



insure  
the  
box

# ICMIF Conference:

motor (re)insurance:  
telematics and other potential  
game-changers

Mike Brockman  
Group CEO and Founder  
insurethebox

# We are about to start a technological step change

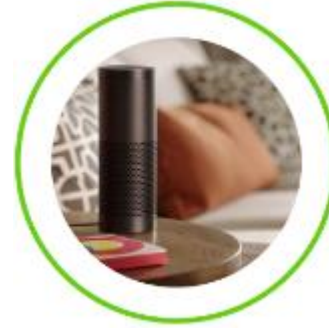
Technology is creating a revolution in insurance! (and everywhere else)



Connected Me



Connected Cars



Connected Properties



Connected Business &  
Commerce



## *Its all about the move to Real-Time*

### **DATA**

*Understanding, Controlling risk  
Predicting and preventing  
Targeted pricing  
Claim Process Efficiency and Speed  
Fighting Fraud and Crime  
Efficiency of Capital  
Mining and Learning from the data  
Joining datasets  
Sales Channels*



### **Personalisation and Customisation**

*Fitting into my life, making it easier  
Protecting what I need protected  
Meeting my exact need  
Easy to understand, there when I need it  
Information to reduce my risks  
Rewarding, encouraging good habits  
Helping me to meeting legal obligations  
Finding new solutions*



