



TIN

London Market Claims

Keynote presentations

Sponsored by



8th October 2019, London

TIN London Market Claims

sollers
CONSULTING





1992

1997

2011

2019

CLAIMS DATA ENTRY : CLAIM DETAILS LLOYD'S

LA0120M 0122 TRAIN1 22/01/10 15:10:33

CLAIMS DATA ENTRY : CLAIM DETAILS LLOYD'S

UCR : B 0823 ECF360 TR : B 0823 001

UMR : B 0823 2010RISK BROKER : 0823 AON LIMITED

BKR CLAIM REF1: 001 CLAIM REF2: ECF360

BKR CONTACT : BARRY LE PAGE PHONE : 020 7 086 8305

BROKER ADVISED: 21 01 2010 SLIP LEAD ADV: 22 01 2010

BUREAU LEAD: 1400 SYNDICATE 1400

SLIP LEAD (CARRIER CODE): 1400

TYPE OF CLAIM : N PARTIAL MARKET COLLECTION : N (Y/N)

UNCLOSED POLICY : N (Y/N) BROKER SUPPLIED POLICY DETAILS: Y (Y/N)

ECF CLAIM : Y (Y/T/N) LOSS PREV ADVISED NON-NETWORK : N (Y/N)

CONTRACTUAL AGREEMENT: N (Y/N) CEDANT IN LIQUIDN : N (Y/N)

ASSOCD UCR : ASSOCD TR :



PF: 1=HELP 3=EXIT

CLAIMS DATA ENTRY : CLAIM DETAILS LLOYD'S

LA0120M 0122 TRAIN1 22/01/10 15:10:33

CLAIMS DATA ENTRY : CLAIM DETAILS LLOYD'S

UCR : B 0823 ECF360 TR : B 0823 001

UMR : B 0823 2010RISK BROKER : 0823 AON LIMITED

BKR CLAIM REF1: 001 CLAIM REF2: ECF360

BKR CONTACT : BARRY LE PAGE PHONE : 020 7 086 8305

BROKER ADVISED: 21 01 2010 SLIP LEAD ADV: 22 01 2010

BUREAU LEAD: 1400 SYNDICATE 1400

SLIP LEAD (CARRIER CODE): 1400

TYPE OF CLAIM : N PARTIAL MARKET COLLECTION : N (Y/N)

UNCLOSED POLICY : N (Y/N) BROKER SUPPLIED POLICY DETAILS: Y (Y/N)

ECF CLAIM : Y (Y/T/N) LOSS PREV ADVISED NON-NETWORK : N (Y/N)

CONTRACTUAL AGREEMENT: N (Y/N) CEDANT IN LIQUIDN : N (Y/N)

ASSOCD UCR : ASSOCD TR :



PF: 1=HELP 3=EXIT







Grace Hanson

Group Claims Director

Hiscox



Ben Bolton

Founder and Managing
Director

Gracechurch Consulting

Leveraging Claims to Build Brand, reputation, and a Claims Culture for a digital age

London Market Claims 2019

Grace Hanson

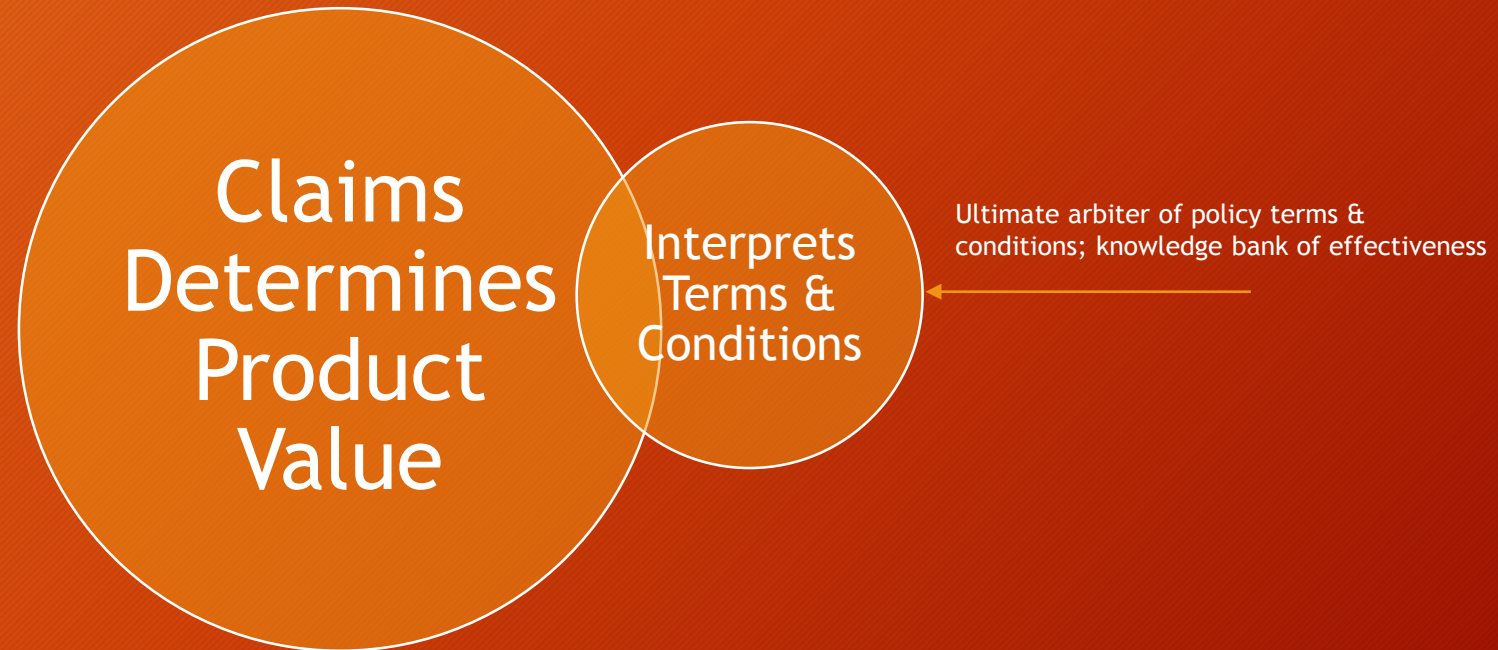
Hiscox Group Chief Claims Officer

Strategic Position of Claims & its Leadership: Transformative ownership of Data, Customer, and LR

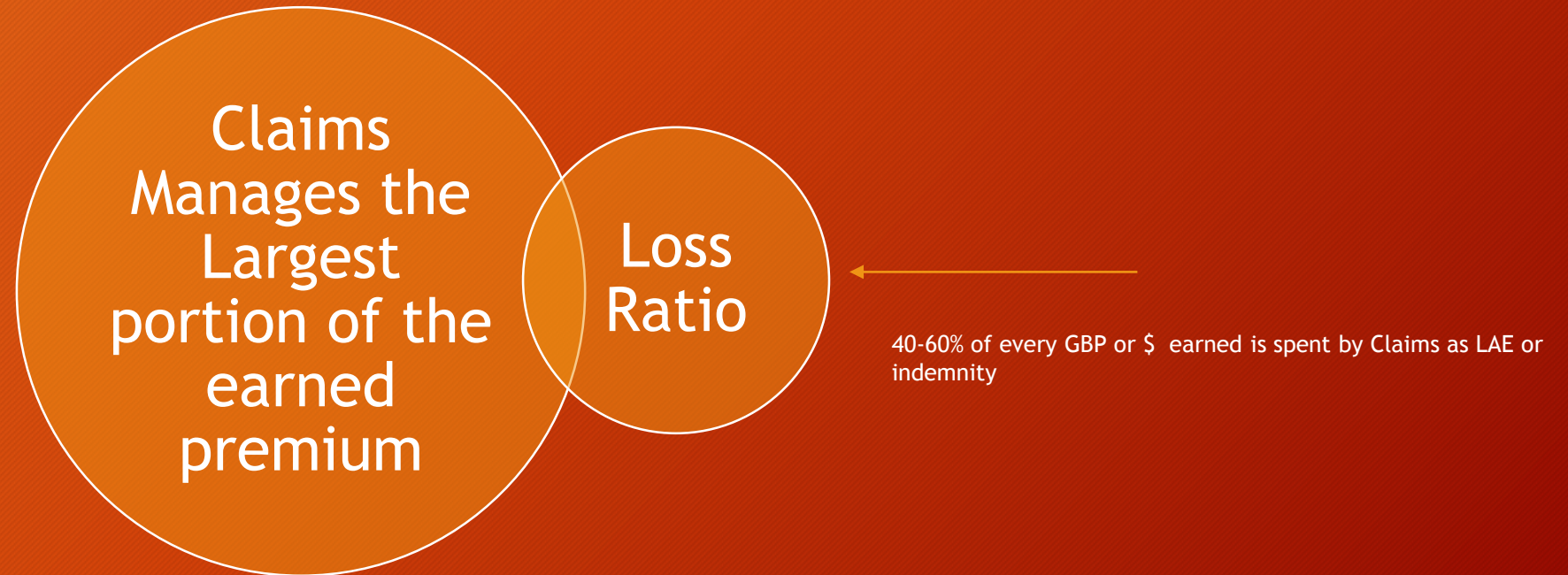


Claims

Strategic Position of Claims & its Leadership: Transformative ownership of Product, Data, Customer, and LR

