



Data Science Services The Insurance Industry

About Us

At AlgoAnalytics, we house a strong team of data scientists. Our experience spans a variety of domains such as BFSI, Telecom, Retail, and Healthcare. Many of the techniques and approaches used are applicable and relevant to various facets of the insurance industry. We present a snapshot of a few past cases demonstrating our successes and how they can be tailored to insurance.

Contact Us

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Case Study — Workers' Compensation Policy

Concept

Employers with more than a certain number of employees are required to have a workers' compensation (WC) policy. This policy provides insurance when an injury occurs on the job. The premium for this policy is determined based on the information provided by the employers at inception.

Goal

The goal is to study the business processes of the advising firm and build a mathematical model replicating or improving their current performance. For this, we identify which policies need to be audited, look into total post sales account management as well as manual processes.

Business Value

Warranty claims are classified as normal or suspicious with high or low risk labels using machine learning models. Machine learning provides for automated labelling which increases accuracy and saves time when compared to manual classification.



KPIs in Insurance

Customer

- Lapse Analysis—we look at how lapses in the policy affects the business, and how these can be predicted and mitigated. The specific KPIs to analyze here include Lapse Ratio, Renewal Ratio and Customer Lifetime Value.
- Sentiment Analysis—we take a look at customer communication and understand customer sentiment such that proactive measures can be made to minimize customer dissatisfaction. The KPIs to analyze here include Number of Calls and Number of Emails received.
- House Holding—this aspect looks at analyzing and optimizing insurance policies within a household. The KPIs included here are Number of Policies in a Household and Claim Propensity of a Household.

Market

- Segmentation—we look at segmenting customers on various factors and understanding how these segments operate and differ. The KPIs which are important for analyzing segments include Growth Rates and Product Propensity by segment.
- Channel Analysis—we analyze the performance of various channels used in selling insurance products. Important KPIs here include Channel Mix Ratio and Product Propensity of a Channel.

