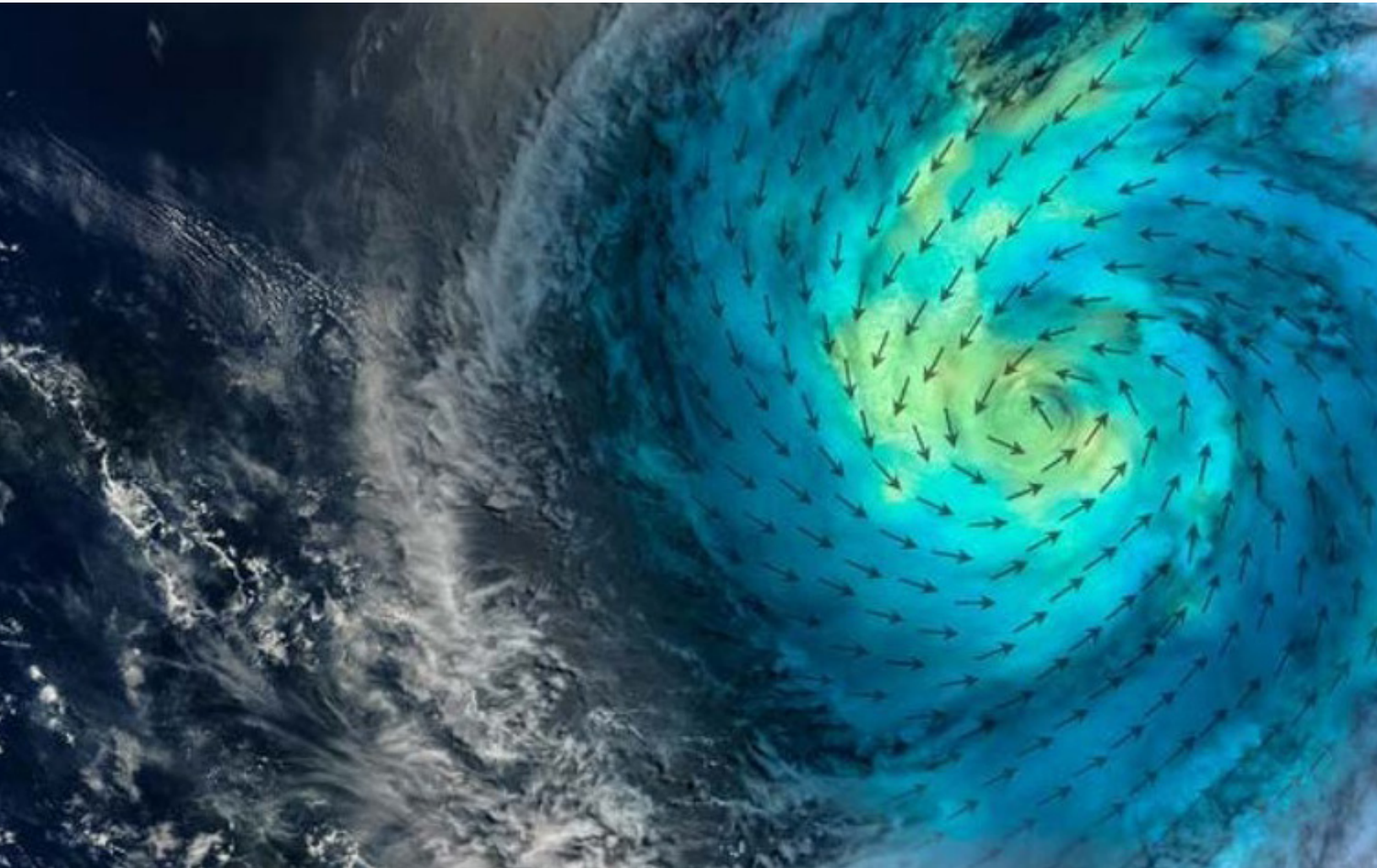




# insur<sup>ity</sup>

## Manual to Automated: How to Make Your Event Response Operations Run Like Clockwork



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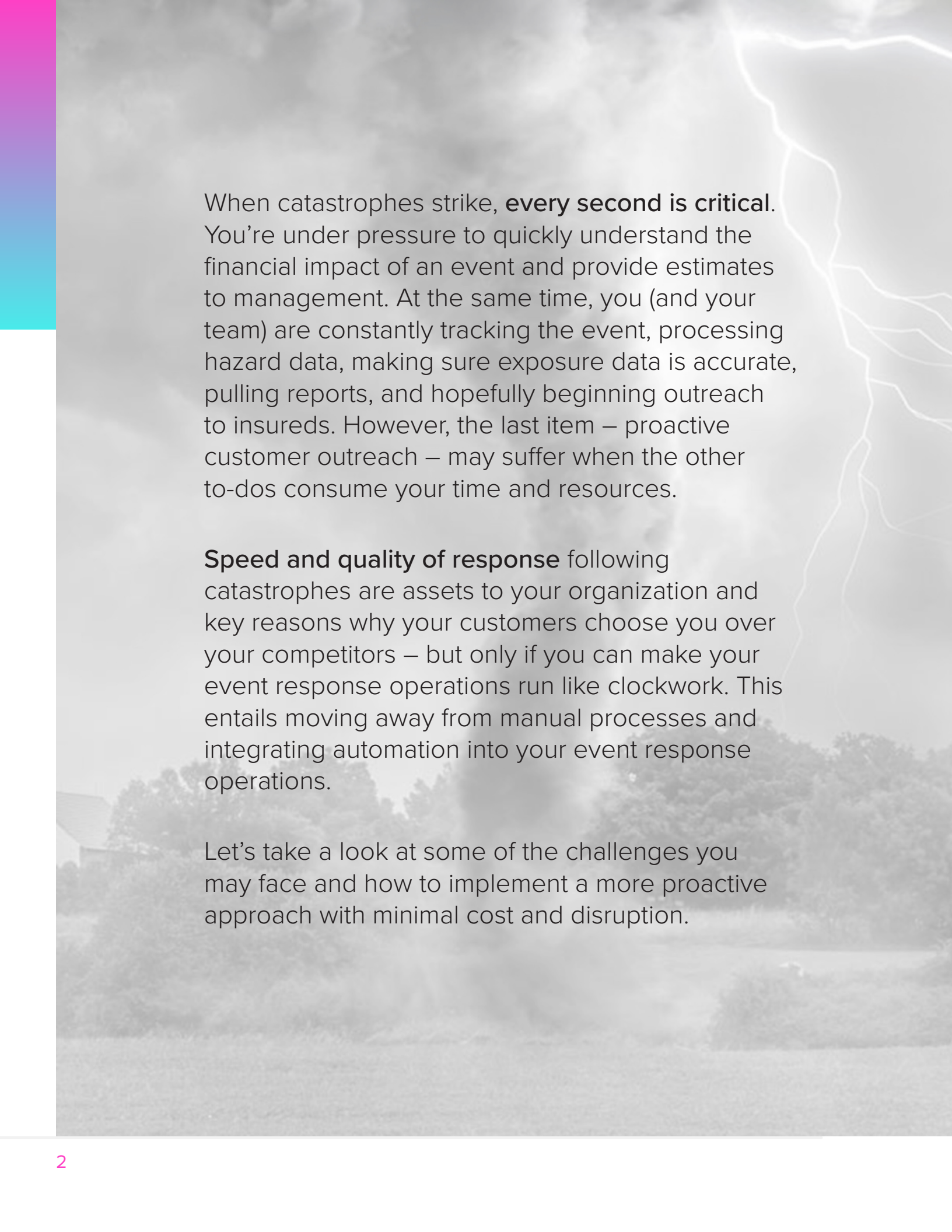
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When catastrophes strike, **every second is critical**. You're under pressure to quickly understand the financial impact of an event and provide estimates to management. At the same time, you (and your team) are constantly tracking the event, processing hazard data, making sure exposure data is accurate, pulling reports, and hopefully beginning outreach to insureds. However, the last item – proactive customer outreach – may suffer when the other to-dos consume your time and resources.

**Speed and quality of response** following catastrophes are assets to your organization and key reasons why your customers choose you over your competitors – but only if you can make your event response operations run like clockwork. This entails moving away from manual processes and integrating automation into your event response operations.

Let's take a look at some of the challenges you may face and how to implement a more proactive approach with minimal cost and disruption.



# FOREWORD

Imagine a hurricane strikes...



...and it's impacting Texas, Florida, or the Carolinas.