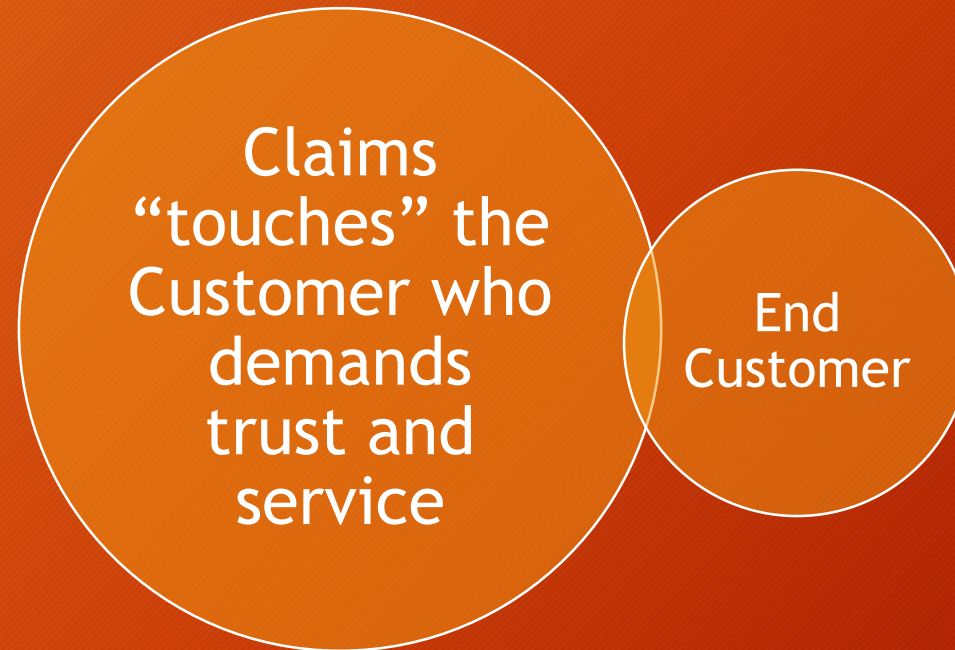


Strategic Position of Claims & its Leadership: Transformative ownership of Data, Customer, and LR



Strategic Position of Claims & its Leadership: Transformative ownership of Data, Customer, and LR

Salesforce suggests consumers want 50% a trusted experience and 50% a seamless digital one ; Claims needs to define that digital experience

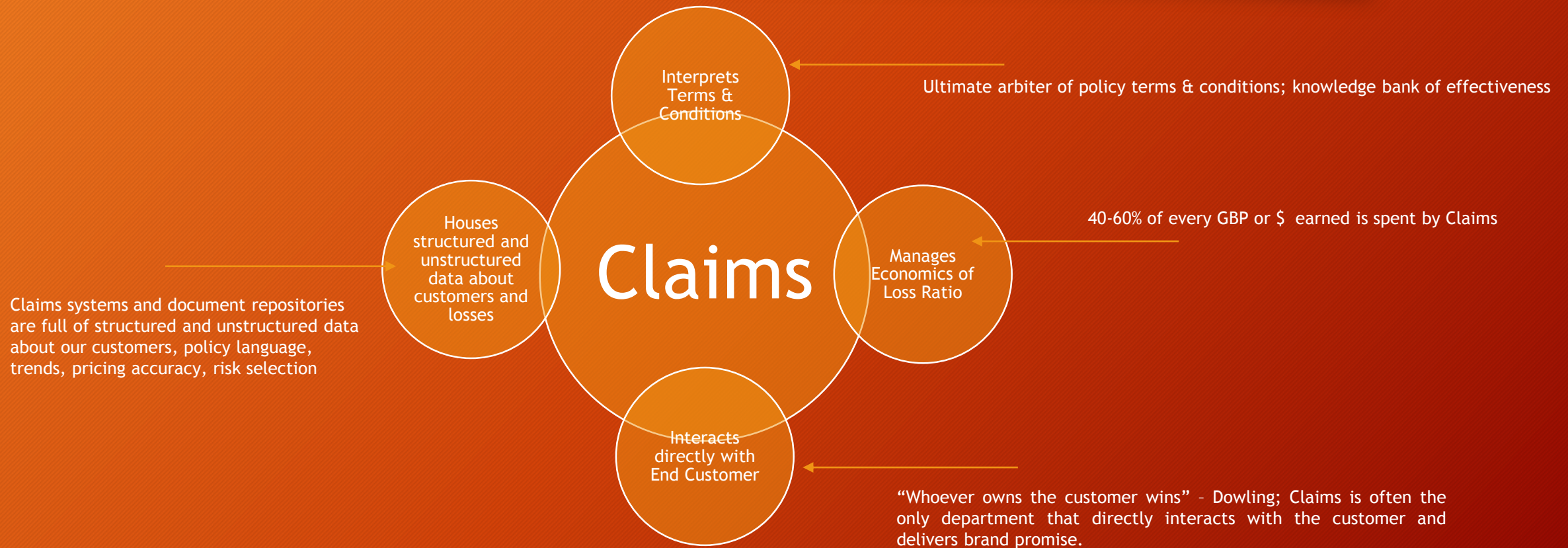


"Whoever owns the customer wins" - Dowling; Claims is often the only department that directly interacts with the customer and delivers brand promise.

Strategic Position of Claims & its Leadership: Transformative ownership of Data, Customer, and LR

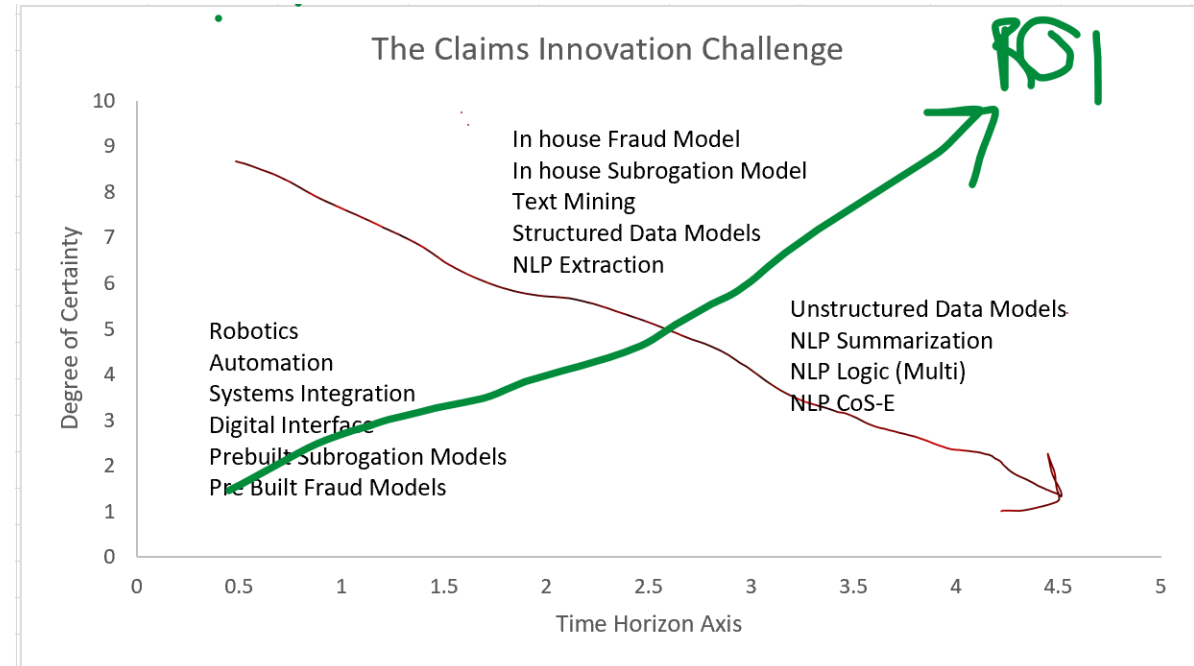


Strategic Position of Claims & its Leadership: Transformative ownership of Data, Customer, and LR



To meaningfully tackle the “new” weight of responsibility, Claims & its Leadership must recognize and define multi horizon strategies

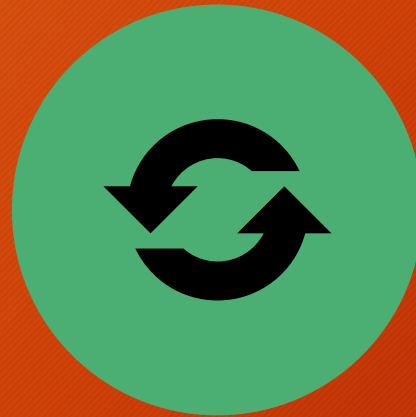
The easy stuff doesn't deliver much economic value. The hard stuff can but involves much more uncertainty, expertise, and multidimensional skills



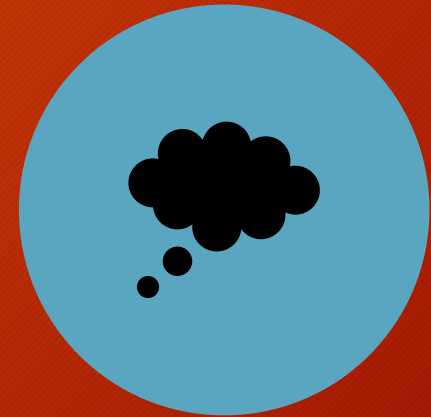
Qualities, Competencies and Culture to Build Claims Future-State - Learning Agility, when was the last time you studied something outside your comfort zone?



