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2022

InsurTech and Distribution

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Repository Citation

McShane, Michael and Pinto, C. Ariel, "InsurTech and Distribution" (2022). *Developing Technology Foresight: Case Study of AI in InsurTech*. 6.

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Acknowledgements

This material was made possible through a grant from the Spencer Educational Foundation. Students interested in pursuing a career in Risk Management and Insurance may be eligible to apply for a Spencer Scholarship. To learn more, visit: www.spencered.org.



InsurTech and Distribution

- InsurTech is a major disruptive issue facing the insurance industry.
- Refer to the “Quarterly InsurTech Briefing Q2 2021 Willis Towers Watson” document (<https://www.willistowerswatson.com/en-US/Insights/2021/07/quarterly-insurtech-briefing-q2-2021>) to answer questions on the following slides.
- Note that questions related to this document can appear on exams, so make sure you read the document and answer the questions.

InsurTech and Distribution (*continued*)

Answers to the questions below and on following slides are in the “*The future of distribution and delivery*” section of the document.

1. Questions about “Tech-enabled traditional intermediaries”
 - a. *What do traditional insurance intermediaries serve as a critical link between?*
 - b. *What are brokers and agents expert at?*
 - c. *What is it extremely difficult to negotiate with?*
 - d. *What does the most appropriate technology support in this case?*
 - e. *What are four areas where technology can play a huge part in evolving the role of human intermediaries?*

InsurTech and Distribution *(continued)*

2. Questions about “Tech-enabled risk consultants”:
 - a. *Over time, what have agents and brokers become?*
 - b. *As consultants of risk, what services do agents and brokers include for their clients?*
 - c. *What risk classes require a greater degree of human touch than other risk classes?*
 - d. *A significant degree of human risk judgment and expertise is required that is very difficult to derive from what alone?*
 - e. *What can automated algorithms help intermediaries do?*

InsurTech and Distribution (*continued*)

3. Questions about “Tech-enabled aggregators and price comparison sites”:
 - a. *In what space has true technological innovation been brought to by a number of aggregators and price comparison sites?*
 - b. *How have aggregators and price comparison sites affected intermediaries?*
 - c. *What have these InsurTechs successfully done with their technology?*
 - d. *What approach really is the true answer to support and drive modular, replaceable, stackable digital distribution in the insurance industry?*

InsurTech and Distribution (*continued*)

4. Questions about “Tech-enabled independent intermediaries and alternative structures”:
 - a. *What are some nontraditional intermediaries that play a significant role in getting products and services in front of potential buyers?*
 - b. *What is an example of a company that put together a captive group using technology without a traditional intermediary?*
 - c. *What kind of InsurTechs offer insurance to an affinity group that will themselves, as the policyholders, own the company?*

InsurTech and Distribution *(continued)*

5. Questions about “Tech-enabled marketplaces/exchanges”:
 - a. What are technologically enabled market exchanges?*
 - b. In most cases, what are these exchanges?*
 - c. In a handful of cases, what can be done on these exchange platforms?*
 - d. What is a good example of an Insurtech exchange platform?*
 - e. By leveraging an insurance exchange, what can insurers do?*
 - f. How do both the exchange insurer, which brings in the customer, and the end insurer, which underwrites the risk, benefit?*

InsurTech and Distribution *(continued)*

6. Questions about “Tech-enabled operating infrastructure for program business”:

a. Who are technology firms and Insurtechs providing technological infrastructure to?

b. What do these models generally consist of?

c. In a small number of cases, what might these platforms also have access to? ⁸

InsurTech and Distribution (*continued*)

7. Questions about “Tech-enabled underinsurance-focused players”:
 - a. *Who are a handful of InsurTechs looking to use their technology to help distribute insurance products, services and functions to?*
 - b. *What platform for buying insurance is in the hands of half the 3.1 billion people who do not have access to basic insurance services?*
 - c. *What can be done on a mobile phone for a policyholder beyond quoting?*
 - d. *What can digital wallets on mobile phones allow?*
 - e. *Why may InsurTechs have a relatively greater opportunity to compete in underdeveloped Asian, South American, and African markets?*