Management is asking you for the estimated financial impact of this event, and your stress levels are rising.

It's time for you to come up with some answers, and fast.

# Manual Event Analysis = Over 4 Hours

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45MIN

## 1. Get event data

You go to the NOAA website, pull down wind datasets from the latest update, and then convert them into a usable format.



60MIN

## 2. Intersect with your portfolio

Now, it's time to intersect the footprint with your portfolio data which may take another hour or so to complete.



45MIN

## 3. Update your portfolio

After you get everything set up, you realize your portfolio is six months old, which may over or underestimate your actual exposure. But there's no time to pull an updated snapshot of your exposure.



45MIN

## 4. Run financial model SQL scripts

With a manual intersection process, you are likely unable to easily access the impact of policy terms and conditions. So, you'll need to run some financial model scripts to determine the actual exposure for this event.



45MIN

## 5. Create and share reports

You finally get some numbers ready and format them into a report for management.

**Just then, you see that NOAA has published the next snapshot of the hurricane. Rinse and repeat. It's going to be a long night.**

Imagine, this scenario was for a single data source. Realistically, you would need to perform these same steps across multiple data sources (e.g., inland flood, NOAA, probability surge, etc.) to gain a complete understanding of this event.

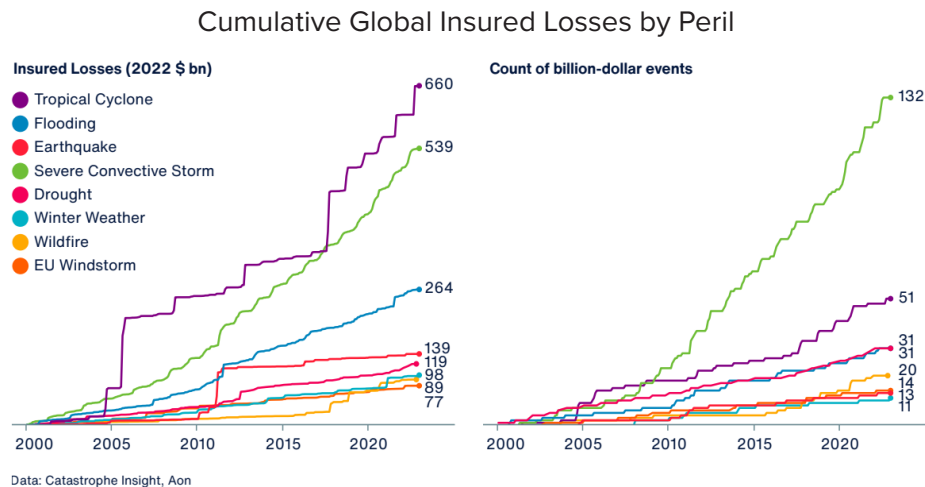
# OVERVIEW

## Automation is the Answer to Proactive Event Response

The previous scenario demonstrates how insurers are increasingly challenged with operationalizing data and making the event response workflow run smoothly. With the frequency and severity of global catastrophes on the rise, event response teams must replace their existing manual processes with automation to effectively keep up.

The ability to anticipate events and provide proactive outreach is essential to meeting growing customer satisfaction demands as well as driving efficiencies that result in cost-savings and increased profitability – especially in the current economic landscape.

With \$132 billion in insured losses, 2022 was the fifth costliest year on record for insurers. Just one event – Hurricane Ian – drove up to 49% of all global insured losses with \$50-65 billion in losses. This illustrates a worrying trend: **billion-dollar events in concentrated areas of wealth.**



Tropical cyclones remain the costliest global peril, largely driven by the severity of single events. Severe convective storms are the second costliest peril with losses driven by the increasing frequency of events.

