



**BUSINESS
SCHOOL**

The greatest impact of disruption is likely to be felt in the insurance sector



The Future of Financial Services
How disruptive innovations are reshaping the way financial services are structured, provisioned and consumed

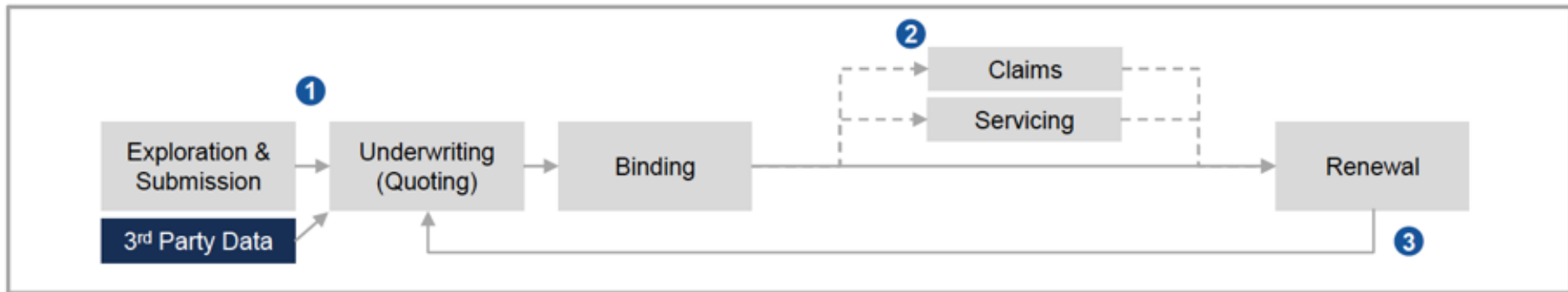
Today our competition
is Allianz and Generali,
but tomorrow it could
be Google and
Facebook



Thomas Buberl, CEO of Axa

NON-LIFE PROCESS

Traditional non—life underwriting process



Source: "The future of financial services", World Economic Forum, 2015

- ① Risks are priced using data submitted by customers (or 3rd party)
- ② Interaction only if specific events are triggered
- ③ Customers' usage and losses are reflected only in the underwriting for renewal

Limitations

Backward looking (no real time)

