

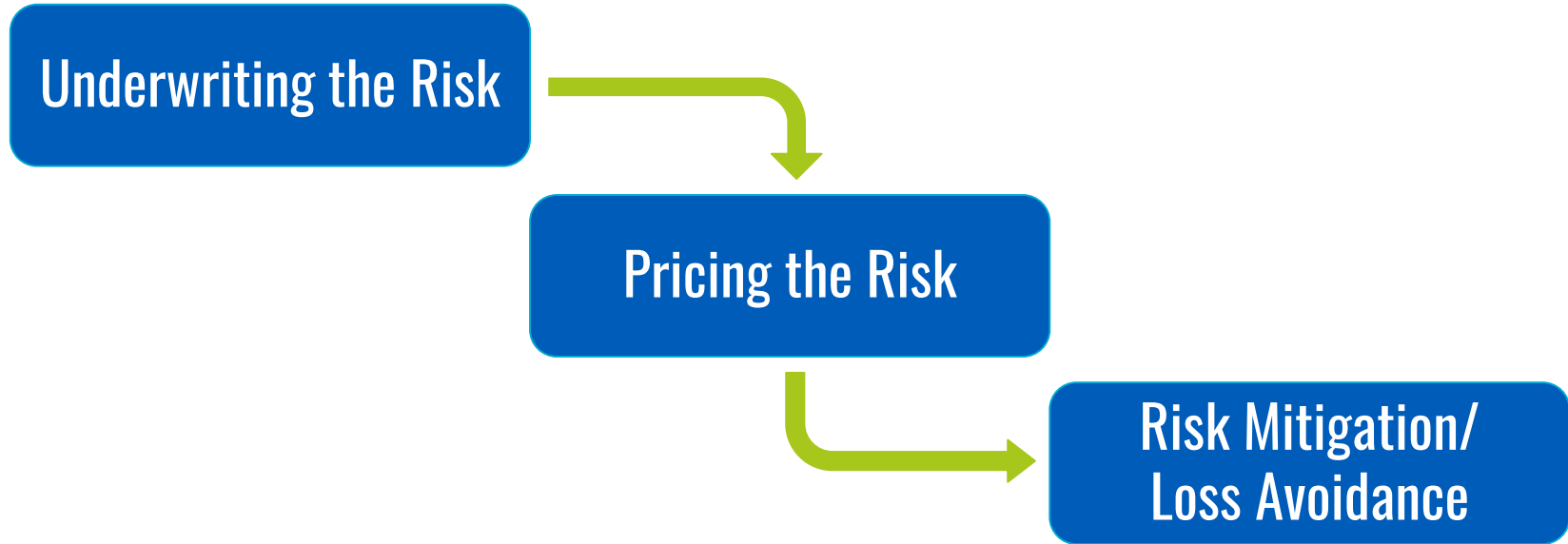


The Third Wave of Insurance

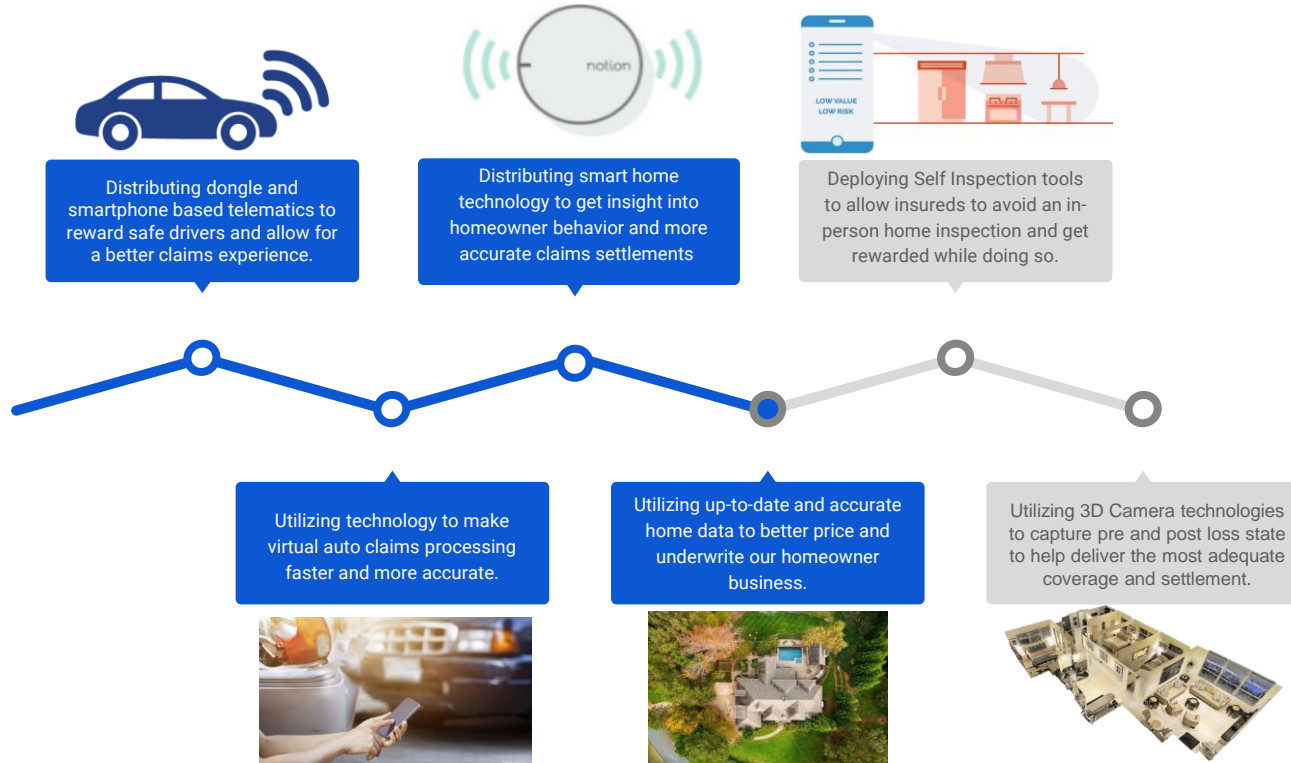
Haley Smith

Director, State Auto Labs

The Third Wave




How Carriers Are Responding





What is being overhyped around insurtech/innovation?

Word Cloud



What is not getting enough attention in the
insurtech/innovation space?

Word Cloud

How do each of these impact the agent?

Fleet Telematics



- Fleet telematics program
- Dongle device installed in OBD port
- Designed for business owners to manage the use, location and operating costs of their business auto & trucks
- Includes fleet management tool



Operational Efficiency, ie. Fuel Costs



Vehicle Use



Driver Routes



Speed



Hard Braking




Set Curfews



Alerts to Breakdowns and Accidents

The Narrative around Fleet Telematics

Traditional Fleet Management System versus Fleet Safety 360

Yearly Cost Per Vehicle	Purchase of a Fleet Management System	
Equipment (Dongle)	\$80	FREE
Activation Fee	\$20	FREE
Fleet Management Tool Yearly Fee (\$10 per month)	\$120	FREE
Insurance Discount Avg Annual Savings from 10% Participation Discount	NONE	\$120

**Fleet Safety 360 Average Annual Savings Per
Vehicle to Business Owner...\$340**

Auto Telematics

Quick Care Benefits



Accident Alerts

If you're in an accident and it registers on the installed auto telematics device, it'll notify our State Auto Claims and Risk Engineering (CARE) team so we can reach out at the scene and help you with towing and start your claim if you choose, saving you time and stress.



Lost/Stolen Vehicle Recovery

Quick Care may also help us locate lost/stolen vehicles. If the telematics device is plugged in, we may be able to help identify:

- The time the vehicle was stolen
- The last known location and the time that trip ended
- The route that was taken when the vehicle was stolen

- Recover stolen vehicles within 24 hours
- Since October, 75% of crash notifications are confirmed crashes
- 95% positive feedback when contacting insureds for crash notifications



Smart Home

One sensor, many senses.

Notion packs multiple capabilities into each sensor that all work seamlessly together.



Sound

Know when a smoke or CO alarm goes off.



Orientation

Monitors unexpected movement or theft of valuable property.



Temperature

Monitors serving/storage areas and/or freezers for Food Safety.



Acceleration

Monitors for door opening and closings on entrances, exits, storage, freezer doors, etc.



Water

Monitors for water presence/leaks.



What do you think has been the biggest hurdle with Smart Home programs to date?

- Agent Buy-In
- Getting the consumer to install
- Too complicated to enroll
- Devices aren't adding value
- Big Brother Fear
- Consumers are purchasing smart devices on their own
- Incentives are not large enough (premium discount, waiving deductibles, etc.)

