



Futuristic view in the Insurance Sector

Dr. A.Y.Kettiramalingam¹ | S.Sensudhir² | Boomika D²

¹Associate Professor, Department of Commerce in Business Process Service, Dr. N.G.P Arts and Science College, Coimbatore.

²Department of Commerce in Business Process Service, Dr. N. G. P Arts and Science College, Coimbatore.

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ABSTRACT

The evolution of different sectors leads to the tremendous innovation of new technologies in the sector that surrounds us. The Monetary element is the motto behind the business's survival in the long-term aspect. In every circumstance, some risk may be caused to the business in direct as well as indirect ways too. Prevent and divert the risk, the insurance sector plays a vital role in preventing terms. But the survival of the insurance sector also depends upon the monetary elements only. A Lot of new adequate measures are implemented in the insurance sector to reduce the duplication of activities to prevent false claims or false information. Both the thing, false claim, and the false information is a primary thing in the initial stages of the insurance policy. Underwriting in the initial stages of an insurance policy is the key element in the process of checking the necessary information is correct and appropriate. The above- mentioned elements are done mostly through the manual process. Effectiveness is mostly missing in the process of fulfilling the task before the actual established time. The revolution in the sectors that are linked with insurance is upgrading its technological aspect in the fulfillment of tasks that are assigned. The evolution of the technological aspect leads to new elements of inclusion in the insurance sector. The evolution of technology starts with the introduction of the computer to the present and the futuristic model of AI. The usage of AI will efficiently change the in-inefficiently time. The Insurance process is a wider subject to formulate when the work is done manually and without proper structure. But the usage of the technological aspect in the insurance sector will give a new experience to both the insurer and the insured. Evolution is a trend, which is updated when it is needed by the sector to tackle problems.

KEYWORDS: Monetary element, Insurance sector, Underwriting, Computer, AI.

1. INTRODUCTION:

Risk is the uncertain element that surrounds the environment, where we live. The risk is the associate from the birth till the death. The preventing element is the intermediary between the person and the risk. The prevention may be of the monetary assistance that are given to the humans when the risk is been intruded into the human life directly or indirectly. For the monetary

assistance given to the human, he needs to keep certain amount of the reserve in the monetary element with him or with the other institutions which are regulated through the rules and regulations. The institution is the insurance companies that are situated in our environment where we live as well as the business functions. The unregulated institutions are also present before the implementation of the IRDAI act 1999. The

unregulated institutions is a place, where there will be proper security to the money that we deposit as the premium for the future causes to the prevention of the risk. After the implementation of IRDAI act, many rules and regulations were implemented in the insurance sector, they benefit were

- ✚ Insurers need to submit the audited report, annually on the basis of the auditors' statement.
- ✚ Insured need to be protected on the basis of the of their interest.
- ✚ All the insurance companies in the insurance sector are regulated and controlled directly by the IRDAI.

The above-mentioned elements are the benefits for the insured on the perception regarding the insurance company. The evolutionary trend leads to the uplifting of the Indian economy in the various factor like the premium collected are invested in the investment sectors, which will be indirectly utilized by the other sector for their betterment and this betterment will influence the insurance sector. The advancement of technologies leads to the way for new competitor against the old competitor who rules the market share of the insurance sector. The advancement of the technologies like the usage of AI and machine learning in the entire process that are been used in the nook and corner of the insurance sector. Usage of AI application like chatbot to give the solution to the query that were raised by the customers through the AI's, even we can take the digital transformation, which are used by the insurance companies before the implementation of AI, where the manual process of collecting the data are eradicated through the digital mediums, which has been used for the collecting the data from the customer. This is the phase where the digitalization started in the insurance sector. The involvement of various measure leads to the eradication of various in-effective methods that were used in the insurance sector before the implementation of the various enhanced ways.

OBJECTIVE OF THE STUDY

At present the AI's involvement is huge in the various sector which we the humans depend upon. The motto behind the study is to enlarge our vision towards the AI usage in the insurance sector, which are the backbone sector at the time of the risk on the perception of monetary assistance. How AI will be used in the

insurance sector is a common question to us. So, this study would help us to gather the information related to the AI and various other technological advancement in the insurance sector.

