Using data to ensure customers remain at the heart of your business

by Simon Asplen-Taylor CEO, Founder

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What we're going to cover ...

1. Generate greater value through optimised portfolio management.

2. Assess your customers' risks and risk profiles, to minimise losses.

3. Provide your customers with insights that enable them to manage their risks more effectively and save money, thereby helping you to retain them as customers.

*These are key areas where you can get value from your data*

Where do you want to be?

Uniqueness

Early to adopt

Differentiated

Hipsters

Unique

Commonality

Herd

Halo

First move advantage
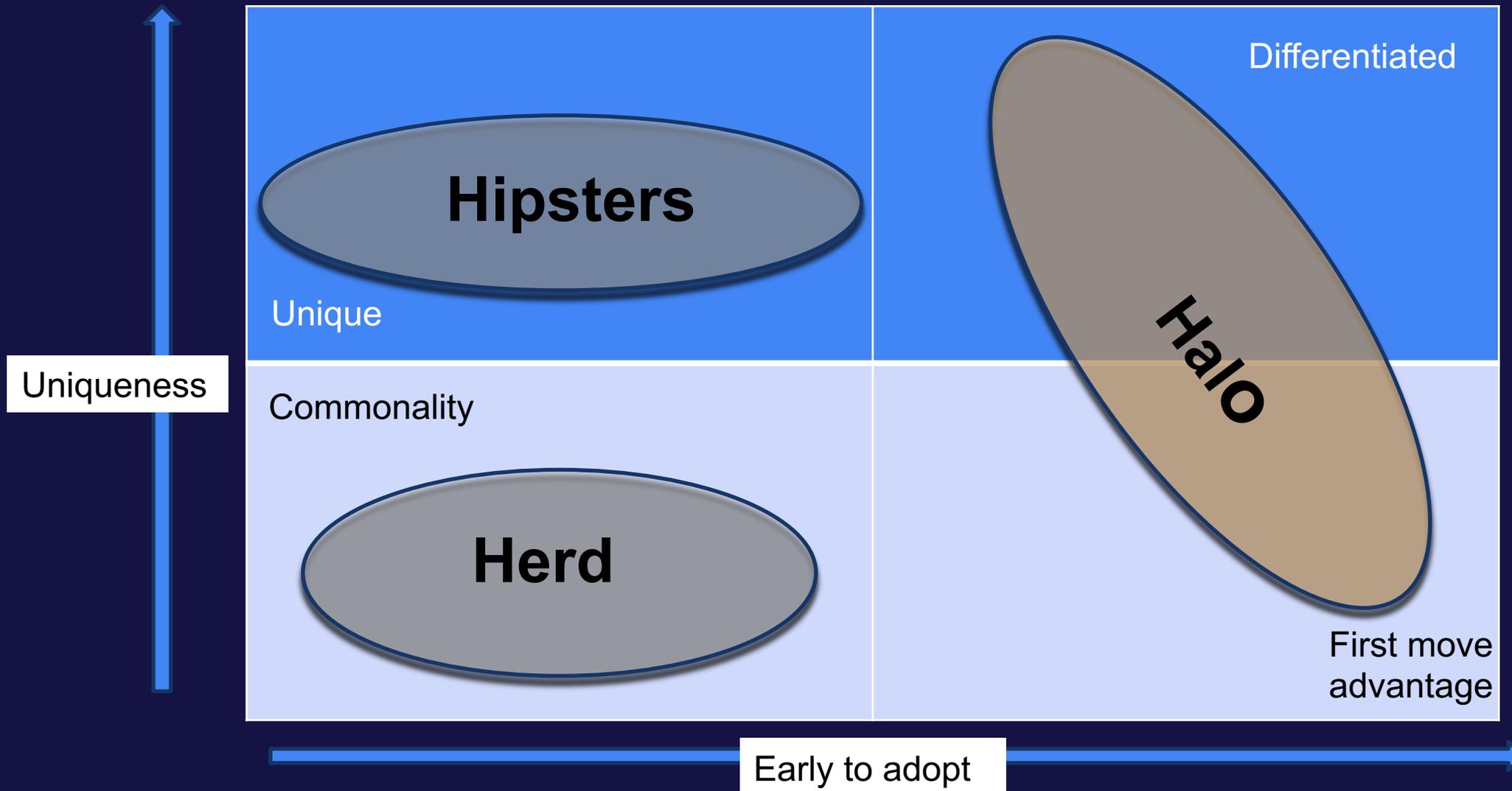
Generate greater value through optimised portfolio management.
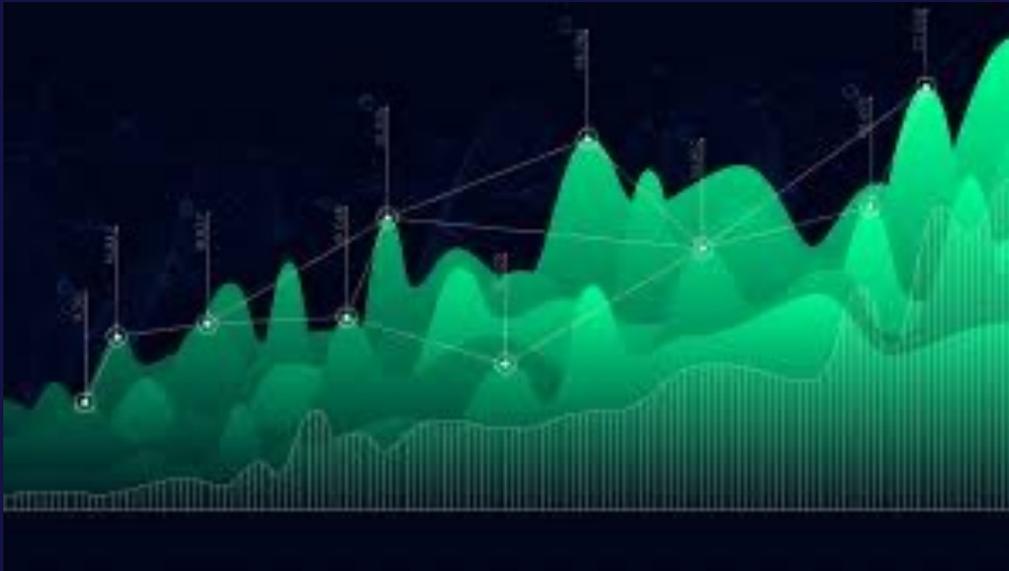
Identify top performers
- Analyse, emulate, do more of …