TRANSFORMATION FROM A MATERIAL SOCIETY
TO A KNOWLEDGE BASED ONE



FORCES CONTINUOUS LEARNING - NOT
POSSIBLE TO KNOW IT ALL



YOU CAN NEVER KNOW ENOUGH. TECHNICAL
EXPERTISE IS JUST THAT - NEED WISDOM
WHICH COMBINES SOCIAL, EMOTIONAL, AND
INTELLECTUAL BREADTH

Qualities, Competencies
and Culture to Build
Claims Future-State - No
Ego, your junior staff
member understands
service delivery better
than you do



Access to Information lowers
barriers to entry

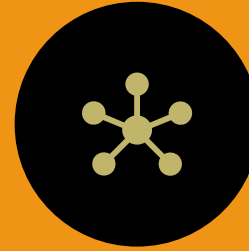


External Industry can compete,
our junior employees can
compete

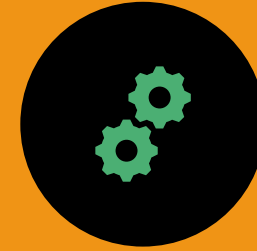


Claims People must get outside of
insurance; leaders need to be
thought partners - No more
command and control

Qualities, Competencies and Culture to Build Claims Future-State - Can you build a Lego without the set?



DIGITAL DEMANDS
INTEGRATION



MODELS DRIVE PROCESSES
WHICH DRIVE INTERACTION.
NOTHING IS SILOED.
TRANSFER TECHNOLOGY IS
ADVANCING RAPIDLY.



INTEGRATORS GAIN VALUE AS
THEY CAN WORK ACROSS
TRADITIONAL BOUNDARIES -
EVERYTHING TRANSFERS
NOW, CAN YOU MOVE FROM
ONE DOMAIN TO ANOTHER?

Qualities, Competencies and Culture to Build Claims Future-State
- Can you identify and play all the instruments in the orchestra?

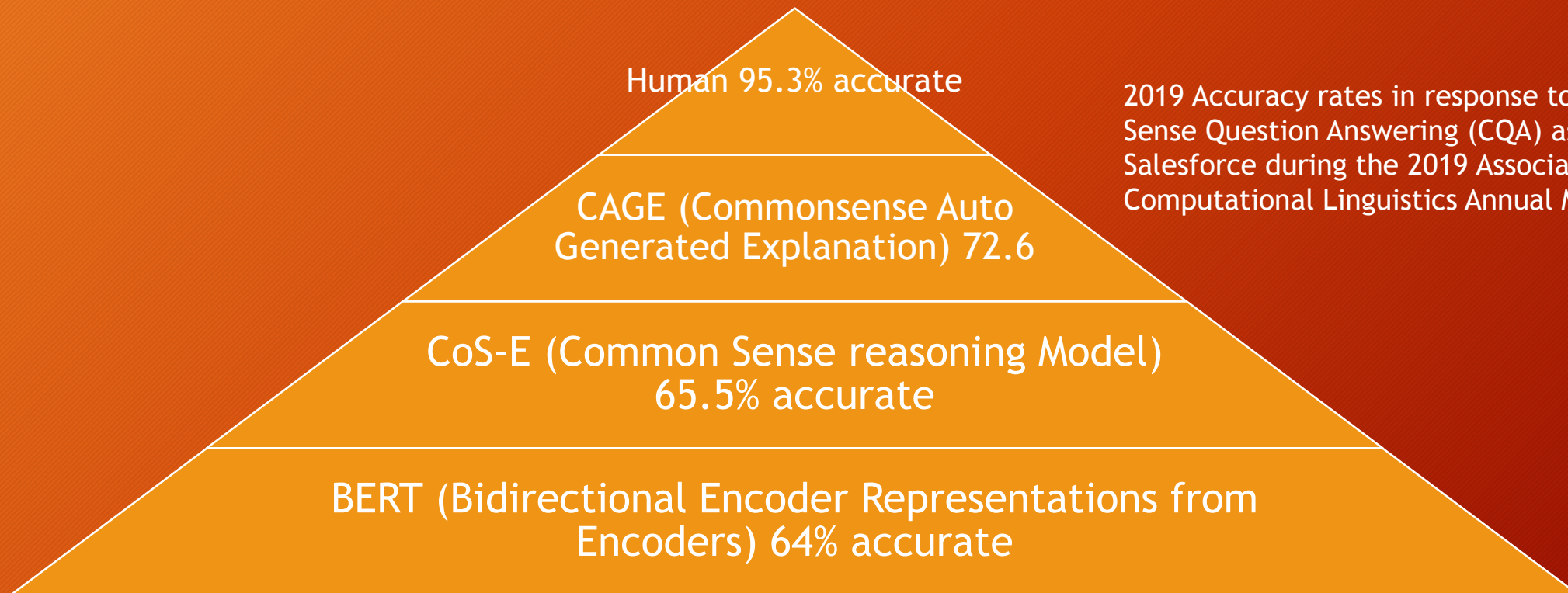
Orchestration is key

Can you identify, price, and form strategic alliances?

Do you understand methods and tools available (Visual Imagery
AI, auto dimensioning, NLP contract review, sensor data?)

Qualities, Competencies and Culture to Build Claims Future-State

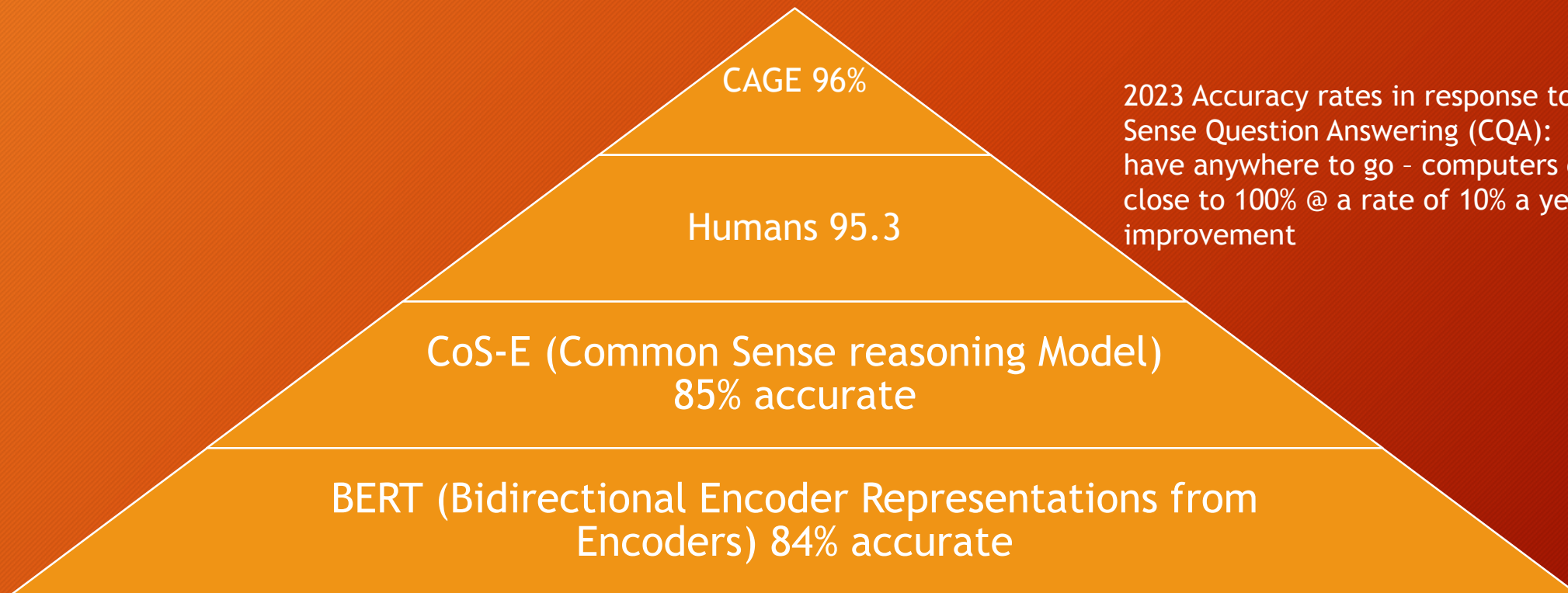
- How long can humans own common sense?



2019 Accuracy rates in response to Common Sense Question Answering (CQA) as discussed by Salesforce during the 2019 Association of Computational Linguistics Annual Meeting

Qualities, Competencies and Culture to Build Claims Future-State

- Adaptability and Good Humor - Change is Coming



2023 Accuracy rates in response to Common Sense Question Answering (CQA): Humans don't have anywhere to go - computers can get pretty close to 100% @ a rate of 10% a year improvement

THE GRACECHURCH REPORT

Where next for London Claims?

Ben Bolton

TIN London Market Claims

8th October 2019



GRACECHURCH

This Report and its content is copyright of Gracechurch Consulting Ltd © Gracechurch Consulting 2018. All rights reserved.

Any redistribution or reproduction of part or all of the contents in any form is prohibited other than the following:

- you may print or download to a local hard disk extracts for your personal and non-commercial use only
 - you may copy the content to individual third parties for their personal use, but only if you acknowledge the Report as the source of the material
- You may not, except with our express written permission, distribute or commercially exploit the content.