REVIEW OF LITERATURE

"Insurance beyond 2025", theoretical background on the perception of insurance sector after 2025, this study has evolved various measure that will be used in the insurance sector with the demonstration of the advantage from the present mediums with the comparison of the present and the future has given some ideas of the insurance sector. The ideology behind the insurance sector can be also easily understandable.

"How top tech trends will transform insurance", this study also consists of the theoretical background. The famous trends at present will be revolutionary ideas in the insurance sector. The main motto is also the reform that will be used in the present and future using the appropriate technologies that are in the top at present. This evolution will be a huge benefit to the industry in the future.

"Artificial Intelligence (AI) in Insurance: A Futuristic Approach", this study also based on the theoretical background. Previous both the study is the common thought regarding the different aspect of the technology that are surviving at present and will be used in the future. This study is used peculiar thing about the usage of AI in the insurance sector and their approach in the future.

RESEARCH METHODOLOGY

The main motto is to enhance the knowledge in the insurance sector through the implementing the present and future technology. This study is based on the theoretical approach with some secondary data for analysing the present insurance capacity for the various measure that are to be used and implemented in the insurance sector.

PRESENT TECHNOLOGICAL MEDIUMS IN INSURANCE SECTOR

The present medium of the technology usage are diversified to the appropriate need to the various sectors that are in our surroundings. The technology can be of

different thing, comparing to the insurance sector on the perception of its functions. The technology is mentioned below. They are:

❖ DIGITAL TRANSFORMATION

The idea behind the digitalization is based on the government initiative, "Digital India". The Digital India is an initiation on the process of converting the manual process into the digitalized way. The eradication of the manual process leads to the way for the computerized era. Manual process is a less effective comparing to the digital way of collecting and reviving the data and evaluation of the data. Digital process created a common roof from the starting till the end. The platform is also easily accessible for the customers for uploading their details which are required by the insurance company with the appropriate documents.

❖ DIGITAL PAYMENTS

The premium collection also digitalized. The payment mechanism is more convenient for the customers at present who are using the internet banking and UPI's. The evolution of digital payments also helps the customers to conveniently process the transactions. The software's and the application co-ordinated the bank and customers into a common place for the transacting the money. These measures are the appropriately more convenient for all the customers, who has the less time to concentrate on the insurance related issues.

FUTURE TECHNOLOGICAL TRENDS IN INSURANCE SECTOR

The present circumstances are evolving to the adequate and appropriate stage. The evolution enumerates the convenience and easy establishing of the work which are needed to be accomplished. The future is evolving to the next level comparing to the present mediums. The future technology can be discussed below

INTERNET OF THINGS

The present circumstance is being uncertain but the premium cannot be calculated on the uncertain things, internet of things is a technology which co-ordinate the different things into a common roof. The co-ordination can be taken into consideration by using the smart gadgets that we wore. The smart gadgets that we use are

the data collector, which collects the information relating to the health, personal things so, the information can be used for the calculation of the premiums for the policy. The information can also be taken whenever it is necessary through the customer's acceptance.

AI AUTOMATED THINGS

The process involved in the insurance process has the phenomenal stages to be accomplished before the claim process. The involvement of manual process will take time and accuracy of the work will not be 100% every time. The accuracy rate is much needed element for the claims and processing the payment process. After the AI implementation, the complex stages of the work can be easily shrinking to a normal work, with the help of AI. The manpower also been reduced in the stages of insurance process.

CHABOT'S AND AI IN CUSTOMER SUPPORT

Whenever the customers face the problem relating any product, they will raise the queries relating to the product. The solution given to the problem will take time in the perception of companies. The customers want the solution to be given at the right time. This problem can be easily solved, through the usage of AI and Chabot's in the function of software's and apps that the customer using regularly in the field of insurance. After the usage of Chabot's, they gave the reply, which states the new experience and the solution given is quick and reliable. This type is a futuristic and efficient way of resolving queries that were raised by the people.