Chart source: Aon, “2023 Weather, Climate and Catastrophe Insight Report”

# 2022 By the Numbers

Source: Aon, "2023 Weather, Climate and Catastrophe Insight Report"

- **\$313 billion in global losses**
- **\$132 billion in global insured losses**, 57% above the 21st century average
- **58% global protection gap**, meaning only 42% of losses were insured - the lowest ever recorded
- **75%** of all global insured losses were **recorded in the U.S.**
- **\$50-55 billion** in estimated insured losses from **Hurricane Ian**, the 2nd costliest event ever (only surpassed by Hurricane Katrina)
- **19 billion-dollar** insured global loss events
- **12 severe convective storm (SCS)** events recorded in the U.S., resulting in \$29 billion in insured losses

## **Straight from the mouths of insurers:** Manual event response challenges

*"I need to know what happened when I'm sleeping, traveling, or working on something else—without having to jump through hoops to find out."*

*"We're dealing with time-sensitive situations, but the manual nature of exposure data collection, event monitoring, as well as data research and procurement, delays our ability to respond to events expeditiously."*

*"I need a solution that not only focuses on events that I need to be concerned about, but also allows me to filter out the noise from events that I don't care about."*

# PART ONE

## Manual Event Response Challenges

Low premium income growth and rising interest rates are putting pressure on profits – and the adverse effect of extreme weather events on insurers' bottom lines is only growing. While tropical cyclones and severe convective storms are the top two drivers of losses, they're also the perils where event automation technology can have the most impact.

In fact, in 2022, Insurity's event response team processed approximately 80,000 hazard datasets from 17 data providers, providing real-time event alerts to over 130 clients. These numbers illustrate how Insurity's team is speeding the process and solving two key challenges facing insurers today:

1. Operationalizing data during time-sensitive events
2. Accessing and analyzing data from disparate systems and sources



# The 9 Event Response Workflow Challenges

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Knowing when and where an event has occurred



Knowing what hazard data is available and procuring it from disparate systems



Quickly processing data/footprints, getting them into usable formats, and making sense of them



Retrieving the most recent snapshot of exposures



Intersecting exposures with hazard data to understand portfolio impact



Determining if an event requires attention, action, and escalation



Gathering and dispersing actionable information across different teams



Readying customer response and pinpointing where to send outreach



Creating moratoriums for impacted areas

As you well know, all of the above challenges – when conducted manually – lead to inefficient operations and delayed customer outreach. But the problem of operationalizing data, in particular, warrants more explanation.

# Operationalizing Data

## Keeping up with all the data and making sense of it

Operationalizing data can be a substantial barrier to success for many re/insurers, MGAs, and brokers, especially those who do not outsource their data processing. Working with our clients has illuminated a consistent struggle: **there is a gap between the wealth of data available and an organization's ability to quickly process, contextualize, and derive insight from it.** Those who try to go it alone by relying on in-house data teams may find that they're spending more time operationalizing data than deriving value from it, particularly during time-sensitive events.

We're seeing a push among our data partners to be the first to market with their forecasts as a means to establish a competitive advantage. While this data race has the benefit of generating more information (and views of risk) around a given event, it also creates a whole lot of data for you, as a re/insurer, MGA, or broker to keep up with and consume.

The job of 24/7 data puts an enormous strain on data teams, especially during seasons where back-to-back events are common. For example, during Hurricane Ian, Insurity's data team processed over 150 data updates from four providers, as well as NOAA aerial imagery.

This is an intense effort that requires all hands on deck. Insurers who lack the expertise and resources to consume and work with the sheer volume and complexity of data that is being put out by multiple data providers during an event may find the effort downright grueling – or even impossible.

# Accessing & Analyzing Data

## Calibrating complete views of risk

We now know the frequency of hazard data is one problem. The other is access to it. While data choice is abundant, you may find that you're still hopping between platforms to access, visualize, and analyze hazard data and models in the context of your exposure data.

A key reason for this is the proprietary nature of some trusted industry catastrophe models. They can drive inefficiencies by limiting where data can be visualized and how. This leads to the necessity of piecing together multiple disparate solutions to fully understand the extent of an event. Without the ability to quickly and efficiently calibrate views of risk, you'll be left with more questions than answers.

# PART TWO

## Automating Your Event Response Operations

During time-critical events, data has limited value unless insights can be expediently extracted. There's a real opportunity cost to the time insurance professionals spend operationalizing and making sense of data.

In fact, we quantified that time in our previous hurricane scenario: **approximately four hours per significant hazard data update**. How many employees do you have working on data during a given event? How long does it take them to process data and intersect it with your exposures each time there's an update?

Automating your event response operations doesn't have to require large financial commitments or heavy investments in time and IT resources, and the positive impact is often immediate.

At Insurity, we know first-hand that event response automation is on the transformation radar for many P&C organizations. Insurers simply must prioritize automating the event response process to keep up with catastrophes, customer demands, and the competitive landscape.