Claims in the spotlight (at last)

Claims the most universally and strongly supported part of Lloyd's modernisation proposals
(Gracechurch Buzz Survey July 2019)

Lloyd's Blueprint: three years to roll out the 'Claims Solution': opportunity or threat?

Our London surveys show that claims is now a strong shortlisting driver for brokers

Most of the major insurers are investing in claims as a key point of competitive difference





My themes

Claims is in the spotlight and the time to ***seize the moment is now***

Claims is a top driver of choice
for the first time

Claims modernisation is about what ***tech enables humans to do***

The most important thing from here is ***the customer proposition***

Customers need ***specific benefits***
not general promises

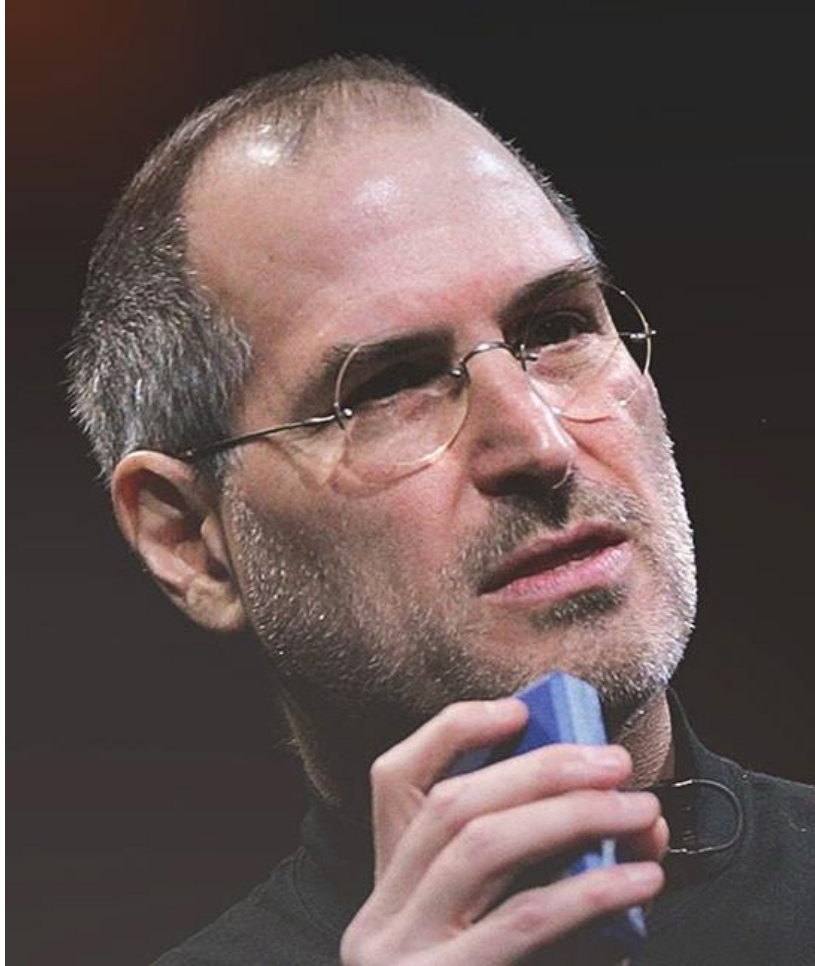


Tech and innovation



GRACECHURCH

Customer experience



“The hardest thing is when you’re trying to effect change is how does that fit in to a cohesive, larger vision, that’s going to allow you to sell 8 billion dollars, 10 billion dollars of product a year? And, one of the things I’ve always found is that you’ve got to start with the customer experience and work backwards for the technology”.

You can’t start with the technology and try to figure out where you’re going to try to sell it.

And as we have tried to come up with a strategy and a vision for Apple, it started with **“What incredible benefits can we give to the customer? Where can we take the customer?”**




InsurTech can be magical but is not a silver bullet

Opinion **Blockchain**

Blockchain: disillusionment descends on financial services

Too many projects started with the technology rather than the solution

JEMIMA KELLY [+ Add to myFT](#)



The financial services sector has been ploughing \$17bn a year into the technology © Elnur/Dreamstime

Jemima Kelly SEPTEMBER 24 2019 32

AI can streamline insurance claims – but at what cost?

Algorithms promise to cut bureaucracy, yet this could leave insurers more exposed to fraud



New York-based insurer Lemonade paid out a claim in 2017 for a stolen 5979 Canada Goose jacket in just three seconds © Reuters

Oliver Ralph SEPTEMBER 24 2019

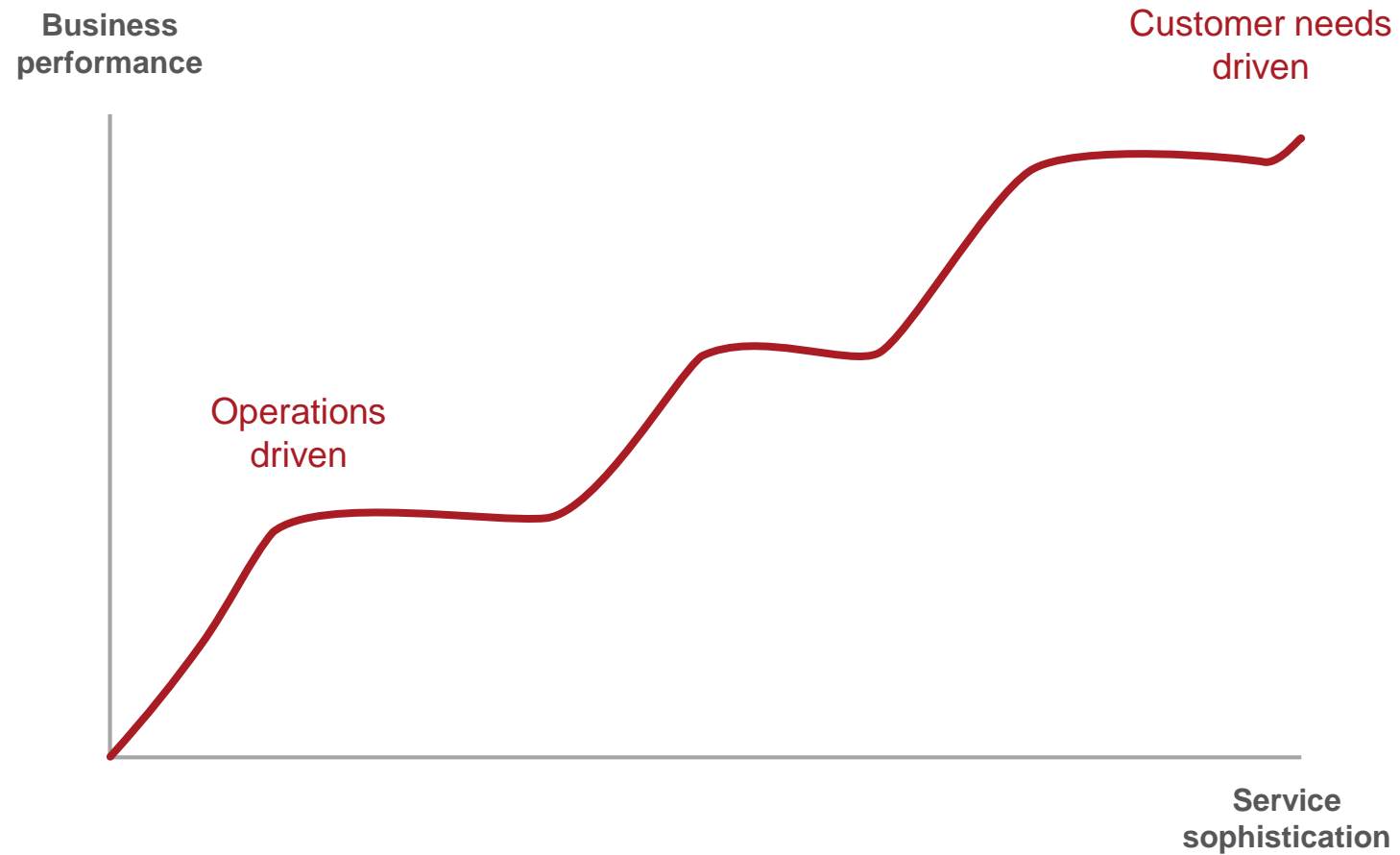
3

It is less clear, however, that machine learning is poised to take over more complex analytical and sorting work, such as the assessment of insurance claims for car crashes or burglaries. Alastair Robertson, Zurich's head of continuous improvement and automation for the UK, is one of many in the field to express doubt about whether current systems are up to the task.