BLOCK CHAIN

The evolution of the technology leads to the way of insecurity to the customers on the usage of insurance through the digital fields. The evolution of technology leads the way for the hacker to grow in the technological way. To protect the interest of customers, the insurance companies can use the block chain in its function. The usage of block chain leads to the way of more secured environment in the customer's data protection. The customer's data are the most influential thing at present. Block Chain is a background which protects the customer's data.

DIGITAL CLAIMS PROCESSING

The digital equipment's are the primary thing that we use for the day-to-day activities. The implementation of the digitalized way in the insurance sector will be easier to enumerate the appropriate basic needs for the insurance stages, which can be easily fulfilled. The video conferencing is a tool that makes the life more comfortable, when we are separated, video conferencing helps us to unite digitally. The claim process in the insurance sector is a stage, where the monetary assistance is provided to the customers for their losses. The usage of video conferencing along with the AI and image recognition tools into the video conferencing will be a great move on the perspective of the futuristic world. The manual process is also being eliminated slowly at present. So, the claim process, if they were digitalized it will be more flexible in the claim settlement and giving the quotation regarding the price that can be given as the compensation.

OUR PERCEPTION REGARDING THE FUTURISTIC VIEW OF INSURANCE SECTOR

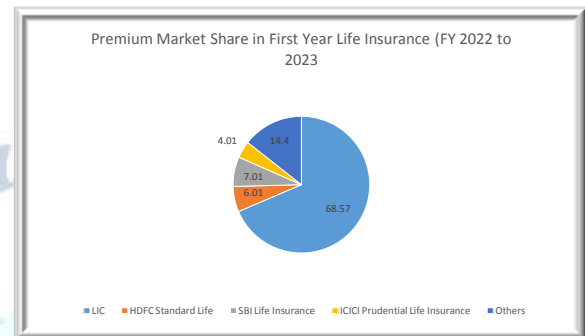
The world is revolting to the next level. The world is shrinking into our hands by the electronic gadgets that we use daily. The predominant evolution leads to the new invention and the discoveries in the sectors that are present in the surrounding. To the place where we cannot travel, technology is travelling with the new trends. The insurance sector is a key to us. The evolution of the insurance sector is a phenomenal thing in the present circumstances. Even the next step of our life is uncertain, to protect our self from the uncertain elements with the monetary assistance that we pay as the premium. The manual process behind the insurance sector comprises many stages, with the renovation structure leads to new technological advancement of the sector.

ANALYSIS AND DISCUSSION

The primary thing behind every study is to ensure the knowledge that we acquire. Analysis and discussions are the key for the study to elaborate the study to next level. This part of the study usually has the secondary data in it. This data can be used to enumerate our perceptions also in the field of insurance sector. This study usually helps us to gather some knowledge and propagate the same to the readers of the study but the

perception regarding the analysis will be completely different to their opinions.

PIE CHART: 1 PREMIUM MARKET SHARE IN INDIA FOR 2022 TO 2023



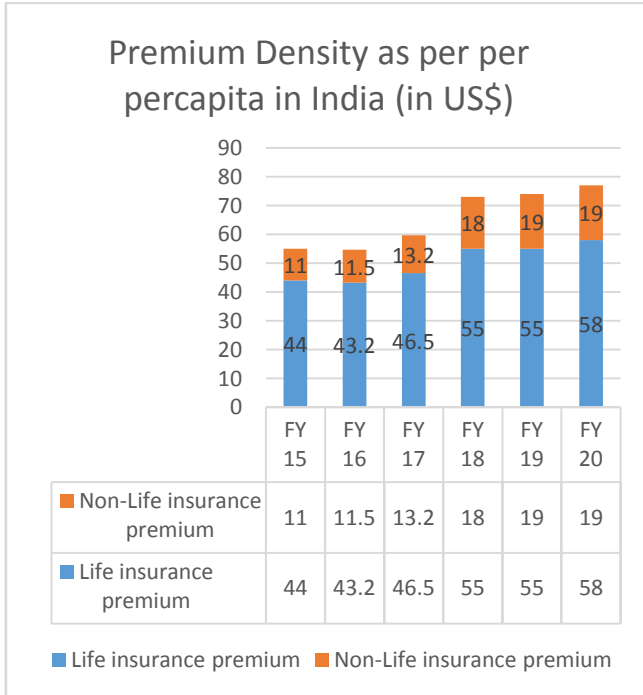
Source: ibef.com

The above-mentioned pie-chart is the overall summary of the premium market share in the country. This gives us the overall view regarding the market leader among the existing company in India.

