this data. Insurers who can quickly evolve their businesses to be able to do this are far more likely to be relevant in the future;
- Embedded insurance is another really hot topic and one that most insurers and InsurTechs have latched onto and what this means for insurers and their customer-facing brand;
- Open Insurance and why we make it so difficult for consumers to be able to switch between insurers. Is it really a technology issue or an industry reluctance in order to protect existing books of business? What would happen if the regulator suddenly announced that all insurers had to provide the ability for a consumer to transfer their policy and all related risk data to any other provider instantly, much like you can do with your bank account?
- Adjacent industries such as the car manufacturers, home security providers, home builders, and major tech companies such as Amazon, Google and Apple and how they could potentially disrupt the market.



Manjit Rana,
Co-Founder & CEO, InsurTech Scout



Guidewire Software

Q Hi Laura, we had the pleasure of your presence on stage at both of our conferences this year. Your panel session on ecosystem models was very well received—I'd love it if you could elaborate on the topic a little further.

A I think one of the biggest take-aways from the discussion at ITI was the convergence of two indisputable facts that are driving the importance of insurtech ecosystems to insurers. On the one hand, policyholder needs are evolving fast. And on the other hand, so are the opportunities to leverage a continuous stream of new innovations through the formation of an insurtech ecosystem. After all, why compete with insurtechs when you can collaborate with them instead?

Just look at the basics. In 2021, insurtechs in the property and casualty space attracted a record \$9.4 billion in capital investment, according to Gallagher Re. And during the first quarter of 2022, despite all the market volatility that we're seeing, insurtechs saw the highest participation in early-stage capital investment ever recorded. And it's easy to see why. Their advances in applied AI, mobility, data analytics, and other technologies are literally transforming the industry.

For incumbents, that can represent a threat—or a massive opportunity. According to Accenture, the revenue gap between innovation leaders and laggards in the P&C sector could top 37% by the end of next year. As much as \$200 billion in revenues will be driven by new risks, products, and services between now and 2025.

As it turns out, a go-it-alone approach to grabbing the biggest piece of the action isn't really a sound strategy for either insurtechs or incumbents. Not now, and definitely not over the long term.

During the panel at ITI, one of the things we discussed is why ecosystems are so much more powerful than even the most robust partnership program.

That's because with ecosystems, you can take an array of different innovations that dozens or more insurtechs bring to the table, and then add what only insurers can offer: namely, their regulatory expertise, historical and experiential data, and the reliability and support that are so central to the entire customer life cycle. And what I find most exciting is that you can mix these into different combinations and permutations to create entirely new value propositions.



In truth, ecosystems are already foundational to today's most innovative operating models—and that's not going to change. Usage-based, "pay as you drive" auto coverage, for instance, is built around ecosystems that can span telematics, mobile connectivity, automobile or smartphone manufacturers, and more—all tied into insurers' core systems.

According to JD Power, ownership in UBI policies was adopted by 49% of all consumers who were offered one in 2021. And Forrester says UBI could account for nearly 20% of all auto policies by the end of 2023.

Meanwhile, InsTech London projects that the embedded insurance market will top \$722 billion by 2030—six times its size today. In fact, McKinsey estimates that up to 35% of all personal lines premiums could be generated through ecosystems during that same period. For auto, it could reach 30%.

The ecosystems involved in these, and a growing number of other insurance offerings, deliver value that far exceeds what's otherwise possible by any of these participants on their own. That's not just the power of ecosystems. That's the future of the insurance industry.

Laura Drabik,
Chief Evangelist, Guidewire Software

Duck Creek Technologies

Q Hi Eva, somehow, we didn't manage to meet in person at the conference this time; however, I'm keen to hear what you learned at the event. What were your key take-aways?

A I enjoyed being in person at this exciting event alongside large carriers, start-ups and solution partners within the insurance ecosystem. One major takeaway was the abundance of opportunity for the application of low-code solutions and cloud technologies to transform insurance.

It was great to see how much the conversations around cloud and SaaS in the insurance industry have matured over the past couple of years. Not only did we dive into subjects that have become the new standard, including automated underwriting and the customer journey, but also embedded insurance, telematics and cyber were notable themes. I would encourage carriers to begin having conversations around how to implement and derive value from these innovations that are being developed to help overcome challenges, from workforce gaps to new demands from customers. This was a stark lesson and there are diverse approaches for carriers of all shapes and sizes to benefit from this maturation.