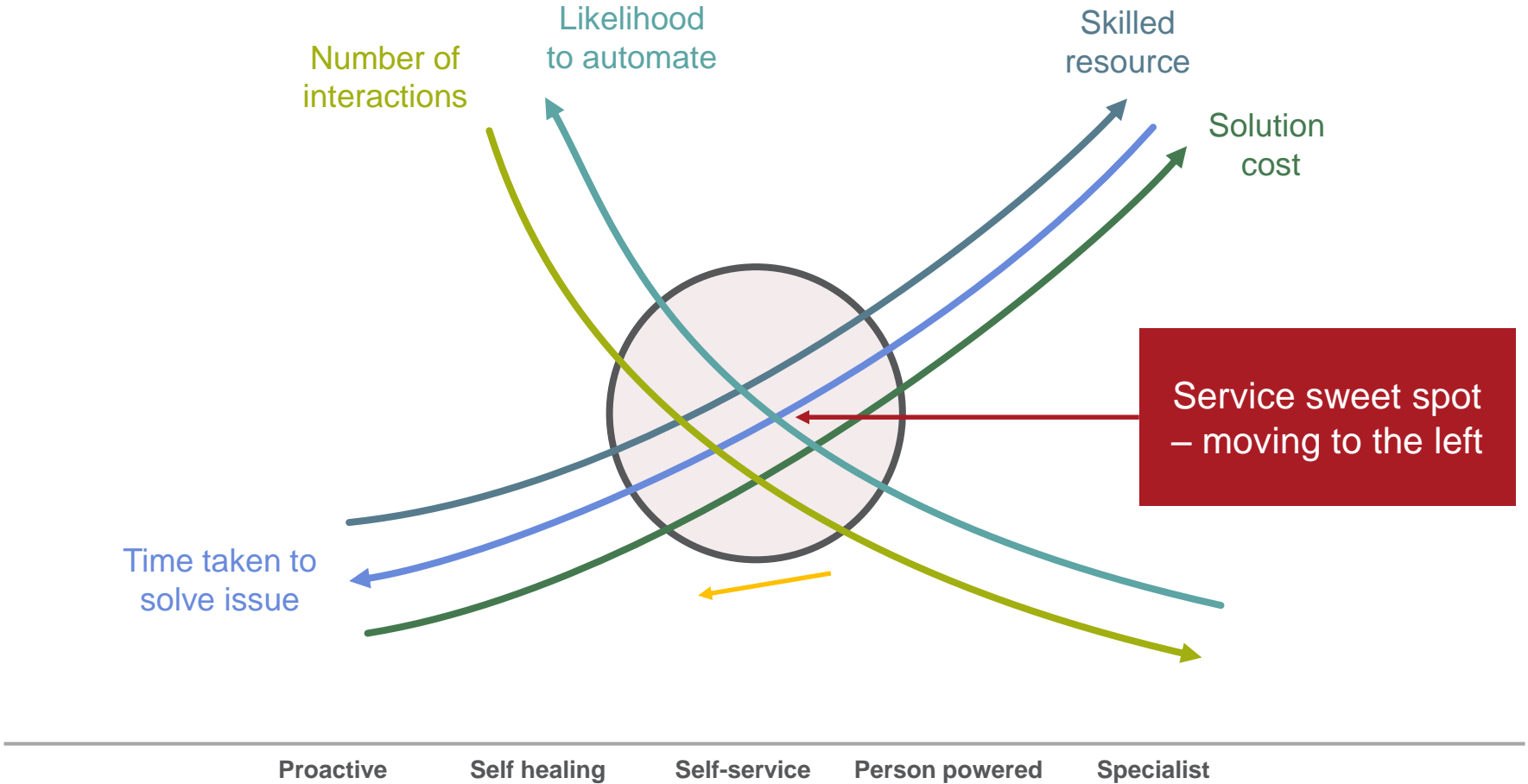
When Zurich ran a pilot scheme three years ago using machine learning to sift claims, humans had to override the computer's decision too often for the technology to be worthwhile.



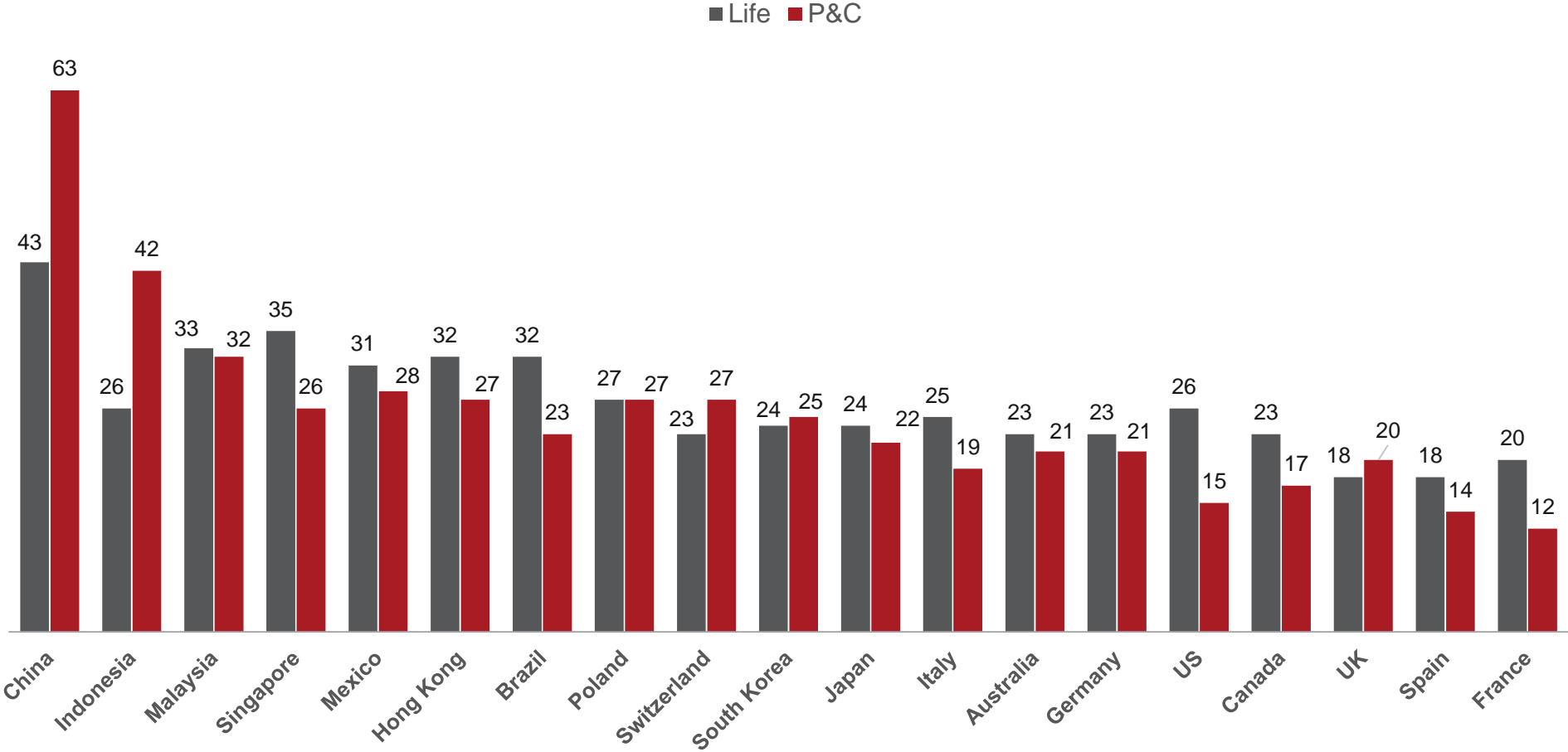
Insurance customer service model changing...



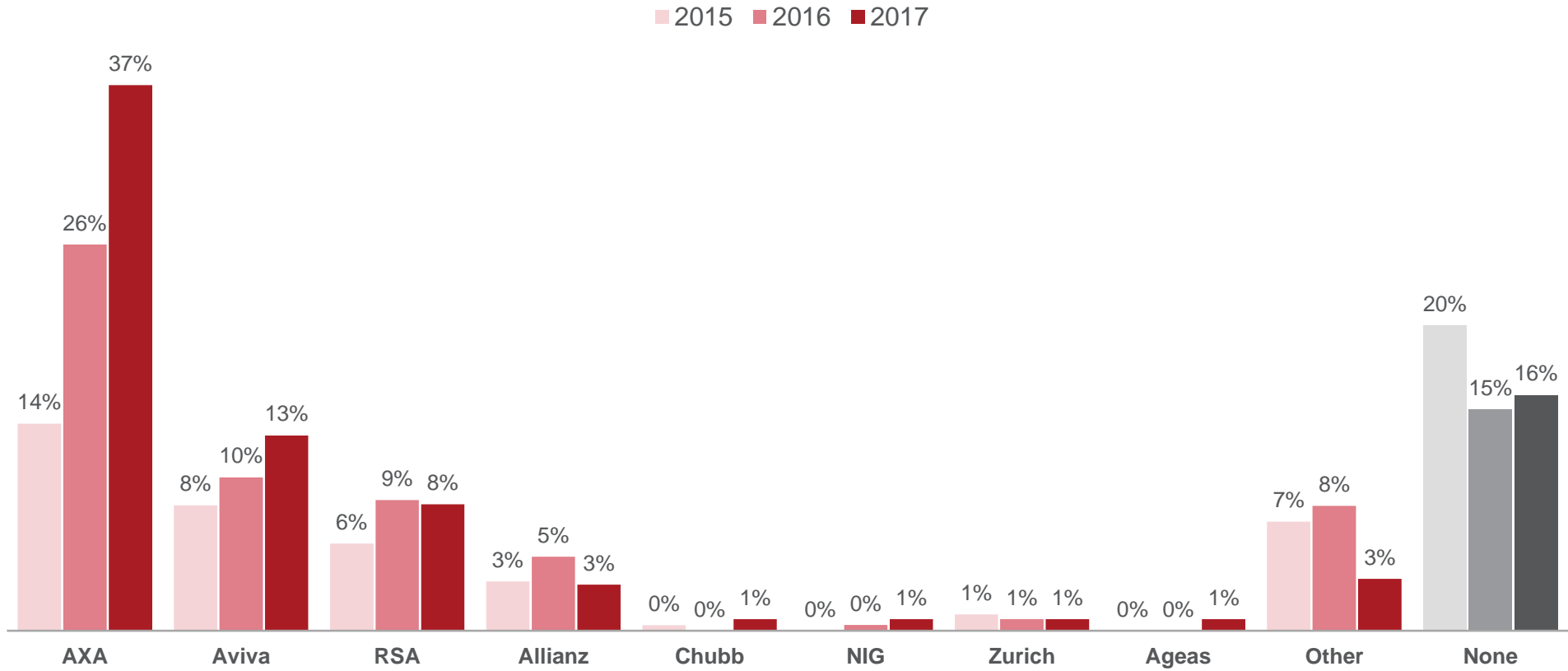
Insurance customer service model: find your sweet spot



