Navigating the GenAI Frontier in Insurance:

Revolutionising Data Strategies for Business Success

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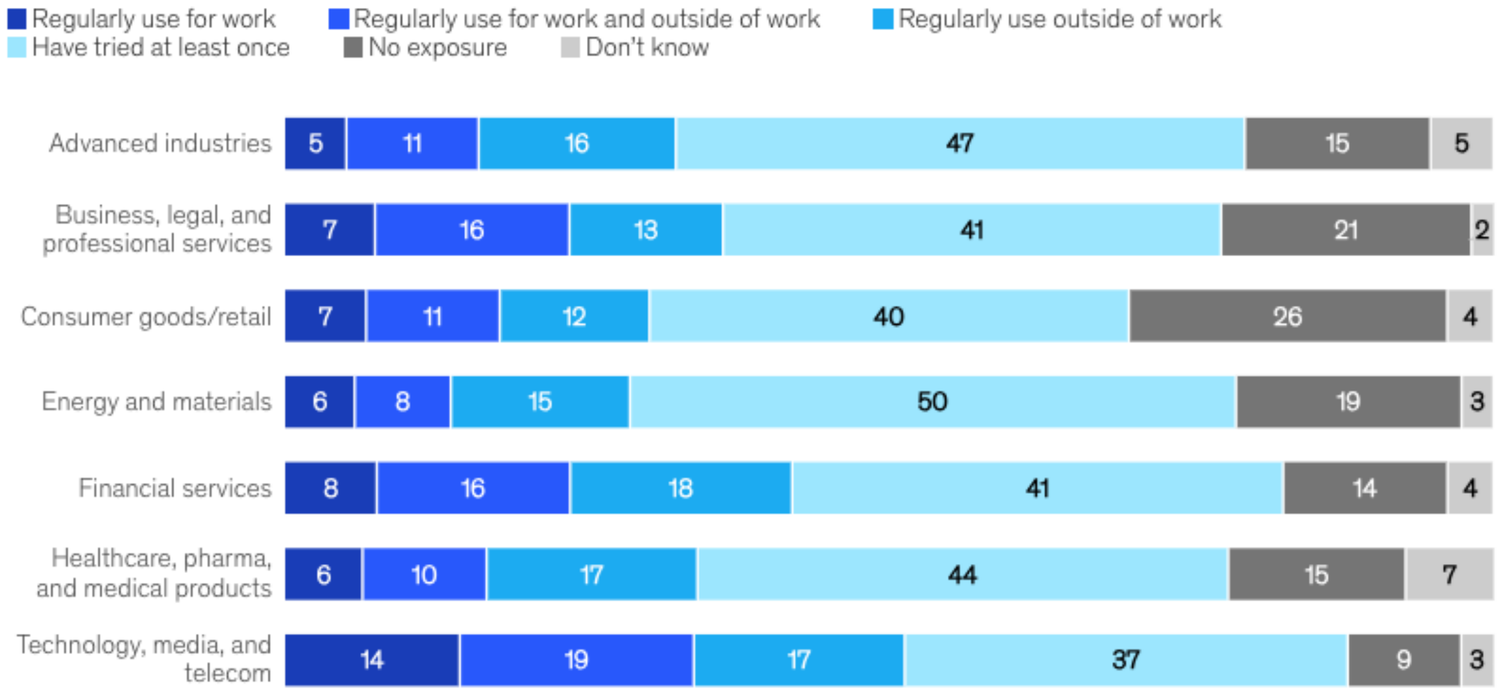
GenAI Landscape

GenAI Adoption

- OpenAI and ChatGPT
- Exec Leaders GenAI survey*
  - April/May 2023
    - 70% of organisations investigating GenAI
    - 4% live
  - Sept 2023
    - 45% piloting or experimenting
    - 10% live

* Source: Gartner Survey 1400 participants



Source: McKinsey Global Survey on AI, 1,684 participants at all levels of the organisation, April 11–21, 2023

The Potential of Generative AI

$15.7 trillion

Game changer

Sizing the prize: What is the real value of AI to your business?, PwC

89%

rank AI and GenAI as a top-three tech priority for 2024, and 51% put it at the top of their list (cybersecurity and cloud computing are the other two top priorities)

From Potential to Profit with GenAI, BCG, January 2024

"Generative AI technology will substantially disrupt our industry over the next five years."