A final takeaway was how important partnership is between all these innovative companies within this ecosystem. Insurance is complicated, regulated and nuanced, but one way to simplify it is through collaboration. The need for solid partnerships is an area I expect to see and hear more from in 2022 as providers come to grips with how to deliver disruptive technology along the value chain.

Eva Harris,
Chief Strategy Officer, Duck Creek Technologies



Coherent

Q Todd, thanks once again for taking the stage for us in New York. I'd love to hear, what you thought about Insurtech Insights USA this year.

A It was a great event on three levels: the calibre of the content, the energy of the participants, and the quality of networking. The topics were well-curated to furnish thought leadership ideas that will drive the industry forward—from automating the claims and underwriting process to better detecting and preparing for emerging risks. What makes it an outstanding event is the roster. I can't say enough good things about the speakers and attendees. It was great to reunite with executives we know well and get introduced to so many others. Everyone was open to sharing ideas, making connections—there were no awkward pauses, and literally, the only times I saw people pulling out their phones were to take selfies and pictures of presenters. You can judge the quality of the networking by all the connections that continue after the event. The follow-up LinkedIn messages and emails keep coming, and we're continuing the conversation about how to "crack the code" with new answers to traditional problems (in our case, what to do with all those models that insurers are running in Excel).



Q Based on what you heard, what makes you optimistic about the future of insurance?

A I'm inspired by the collective expertise and technology showcased at Insurtech Insights. Who's leading the vision, and which tools they're using—that combination will lead to breakthroughs. Before moving into the SaaS technology arena, I worked in the insurance industry for 24 years. I believe that what we're seeing today is unlike any moment we've experienced before. After decades of insurance carriers investing in digital transformation, we're now at a tipping point where the industry is about to realise remarkable outcomes—and ultimately, the policyholders and customers will benefit. I'm excited to be part of it.

Q What other take-aways did you have for the lovely Modern Insurance Mag readers?

A After an in-person event like this, I'm reminded to be open and listen to new perspectives. In our case at Coherent, we have certain jobs we know our technology can help customers get done. We know the pain points in the industry from personal experience. But when we're speaking with such a broad array of potential customers and partners at an event like this, we benefit so much from hearing their problems firsthand. People are more willing to share in person. Several folks came up to us after our presentation or after reading about our company in the app and shared the challenges they're facing. By listening more than we're talking, we've uncovered new use cases. It's hard to replicate that type of networking in a virtual setting. And it's so exciting to think of the impact we can have based on what we've learned.

Todd Buchanan,
CEO - USA, Coherent

**INSUR.
TECH.
TALK****EDITORIAL
BOARD****WELCOME** to the Insur.Tech.Talk
Editorial Board.

For the latest edition of our Insur.Tech.Talk editorial board, we have assembled insurtech experts and asked them to delve deep into a host of topics: we discuss how the insurance sector can benefit from insurers and insurtechs collaborating better; how digital transformation will continue to change the game; the rise of fraudulent activity and how it will affect the industry; and, how to lead the way into the future of insurtech.

This issue voices the thoughts of:



André Symes,
CO-CEO,
Genasys



Michael Lewis,
CEO, Claim
Technology



John Ridd,
CEO, eviid



Denise Garth,
Chief Strategy
Officer,
Majesco



How can insurers and insurtechs better collaborate to improve the process for the client?

André Symes: While industry collaboration with insurtechs is seen as the instant solution to improving the customer journey, let's reverse the current approach of insurers viewing such collaborations as an extension of the marketing department, in the sense of a brand box-ticking exercise. Instead let's view them as what they really are: value-add, bringing real innovation to the customer experience and resulting in leaner value chains with lower overheads which consumers aren't funding somewhere down the line.

We see insurtechs being absorbed by insurance companies as well as insurers building innovation and accelerator hubs. Yet, far too often they fail to learn from these cutting-edge companies on how to change at scale.

Changing at scale is difficult but it is achievable. While we shouldn't stop encouraging and nurturing the start-up collaborations, we shouldn't lose sight of the real insurtech development that can make a very real difference right now, such as APIs, data intelligence, single view of customer, access anywhere, cloud databases...the list goes on. As insurance evolves, combined with the growth of embedded insurance, it will be the insurtechs supporting insurers to change scale and avoid mis-selling that will be the real collaboration winners for customers and the industry's reputation.

