

RGAx Asia: Reimagine Insurance

The next big thing in insurance innovation – insurtech – is actually multiple things.

Insurtech describes a fusion of insurance, health and wellness, and technology.

It is an intersection on the innovation highway, a place where discoveries across multiple disciplines converge to enhance daily lives, even as they upend old business models. More than 500 start-up companies are crowding more established carriers on this road – all speeding towards the same destination: growth through an improved customer engagement and experience.

Success depends on how rapidly insurers can adapt to four insurtech trends currently transforming consumer behavior and expectations:

1. Small tech = Big impact.

Smaller and smarter technology is now mainstream, and these tiny devices are transforming the product design, the experience and engagement with the traditional insurance product. Consider the Usage-Based Insurance (UBI) model. First pioneered by auto insurers, UBI aligns observed behaviors with premium rates. Devices installed under dashboards send insurers information about driving performance in real-time, rewarding the careful.

In much the same way, implants installed on or in our bodies can enable patients to better manage chronic impairments while sharing streams of data. Diabetics, for example. Data driven = Informed choices.

Web-enabled devices – the so-called Internet of Things – are now a part of our day-to-day routines and influence our personal habits and rituals. Therapeutic digital devices in our homes and workplaces collect medical and wellness diagnostics, and then suggest lifestyle choices to promote long-term health goals. Growing numbers



Still, however much insurers may love the idea of “Big Data,” carriers must also consider increasingly significant and explicit data privacy and discrimination concerns. The strategic importance to insurers of employing data appropriately will mean, for some time to come, a continued focus balancing the use of the data with obligations to respect consumers’ privacy and security.

3. Artificial intelligence + Intelligent Assistants.

Across industries, experts agree that in the next half century, artificial intelligence and machine learning will shape our experiences in interacting with products and services. In Japan, for example, a graying population and limited immigration have led to a severe nursing shortage. Robotics is filling the void; a wave of artificial therapeutic