## Insurethebox Sound Bites

The UK's leading telematics provider

Began trading June 2010

More than 500,000 new business sales to date

More than 2.6 Billion miles of data

Two brands: insurethebox and drive like a girl

White label partnerships with Tesco Bank and AA Driving School

Toyota Safe Driver telematics solution for Aygo

Our own in-house telematics platform

Majority Share Bought by MS&AD Group in March 2015

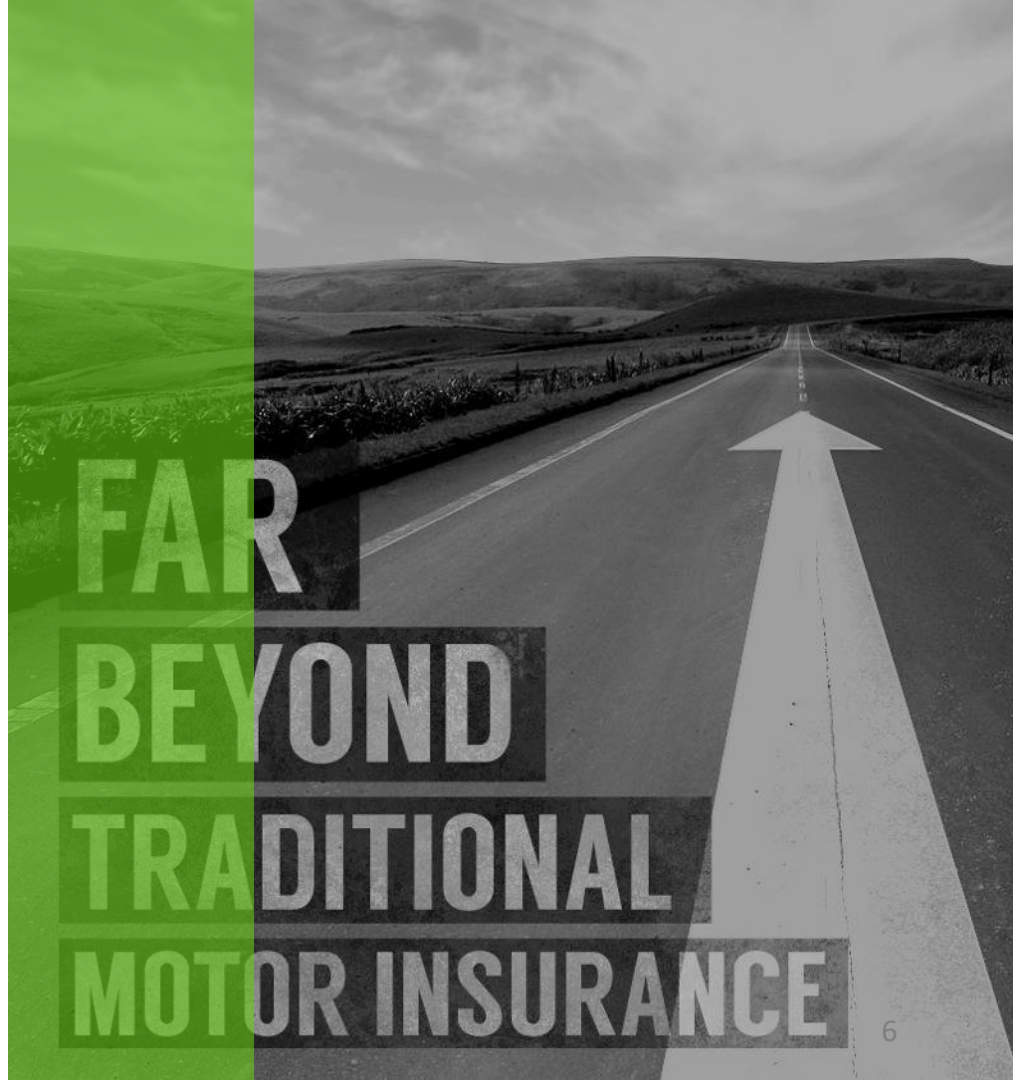
# Different Products Different Boxes





# there are Challenges though!

- Data protection
- Dealing with privacy issues
- Security
- Building trust with the customer
- Building the infrastructure
- Dealing with “Big Data”
- TCF and compliance
- Managing change



# your Customers are important

- Telematics is “Super Direct”
- On-line and phone
- Personalised portals
- Social media/live chat
- Box fitting
- Box alert and FNOL
- Tailored renewal pricing
- Complaint management



FAR  
BEYOND  
TRADITIONAL  
MOTOR INSURANCE

but there  
is a Big prize

- Cheaper premiums
- Creative product design
- Better claims service
- Reduced fraud
- Tailored more intimate relationship with customers
- Improved driving standards
- Lives saved



FAR  
BEYOND  
TRADITIONAL  
MOTOR INSURANCE





"Insurance Black Box tracker saves a Surrey man's life"  
[BBC London News report link \(YouTube\)](#)

Dorking and Leatherhead Advertiser

Leatherhead teen survives 80mph horror crash thanks to 'black box' tracker

getSURREY

Insurance black box saved driver's life after crash



'I would be dead without my black box' - crash motorist  
 Max Charles spent five days in a coma after the crash which is believed to have happened after he fell asleep at the wheel

getsurrey.co.uk

This is MONEY.co.uk  
 FINANCIAL WEBSITE OF THE YEAR

Daily Mail

# Little black box under the bonnet saved my life

By Victoria Bischoff

It was six in the morning when Mark Charles was woken by the doorbell. On his doorstep stood two police officers. Mark was frantic as he realised that his 19-year-old son Max's car was not outside the house, and so he decided to call the insurance company.

Astonishing tale of how Max was rescued from a serious crash - because of a gadget meant to cut his car insurance

Notoring News

INDEPENDENT

## 'Black box' in car alerts insurers to crash and saves young driver's life

Max Charles, 20, would not be alive today if not for the tracker installed in his car



## Little black box under the bonnet saved my life: How Max was rescued from a serious crash because of a gadget meant to cut his car insurance

Black box designed to monitor driving habits sent a message to Max's insurer when his car stopped with sudden force  
 Device has built-in GPS so emergency services could locate him quickly  
 Max could have died had he not been found within ten minutes

VICTORIA BISCHOFF FOR MONEY MAIL

ILLUSTRATION: 22:57, 10 March 2016 | UPDATED: 09:22, 11 March 2016

Share icons for Facebook, Twitter, Pinterest, Google+, Email, and Print. 1.2k shares, 403 View comments.

It was six in the morning when Mark Charles was woken by the doorbell. On his doorstep stood two police officers.

Mark was frantic as he realised that his 19-year-old son Max's car was not outside the house, and so he obviously had not returned home the previous night.

His stomach churned as they delivered the news: Max had been in a serious car accident. He was alive - just.

He had suffered a brain injury, was in intensive care and would remain sedated in hospital for another two-and-a-half weeks.

His injuries could have killed him if the emergency services had not arrived at the scene within ten minutes of the crash.

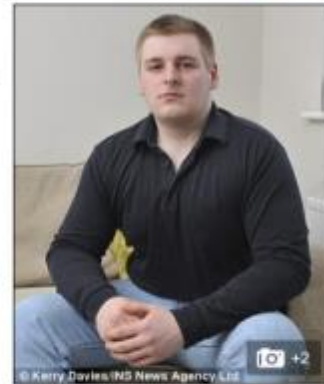
Little did Max and Mark know, but this was all thanks to the little black box that had been installed under Max's car dashboard by his insurer.

For this gadget, which monitors your driving habits, sends an alert when the car stops with sudden force.

And because the device has built-in GPS location technology, it acts as a homing device for emergency services.

In Max's case, this proved a life-saver, because no one saw his crash on a remote country road in the middle of the night.

