

# INSURANCE CLAIMS

## WHAT DOES THE FUTURE LOOK LIKE?



NEXT GENERATION DIGITAL CAPABILITIES ARE LIKELY TO TRANSFORM THE ORGANIZATION OF INSURANCE CLAIMS. INSURERS NEED TO ADAPT QUICKLY TO UNLOCK VALUE AND HAVE A SMARTER EDGE.

# INSURERS ARE BEING IMPACTED BY A SERIES OF CHANGE FACTORS THAT ARE FORCING THEM TO THINK ABOUT TRANSFORMING THEIR CLAIMS FUNCTIONS



## NEEDS OF THE CUSTOMER

- Customers now expect Insurers to deliver customer-experience on par with more customer-centric businesses.
- Customers are demanding real time decision making.



## FOCUSSING ON RISK PREVENTION

- Insurers are now shifting from a risk mitigation to risk prevention model, using technologies leveraging better access to data, IOT, and sensors.
- Both Claims frequency and severity are likely to be affected.



## FRONT-BACK OFFICE SEAMLESSNESS

- The traditional Claims journey is often siloed and disjointed due to handovers between the various business units.
- FO-BO integration continues to prove itself as an increasingly relevant way for insurers to ensure a seamless workflow



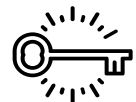
## TECHNOLOGY PROVES TO BE DISRUPTIVE

- Disruptive new technologies in the insurance industry increase competition as well as immense pressure to reduce costs.
- The use of AI, Machine learning and Robotics are transforming how Claims are being managed.



## DEMOGRAPHICAL CHANGES

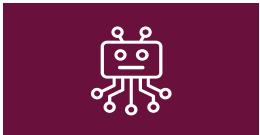
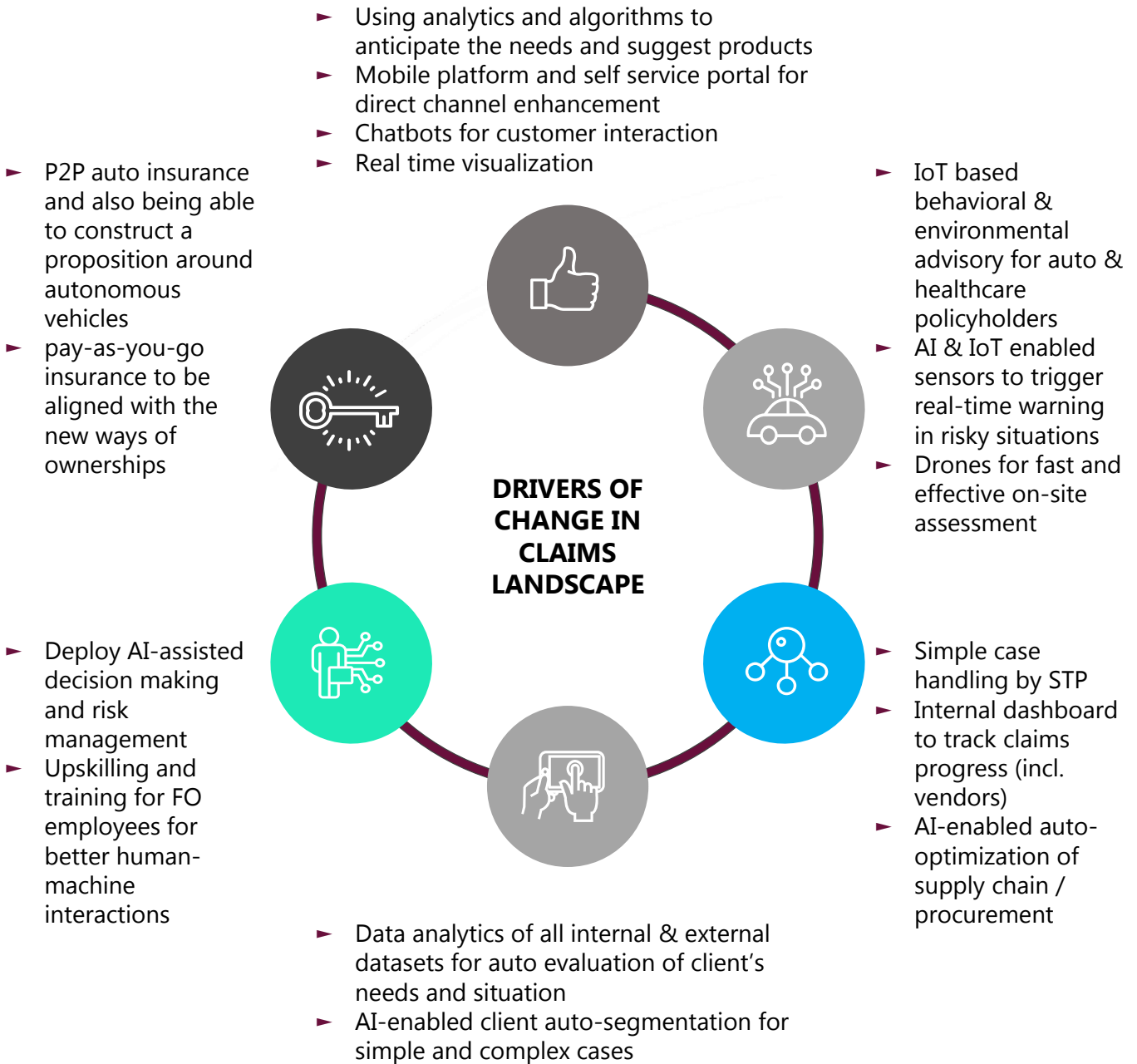
- By 2025, half of the world's population (4.3 billion) will live in developing Asia amid a demographic transition to an ageing population
- Insurers need to consider the gap between the ageing customer base and the millennials as the expectations will vary in every form.