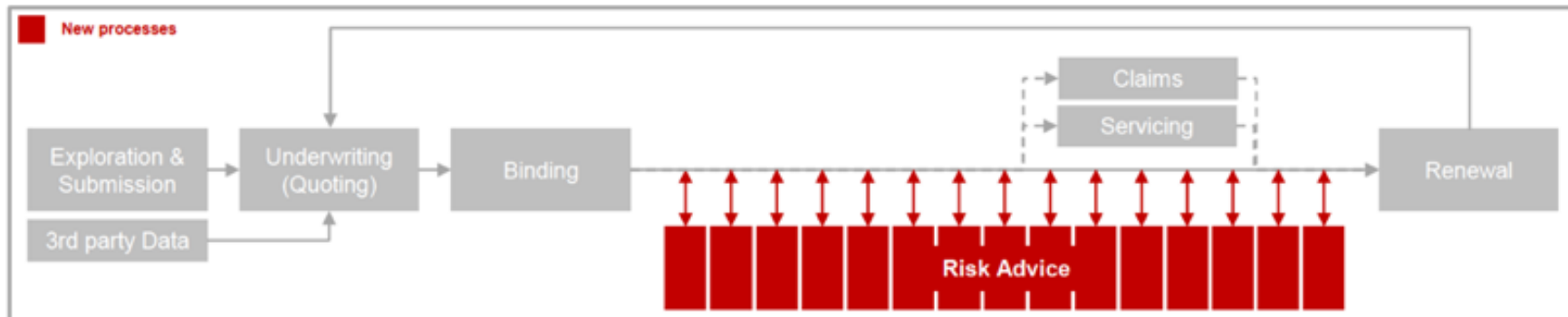
Limited interactions

TELEMATICS – GAME CHANGER

Value proposition 1: Personalization of insurance policies



Value proposition 2: Active management of the insured risks



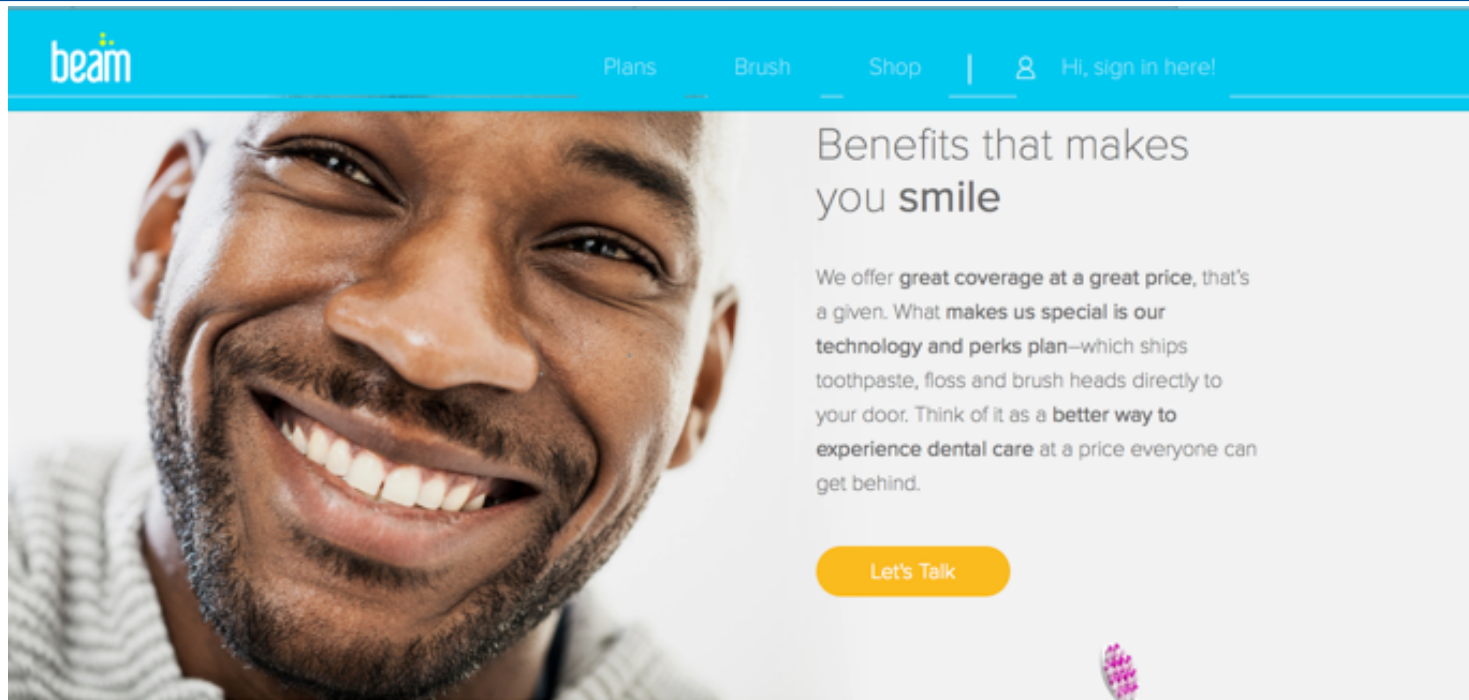
Source: "The future of financial services", World Economic Forum, 2015

TELEMATICS INSURANCE 1



The screenshot shows the homepage of the 'drive like a girl' website. At the top left is the logo 'drive like a girl' with a small heart above the 'i' in 'girl'. To the right is a search bar and a pink button that says 'Log in to Your Portal'. Below the logo is a navigation menu with links: Home, About, How it works, The box, Contact, Get a quote, and Retrieve a quote. The main content area features a large banner image of a young woman in a red hat sitting in a car, blowing bubbles. Overlaid on the left side of the banner is a black box with white text: 'CAR INSURANCE DESIGNED FOR GIRLS*'. Below this, in pink text, it says '17 - 25 year olds save the most'. To the right of the banner is a pink circle with the text 'Get a Quote'. Below the banner is a white box with a pink border containing the text 'HOW DOES IT WORK?' in pink, followed by 'Check out our new mini site' and a pink double-slash icon with the text 'click here' in pink.

TELEMATICS INSURANCE 2



The screenshot shows the Beam website homepage. At the top, there is a blue navigation bar with the 'beam' logo on the left and links for 'Plans', 'Brush', and 'Shop' in the center. On the right side of the navigation bar, there is a user profile icon and the text 'Hi, sign in here!'. Below the navigation bar, the main content area features a large, close-up photograph of a smiling man on the left. To the right of the photo, the headline reads 'Benefits that makes you smile'. Below the headline, there is a paragraph of text: 'We offer great coverage at a great price, that's a given. What makes us special is our technology and perks plan—which ships toothpaste, floss and brush heads directly to your door. Think of it as a better way to experience dental care at a price everyone can get behind.' At the bottom of this text block is a yellow button with the text 'Let's Talk'.