Aerial Imagery



TURNING IMAGERY INTO PROPERTY SPECIFIC INTELLIGENCE

Property Profile

456 CENTER AVENUE, USA

BY PERIL ATTRIBUTES: Hail	Roof Covering	Shingle
	Roof Condition	Poor
	Roof Area	1,420 sq ft
PROPERTY CHARACTERISTICS	Building Extension	Yes
	Yard Debris	Yes

CHANGE DETECTED: BUILDING EXTENSION

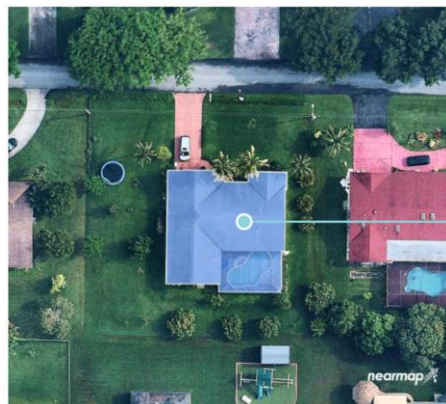


Property Profile

223 AUBURN AVENUE, USA

BY PERIL ATTRIBUTES: Wildfire	Distance to Vegetation	0 ft.
	Roof Covering	Shingle
	Roof Tree Coverage	Yes
PROPERTY CHARACTERISTICS	Roof Condition	Good
VEGETATION COVER	Zone 1 - 10 ft: 15% Zone 2 - 30 ft: 70% Zone 3 - 100ft: 80%	

U.S. FOREST SERVICE WILDFIRE HAZARD POTENTIAL: MODERATE



TURNING IMAGERY INTO PROPERTY SPECIFIC INTELLIGENCE

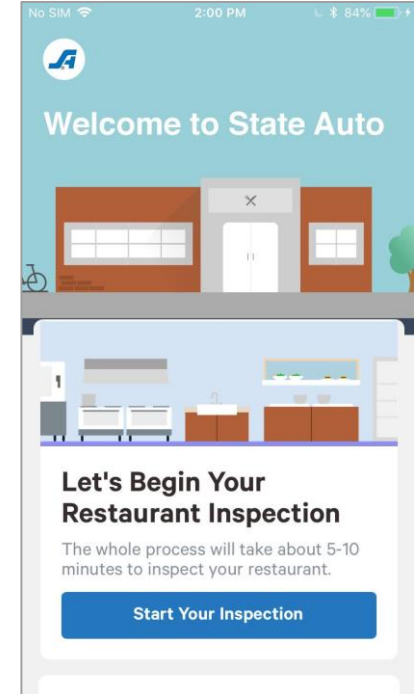
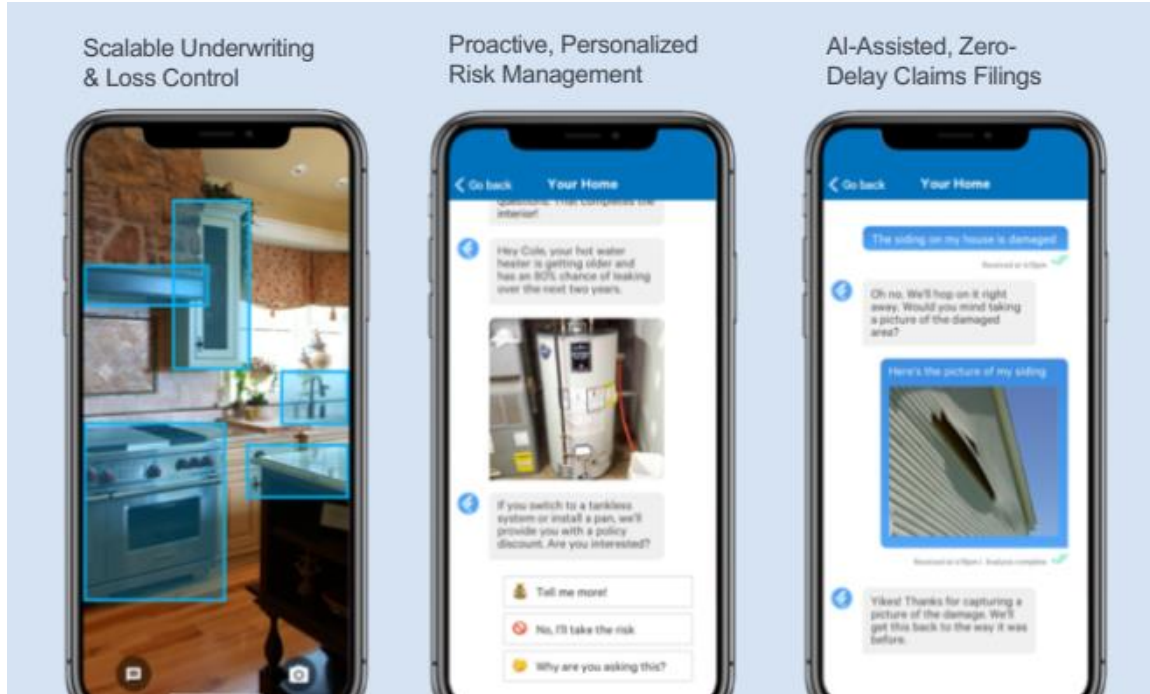
Property Profile