Michael Lewis: Having won the 'Technology Innovation of the Year' award, while offering a single point of access to over 50 best-in-class insurtech vendors, you'd think that insurers would be banging my insurtech door down to accelerate their customer-centric propositions. If only.

If we're to nurture the necessary innovation that improves the customer experience, whilst enabling the UK insurance sector to be a digital world-leader, surely insurers and insurtechs must collaborate much more closely? Insurtechs offer the insight, technology and speed that insurers lack, and insurers can

provide the financial support, real-life use cases and testbed that insurtechs lack. So, why are insurtechs seen as just another B2B sales process as opposed to genuine R&D partners?

Becoming truly customer-centric requires nothing less than inverting a set of legacy thinking, systems and processes. But instead, insurers seem comfortable with the idea that given enough time, a bit of tech here and another tech sticking-plaster there, they will create the experience their customer wants. They won't.

So, what would I like to see more of?

- 1. Don't push insurtech vendors down, find ways to raise them up.** Whilst plenty of money is earmarked for yet more industry memberships, events and consultants to talk about innovation, insufficient funds are allocated to support the insurtechs that actually create the early-stage R&D that the industry needs. This has to change. Direct financial support, whether that's adopting an insurtech, funding proof-of-value exercises, or being prepared to co-fund enhancements to align insurtech product capability to an insurer's standards (e.g., product security, SLAs), should be a given. Even non-financial commitments, such as committing to a 6-month sales cycle, would enable insurtech vendors to more closely align their funding cycle to the sales cycle.
- 2. Be more open.** Rather than insurtechs having to guess at what you're trying to solve, why not come prepared with a set of roadmap capabilities or a list of problem/opportunity statements you want to solve? Engaging with an independent insurtech technology marketplace, such as InsurtechPlatform.com or Salesforce, can be a good way to find out what's out there, and perhaps find plug & play solutions that can be deployed in days. Or, if you want to do a deep technical dive and accelerate a purchasing decision, I'll be happy to organise a hackathon with 2-3 highly qualified insurtechs.
- 3. Provide valuable feedback.** Do you have concerns with the product, or its suitability for your business? If an insurtech vendor doesn't pass muster, you do them a great disservice by keeping them clung onto the future hope of a commercial opportunity when it's a non-starter. Equally, I've seen a lot of insurers talk themselves out of promising tech, because they haven't understood the proposition or haven't been able to sell the vision internally. That's lose-lose. What's needed are more open, honest and valuable conversations.
- 4. Time is more than money.** Insurtechs depend on new logo acquisition and timely commercial agreements, not just to sustain their cost of sale and support with you, but to be able to secure further external funding to invest in their core product roadmap. Any delay to a commercial process with you can be the difference between an insurtech going out of business or concluding their Series A raise. See to it that you are concluding commercials like your own business depended on it.

Collaboration should be win-win-win, but insurers everywhere seem to have put up organisational ramparts (intended or not) that make actual collaboration incredibly hard and which threaten, daily, the insurtech's very ability to survive. It doesn't need to be this way. Let's co-invest in R&D and make insurance better for customers.



Given the speed of digital transformation over the past three years, does operating with legacy systems pose a greater risk now more than ever? How do you provide reassurance to those hesitant to embark on the change?

André Symes: Rather than the industry experiencing rapid digital transformation at scale, what we've actually seen is a fundamental transformation in business operations over the past three years. Let's refer to this as digital enablement.

The pre-COVID world has gone for good - we'll never see this again. The pandemic has created irreversible shifts in how we live our personal lives which has extended to how people buy insurance. We're now operating in an insurance landscape where consumer expectation and buying behaviours have changed dramatically. Without doubt, the companies with digital agility at their fingertips can better serve consumer changes much more effectively than those working with legacy systems.

The pandemic created two schools of approach: those who decided to baton down the hatches and take digital action once we emerged out of lockdown versus those who took an agile approach, using digital enablement to adopt policy admin systems that could deliver products at pace. This agility in the type of products they could sell to support their customers means they are achieving continued customer success.

Digital transformation hasn't happened, instead it's the world that's transformed. It's the insurance companies with digital ability and agility who will succeed in our ever-changing world.