62% AI

of poll respondents agree

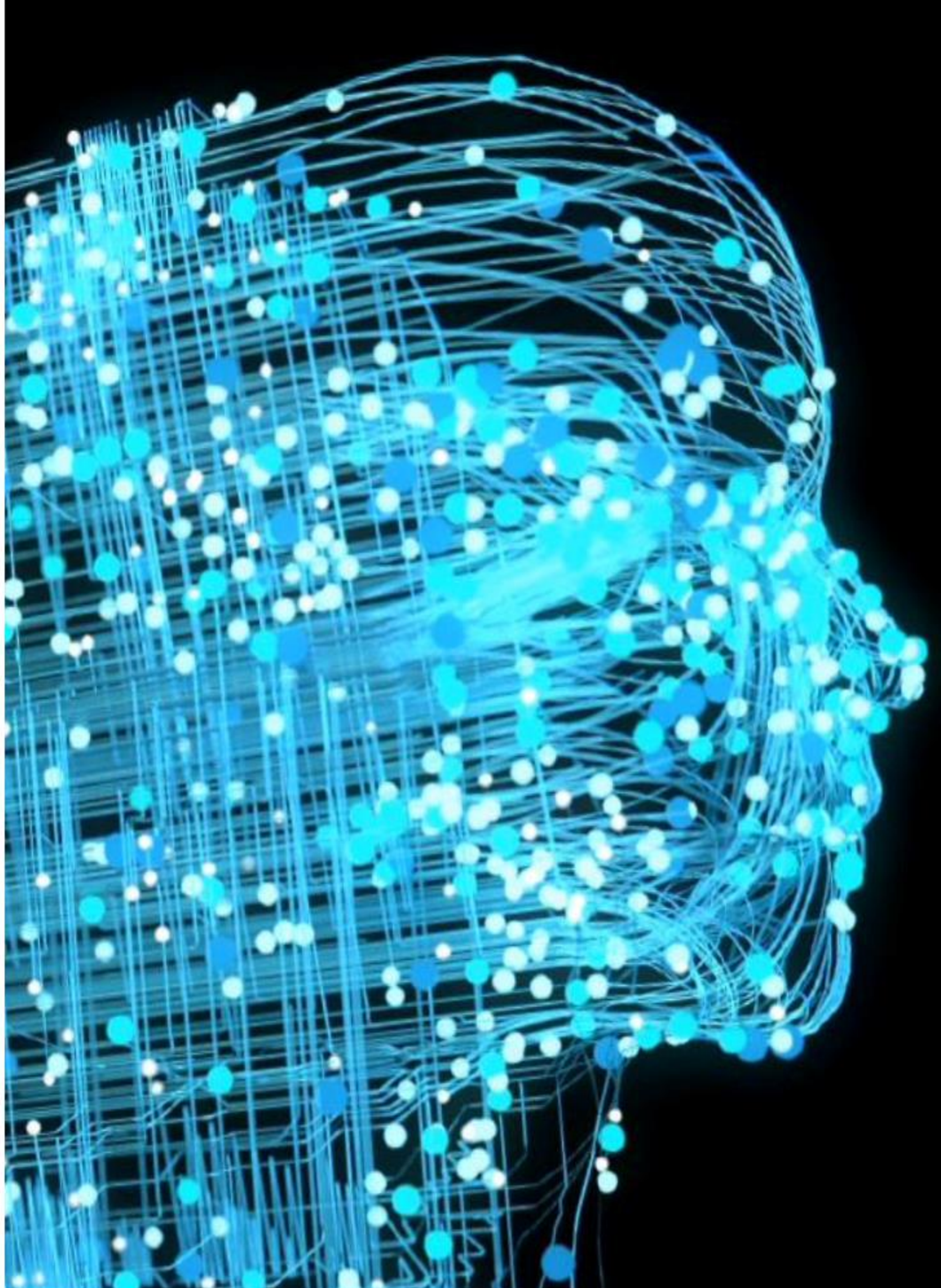
Source: Compiled by MIT Technology Review Insights survey, 2024

Calling generative AI revolutionary is no hyperbole. Business leaders should view it as a general-purpose technology akin to electricity, the steam engine, and the internet.