Identify bottom performers
- Analyse, understand, remove

Where do you focus your attention?

Differentiation

Operational

Regulatory

It is likely this is where most of your data capabilities are focused today

Getting to greater portfolio performance …

Portfolio
data

Loss history

Portfolio
performance
dashboard

Management
meetings

External loss
indicators

Client risk
profile

Where are you?

Provide your customers with insights
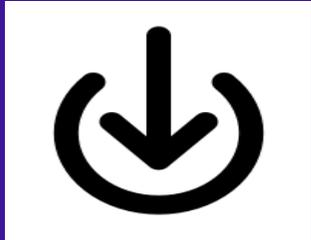
Internal

=

operational efficiency
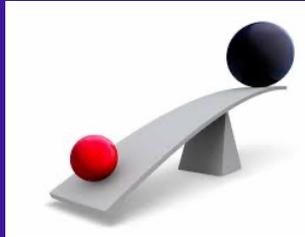
Leverage

=

more value

Share

=

greater client trust and more business

To underpin your aspirations, you need the foundations

Quality

Governance
- definitions
- structure

Insights

Presentation

Story

Now where do you want to be?

Differentiated

Unique

Uniqueness

Commonality

Primary data / IOT

AI / ML

Weak signals

External data

Strong insights

Insights

Reporting

First move advantage

Early to adopt
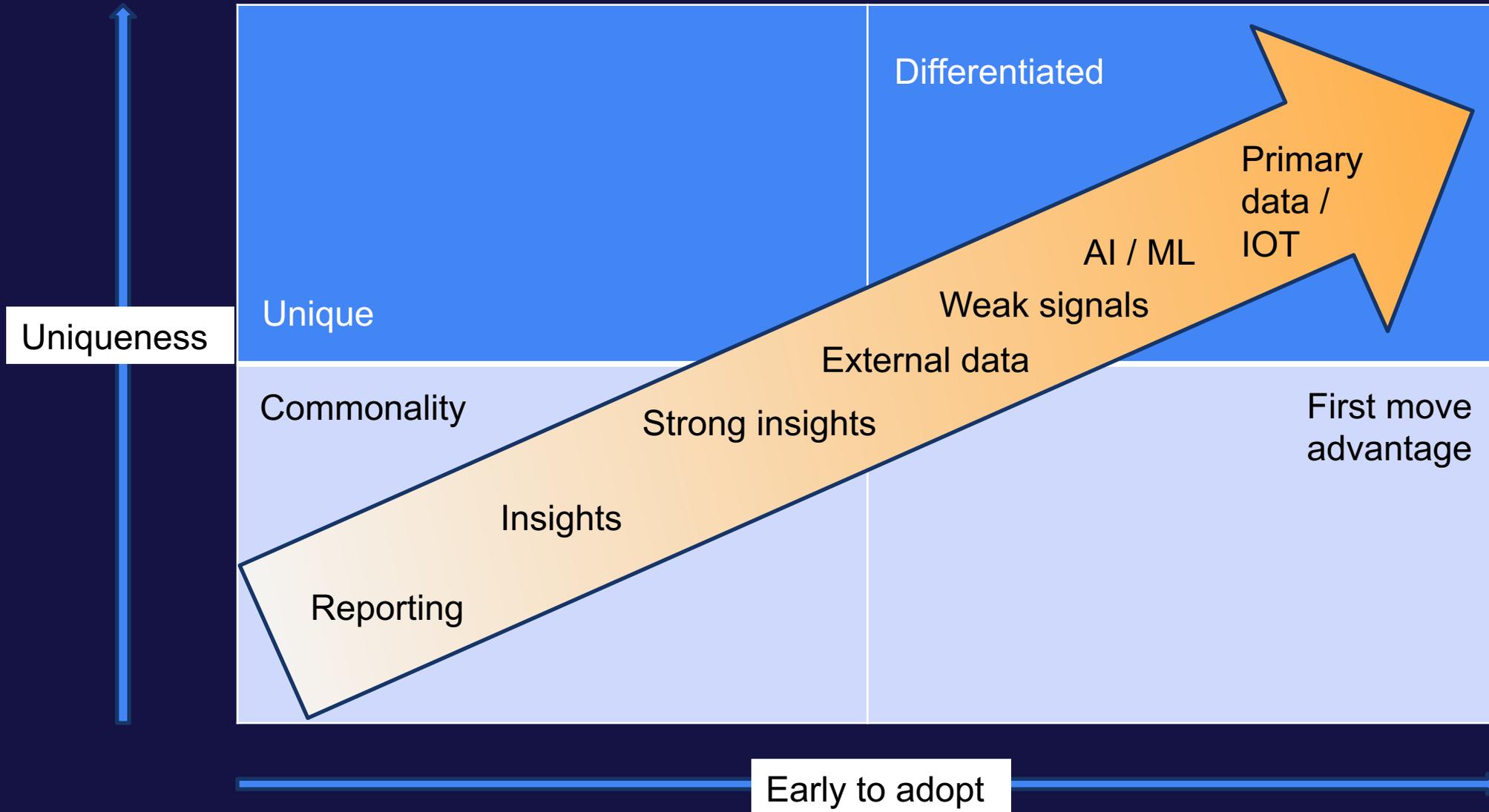
The Internet of Things

Using primary data in proactive risk management

By Dr Julie Gandolfi, Driving Research Ltd.

System telemetry

- Common in commercial aviation since the 1950s, more recently in shipping, rail, manufacturing, etc.
- Mainly used for systems monitoring and incident investigation
- Recent surge in application to road vehicles
  - Haulage/distribution
  - Light vehicle fleets
- Increasing focus on behavioural analysis – proactive risk control

Example – vehicle telematics

Research evidence shows strong links between types of events detected by telematics systems and risky driving behaviour

| Harsh acceleration/braking
Hard cornering
Excess speed
Failure to take breaks | → | Aggressive driving
Distracted driving
Fatigue
Susceptibility to time pressure |

Target risky behaviours with coaching-based interventions

Monitor telemetry to confirm behavioural change

Contextualising telemetry

Telemetry reflects the integrated state of device and user