## INDUSTRIAL AND PRODUCTS LANDSCAPE

- Many industrial industries are changing rapidly, like the evolving auto industry with autonomous vehicles, applying pressure on Insurers to adapt with new propositions and products.

# INSURERS ARE ON THE VERGE OF A NEW ERA OF CLAIMS MANAGEMENT, ONE WHICH IS SUPPORTED BY TECHNOLOGICAL ADVANCEMENTS. BELOW ARE EXAMPLES OF HOW INSURERS ARE ADOPTING NEW WAYS OF WORKING ACROSS THE CLAIMS VALUE CHAIN



ARTIFICIAL INTELLIGENCE



INTERNET OF THINGS [IoT]



HUMAN-MACHINE INTERACTION



RPA



DATA ANALYSIS

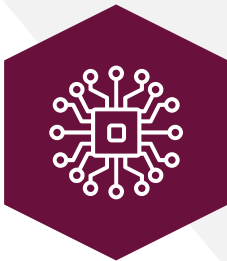
# INSURERS IN THE MARKET ARE ACTIVELY WORKING TOWARDS MAKING CHANGES TO PREPARE THEMSELVES FOR THESE CHALLENGES



**01**

## ADVANCED FRONT ENDS

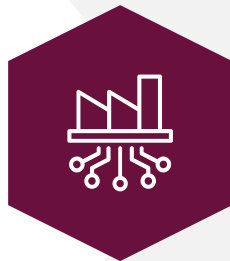
digitally enabled front ends to make it easier for customers and brokers to interact



**02**

## TECHNOLOGY

moving forward in the right capacity, for example installing sensors to feed real time information



**03**

## BETTER USE OF DATA

implementing advanced capabilities to understand the data better and apply the layer of analytics to enhance decision making



**04**

## RIGHT PARTNERSHIPS

looking at various InsurTechs as partners to support their overall transformation agenda



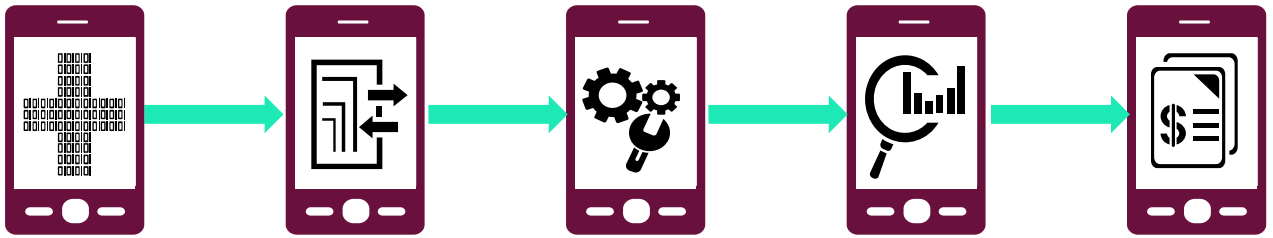
**05**

## JOINT VIEW

adopting better integration with other business units, such as underwriting to improve profitability

# TO REMAIN COMPETITIVE IN THE FUTURE, THE INSURERS WILL HAVE TO OFFER A TRULY INNOVATIVE CUSTOMER JOURNEY

**INSURERS ARE USING A COMBINATION OF AI AND OTHER TECHNOLOGY ADVANCEMENTS AS WELL AS DIGITAL INTEGRATION ACROSS THE OVERALL CLAIMS ECOSYSTEM**



## PREVENTION

Built in fraud deterrence via requirement to submit visual evidence of every claim

Customized notifications for safety warnings, such as flood alert, video on how to prevent glass damage during winters etc.

Promoting wearables

## NOTIFICATION OF LOSS

Fully automated FNOL process, e.g. via telematics

Intuitive notification process for the customer, e.g. enabling customers to report a car accident from the scene using mobile phones

Simple FNOL for SME book of business

## MANAGEMENT

Using automated solutions to support case management, e.g. Cognitive “whisper agents”—tools that provide relevant information to support agents that can automatically guide complex-claims handlers in their customer interactions.