How to Capitalize on Generative AI, Harvard Business Review, Nov-Dec 2023

"the most important advance in technology since the graphical user interface . . . as fundamental as the creation of the microprocessor, the personal computer, the internet, and the mobile phone."

Bill Gates, March 2023



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By 2026, 80% of businesses will adopt Gen AI (Gartner).

Some use case examples from within the Insurance industry:

Next Best Offer Prediction

- ➔ Analysing customer data can help insurance companies upsell
- ➔ AI can be used to help predict the next best offer and estimate when a transaction will take place.

Pricing Prediction

- ➔ Price prediction with AI more accurately determines the insurance price based on the customers' information

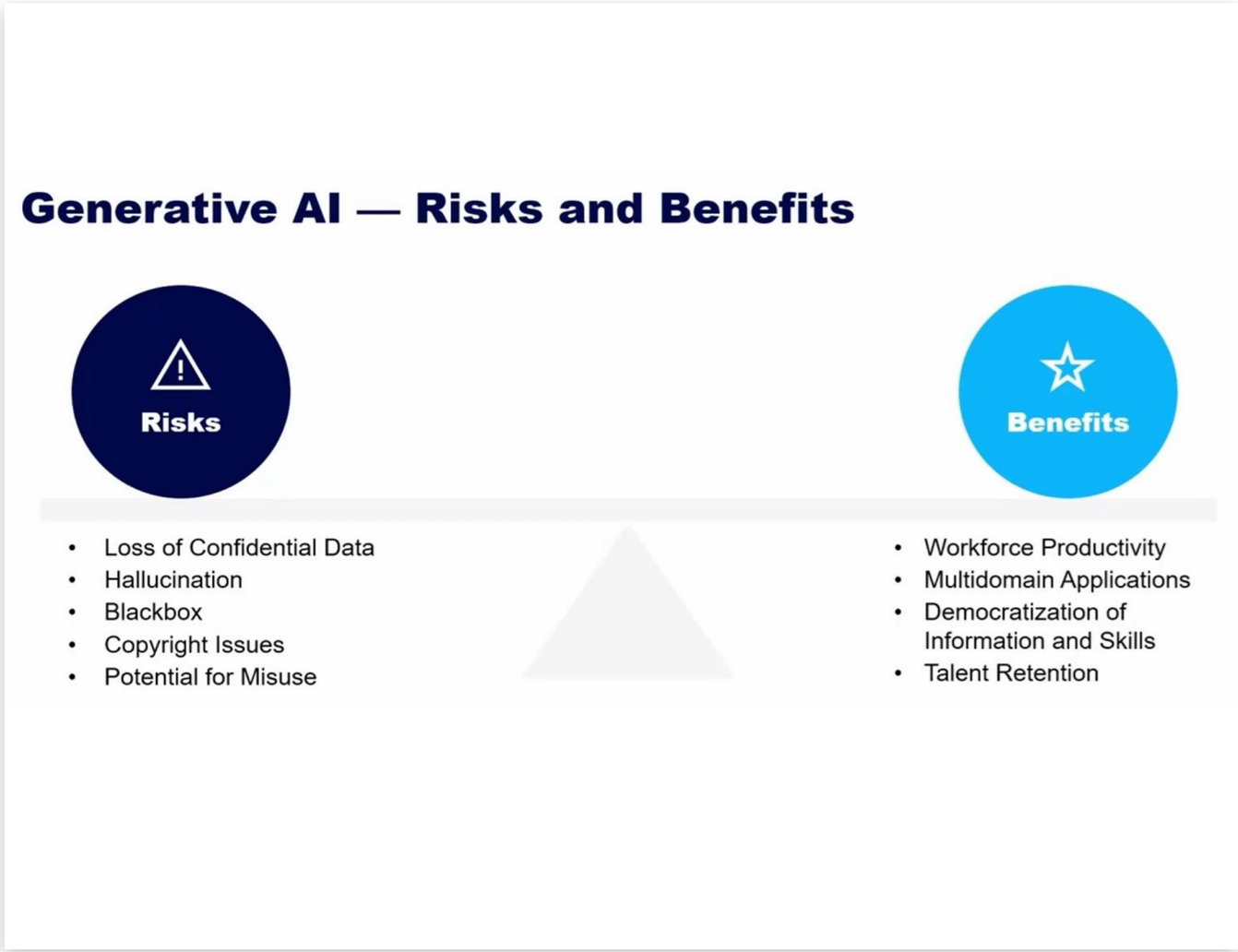
Churn Reduction

- ➔ Using AI models, insurance companies can better assess when a customer could be at risk of reducing or leaving and why