Device	–	Functioning	-	Working and optimised?
Skills	–	Performance	-	What is the user doing?
Behaviour	–	Application	-	Why are they doing that?
				How is this affecting risk?

Pattern identification offers insight into incident predictors
Triangulation between data sources enhances understanding, e.g.
- Organisational data
- Psychometrics

Omnipresent monitoring

- Continuous overview of system performance, human performance, and behaviour
- Overcomes "best behaviour" effects
- Big data offers opportunities to capture incremental changes
- Analysis of changing profiles in real time reduces lag
- Facilitates proactive risk management, rather than reactive

A real-life example from the City

- In 2018 an insurance consortium of 10 police forces found no interest from the market on the basis of their risk profile
- One insurer agreed to provide cover with conditions detailing a rigorous insurer-led risk control process
  - Proactive use of telematics
  - Integration of multiple driver data sources
  - Targeted behavioural interventions
- After 5 years, they had interest from multiple insurers and achieved significantly lower premiums

Current challenges

- Inconsistent data content and quality between providers
- Lack of transparency – what do aggregated scores really mean?
- Proactive monitoring essential for timely intervention – but someone has to do it

Key benefits

- Identify increasing risk to target intervention before incident
- Provide feedback to motivate sustained behavioural changes
- Identify individuals failing to embed improvements
- Establish the optimal frequency of behavioural interventions

Key points

- Data quality is critical
- Integration of data sources provides a comprehensive view of risk
- Leading indicator – trigger for targeted risk reduction interventions
- Behavioural risk is dynamic so continuous monitoring is important

DataTick
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Thank you !