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Big Data

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Big Data

What is Big Data.

Big Data in Insurance Today.

Managing Big Data for Pricing.

- Pricing Structures.

- Systems and Process.

- People and Analysis.

- Customers.

Conclusions.

Questions.

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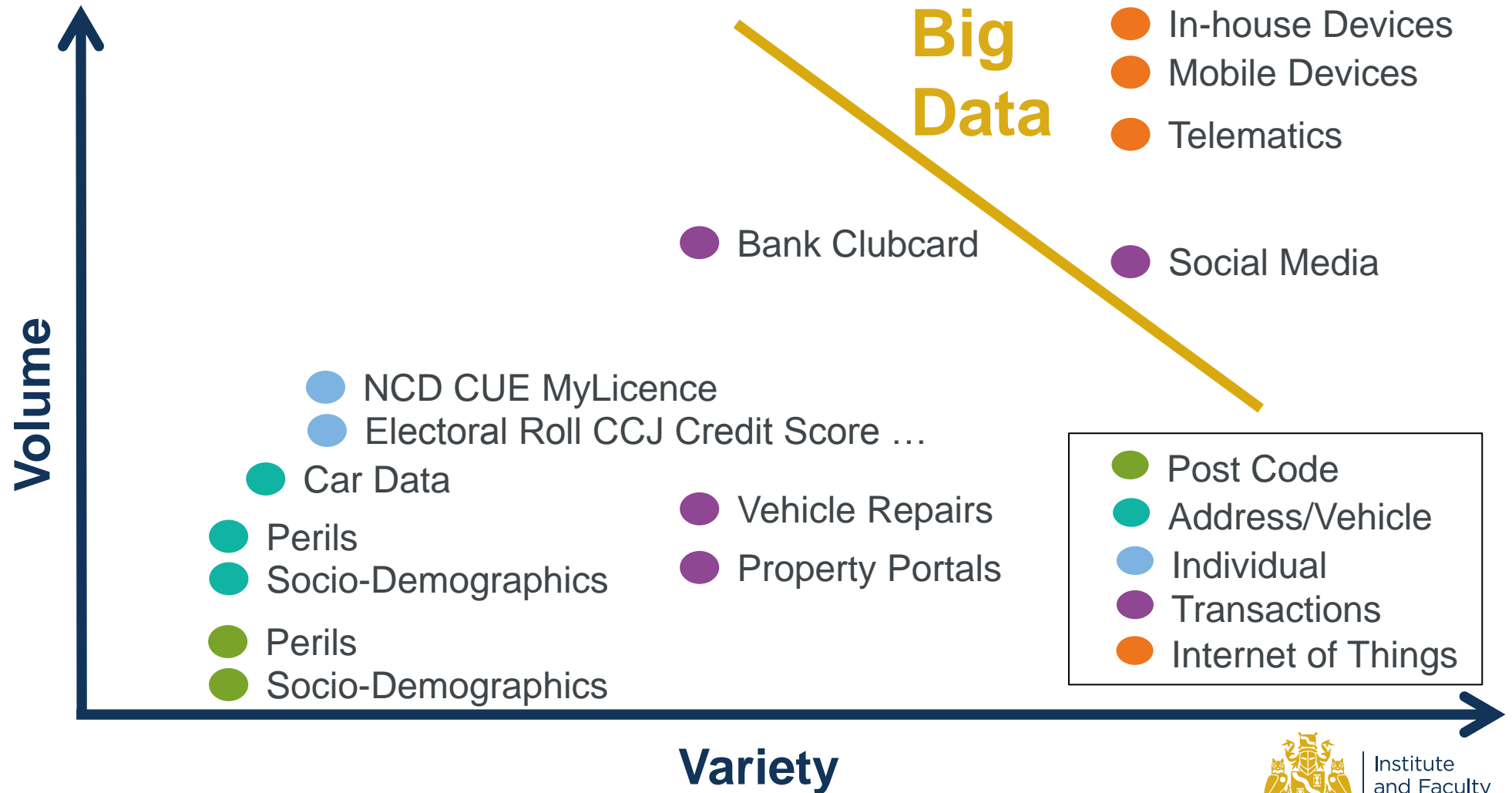and Faculty
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What is Big Data?

Volume: Terabytes/petabytes of digital data.

Velocity: High speed data flows.

Variety: Free text, video.

