Big Data Cases in the Insurance Industry and Suggestions

Recently, the Korean insurance industry is facing the lagging market growth due to the slow national economic growth. The Korean insurance industry is trying to overcome these challenges via the reduction of operational expenses and the improved understanding of insurance risks.

Considering that the application of big data can make significant contributions to these tasks, being able to utilize big data is not a luxury, but a critical component for the survival of an insurance company.

Furthermore, recent developments in IT-technologies and data-analysis techniques coupled with the huge amount of big data accumulation in a variety of fields will help us to boost the insurance industry.

However, even with the big data applications’ potentials, Korea’s has not been particularly proficient at utilizing big data to its fullest extent. According to the 2018 IMD report, Korea’s ability to analyze and utilize big data was ranked to the 31th in the world, whereas China ranked to the 12th.

Hence, we are hoping that this report, which introduces big data cases of various insurance companies and presents solutions for the issues of the Korean insurance industry’s big data related issues, would make significant contribution to the promotion of the Korean insurance industry.

Lastly, we explicitly confirm that the contents of this report are personal opinions of the authors, not the official opinions of KIRI.