Fraud Prediction

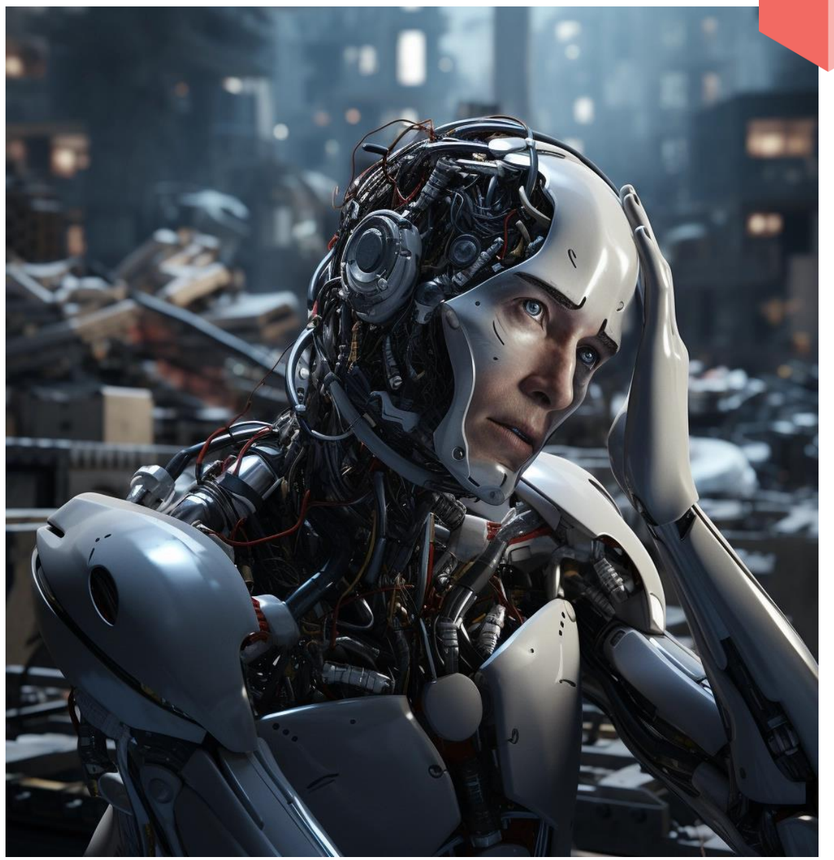
- ➔ Fraudulent behaviour is dynamic and cannot be relied upon to identify fixed characteristics
- ➔ AI is being used to enable more effective fraud prediction.

The Dark Side of GenAI: So what could possibly go wrong?



Adapting to a New Era - Status

- GenAI models like ChatGPT are stuck at a point in time
  - Trained on data from months/years ago
- Lack business context
  - “Knows” who Henry VIII is, but how about Policy Reference BCF-672876?
- Hard to include complex and real-time data into GenAI applications
  - What’s is the latest update from the Loss Adjustor’s report on Claim 21676 made against Policy BCF-672876?



Mid-journey Prompt: “GenAI robot scratching his head and struggling to answer difficult questions”

GenAI LLMs Need Context

How many loans have been granted this week?

Sorry, I don't have access to specific information about loans

How many loans have been granted this week?

