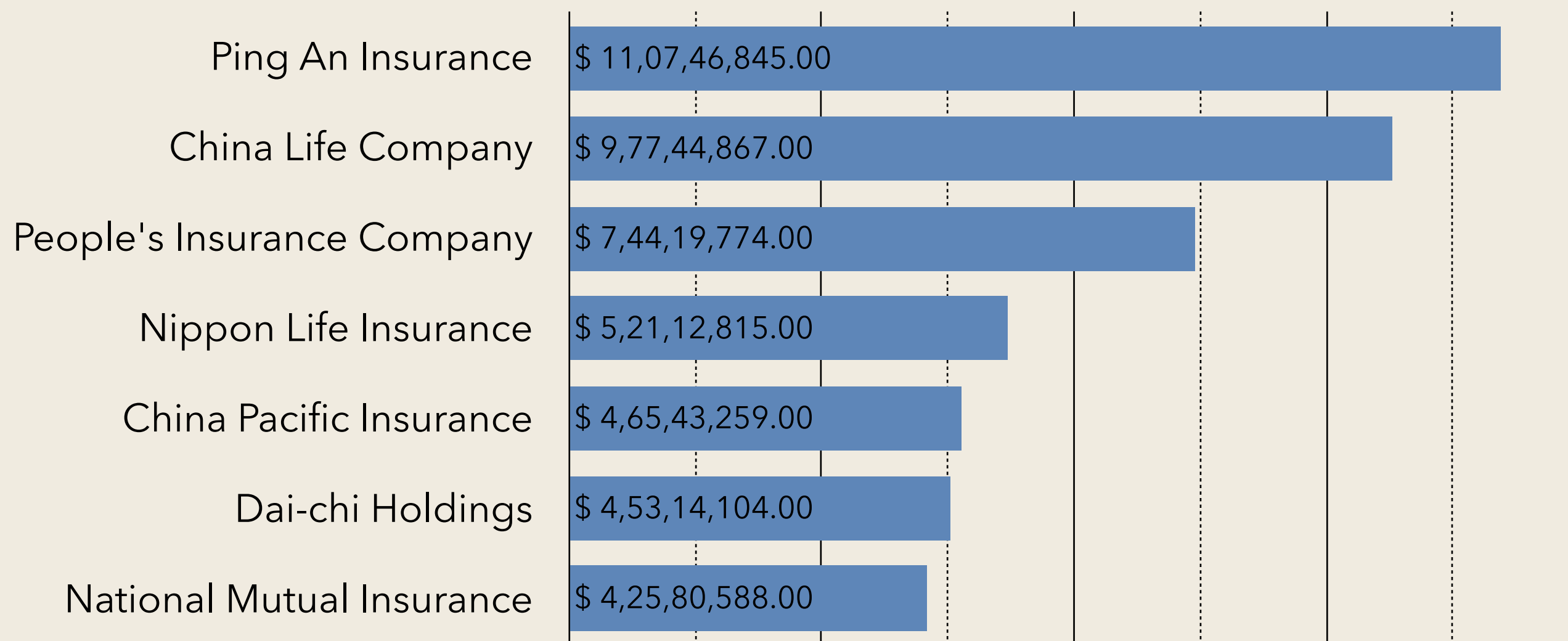PHILIP JOSEPH

Insurance Analytics Assignment 1

A study on top insurance companies in China and Japan

Top Insurance Companies

Data as of 2019. All these firms have both life and general insurance branches. Since these are Asian firms, there is a general lack in the publication of finances and therefore is difficult to get the actual split between L&A and P&C.

Net premium figures in $000's

Company	Net Premium
Ping An Insurance	$ 11,07,46,845.00
China Life Company	$ 9,77,44,867.00
People's Insurance Company	$ 7,44,19,774.00
Nippon Life Insurance	$ 5,21,12,815.00
China Pacific Insurance	$ 4,65,43,259.00
Dai-chi Holdings	$ 4,53,14,104.00
National Mutual Insurance	$ 4,25,80,588.00

Top Insurance Companies

- Ping An of China was founded in 1988 and held its initial public offering (IPO) in 2004. While the company began as a property and casualty insurance company, it has since expanded into the life insurance, banking, online financial services, and wealth management businesses with the stated goal of becoming a comprehensive financial services provider.