LIC holds the top position by holding around 67% of the market share. The overall goodwill of the LIC is the common ideology behind the market leader in the opinion of the premium. LIC uses various strategies like minimum premium with high maturity, lot of new appropriate plans with right premium, produces lot of advertisement which renovate the customer about new policies. The LIC also have some disadvantage like, no new innovation to cover the present audience who are in the digital era, LIC is also have the huge labour force at the time of economic crisis it is hard to manage the labour force.

The other sector of the pie-chart is also covered by the other private and public owned insurance sector. The sector is also diversified, lot of new companies started to launch in the digital era. Our perception regarding the other companies can be of the new to market, while we compare this to LIC on the year of implementation. Lot of new technological aspect started to renovate the private owned insurance companies. The renovation aspect will be a key. If the company does not implement new technology, then the company will be dissolute easily.

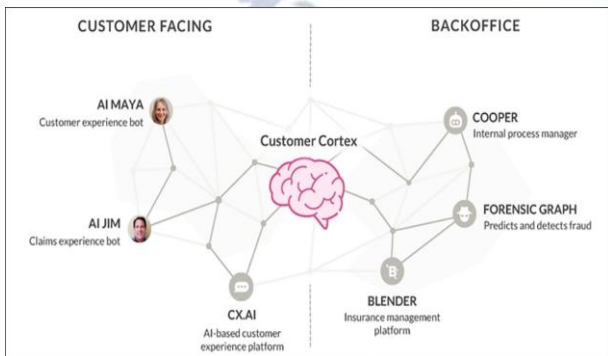
BAR GRAPH NO: 1 THE PREMIUM DENSITY IN INDIA FOR PER CAPITA INCOME



(Source: *ibef.com*)

The bar graph shows the data regarding the increase of the premium density of the population year by year. This graph shows the trend of the risk prevention increases year by year on the basis of the premium that are paid by the people towards the insurance company. The intention of the people of the risk prevention keeps on increasing. The new technological advancement of the insurance sector also a game changer in the increase of the customer base in the insurance sector. This bar graph is also a proof regarding the increase of the premium from the one FY to other FY.

IMAGE NO: 1 AI's FUNCTION IN THE INSURANCE SECTOR



(Source: *v7labs.com*)

The above-mentioned image is a proof, regarding the insurance sector function of various levels using the

Chat-bots and the AI related application. AI's function is a present model for the future needs. The starting can be a difficult to coordinate but the daily usage leads to the convenient regarding the major implementations in the insurance sector.

CONCLUSION

This study is a wonderful journey that helps us to learn about the insurance sector along with the technological revolution in the industry sector. The journey comprises of the lot of learnings of new thing towards the insurance sector. The advancement of the technology leads to the new revolution in the insurance sector. The evolution starts from the eve of technology that are started to adopt to the human race. The day starts with the use of the technology and the day also ends with the technological gadgets only. The technology also directs our day. The insurance sector is a promising sector in the terms of our life. The empirical relationship between the technology and the human life is inseparable. The insurance sector starts after the proper regulation starts to it by the IRDAI.

The daily advertisement on insurance is huge on the social media's. In India, insurance for non-life is compulsory but the insurance for life is not a compulsory one. This needs to be taken into a serious note because of the non-life thing can be created again but the life cannot be created as such as the original. The new implementations must be initiated with utmost care on the nook and corner of the insurance that are needed to be taken into consideration. Life needs are diversified according to the common need. The needs are changing and it is indirectly proportional to the technology that is implemented in the nearby sector which surrounds us.

Conflict of interest statement

Authors declare that they do not have any conflict of interest.

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