As more claims are being processed remotely, and with a predicted rise in fraudulent claims, are counter-fraud tools as accessible for those working from home compared to those office-based? If not, what are the solutions?

John Ridd: In a recent survey from LexisNexis, it was revealed that the biggest growth in fraudulent claims is from those who are adjusting or exaggerating claims - about half of consumers who recently filed a home claim are more likely to inflate it to get a larger pay out. The general feeling among consumers is that insurers often don't make claiming easy or want to pay out, which leads

consumers to consider overinflating any subsequent claims.

Exaggerated claims are of course fraud, and with consumers being squeezed in their cost of living in the current economic climate, the risk of exaggerated and fraudulent claims is likely to increase further. Technology can help improve the user experience as well as the bottom line - making



How do you lead the way into an insurance digital transformation?

Denise Garth: For decades, the evolution of insurance markets, products, channels, technology, and customers unfolded at a slow, steady pace. It took many months or years to launch a new product. Core business technology lasted 20-30 years. Companies managed with slow transformation because everyone did likewise.

But change picked up in a disruptive way. Customers changed. The market changed. Technology changed. Competition changed.

And change changed.

Given the multifaceted nature of digital transformation, insurers must truthfully assess and shift their business strategy and investments to adapt to changing customer demographics and behaviours, expanded channels, regulatory requirements, maturing technologies, and new competitors. Rapid adoption of digital technologies for shopping, payments and banking by customers is upsetting the balance of power between incumbents and new challengers in InsurTech and FinTech.

Finding the balance between managing today's business while creating the future business is more important than ever.

Foundationally, customers are driving the digital shift, moving from a transaction to an experience-based focus, requiring reinvention to deliver customized products and personalized services and experiences that keep in step with digital leaders. Losing touch with customers, both current and future, loses business.

Our consumer and SMB research found that the pandemic increased recognition in the value of insurance, and accelerated buyer expectations. Buyers shifted to digital, demanded more channels including embedded, increased digital payment options, demanded new insurance products, expected value added services, and wanted personalized underwriting leveraging their data.

For both individuals and businesses, their digital transformation expanded expectations of insurers and separated insurance 'Leaders' from 'Followers' and 'Laggards'.

Fundamentally, 'Leaders' see market and technological trends as a many-fold opportunity by incorporating new sources of data, reaching new market segments, offering innovative new products, leveraging technology as a catalyst for innovation, and creating smarter customer experiences.

Leaders established a strong operational and technology foundation with SaaS next-gen core insurance systems, digital experience platforms, ecosystems and analytics built on a modern architecture, enabling rapid integration through microservices or APIs to drive speed to market and speed to value, at scale.

Leaders' success reflects a two-speed strategy: **Speed of Operations**, focused on operational improvements to the current, traditional business model with mature solutions and processes; and **Speed of Innovation**, focused on creating agile, new business models with new products, services, channels, and market opportunities to drive growth.

Insurers are in a must-move situation now – particularly Laggards and Followers. How you stack up to your peers and competitors will influence your future.

interactions easier for customers. But for the customer, it's a double-edged sword.

As recently as a few years ago, insurers were still relying on form-filling and photos within the claims process, and in many cases, this method of evidence-capture still forms the backbone of the insurer and supply chain's claims process. However, with the growth in video during the pandemic, whether live or recorded, it can be uploaded to an insurer's portal via a simple link. The claim can be estimated and increasing contextual value provided via video.

Video delivers a significant leap in assessing the claim, and using Eviid the start point is in verifying the creation of the video or the photo at source. The platform has numerous features to verify the data and thus, to reduce the risk of an exaggerated claim. It's a complete audit process, a step-by-step incremental method where it is easy to see the journey of the claim and the different steps to the end point. For the insurer, it delivers bottom-line ROI, reduces fraud and builds media into the claim eco-system. For the user, it's an easy process for making a claim – but it comes with a health warning. Those who may be exaggerating their claim

may feel exposed to delivering video evidence.

This has certainly been Eviid's experience of introducing a complete audit process. On implementing video into the claims process, an insurance client reported that over 30% of claimants walked away from their claims – a staggering number. It demonstrates the need to move away from the form and photo method, and towards enterprise media management with built-in provenance to ensure the integrity of the data. For exaggerated or fraudulent claims there is no silver bullet, but incremental gains and wins to switch off the taps.