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Insurance & Reinsurance Firms and the Implementation of Mobile Technologies

Freddy Brofman and Stewart Coutts

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- New Mobile Technologies
- “New ways of performing tasks”



- Better understanding of cost (or technical premium).

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New Mobile Technologies and New Organisational Designs

- Technology used for cellular communication, e.g. any device operating in 4G.
- Barney (2011) argue they are implemented in the physical resources of the firm.



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New Ways of performing Tasks and New Organisational Designs

- The time users spend engaging with the mobile systems.
- Barney (2011) mentions that these are task performed by human resources.



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New Organisational Designs Lead to Better Understanding of Cost (or Technical Premium).

- New products/organisational designs.
- Self-Reported vs More Precise Measures.
- Better segmentation of customers.

Challenges for Actuaries in their Models

- A lot of data captured by companies (need of Machine Learning).
- The precision of some devices are doubtful (need to be validated with other tests).
- Correlation between self-reported and device measurements.

Challenges for Industry

- Are Reinsurance companies able to obtain the same benefit as insurance companies.
 - Who owns the data?
 - What is the best of way of transmitting it?
- Are customers fully aware of what happens to the data?
 - Where Data comes from and goes to?
 - Is the data captured and stored safely?

Conclusions

- Mobile technologies change insurance and reinsurance companies designs
- They do this by changing how the resources of companies work together.
- Trend is here to stay but reinsurance companies may not observe the same benefit as they are less exposed to asymmetric information.



Questions



Comments

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