MyData Business Status and Insurance Company Implications

Along with the fourth industrial revolution, interest in using personal data as a new key resource is emerging, while related issues continue to be raised in the protection of personal information. MyData Policy takes these two aspects into account and transforms existing organization-centered data utilization into a human-centered utilization system. MyData policy is under the explicit consent of customers who are information subjects to allow the third party access to customer data, and the organization with customer data provides the data to the third party in a standardized API method.

Domestic policy authorities are actively introducing MyData policy to revise the related laws, and to open up financial settlement infrastructure and establish new financial services such as MyData and MyPayment. In particular, MyData business, introduced by the revision of the Credit Information Use and Protection Act, can provide inquiry services by collecting and integrating various personal credit information scattered across various institutions, and incidental business operations such as data analysis and consulting, investment consulting, are possible.

MyData business is expected to trigger a full-fledged transition to the financial platform era in line with the spread of non-face-to-face culture and acceleration of digital transformation. The insurance industry also needs to respond more actively to changes in the open financial ecosystem in preparation for the full-fledged platform competition along with the digital transition. In order to expand the customer base in the platform era, rapid customer needs recognition through data and timely response of
customized services are important, and MyData business is an opportunity to secure these capabilities. MyData business is expected to increase personalization service capabilities through extensive information collection and integrated analysis, and expand business areas such as healthcare in connection with non-financial Mydata in the future. However, the platform market and data business, which are triggered by MyData, are business areas that have never been experienced before, so careful preparation is needed for this.

In the short term, it is necessary to check the capability to link customer data to internal assetization and a strategy to upgrade it. In addition, a customer-centered work system and the differentiation of customer experience are needed. Financial consumers are already familiar with digital platforms, and the competition structure in the market is expanding to FinTech and BigTech companies as well as other financial industries. Insurance companies, which focus on indirect experience with customers through face-to-face channels (Financial Planner or Risk Consultant, etc), need to examine if they are designed customer-centered throughout their work. Finally, preparation of individual companies is also important, but joint efforts from the insurance industry are required. Industrial use of pseudonym information will become possible, and research is needed on what information is useful in future health and public use. It is expected that such research should be preceded to establish a virtuous cycle that expands the customer base by providing competitive products and services only in the insurance industry that is differentiated from other industries.