Digital Transformation & AI Services for the Insurance Industry
MODERN CHALLENGES FACING THE INSURANCE INDUSTRY

Insurance companies are exploring various starting points to introduce Digital Solutions & Artificial Intelligence into their business value chain. However, executives first need to understand the challenges prevalent in the insurance industry which present opportunities for application of various Digital and AI solutions, including points of value-creation, as well as the measurable impact on their top and bottom-lines. Some of the challenges include:

**High Operational Costs**

- Low efficiency due to repetitive manual processes
- Processing of fraudulent claims
- Lack of insight into inefficiencies

**Low Growth in Revenue**

- Low customer conversion or high customer churn
- Inability to make accurate decisions on new actions or products for customers
All Digital & Artificial Intelligence applications are built and sustained on one fundamental commodity – data, and there are few industries where data is as abundant and as important as in the insurance industry. This is why adoption of Digital & AI tools and technologies is becoming urgent and essential for insurance companies to stay relevant and competitive in the digital age.

BUSINESS DRIVERS FOR USE OF AI IN INSURANCE

The adoption of Digital & Artificial Intelligence tools and technologies is becoming urgent and essential for insurance companies. Some of the key business drivers for use of AI in Insurance include:

- Emerging Competition
- Operational Efficiency
- Customer Satisfaction

“...We have a lot of data, but the question remains what to do with it.”

– a Chief Underwriting Officer (EMEA).
CASE STUDY: Company Increases Productivity by 30%

AI solution for automated claims handling

A Japanese company aimed to derive and calculate pay-outs based on company data (historic claims, files, contracts) and third-party data (medical certificates, and hospital bills) in order to achieve accurate and efficient claims processing and faster pay-outs.

Result: Operations efficiency improved

- Increased productivity by 30% and yielded improvements in accuracy of pay-outs.
- ROI witnessed in 2 years, realized through annual savings of JPY 140 Million.
- Increased customer satisfaction scores because of reduced time of pay-outs.
CASE STUDY: Insurance Company Uses AI for Fraud Detection

AI solution for fraud detection

A large insurance company that had 50 people manually processing 25000-30000 claims each month based on loose rules and experience of team, decided to adopt an ML-based software that automates the fraud analysis process through a score-based system which evaluates the fraud risk of a claim in real-time. The outliers predicted by the scoring system can be immediately investigated, reducing time to process while minimizing errors.

Result: Operational efficiency improved

- 210% ROI within 1 year.
- USD 5.7 million dollars in savings each year.
- Real time fraud detection that scrutinizes over 30,000 claims each month.
CASE STUDY: Health Insurance Provider Develops Chatbot

Chatbot to handle customer queries

A company wanted to answer customer questions based on company data (user profiles, product info, doctor database) and customer data (text-based customer question sets) in order to provide timely, personal, and helpful customer services.

Result: Increased sales and customer satisfaction

- Solution helps customers find a doctor, estimate the cost of services, answer questions about claims, ID cards, and more.
- Chatbot answers more than 20,000 questions daily and can provide written or spoken answers.
- Increased customer satisfaction scores because of reduced time of query response.
- High quality responses over 90% of the time.
- Customers are able to resolve issues directly via the website, without having to call an agent and wait in line during specific working hours.
CASE STUDY: Insurance Company Gains 30 Million Subscribers

AI solution for automated quote prediction

A company wanted to provide accurate quotes over phone in less than 100 microseconds.

Result: Increased customer satisfaction and faster process

- Every weekend, an AI solution pre-calculates quotes for every American adult and household.
- The trained AI model provides quotes over phone in less than 100 microseconds.
- Soaring customer satisfaction led to over 30 million subscribers for auto insurance alone.
Design new products based on AI predictions

A company wanted to create new products based on company data (previous products components, product requirements, employee feedback data) in order to deliver innovative products to the market faster and at lower cost.

Result: New insurance products created, market expansion

- Solution uses claims data to infer which doctor performs which procedure at what frequency and enables insurance company to discover narrow specialty areas and consequently refer patients deliberately to the right specialist.
Knowing which Digital & AI use cases can deliver maximum business impact and knowing how to measure that impact and the associated risks, are key to having a successful digital strategy.

**CHALLENGES TO DIGITAL & AI ADOPTION**

**Enterprise Maturity**
- Staff skills gap
- Data quality
- Data governance

**Fear of Unknown**
- Know benefits
- Security concerns
- Know KPIs

**Finding Where to Start**
- Find use cases
- Define strategy
- Find the funding

**Having a Vendor Strategy**
- Complexity
- Confusion over vendor capabilities
## UnitX helps Enterprises Digitally Transform & Adopt AI with Business Impact

WE DELIVER END-TO-END SOLUTIONS FOR INSURANCE

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