

Enriching Data for Underwriting and Claims



*Strategically Thinking About
the Fourth Industrial Revolution*

Enriching Data for Underwriting and Claims - Strategically Thinking About the Fourth Industrial Revolution

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Last month at the World Economic Forum in Davos, Switzerland, the topic of the Fourth Industrial Revolution was on everyone's mind. In short, the Fourth Revolution is about changing technologies that will change the world, and how our jobs will change.

The disruptive technologies is at the core of the revolution and is driving companies and business to change. For example, artificial intelligence, 3D printing, and nanotechnologies are allowing us to do things which have never been possible, until now. If your company is not keeping pace with the times; moreover, in the insurance marketplace, you are going to be left behind. Now is the time to realize and unlock opportunities for success in big data, and advanced analytics with data enrichment.

How do you make the most of the data in your business? The best practice is to start with the proper advanced analytics platform for your claims and underwriting process. However, before you realize the power of advanced analytics, or next-generation analytics, you must first marshal your data into a clear and cohesive process. Data enrichment can increase the power of your analytics, and provide more meaningful answers in claims and underwriting analysis.

Where do you start?

To solve real business problems, there are three important steps to advanced analytics:

- 1: Data Gathering
- 2: Data Enrichment
- 3: Data Analysis

1. **Data Gathering:** Data gathering means identifying the sources, velocity, and the limitation of the data. Data is never uniform nor is it ever standardized. Where do you go to obtain the data? Is the data flowing in real time? What are the data sources immediately available? Internal and external? Knowing the limitations of your data is key, and the first step in analytics.

After the data is identified, the next step is to gather the sources, and then plan the automation of the gathering process. Planning then starts for the reference architecture (a framework), and identifying the right advanced analytics platform that will support the data to be modeled and processed with minimal efforts.

Data Enrichment: Technology, Skill and Implementation.

Once the data sources come together, the next step is to choose the right natural language process (NLP) technology solution. This is where data enrichment begins in the implementation phase. Things to keep in mind are the accessibility and relevance of the data, the context of the information. Having the right skills and expertise on your team, or your technology partner, will make this part seamless and easy. Domain experts can assist you in developing strategies for the data analysis, and help you with answers to your questions. For example, growth, scale, and new emerging markets. Asking the right questions, from the right data, matters.

Data Analysis: Asking the Right Questions.

Having mountains of data is great for research, but if you don't ask the right questions, you will not discover anything relevant to solve your business problems. In the business of insurance, there are many business units which can benefit from a robust underwriting and claims analytics platform and the patterns that exist in both and how they correlate. For example, patterns of claims data, pricing, activity in the marketplace (think "speed-to-market"), customer resource management (CRM), insurance products, and risk management can be coalesced into one efficient advanced analytics platform. You will be able to derive analysis for measuring trends, and start to utilize the predictive analysis solutions, which encompasses the artificial intelligence component of the Fourth Industrial Revolution.

The Fourth Industrial Revolution has begun, and the business of insurance is going to be part of it. Having the right advanced analytics platform, coupled with business domain and subject matter expertise assisting your team, will strengthen your strategic vision and ensure success. Are you ready?