How exactly does Insurity Geospatial Event Response, powered by SpatialKey and Maprisk, help create efficiencies in the event response workflow? Let's take a look at key manual workflow challenges and their corresponding automated solutions.

# Event Workflow Data Challenges & Solutions

## Staying in the know: What happened?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Knowing when an event has occurred		24/7 hazard event monitoring & automated notifications	Always be the first to know about an event; no pulling reports or manually tracking events

## Getting hazard data: What data is available?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Knowing what hazard data is available & procuring it from disparate systems		Latest hazard data all in one place, including new & innovative sources	Saves time & eliminates the inefficiency of “data hopping” & data procurement

## Operationalizing hazard data: Is the data ready to use?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Quickly processing data / footprints, converting to usable formats & making sense of them		Hazard data is pre-processed & in an intelligible format that is optimized for analysis	Reduces dependency on in-house data teams while driving faster insight

## Getting portfolio data: Are my exposures up to date?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Retrieving the most recent snapshot of exposures		Exposure data is continuously updated via API	Increases accuracy & removes a step from the time-critical process

# Event Workflow Analytics

## Challenges & Solutions

### Understanding impact: What is the impact to my portfolio?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Kicking off a process to intersect exposures with hazard data to understand portfolio impact		Hazard data is intersected with exposures; financial model calculates exposure; report pinpoints impact	Speeds entire event response process, removing bottlenecks & ensuring accuracy

### Portfolio relevancy: Do I need to care?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Determining if an event requires attention, action & escalation		Custom thresholds (e.g., hail 2" or >) pinpoint damage & send notification only if event requires attention	Ensures relevance while preventing inundation & keeping you focused on what matters

### Reports & sharing: How do I manage & inform stakeholders?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Gathering & dispersing actionable information across teams		Reports are automatically generated with custom settings and numbers that matter	Expedites accurate numbers & event impact to stakeholders in preferred format

### Cross-team collaboration: Where should I focus my outreach?

MANUAL CHALLENGE	vs.	AUTOMATED SOLUTION	RESULT
Readying customer response & informing where to send outreach		Actionable analytics can be shared across organization with a click of a button	Ensures shared knowledge; improves response time & downstream customer satisfaction



# AFTERWORD

Another hurricane strikes...



...but this time you're set with automation.

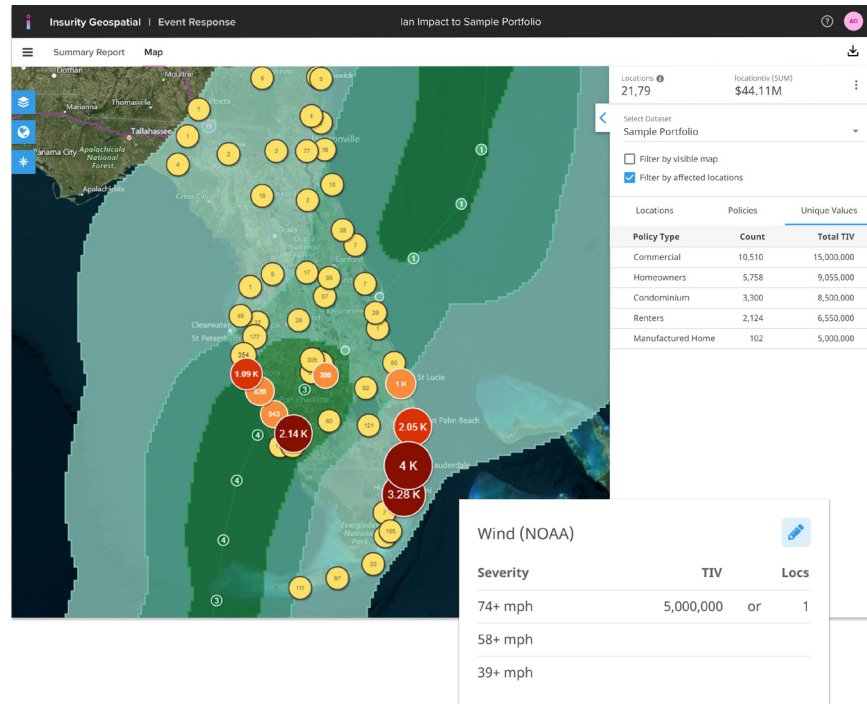
Here's how just a few hours of getting your portfolio data integrated and automation in place with a solution like Insurity Geospatial can pay off in improved operational efficiencies, risk mitigation, and customer and stakeholder satisfaction.