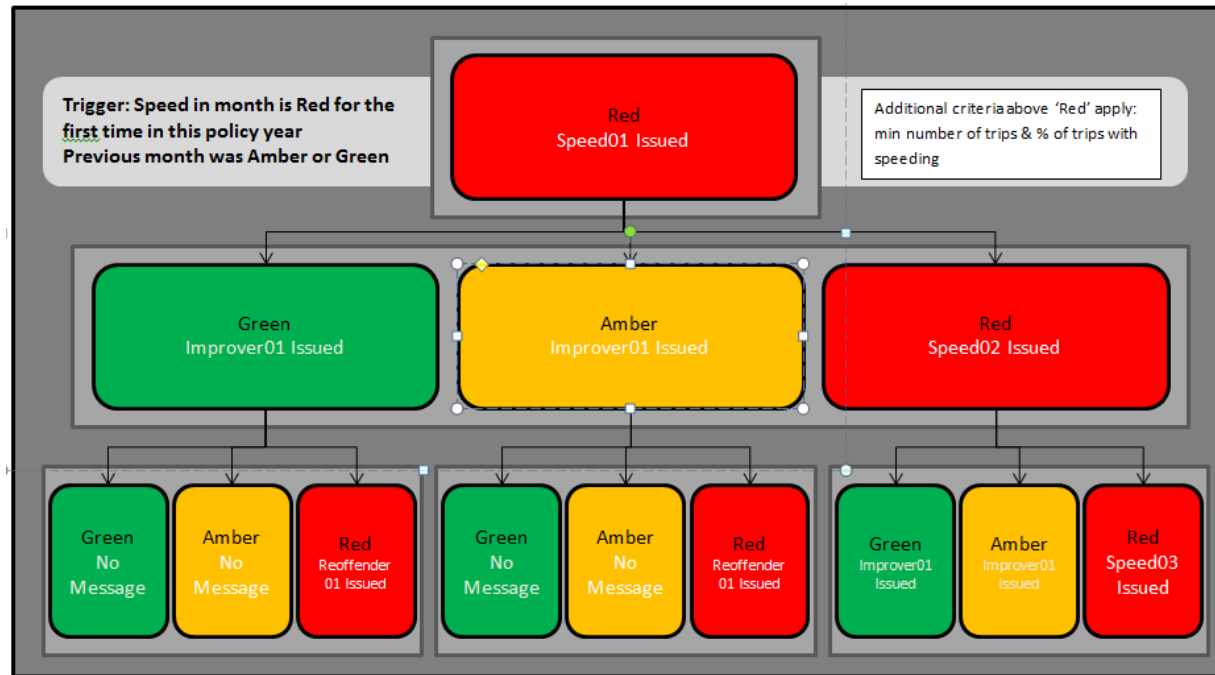
Max, now 19, from Leatherhead, Surrey, says: 'I feel so lucky to be alive. My dad and I had no idea my insurance had this accident alert feature. We just bought the policy because we'd heard about how it can help cut insurance costs for new drivers.'



Lucky escape: Max Charles' life was saved by the built-in GPS in the little black box under his bonnet



# Using **BIG DATA** - The Right Message for the Right Customer for the Right Reason at the Right Time





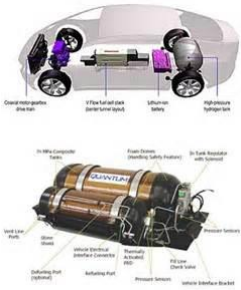
# The Rise of Electric?

It's all about the Battery!



# Or is It Hydrogen?

It's all about storage!



Toyota Mirai



*Data and Customer Needs  
will lead the way*

## **The Path to Autonomy**

It's not going to be linear!

Insurers need to get good at adapting!

Meeting the needs of:

*- Increasingly varied vehicles on the road and changing mobility habits*

*- Different environments for the technology*

*- Customers with different skills and experience*

*- Variation across the globe*

*- New risks and events we haven't even considered yet!*

# New Sources of Data

The vehicle movements

The on-board computer and engine



Comparing to wider environment

Comparison with peers



Linking with other datasets

Social Media



Drones and Micro Satellites

Mesh Networks

New sources will keep emerging!

# What Does this all Mean for (re) insurance?

- Current data will become increasingly obsolete
- New data will emerge and new opportunities arise
- For motor each new make and model will be different in terms of risk
- Over the air software updates mean the risk is constantly changing
- Accident risk will reduce rapidly
- Repair cost will increase substantially
- Eventually reduce in risk > increase in repair cost
- Gradual switch from motor insurer risk to product liability risk
- Disputes and liability challenges will increase between insurers and technology providers
- New products will be designed to fill the gap
- The risks will not be well known and considerable expertise in technology underwriting will be required
- These risks will be heavily reinsured

# The Future Might not be What you Expect!



insure  
the  
BOOK



A black silhouette of a person is shown from the chest up, waving their right hand. The person is positioned on the right side of the frame. A solid green horizontal banner spans across the middle of the image, partially overlapping the person's torso. The background is a blurred, light-colored outdoor scene, possibly a beach or a park. The text "Thank you" is centered on the green banner in a white, sans-serif font.

Thank you