

REDEFINING THE CLAIMS PROCESS WITH TELEMATICS DATA

We investigated with the WSIB and IMS how telematics data can be integrated into the claims process and what the potential benefits are to consumers and insurers.

CONSUMER

INSURER



Automatic Accident Report

(registering a claim and settling claim are shown to impact customer satisfaction the most)

- Consumer does not have to make claim – faster, more accurate automatic process
- Claim cycle is shortened meaning settlement can be reached a lot faster (keys to keys time reduced by 5-8 days)

= More enjoyable consumer experience, breeds loyalty and subsequently retention

NEW CLAIM IS MADE



Automatic Accident Report

(Normally only 10-15% of info goes to insurer on first day)

- FNOL process is shortened and payment can be taken quicker. Therefore, the time window for a legal challenge is shortened

= Creating cost savings for the insurer as they can avoid potential legal challenge

Limiting ambiguity with telematics data

- Severity of crash can be determined – right emergency response team can be called (estimated fatality reduction of 25%)
- Accident reconstruction can determine liability for later legal action

= 25% less chance of an accident being fatal
+ Evidence of potential legal liability

CLAIM IS INVESTIGATED



Limiting ambiguity with telematics data

- Accurate accident reconstruction helps prevent claims fraud (yearly US industry cost of fraud between 5-7 billion \$)
- Accident reconstruction can determine liability for later legal action
- Severity of crash can be determined – right emergency response team can be called (estimated fatality reduction of 25%)

= Cost savings
+ Evidence of potential legal liability
+ More accurate accident response and subsequent reduced injury & loss of life

Faster and more accurate response possible through real-time data

- Average 4-7min emergency service notification time cut to 1min
- Consumers can customise the desired 3rd party service they wish to be contacted (i.e. garage, rental, private health care)

= Faster response time can help limit injury
+ Custom service choice for consumer makes for more stress-free experience

SERVICE IS PROVIDED



Faster and more accurate response possible through real-time data

- 3rd party service partners to insurers can be notified before municipality (i.e. garage or rental car, private health care)

= Cost savings for the insurer
+ Revenue for partner

Telematics data creates real-time driver profile

- If bad driving is persistent, driver can be sent coaching messages to improve
- If driving is suddenly erratic driver can be contacted to prevent accident (can reduce accidents by up to 20%)

= More enhancing and potentially life-saving service experience for consumer

PREVENTIVE MEASURES/ PRO ACTIVE INSURANCE



Telematics data creates real-time driver profile

- By having behaviour based risk profiles for drivers, rather than adopting an industry standard per profile, this makes the assumed risk per driver much lower. Allows insurer to make potential extra margin on each policy

= Cost savings for insurer allowing money to be re-allocated to other areas
+ Additional monetizable touch point with consumer (driver coaching etc.)

This piece was put together with contributions from the WSIB and IMS.

Join us at Insurance Telematics Canada 2016 to find out how insurers are looking to incorporate telematics into their processes, and network with the contributors behind this piece and the tech providers behind connected technology.

For more information visit: www.tu-auto.com/insurance-telematics-canada