Where are we Today

Big Data

Volume (vertical axis) vs Variety (horizontal axis)

- In-house Devices
- Mobile Devices
- Telematics
- Bank Clubcard
- Social Media
- NCD CUE MyLicence
- Electoral Roll CCJ Credit Score …
- Car Data
- Vehicle Repairs
- Perils
- Socio-Demographics
- Property Portals
- Perils
- Socio-Demographics

Legend:
- Post Code
- Address/Vehicle
- Individual
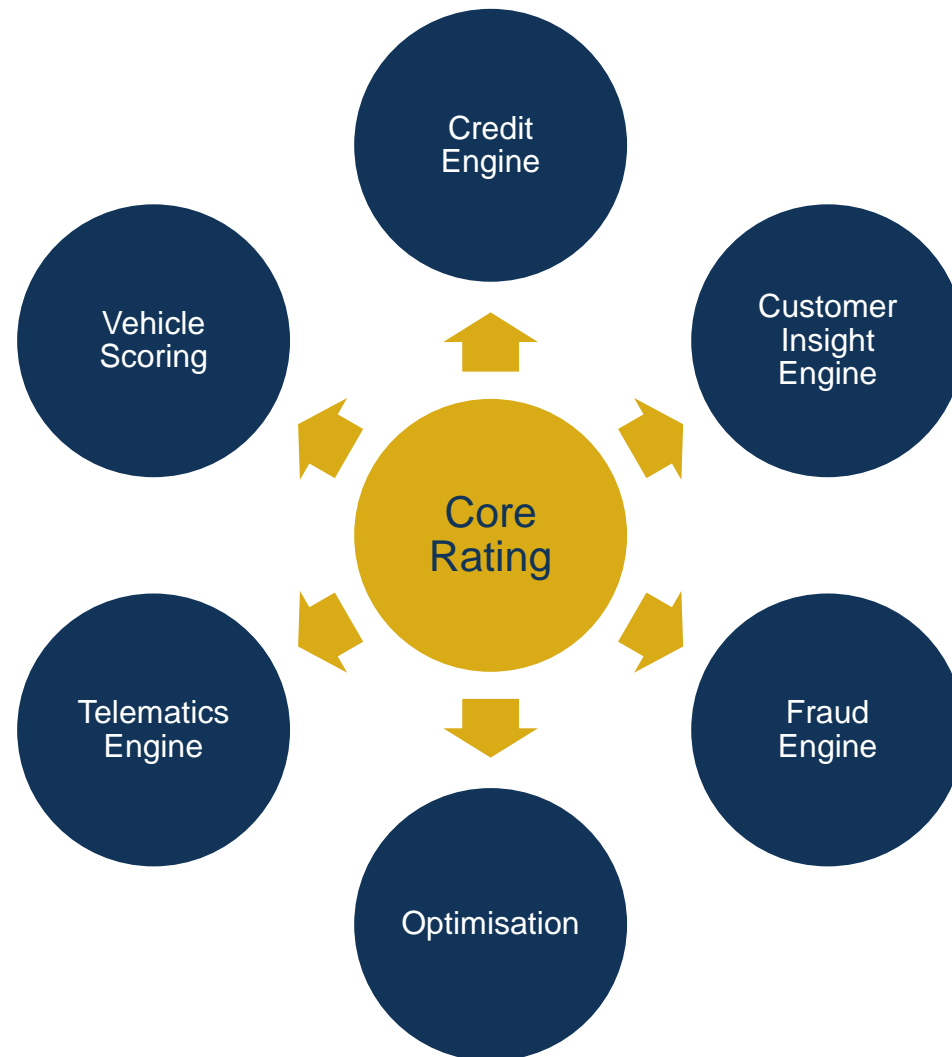- Transactions
- Internet of Things

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Pricing Structure

- Rating engine to **pricing hub**.

- Data has its own **velocity**.

- "Good **design** is good business".

- It's what comes out of the box that **counts.**

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Rating Engine to Pricing Hub

Systems and Process

- Maintain your **Independence**.

- 3 V's of big data:

  - **validation, validation, validation.**

People and Analysis

- A **data scientist** is an actuary without letters.

- **External** is necessary but **in-house** is best.

- Its not just about **GLMs.**

- **Culture** is everything.

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Customers

- If it don't feel right, it **ain't right**.

- They don't know what's going on **but one day they will.**

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Conclusions

- **Keep perspective**.

- **Take responsibility.**

Questions

Comments

Expressions of individual views by members of the Institute and Faculty of Actuaries and its staff are encouraged.

The views expressed in this presentation are those of the presenter.

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