234 loans were granted this week

Corporate data

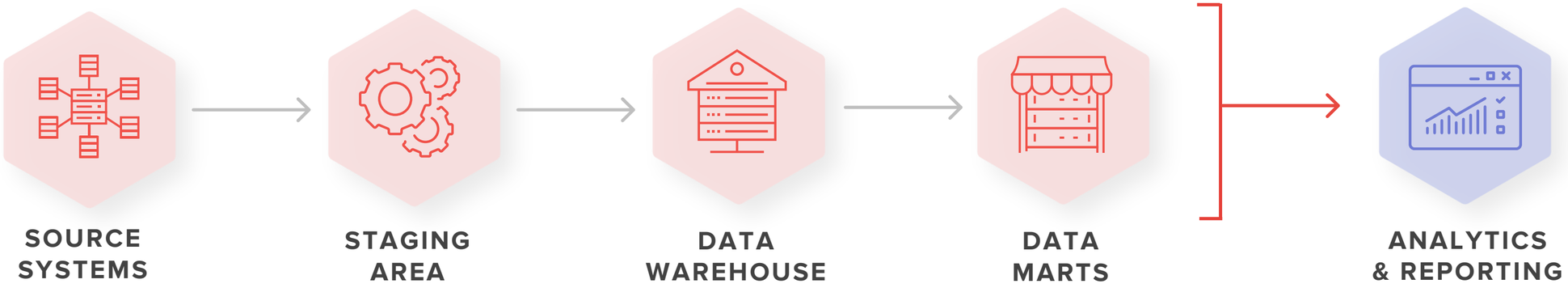
Retrieval Augmented Generation (RAG)

RAG integrates searching into the LLM

Some examples of context information used by RAG include:

- user-specific information (customer orders placed, user actions taken on the website, the user's status, etc.)
- real-time data (your location, the weather etc.)
- relevant private or newly updated data
- any 'high velocity' data that may be relevant

Traditional methods of data delivery not fit-for-purpose in an AI world



- Challenges with slow processing of integration logic – slow deployments
- Semantic models held in existing reports and hard to share with GenAI Applications
- Inconsistencies in reports
- Growing data volumes making ‘move and copy’ model slow / costly / unrealistic
- Source database data structure determines all the data structures – one size fits all

Adapting to a New Era - Considerations

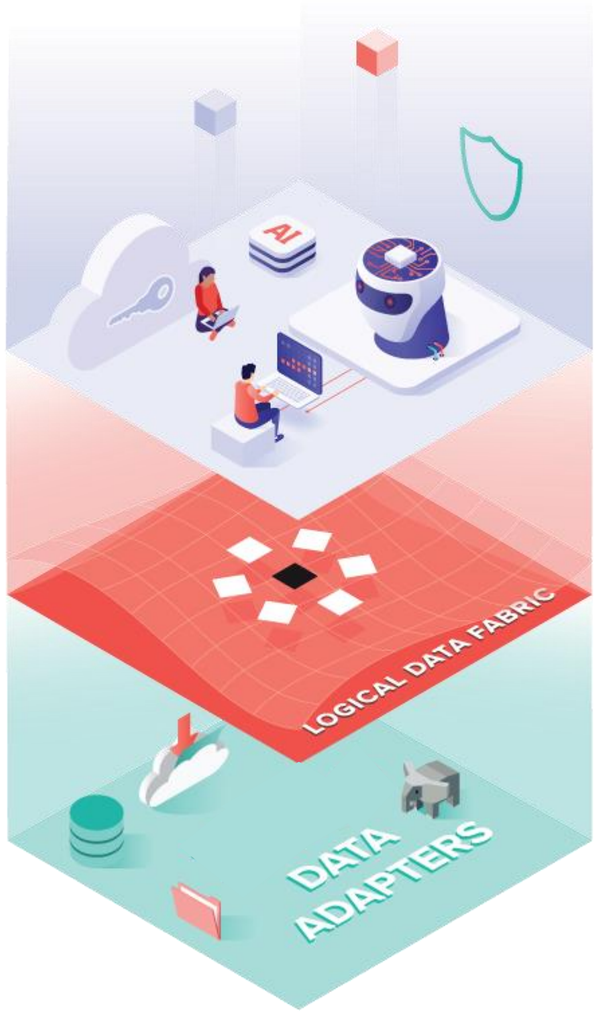
Adoption of GenAI in the business

- Real-time needs of GenAI applications?
- Self-learning AI requires vast amounts of varied data sources to increase the accuracy of AI algorithms
- Accuracy of data used
- Copyright and IPR?
- Data Provenance, Privacy and Legitimate Purpose
- Democratisation of data access across more of the organisation?
- Opportunity to increase productivity
  - Data Engineers/IT?
  - Business Users?

