

TECHNOLOGY WATCH
By Jim Loveland

Are 1-Click Settlements on the Horizon?



competition — and have no mercy when they share their experiences with their friends, family and thousands of strangers on social media.

J.D. Power reports that the single most important metric for customer satisfaction is the cycle time of a claim. To cut the industry average cycle time of around seven days down to just a few minutes, the insurance industry is adopting two cutting-edge technologies to automate portions of the claims process. Let's take a look.

It's been nearly two decades since Amazon introduced 1-click checkout for eCommerce. Will 2019 be the year of a 1-click claim settlement?

As the customer experience improves across industries, insurance is expected to keep pace. Claim adjusting occurs at an emotional time for the customer and is a vital inflection point in the relationship between carrier and customer. Satisfied customers stay around for life. Angry customers switch to the

Drone-based data capture solutions

A recent J.D. Power study shows that while customer satisfaction ratings are at a record high, scores still plummet for areas affected by large weather events. Storms can double the time required to estimate damage. So how can carriers give more policyholders the care they need in times of crisis? How can they improve efficiency across all claims?

No longer a fad or a nice-to-have, drone-based data gathering solutions are allowing carriers to scale up to meet high claims volumes, while also giving field adjusters better ways to understand causes of loss. For the first time, drone solutions are affordable enough to roll-out to every adjuster — not just a specialized team. More efficiency and higher-quality information ultimately result in faster cycle times and better decision-making — two factors that make a massive impact on the customer experience.

A.I. and deep learning for analysis

According to Gartner, over 40% of data analytics projects will be tied to some part of customer experience by 2020. A.I. has massive potential for the customer experience because it can enable automated interactions, power high-level company insights, and even help point to issues or bottlenecks that hold up the claims process. Here are just a few ways A.I. is making an impact on claims.

On-site settlements

Blended with drones, the latest in A.I. and deep learning tech allows adjusters to instantly determine what materials a roof is composed of, where damage is,

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and how many squares are affected. Better still, drones will soon be able to pair damage and measurement data with repair costs (labor, materials, etc.) so that it lands with a full estimate an adjuster can use to settle the claim instantly.

Instant customer communications

Gartner reports that chatbots and other A.I. assistants will power 85% of customer service interactions by 2020. Right now, carriers can take days to call a policyholder after their first notice of loss. Soon, policyholders will be able to submit a claim, review and discuss their policy coverage, and receive a settlement all using A.I. assistants that are available at an instant, 24/7.

Predictive data analytics

According to MIT, 80% of business leaders see A.I. as a competitive advantage. When carriers can use A.I. to analyze enough info (ranging from weather to roof and property data), they get a window into the future that allows them to better understand policyholder

risk exposures, and even predict where large weather-related events might occur. With a team better poised to respond to large volumes of claim, and rock-solid policies that give policyholders adequate coverage in case of a loss, carriers can improve their combined ratios by more accurately understanding risks across every policy in force.

As long as carriers continue to invest in innovative ways to improve the policyholder experience, they'll be able to drive down cycle times, improve renewal rates, and watch combined ratios improve — even during years of high rates of loss. Will carriers be able to provide 1-click settlements in 2019? Not quite. But given how rapidly the industry is testing and adopting some of the latest technologies, we're a lot closer than you might think. ♥

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