# Automated Event Response = 10 min



## 1. Investigate results

Within moments of NOAA publishing an update, you receive an email notifying you of the financial and insured impact. With the click of a button, you're in a live dashboard with your custom settings, investigating the event, your impacted exposures, and more.



The above dashboard image shows that the insurer's threshold of \$5M TIV at the highest wind speed (74+) was hit. The dashboard reflects the insurer's custom template and settings which were used to pre-calculate the impact to each policy type and color the locations by TIV.



## 2. Share report

You still have to get those numbers to management, but this time you can breathe easy knowing your numbers are not only accurate, but the whole process took a fraction of the time. Now when NOAA (or any other public or private data provider) pushes the next update, you'll be set with a highly scalable infrastructure that enriches your data, calculates financial impact, and produces a report within minutes.

# Why Was This Process More Efficient?

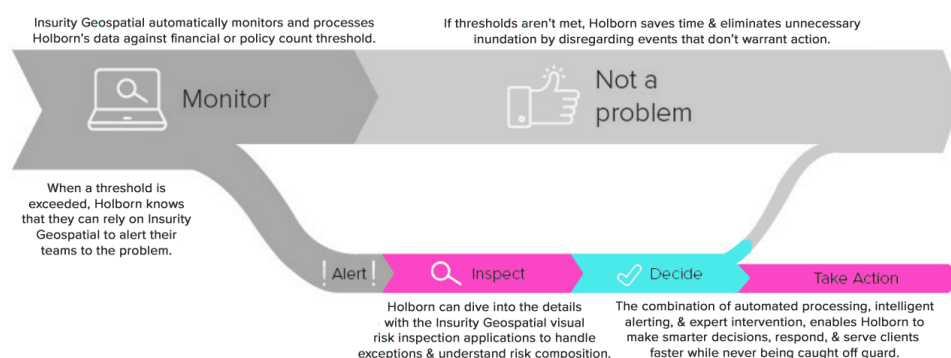
- Since you invested a couple hours upfront to integrate API technology, **your exposure data was up-to-date.**
- You had access to **pre-processed, ready-to-use hazard footprints** as they became available.
- **The event was monitored 24/7**, so you didn't have to constantly track it and pull reports to understand what changed.
- Your custom filters and thresholds ensured you were never inundated with notifications and **only received metrics that you care about.**
- **You saved a bundle of time** because a financial report was auto-generated for you to pass along to upper management.
- You were able to **quickly share reports** across teams so claims could get a head start on their customer outreach.
- And, thanks to **automation**, you also didn't have to worry about your underwriting team writing risk in areas impacted by large events.

## Implementing an Automated Event Response Solution

When implementing an event response solution, it's important to consider your total investment, including time and resources to get up and running with a fully automated solution.

With Insurity Geospatial, portfolio data can be imported in minutes through our UI. Or you may choose to import via API, which automates the import of your portfolio and keeps it up to date. Once your portfolio is imported, it takes just minutes to configure the event response automation piece.

Take a look at how our solution is set up to work for one of our customers, Holborn, a leading reinsurance broker. [Read the full case study to learn more.](#)





## CONCLUSION

# It's Time to Make Your Event Response Run Like Clockwork

It's clear. There's a better way to tackle the growing challenge of deriving insight from data and quickly understanding the impact of an event. If you lack the ability to operationalize and extract insight from time-critical data, you're operating in status quo when your management team and customers expect to know more about an event and sooner.

A solution like Insurity Geospatial doesn't require major service disruptions or heavy hardware spend, and it drives immediate impact by reducing expenses, streamlining operations, and **improving the customer experience now** - not years from now.

Investing in your event analysis operations sets your event response and claims teams up for success while providing the business with a competitive advantage. Exemplary service is a differentiator. But in an on-demand world, your service can no longer be exemplary if it's not fast and exact.

At Insurity, we can have your event analysis and response operations running like clockwork in no time. So when the time comes for your customers to make renewal decisions, your new level of service will ensure solid retention.

[Click here to learn more about Insurity Geospatial.](#)