- China Pacific Insurance Group is an integrated insurance provider offering property and casualty insurance, life insurance, and reinsurance products, as well as asset management and investment services. China Pacific traces its roots to 1991. It was listed on the Shanghai Stock Exchange in 2007 and the Hong Kong Stock Exchange in 2009.

- People's Insurance Company of China Group was established in 1949. Along with subsidiaries, the company is mainly engaged in property insurance, reinsurance, health insurance, life insurance, pension insurance, Hong Kong insurance, and operating insurance. Its most substantial subsidiary is PICC Property and Casualty Company, which sells a wide variety of non-life insurance products, including auto, homeowners, commercial property, and agricultural policies.

- Nippon Life Insurance Company was founded in 1889 in Japan. They became the first Japanese life insurer to decide to offer profit dividends to policyholders, which embodied the spirit of mutual aid. And so, after its first major closing of books in 1898, Nippon Life paid the first policyholder dividends in Japan.

Outlook of Data Science, Tech and AI in Japanese and Chinese Insurance

- Since most of these companies prefer to publish reports in their native languages, there is a lack of their expenditure summary in the internet.

- Ping An: Ping An has a subsidiary called Ping An Technology, where they use AI, ML, Intelligent Cognition, Blockchain and Cloud Computing to build resources. As per their website, they have invested ¥50 Billion and aim to invest another ¥100 Billion over the next 10 years

- One Chinese insurer wanted to deploy analytics to improve efficiency and effectiveness in recruiting. Through predictive modelling based on historic recruitment data, the insurer identified a list of personal attributes indicative of successful agents. Based on the results, the insurer designed an aptitude test for potential candidates with the objective of identifying people with high potential. (Source)

- *Wukongbao*, a Beijing based broker that has used advanced analytics and AI driven product recommendations to develop an API that monitors user behaviour and then prompts personalized personal accident insurance to users. By working with 5,000 third party platforms including travel aggregators, healthcare portals, auto marketplaces, ride-sharing apps, and niche hobbyist apps, Wukongbao's API has enabled it to be chosen ahead of hundreds of traditional insurers and brokers who could otherwise sell similar products through these third parties. (Source)

Outlook of Data Science, Tech and AI in Japanese and Chinese Insurance

- Ping An HealthKonnect is working on extracting original information from a patient's medical history, then parse, clean, transform and export them into standardised data from their cloud-based platform. In partnering with more than 200 cities throughout the country, Ping An is helping provide them with services ranging from cost control and actuarial services to medical resource management and health record applications. (Source)

- CPIC partnered with Baidu to release "CPIC.AI", an intelligent auto loss assessment product. With the support of the big data of insurance claims and accident case studies, combined with Baidu's face recognition and AI algorithm technologies, it is an all-rounded intelligent and zero-manual-supported auto loss assessment tool with holistic claim settlement capabilities. With coverage of over 97% passenger vehicle brands on the market and 92% auto parts identification accuracy, this product provides intelligent, digital, differentiated and highly efficient loss assessment solution to customers.

- Japan's Fukoku Mutual Life Insurance is using IBM's Watson AI to calculate payouts, thereby reducing the human capital required and has led to layoffs in the company. Insurers like Dai-Chi and Japan Post have also looked into implementing similar strategy (source)

- Mitsui Sumitomo Insurance has introduced MS1 Brain, a fusion of humans and artificial intelligence (AI), combining customer relationship management (CRM) with sales force automation (SFA). The agent is able to uncover the customer's potential needs through analysis of massive amounts of data, with MS1 Brain then suggesting what insurance products to propose and in what way. (Source)