Data delivery challenges:

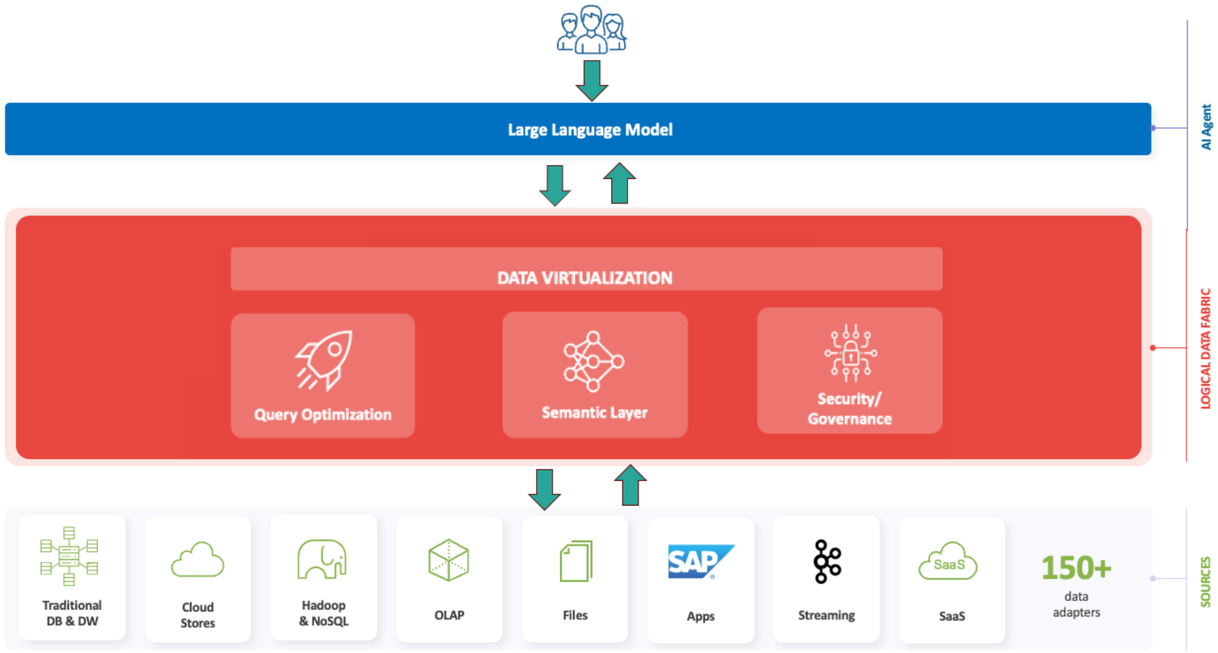
- Large volumes
- Disparate data sources
- Diverse locations
- Different formats/ protocols
- High performance
- Real-time
- Data streaming

The Logical Data Fabric powered by Data Virtualization



- Access to all data via **ONE consistent and secure interface for GenAI Applications**
- Provides the **metadata** necessary to make GenAI Apps smarter
  - Data schemas
  - Field descriptions with contextual information
  - Business-friendly field names
- Enables the exposure of “AI-friendly" data views to the GenAI Apps
  - Basic LLMs struggle with complex queries involving many JOINs
  - It simplifies automatic generation of SQL by LLMs
- Empowers business users and the adoption of a data-driven culture and “Data Democratisation”

Provides a Trusted Data Foundation for GenAI



➔A unified, secure access point for LLMs to interact with and query all enterprise data

➔A rich semantic layer, providing LLMs with the needed business context and knowledge

➔Quick delivery of LLM-friendly data views that are de-coupled and abstracted from the underlying technical complexity