A smart brush and insurance plan that work together

Beam Brush is the fun, electric toothbrush that connects to your smartphone and automatically tracks and rewards your good brushing habits. Pairing with the [Beam Brush app](#) makes it easy to get the perfect brush with adjustable brush speed, quadrant buzz, and auto off after two minutes.

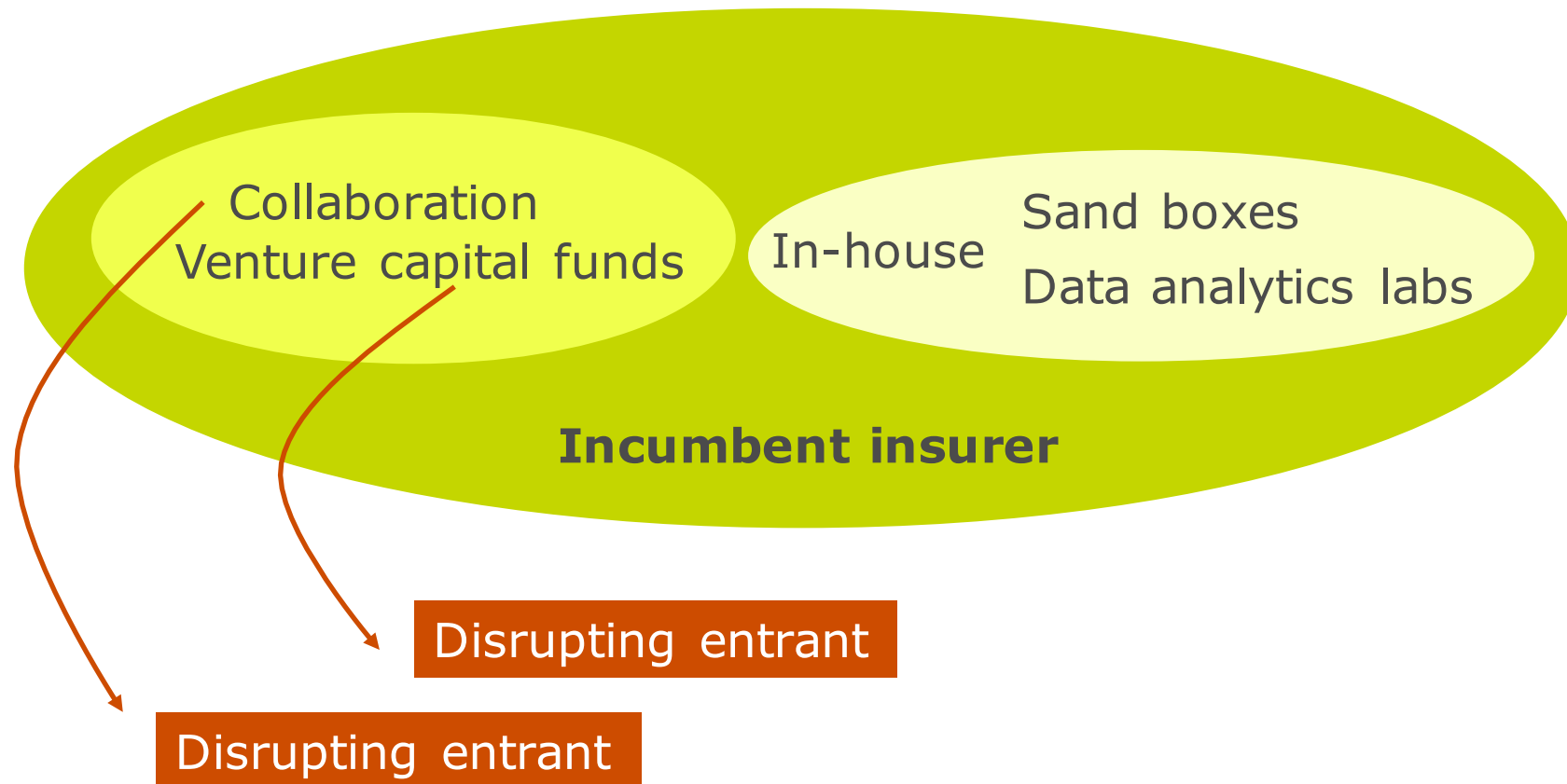


TELEMATICS INSURANCE 3



- Telematics in the car → Use of VR goggles for the reconstruction of the accident
- Reduce
 - by 60% of the costs of claims
 - Reduce processing from 35 to 3 days

HOW ARE INCUMBENTS REACTING?

