

IoT data is the risk prevention tool of the future in insurance, highlights new Geneva Association report

- [From Risk Transfer to Risk Prevention – How the Internet of Things is reshaping business models in insurance](#) is a first-of-its-kind study of the paradigm shift in insurance to real-time risk prevention solutions, enabled by Internet of Things (IoT) technologies.
- Offering major benefits to both insurance retail and business customers, IoT has the potential to mitigate risks and encourage less risky behaviour. The report highlights early success stories in insurance that demonstrate IoT's huge potential to promote safer and healthier workplaces and lifestyles, drawing on more than 60 interviews with insurers and other stakeholders.
- The report encourages all stakeholders – insurers, technology companies, regulators – to prioritise understanding insurance IoT and how it can be applied to insurance prevention services.

ZURICH, 26 May 2021 – In insurance, IoT data is making it possible to prevent risks faster, more effectively and with more precision. To explore the full potential of these technologies, The Geneva Association conducted a first-of-its-kind study on the shift from traditional risk transfer to technology-enabled risk mitigation and prevention services in the insurance industry.

The report, authored by Isabelle Flückiger and Matteo Carbone, is based on interviews with over 60 insurers, technology companies, start-ups, global organisations and leading academics across all insurance business lines and geographies.

Jad Ariss, The Geneva Association's Managing Director, said: "Our report showcases the tangible impact IoT risk prevention has in improving – and even saving – lives. Although commercial lines are more advanced in rolling out these technologies, there is convincing potential in personal lines as well, with outcomes like fewer auto accidents and damage to people's homes. The case studies in our report, of insurers who have implemented successful IoT initiatives, should inspire the whole industry. It is customers who will benefit most from this evolution."

Isabelle Flückiger, The Geneva Association's Director New Technologies & Data and the lead author of the report, said: "Data provide a critical path to more affordable insurance coverage and to 'insuring' previously uninsurable risks through prevention. IoT is a fundamental enabler of this and cannot be ignored by the insurance industry. Insurers should also focus on how to translate the use of IoT-based risk prevention into sustainable business models."

Matteo Carbone, Founder and Director of the IoT Insurance Observatory and co-author of the report, said: "The world is now hyperconnected. Insurance of the future will use data to enhance customer experiences, impact core insurance processes, create new knowledge and improve sustainability. There are already pioneers in this space, and their stories demonstrate the powerful and increasing role of IoT data in better risk prevention."

The Geneva Association's first [New Technologies & Data Conference](#), happening virtually on 1 June and featuring the authors of the report, will explore the megatrend of IoT risk prevention in insurance and include a

number of the insurance companies that participated in the study. The conference will have separate sessions dedicated to P&C and life & health businesses.

About The Geneva Association

The Geneva Association is the only global association of insurance companies; its members are insurance and reinsurance CEOs. Based on rigorous research conducted in collaboration with its members, academic institutions and multilateral organisations, The Geneva Association Identifies and investigates key trends and risk areas that are likely to shape or impact the insurance industry and develops corresponding recommendations for the industry and for policymakers.

In total, the companies of Geneva Association members are headquartered in 25 countries around the world; manage USD 17.1 trillion in assets; employ 2.4 million people; and protect 1.8 billion people.

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