



How is technology changing the way we estimate claims?

While insurance telematics is better known for the proposition of insurance premium discounts, the hidden gems of telematics shine through in the event of an accident. Today, by utilising this technology and a strong accident data repository, the data collected during the accident and the elaboration of them operated by artificial intelligence makes it possible to estimate the cost of repair within minutes. This is all done automatically and communicated in near real-time, vastly improving the communication time and quality between the insurer and the bodyshop. This approach simplifies the approvals, streamlines the process that keeps claims handling costs to minimum, and all the while leaves a positive experience for the claimant.

Furthermore, the technology supporting this at the backend continues to develop. As the data collected is merged with claim report information to support the evolution of the algorithm with machine learning. This works by continuously updating the 'golden sample' with a selection of new qualified data sets, providing a measurement tool for identifying true or false events as well as a training tool for the algorithm. This is done at minimum on a monthly cycle to consider the changing real-world environment that is provided by Boundary Condition inputs such as the weather, traffic conditions, known black spots and even changing

vehicle specifications. As a result, the accuracy of the repair cost estimation is continuously improved. The same data can then be used to build automatic quality control on bodyshop activities. This is in the context of a growing numbers of interconnections among stakeholders, in particular the databases of vehicle manufacturers and part suppliers to reduce repair times and improve quality.

As we see the introduction of autonomous vehicles, the number of road accidents and therefore repair jobs will decline. However, the smaller number of accidents will come with more complexity, including who bears the cost of repair, approval of and cost estimates of the claim based on an expanded number of sensors. As an added responsibility of autonomous vehicles, the quality of the repair must satisfy the insurer, policyholder and regulators to ensure autonomous functions are still safe and reliable. No doubt telematics technology will continue to play a pivotal role in supporting the insurer-bodyshop relationship and helping them navigate these new challenges. ●

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