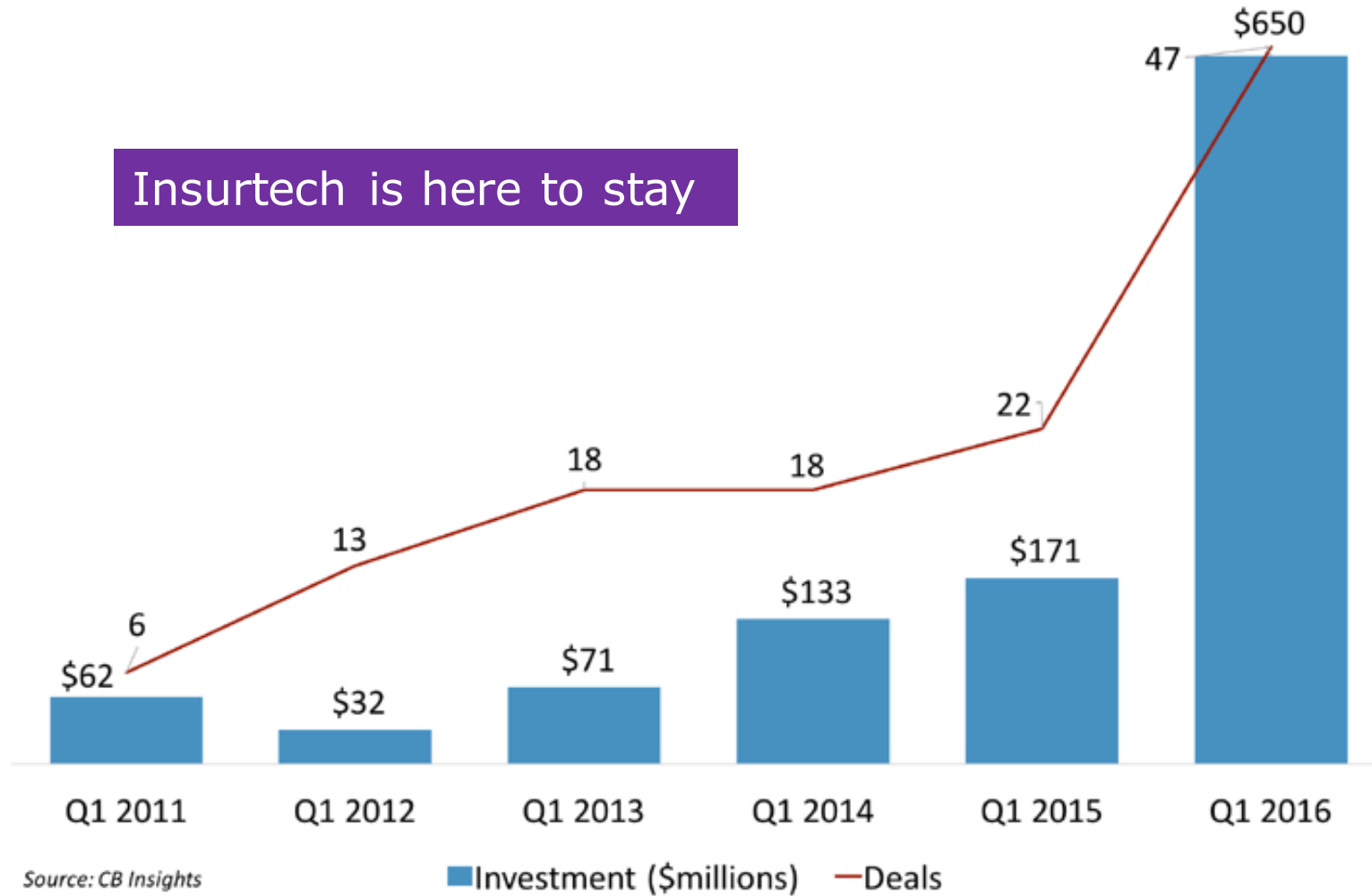


HOW ARE INCUMBENTS REACTING?

Insurtech Financing Trend

Q1 2011 - Q1 2016, Global

Insurtech is here to stay



IS INNOVATION NEW?



CURRENT INNOVATIONS AND EMPLOYMENT



Employment is going to be affected

Units of insurance companies may become smaller

Remember that insurance is about trading risk

Innovation vanishes old risks but creates new ones

NEW RISKS





THANK YOU FOR YOUR ATTENTION

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