

Senior Xceedance leaders told GR which insurtech innovations will have the biggest effect on the industry

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Artificial intelligence (AI), machine learning, optical character recognition (OCR) and blockchain technologies are among the top insurtech disruptors for the re/insurance sector, according to insurance services firm Xceedance.

Reporting from Monte Carlo, GR spoke to Arun Balakrishnan and Justin Davies, the technology and consulting firm's CEO and its regional head for EMEA, respectively.

Improvements in OCR will bring major changes to procedures, Davies suggested.

"The problem with OCR has been that to work it has required good quality documents to read. A Lloyd's slip with handwritten scrawls added to it poses difficulties," said Davies.

"But it is getting better. It can take much poorer quality documents than previously, read them and take that data off the page," he said.

Balakrishnan noted that AI was the next step before true machine learning, in training the machine to make choices for going about such tasks.

"Insurance documents are fairly standard, so it will be about training the technology on the possible exceptions it may expect to find," said Balakrishnan.

Davies noted that all the buzz about AI does not detract from the need to have human intelligence on standby. "The advantage with a company like ours is that we have a team of insurance professionals out in India.

"So you can still be passed to somebody on the team who can respond if the AI can't read a document, for example," he added.

Blockchain's adoption has a lot of support in the re/insurance market, Balakrishnan thinks.

There will be room for multiple blockchain initiatives. "There's not room for thousands but there's certainly room for several big blockchain initiatives," said Balakrishnan.

"The more attempts the better. In the innovation curve you need some players that fail to keep innovating and learn lessons."

The technology has the capacity for differently created initiatives to talk to each other, Davies explained. "If there's a use case for different blockchain projects to join together I'm sure it could be done," he said.

However too much talk about blockchain is just that, Balakrishnan suggested. "A lot of the concepts are slide-wear. They talk the talk, but nothing has been developed yet," he added.