## ASSESSMENT AND DECISIONING

Self-service damage assessment on the loss

Prompts to alter the adjuster on missing information and automated notifications

Automated process on requesting estimates and quotes within the approved network

## SETTLEMENT

Providing customer the option of digital settlement

Automated payment processing and regular update feed process to keep the customer up to date with the progress

Automated verification and invoice generation

## SOME EXAMPLES / ILLUSTRATIONS FROM THE MARKET



**52%** offered multichannel policyholder access including mobile applications

Only **35%** of respondents make digital Claims functionality available to their policyholders



**71%** plan to introduce new or additional technology; off which

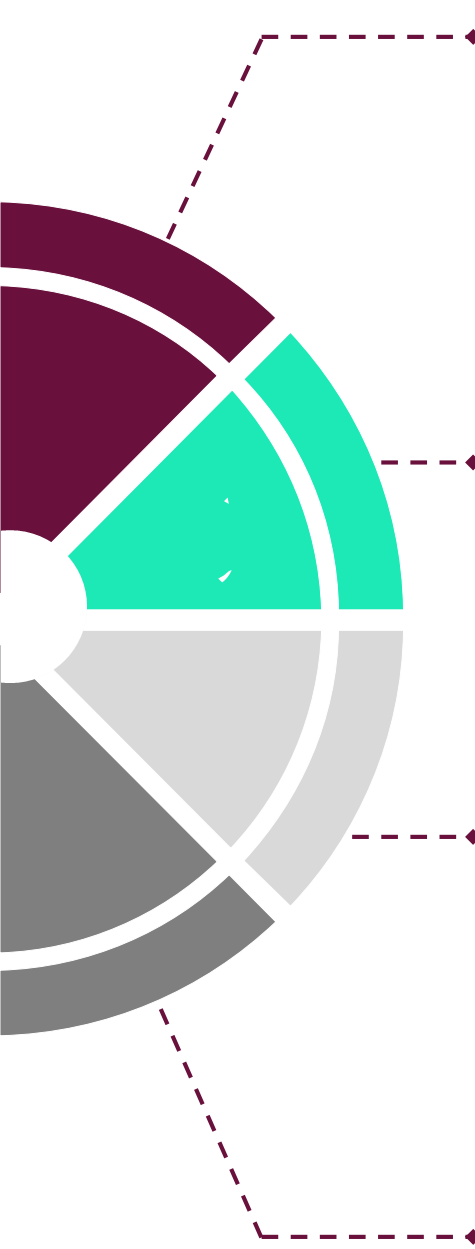
**45%** plan to launch before 2020



When it came to decision making and risk management, only **26%** employ an expert Claims system

# HOW SIA PARTNERS CAN HELP YOU ADDRESS YOUR CHALLENGES AND SUPPORT IN THE OVERALL CLAIMS TRANSFORMATION AGENDA?

IT IS IMPORTANT FOR INSURERS TO UNDERSTAND WHERE THEY ARE AND WHERE THEY WANT TO BE IN TERMS OF ADVANCEMENT AND CAPABILITIES ACROSS THEIR CLAIMS VALUE CHAIN



## RAPID DIAGNOSTIC

quick diagnostic to understand and analyze the current ways of working and comparison to market best practices to identify areas for further deep dives and initial maturity assessment



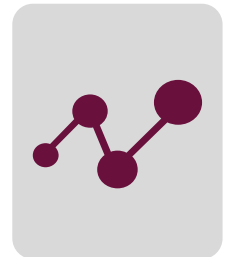
## MATURITY ASSESSMENT

detailed assessment using desktop analysis and interview techniques to provide scoring across a maturity scale (minimal capability to innovative) and list of priority improvement areas.



## MODEL DESIGN AND BENCHMARKING

end to end digital target operating model for the Claims organization covering all aspects (capability, processes etc.) and a complete transformation roadmap.



## DIGITAL ENABLEMENT

using Sia Partners data science capabilities to transform your Claims organization by introducing digital assets across the value chain.



## ABOUT SIA PARTNERS

Founded in 1999, Sia Partners is a next generation consulting firm (over 1500 consultants and more than USD 280 million in revenues) focused on delivering superior value and tangible results to its clients as they navigate the digital revolution. Our global footprint and our expertise in more than 30 sectors and services allow us to enhance our clients' businesses worldwide. We guide their projects and initiatives in strategy, business transformation, IT & digital strategy, and Data Science. As the pioneer of Consulting 4.0, we develop consulting bots and integrate AI in our solutions.

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Our Insurance practice has successfully completed more than 500 assignments since our creation across a range of topics including: Risk, regulatory & Compliance, Performance optimization, Design / launch of new products & Customer journeys and Domestic & International growth.



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