123 MAIN STREET, USA

BY PERIL ATTRIBUTES: Wind	Roof Geometry	Gable
	Pool Enclosure	Yes
	Roof Condition	Fair
LIABILITY EXPOSURES	Trampoline	Yes
	Pool	Yes

CHANGE DETECTED: TRAMPOLINE

Self Inspection Technology



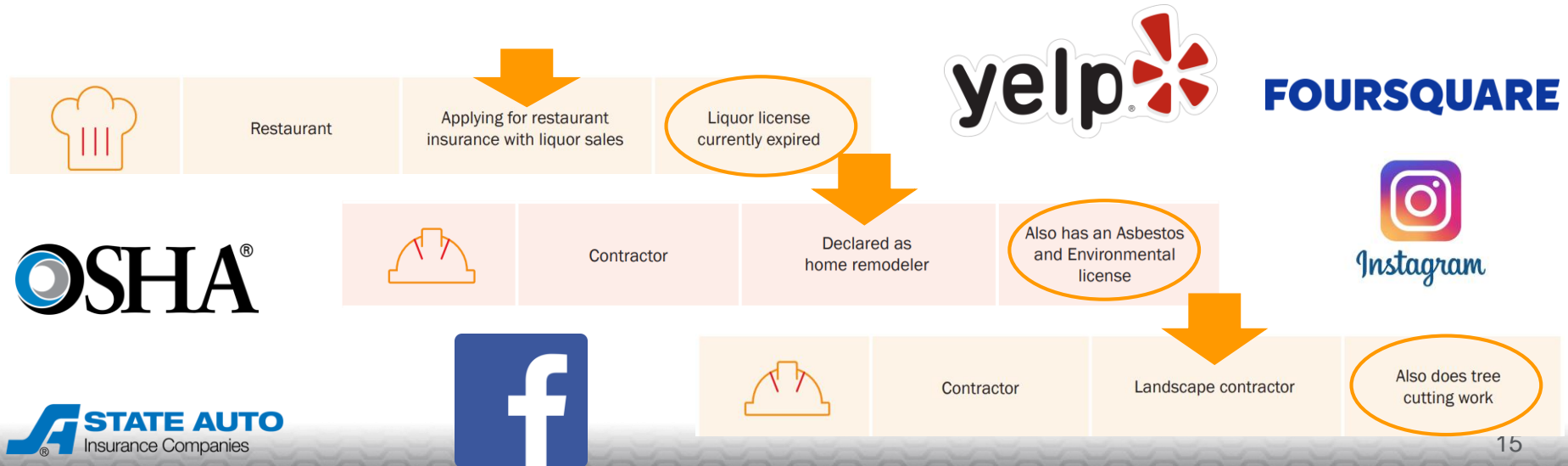


What method of inspection will consumers prefer in the future?

- A. Self Inspections
- B. In-Person Inspections
- C. Virtual Inspections
- D. No Inspection

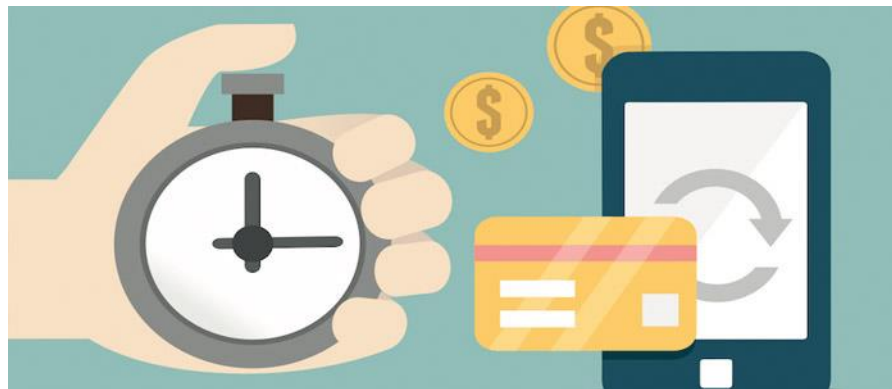
Web Scraping in Commercial Lines

- Harvest insights from the web to develop a Risk Profile Analysis
 - This supports underwriting decisions at a desk and automated level
 - Increase Straight Through Processing opportunities for agents
- It further enhances renewal automated underwriting through high risk renewal underwriting reviews
- End Result: Quicker, more consistent and accurate underwriting decisions for agents



Using AI to Determine Billing Options

- Building Internal AI models using credit score, banking information, etc. to determine which payment options should be available
 - Monthly
 - Semi-annual
 - Full pay
 - Down Pay
 - Double Down Pay



Questions, Thoughts, Comments?



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