

InsurTech – Trends and Opportunities for the Actuarial Community

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Technology: More than just convenience...

- Global smartphone market estimated to grow to nearly US\$800 Billion by 2027; 8 -10% annual growth rate
- Global mobile payment market estimated to grow to nearly US\$12 Trillion by 2027; 30% annual growth rate
- PLUS Data
- PLUS Analytics



Technology: Application to Insurance

- The Checkers Analogy
- How would you teach someone to play? To win?

- Where do the rules fit in to the discussion?



- Many discussions start by preferring to not knowing what the rules are supposed to be...



Technology: Application to Insurance

- How is technology applications to insurance playing out?
- Start-up concepts, ideas and innovations
- Large focus on Venture Capital
- Many insurers creating their own internal paths to create and incubate ideas
- Across many parts of the insurance value chain
 - Distribution
 - Product innovation
 - Underwriting / Claim Adjudication
 - Process efficiency and technology



InsurTech: Importance in Local Markets

- Growing transition for insurance companies to focus on technology in recent years
- External disruption with new carriers, partners and technologies
- Internal investment and venture capital by traditional insurers/reinsurers
- SOA focus on providing current event focus through Research, Professional Development and Networking
- <https://www.soa.org/programs/insurtech/>



InsurTech: Importance in Local Markets

- FinTech Regulatory Sandbox / Sandbox Plus framework from Monetary Authority of Singapore
- <https://www.mas.gov.sg/development/fintech/regulatory-sandbox>
- Opportunities for broader distribution of products and services
- SOA Research Institute Survey on international insurtech growth, venture capital and regulatory outlook
- <https://www.soa.org/resources/research-reports/2021/insurtech-and-venture-capital-survey>

FLEXIBILITY OF WORLD MARKETS IN WORKING WITH INSURTECH INNOVATIONS		
Market	Flexible / Very Flexible	Very Challenging / Challenging
Asia/Pacific	50%	19%
Middle East/Africa	30%	24%
Latin America	30%	25%
North America	21%	62%
Europe	12%	65%

InsurTech: Importance in Local Markets

- Technology in Microinsurance
- SOA Research Institute Report and literature review on emerging technologies in worldwide microinsurance markets
- <https://www.soa.org/resources/research-reports/2019/technology-microinsurance/>
- Local market examples of the growing use of technology
- Weather-based insurance indexes
- Reducing fraud in motor insurance
- Digital analysis and machine learning in claims adjudication



InsurTech: Deeper Background

- Capitalizing on the insurtech wave: Understanding broader backgrounds and opportunities
- Being the bridge between technology and traditional insurance
- Adding to data science analysis for formulate connections and strategy
- Invest in deeper understanding of new technologies:
 - Machine Learning; Internet of Things (IoT); Telematics; Wearables



Innovation and Technology

InsurTech: A Guide for the Actuarial Community

<https://www.soa.org/resources/research-reports/2021/insurtech-guide-community/>

InsurTech: Trends and Opportunities



- InsureTech Connect October 2021
- Background and Key Findings
- Traditional insurers tendency to avoid risk
 - Few large-scale failures since worldwide economic crises in 2008-2009
 - 2006 – 2016 relatively calm timeframe in international risk events
 - Relatively low reduction in unit expenses compared to other industries
- SOA Report on key Trends and Opportunities for the actuarial profession
 - Embedded Insurance: Embedded products or Embedding Sales Opportunities where other purchase points are occurring
 - Competitive pressures from new players: Property coverage from home decorating / improvement firms
- Actuaries as the conduit for combining data with insurance opportunities
- InsureTech Connect Asia, June 2022

InsurTech: Trends and Opportunities

- Research reports and podcasts
- Professional Development Meetings and Webcasts
- Get Plugged In
- Insurtech podcast
- <https://www.soa.org/resources/podcasts/>
- Research Insights
- Highlights of key SOA Research Institute reports
- Search “Research Insights”
- Apple Podcasts | Google Play | Spotify | Stitcher | TuneIn

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Incorporating Actuarial Perspectives: SOA InsurTech Office Hours Program

00:00:00

00:11:43
Evolving Ideas on Insurance: SOA InsurTech Office Hours Program

00:08:08
ClosedLoop.ai on Utilizing Data Science in Healthcare

00:29:17
Penguin Benefits on the Challenge of Navigating Family Leave

00:17:21

RESEARCH INSIGHTS, A SOCIETY OF ACTUARIES PODCAST
Discussion of Efficient Computational Structure of Nested Stochastic Modeling

00:00:00

00:14:39
Catastrophe and Climate Strategic Research Program Launch 10/1

00:29:01
"Uninsured Rate" Measurements and Health Policy Considerations 10/0

00:16:56
Aging and Retirement Issues for People of Different Races and Ethnicities - Essay Collection 09/2

00:12:53 09/2

Questions and Feedback

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