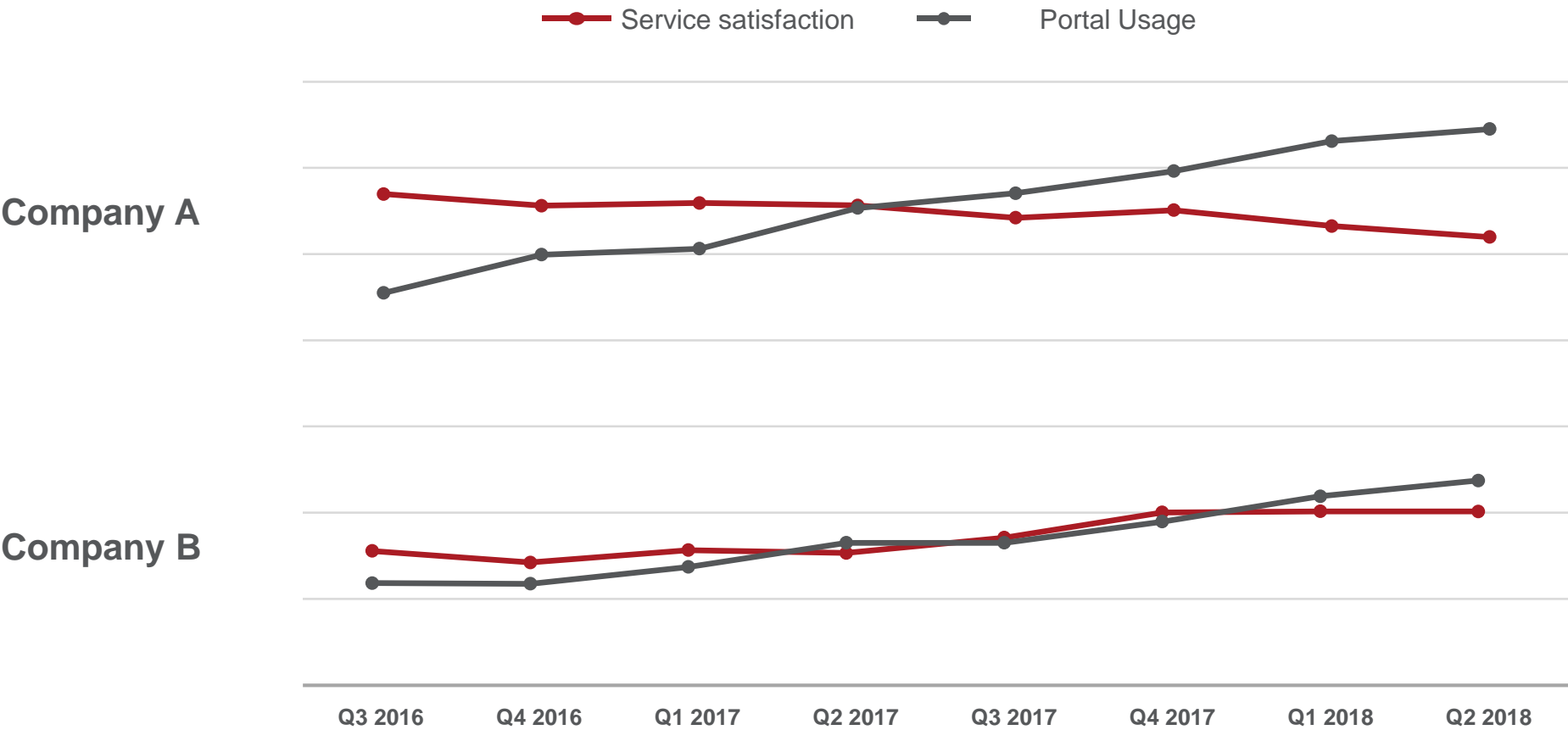
Personal interaction drives customer loyalty



Online claims portal usage: UK Mid Market



Service satisfaction does not correlate with portal ‘success’



