



# Insurance in the driving seat of change

While other industries are only just beginning to grapple with the challenges and opportunities of the data revolution, digital transformation is already an established reality in the insurance sector.

For some years now, leading insurance firms have been using data analytics, the Internet of Things (IoT) and artificial intelligence (AI) to price risk, profile clients, manage claims and connect better with their customers. For instance, Atos is using its IoT expertise to support a global insurance company in transforming car insurance with a Pay-How-You-Drive (PHYD) scheme which promotes safer driving, reduces premiums and lowers costs for the insurance firm.

As the power of data reshapes insurance, the industry has moved into the frontline in considering the ethical challenges of the digital age. Seemingly abstract ethical questions related to corporate responsibility, data privacy and transparency have become critical realities that will determine the future success of any insurance business.



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## Ethical perspectives for insurers

Across nearly all segments of the industry, insurers face the challenge of using information collected from their customers to create value and remain competitive while scrupulously observing the ethical and legal standards required to maintain fairness, transparency and other key values.

Only if an ethical perspective is preserved will insurers be able to successfully roll out the following potential use cases:

- **Client deep profiling** – combining information from social media with user profiles to better understand consumers and identify possible cases of fraud.
- **Insurance price and claim optimization** – using data to determine the ability of a consumer to pay based on an analysis of their purchasing habits and risk profile.
- **Connected insurance** – for example by applying IoT in healthcare insurance to enable the elderly to live more independently.
- **Insurance packages** – insurers could use data from end users to refine insurance packages and create personalized premiums that add value for their customers.

Applying Atos' framework of Ethics by Design, insurance companies can take appropriate advantage of the possibilities of data by making sure that they are mindful of their ethical responsibilities from the start.

This is an exciting time for the fast-moving, ultra-competitive insurance market. Data and connectivity have the potential to turn insurance into a people-centric business centered on personalized relationships with customers.

With a human-centric design approach that takes into consideration key ethical factors – such as Fairness, Autonomy, Prevention of Harm, Explainability – insurers will be able to reap the full rewards of digital transformation.