➔Built-in query optimisation for LLM workloads

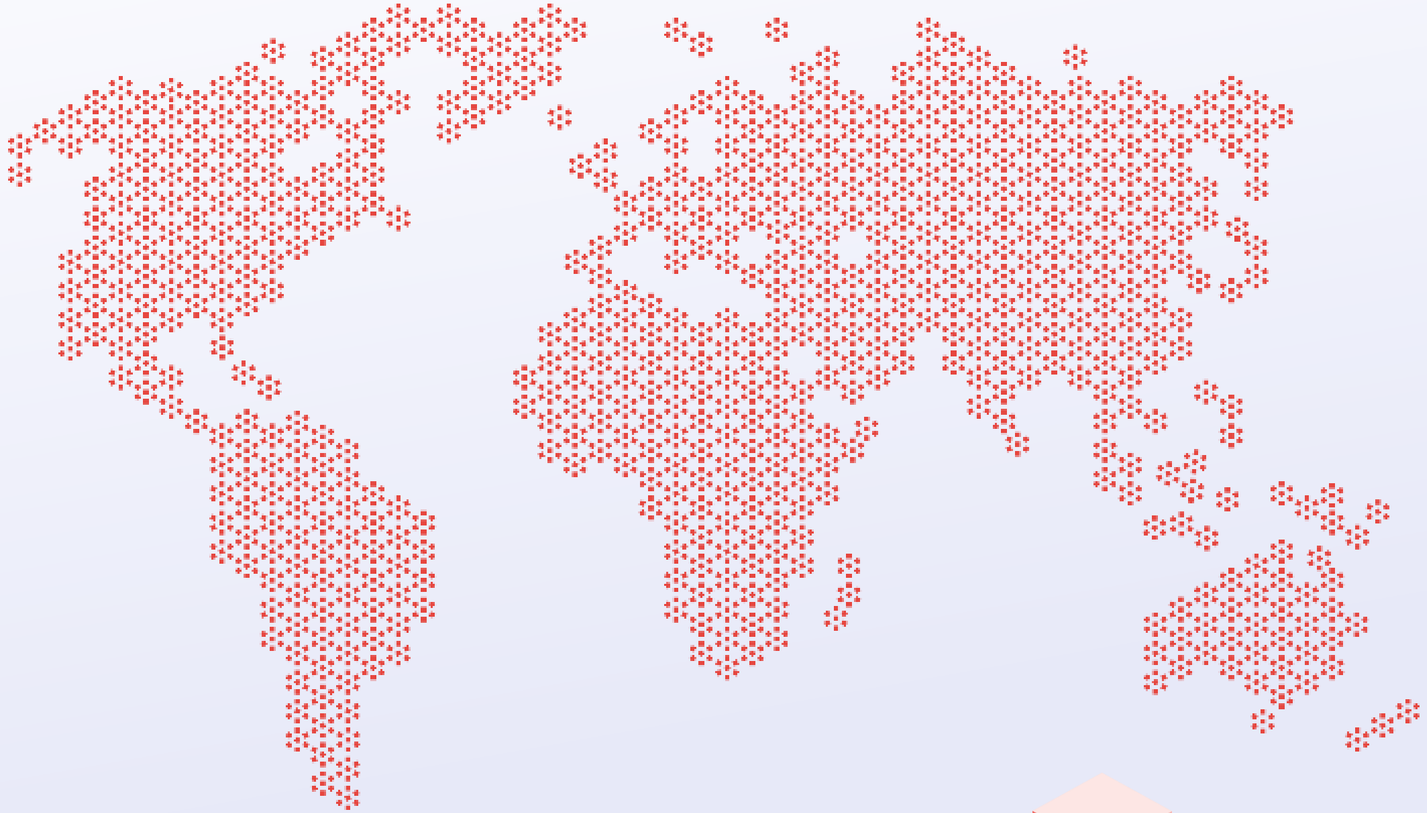
Key take-aways for our discussion . . .

- By 2026, 80% of businesses will adopt Gen AI (Gartner). There are hundreds of possible use cases

- Generative AI enables the use of Natural Language for data management, and will automate data preparation and enrichment

- A logical data fabric powered by data virtualization technology provides the Foundation of Trusted Data to unleash the full potential of Gen AI applications.

DALL-E response to the prompt:
“Draw a visual representation of key take-aways”



Thanks!

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