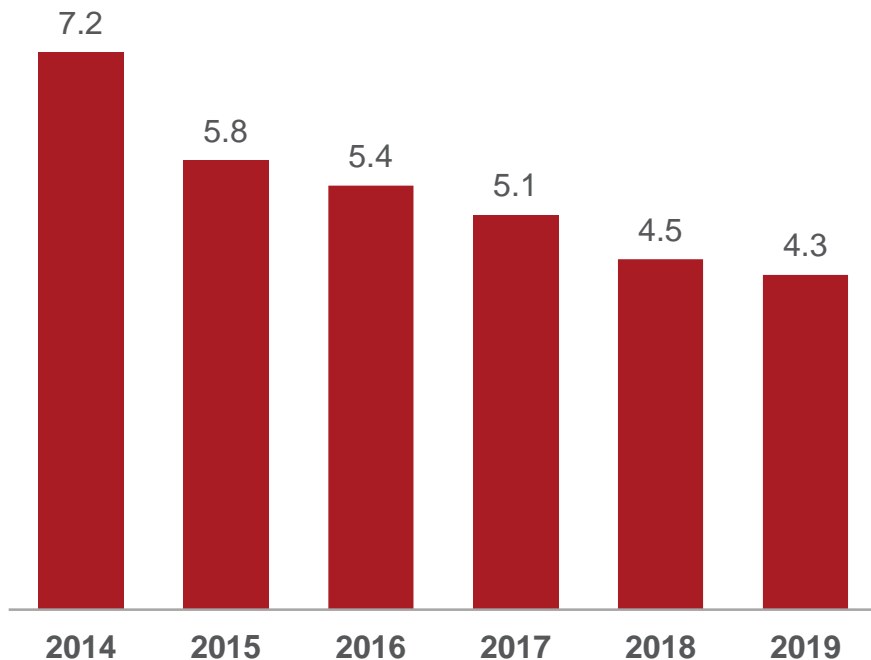
The Market



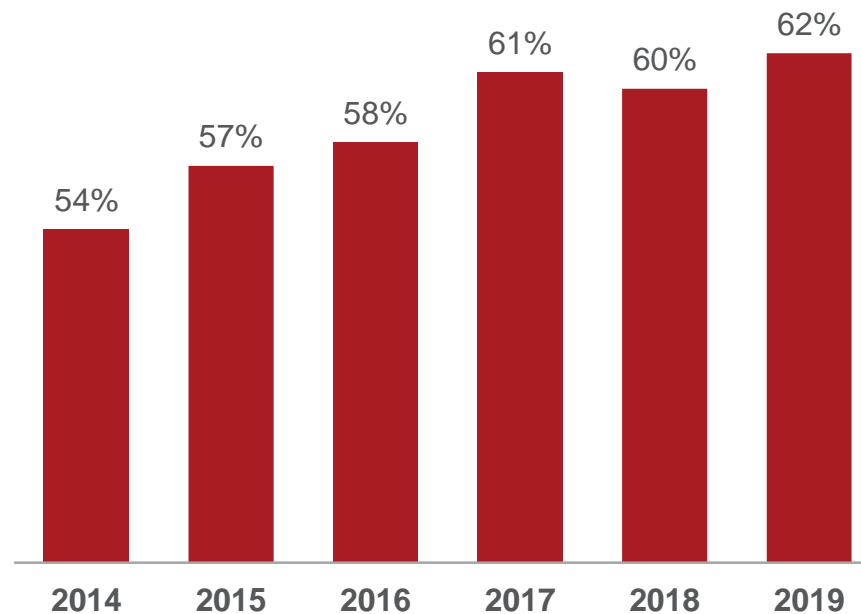
GRACECHURCH

London 2019: Carriers used reduces further: business shifts to largest

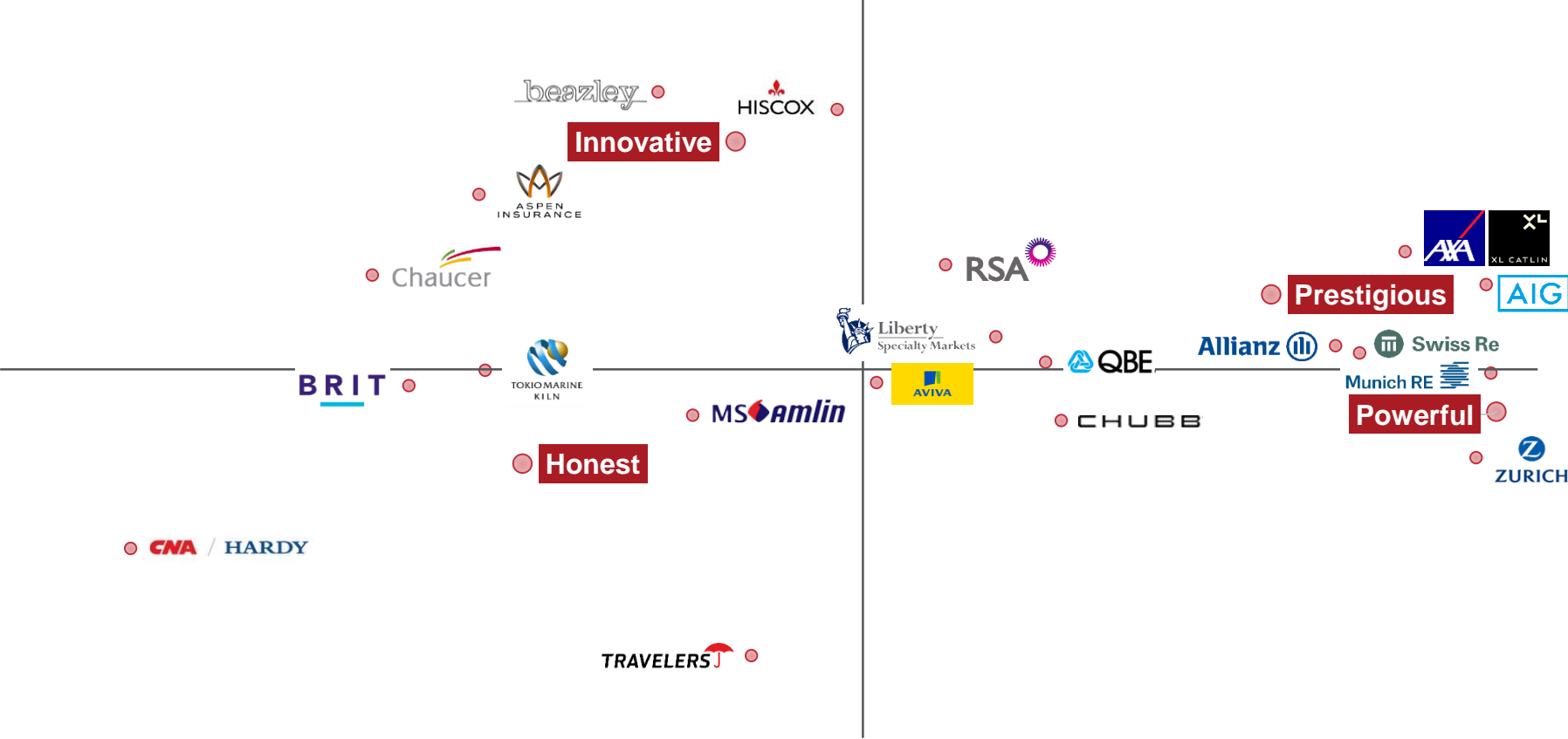
**Insurers that brokers
have placed business with**



**% of all business placed
with Top 15 insurers**



London Market Insurer brands



What matters in winning good quality new business?

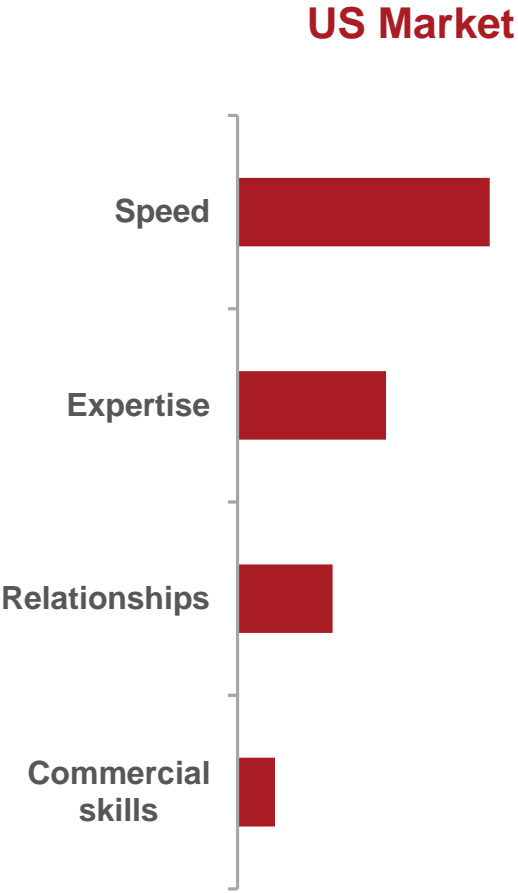
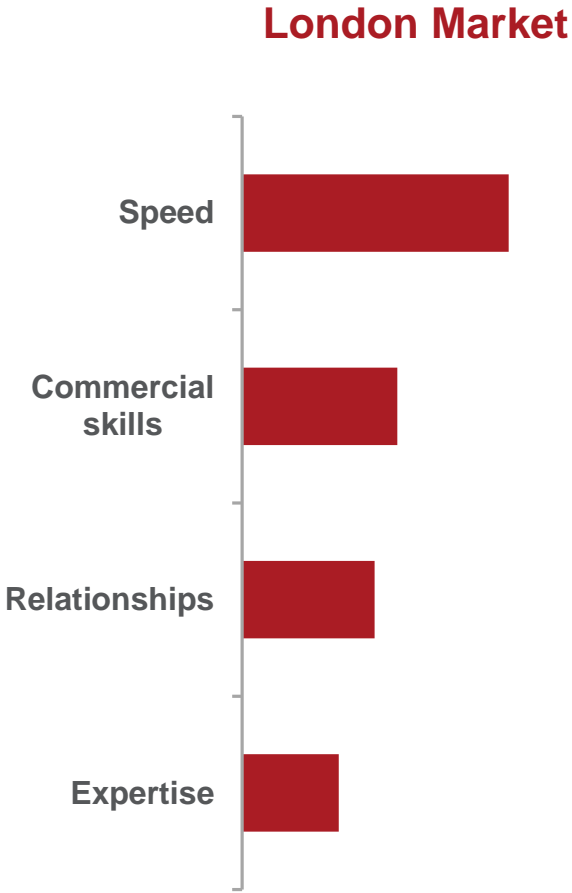


Claims service

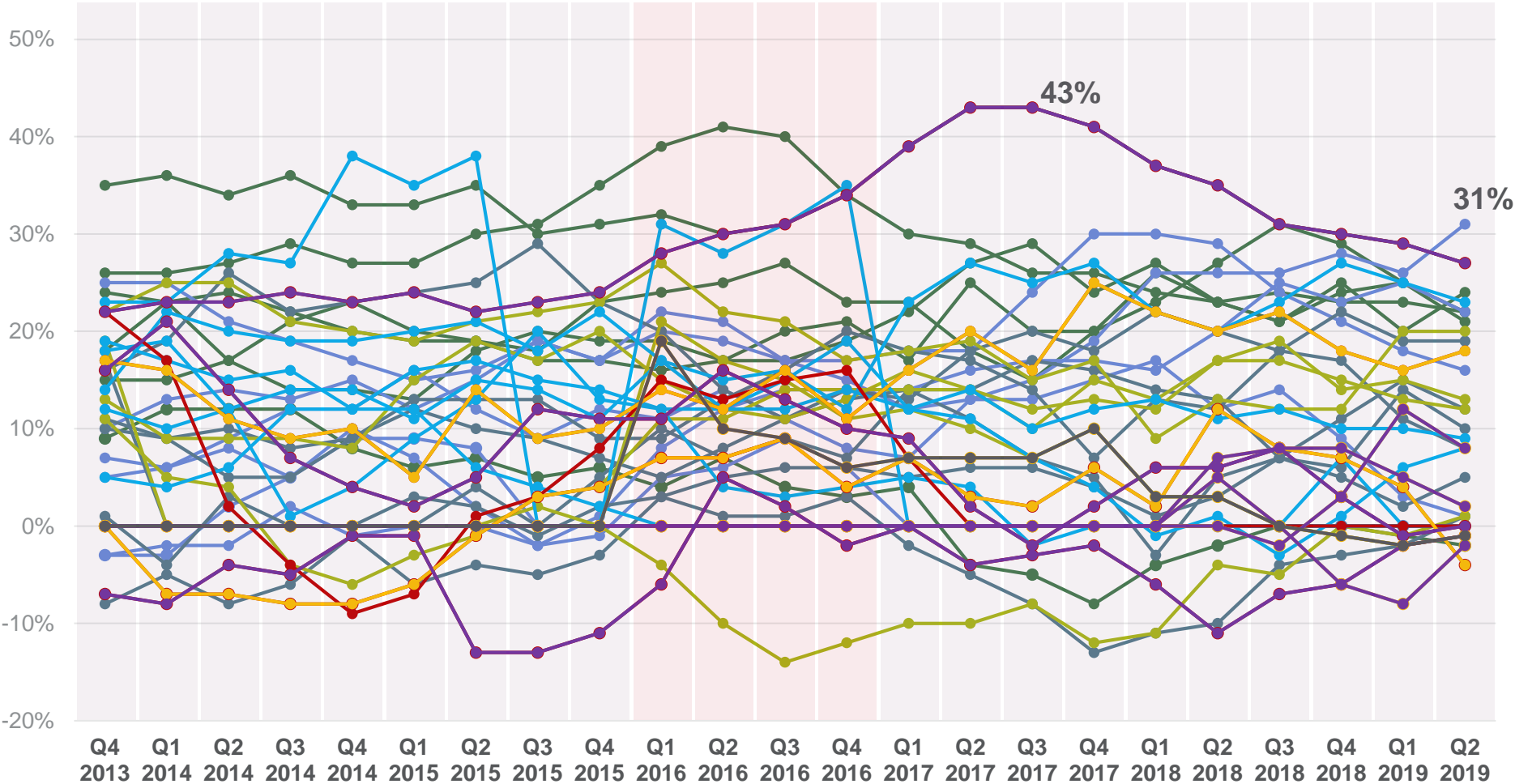


GRACECHURCH

Drivers of claims satisfaction



Satisfaction with 25 London Market claims teams since 2013



Consistency correlates with 'trust'

