Tech Mahindra
BUSINESS PROCESS SERVICES

Redefining Usage Based Insurance (UBI)

INDUSTRY OVERVIEW

- UBI is expected to cover **100 million vehicles by 2020**, generating premiums of over $60 billion
- Penetration of 15% by insurance telematics is expected in 3 years

- Majority of the premiums are underwriting averages based on local scenarios, which doesn't consider good driving practices
- NCD – No Claim Discount as a single entry criteria

Key TechM BPS Differentiators

Platform Based Service Offerings
- Covers functional and operation components to eliminate risk and complexity
- Business-centric dashboards for value-based reporting and advance analytics

Differentiation Through Analytical Ingestion
- Analytics-based enhanced scoring algorithms
- In-built algorithm, provides a percentage score for driver-based specific parameter
- Flexible algorithm – can be modified based on the driving pattern of insured

Extensible Solution Offering
- Understand driving behavior based on past history and current driving behavior
- Integration with devices and 3rd party applications
- Mobile add-on

FAST FACTS

- Overall **89%** of the personal motor insurers surveyed see emerging technologies and digitization as a challenge
- **42%** have already faced operational challenges as a result of digitization
- Real-time Big Data Analytics due to PHYD **(Pay how you Drive)** and PAYD **(Pay as you Drive)** scenarios

BUSINESS BENEFITS

- 10% Increase in persistency ratio due to reward based premium
- Competitive pricing
- Faster risk evaluation
- Lower adjudication/litigation cost by 30%
- 10-15% increase in recovery and subrogation efficiency

Where we have done this before

Developed an **IoT-based solution for property insurance for** a leading **American General Insurance Company**
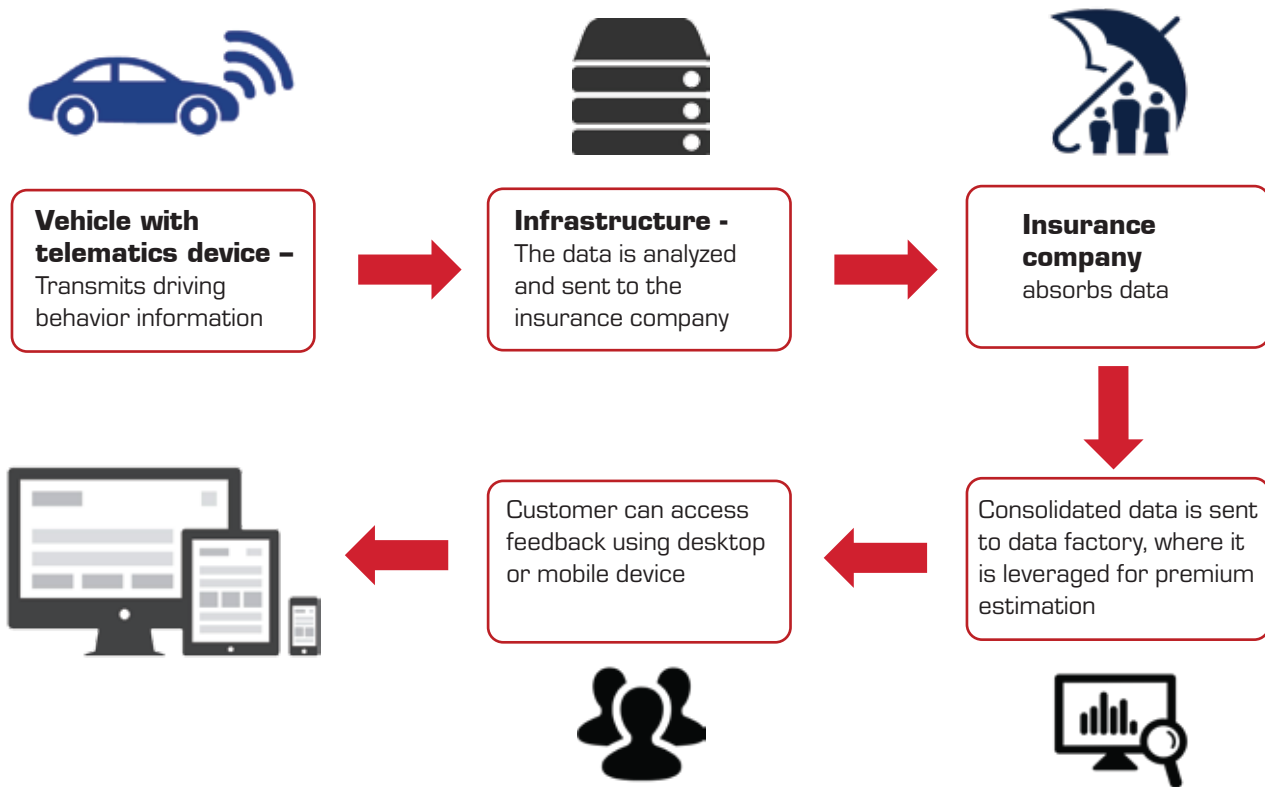
TECHNOLOGY LANDSCAPE

- OBD II – Integrated Device Manager
- Data Factory – External Data Sources Integration Layer
- E2E Service Orchestration, Exposure and Workflow
- Adapter-based Integration with Devices and 3rd party applications:
  - Google Maps
  - Here Maps
  - Actuaries

SOLUTION & APPROACH

- End-to-end platform for device selection, device management, cloud storage, SIM management
- Big data driven predictive analytics platform for UBI
- Strong alliance with M2M – a leader in Black Box Hardware and Software
- End-to-end as a service model for Insurers

Solution Diagram

Vehicle with telematics device – Transmits driving behavior information

Infrastructure - The data is analyzed and sent to the insurance company

Insurance company absorbs data

Customer can access feedback using desktop or mobile device

Consolidated data is sent to data factory, where it is leveraged for premium estimation

About Tech Mahindra BPS

Tech Mahindra Business Process Services (TechM BPS) is the BPO or BPM arm of Tech Mahindra – a USD $4.5 Billion company with 115,850+ professionals across 90 countries, helping over 864 global customers including fortune 500 companies. Tech Mahindra is amongst the Fab 50 companies in Asia (Forbes 2016 list) & in India's Top 50 Super Companies of 2016.

Entering a new era of transformations, TechM BPS has re-focussed energies towards 'Creating memorable digital experiences everyday' for customers. We are part of the USD 19 Billion Mahindra Group that employs more than 200,000 people across 100 countries. The Mahindra Group operates in key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, information technology, financial services and vacation ownership.

Connect with us to know more:

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