



## Creating Personalized Risk Profiles for Auto Insurance

Car insurance premiums are typically determined using previous claims history, car make, model and age, and the insured's driving record. Insurers also take into account driver demographics like age and location as an input to premium computation. The traditional methodology of using historical information is akin to driving using a rear view mirror.

The IoT revolution provides an elegant solution to develop a granular, personalized and current risk assessment using telematics devices installed on vehicles. These devices wirelessly transmit information on a key parameters, including the number of miles driven, driving speeds, hard braking, sharp cornering and time of the day. This information can be analyzed to determine driving patterns and rate driver performance as an input to compute insurance premiums.

### In Action

Atos Syntel is partnering with a Fortune 100 insurer to develop its' 21st century car insurance premium computation system, powered by Atos Syntel's **Connect One for Insurance** IoT platform.

Policyholders who enroll in the safe driver program are entitled to discounts on their car insurance premium. Continuous remote monitoring of the vehicle is conducted using a telematics device fitted on the vehicle or a smartphone app. The initial roll out covers 38,000 users across 26 states in the USA. Policy holders enrolled in the safe driver program allow streaming of information from the car to the insurance provider.

Connect One for Insurance aggregates information received through the mobile app and telematics devices into a Big Data store, where Hadoop leverages parallel processing to analyze the huge data volume to generate driver ratings and enable a personalized premium computation based on a system of rewards and penalties.

A highly scalable HBase data store enables the insurer to store massive amounts of historical driving data to analyze and fine tune the rating algorithms.

## OTHER POTENTIAL APPLICATIONS

- Transport fleet owners and logistics companies can leverage the technology to track individual driver performance for improving fleet efficiency and driver safety
- Parents can monitor teenage driving behavior using the technology platform

## Who Benefits and How?

The insurer gets a more granular and current view of risk through analysis of detailed driving information. The insurer can garner market share through competitive premiums based on a more accurate, personalized risk calculation.

Drivers are rewarded for good driving through a personalized insurance premium based on their individual driving habits. When a policy comes up for renewal, the initial 10% discount is adjusted based on their driving performance, and can top out at as much as 30%. In addition, policyholders earn “reward points” for good driving, which can be redeemed for retail gift cards or discounted goods and services from participating merchants.

Higher risk drivers are provided with feedback on improvements through the policy portal or mobile app.

## About Atos Syntel Connect One

Connect One is Atos Syntel's dedicated technology practice that focuses on building innovative IoT solutions for our customers. We help organizations adopt a holistic IoT strategy that fundamentally transforms the way in which consumers engage with smart connected products. We help our customers build highly modular and scalable IoT platforms that abstract away the complexities of high volume sensor event processing; thereby enabling them to focus on the core business use-cases. Atos Syntel has developed industry specific IoT solutions to cater to the unique requirements of Healthcare, Pharma, Manufacturing, Retail, Logistics and Insurance industries.

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