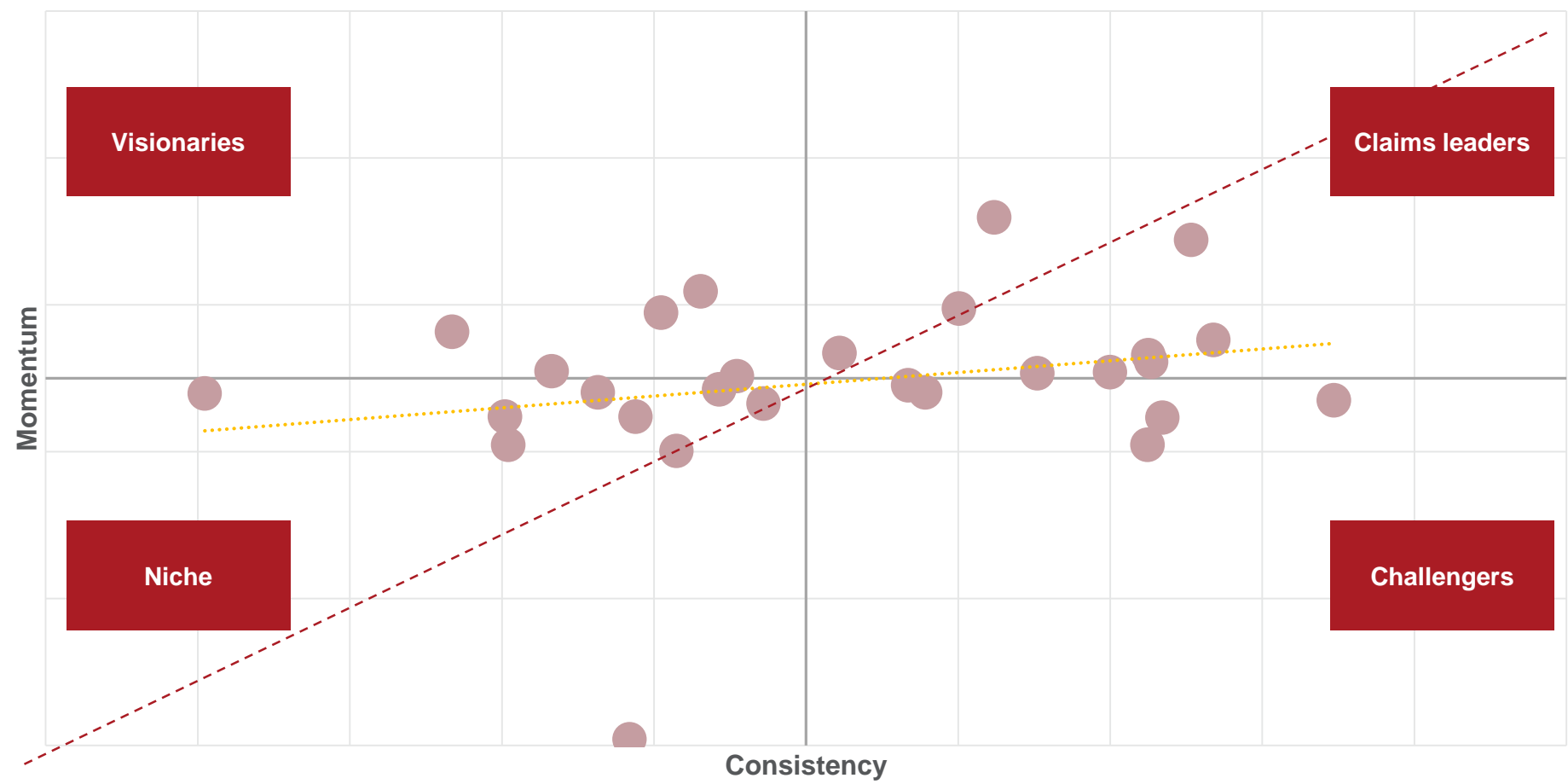
Being Consistent
makes you look honest
(aka: Inconsistency
makes you look
dishonest)



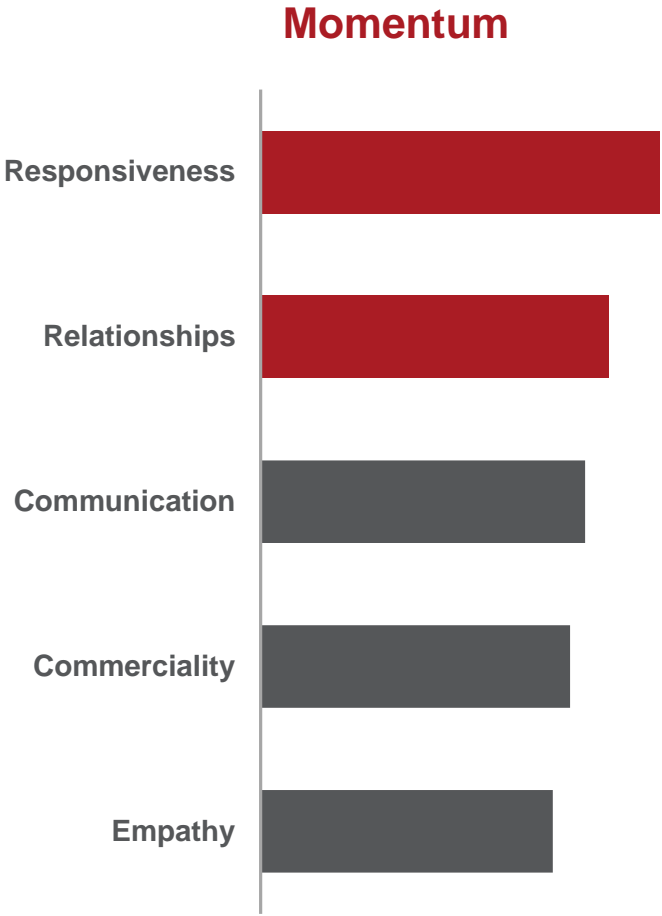
Consistency impacts
brokers' intention
to shortlist for
new business



Consistency vs momentum: London Market 2019



What drives consistency and momentum?



Wrap: my predictions and
what you should focus on



GRACECHURCH

Mystic Ben's predictions



My predictions for 2021...first made in 2016

The Market	The Market	Claims	Innovation & Tech
A developing new era of broker-insurer relationships/mutual appreciation of the insurance value chain 😐	Efficient global claims operations with development of local expertise 😐	Incremental change, continuing focus on claims service improvements 😄	Disruptive newcomers fail, stay niche or join up with scale insurers 😐
Growth in product and needs research 😓	Developing use of comms technology to help clients track progress, potentially linked to trading platforms 😄	More proof of service quality – telling the story 😄	A new ecosystem of Insurtech businesses offering 'efficiency' solutions especially in data, analytics, communications and knowledge, administration and claims assessment 😄
	Massive increase in use of data analytics and the development of ERM offering 😐	Strong focus on talent uplift; commercial and service-oriented claims handlers 😄	
	Brand building 😄		



Recommendations

Focus on improving
your customers'
experience (not just
satisfaction)

Think a lot about the
'human elements' of
service and the
sweet spot between
tech and people

Focus on consistency
first then seek ways to
build momentum
through great service

Focus on delivering
specific benefits
against needs (don't
assume technology
will do it for you)

Build a consistent
offer, especially if
you're international;
keep striving to
make it better

Encourage an ideas-
led, diverse culture
to sustain progress.



Thank You



THE GRACECHURCH REPORT

Where next for London Claims?

Ben Bolton

TIN London Market Claims

8th October 2019



GRACECHURCH

This Report and its content is copyright of Gracechurch Consulting Ltd © Gracechurch Consulting 2018. All rights reserved.

Any redistribution or reproduction of part or all of the contents in any form is prohibited other than the following:

- you may print or download to a local hard disk extracts for your personal and non-commercial use only
 - you may copy the content to individual third parties for their personal use, but only if you acknowledge the Report as the source of the material
- You may not, except with our express written permission, distribute or commercially exploit the content.

Contact details

Gracechurch Consulting

Ben Bolton, CEO

bbolton@gracechurchconsulting.co.uk

T: +44 (0)20 3865 1578

GRACECHURCH | 1 FORE STREET | LONDON | EC2Y 9DT





TIN

London Market Claims

Thank you

Sponsored by

