

27th ICMIF/AMERICAS ANNUAL CONFERENCE 2019

Digital Transformation in San Cristóbal

August 2019

icmif

International Cooperative and Mutual Insurance Federation



San Cristóbal
SEGUROS

GRUPO
SAN
CRISTÓBAL

1- WHY DIGITAL TRANSFORMATION?

2- FRAUD

4- CHALLENGES

5- RESULTS

1- WHY DIGITAL TRANSFORMATION?



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The perfect storm is approaching the **insurance industry**



Changes in consumer **behavior** and needs



New **technologies**



**Competitive
pressure**



**Regulatory and
macroeconomic
environment**



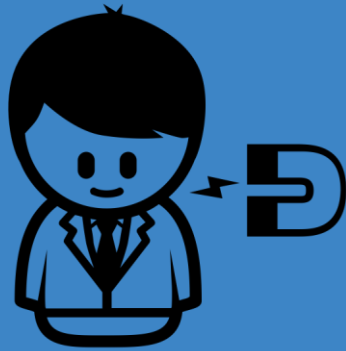
What is Digital Transformation ?

“A cultural and strategic change that affects the whole organization”

IT IS NOT:

A webpage, APP, CRM, BIG DATA or Technology

Digital transformation is a turning point in seizing new opportunities



**Talent
attraction**



**Regional
expansion**



**Nearby
opportunities**

From digital transformation, we organized into...

3 work fronts



**Data-driven
Opportunities**



**Digitalization of
Travel**



Digital Marketing

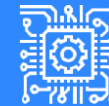
3 enablers



Agile Principles



**Organisation
and talent**



**Next generation
technology**

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FRAUD

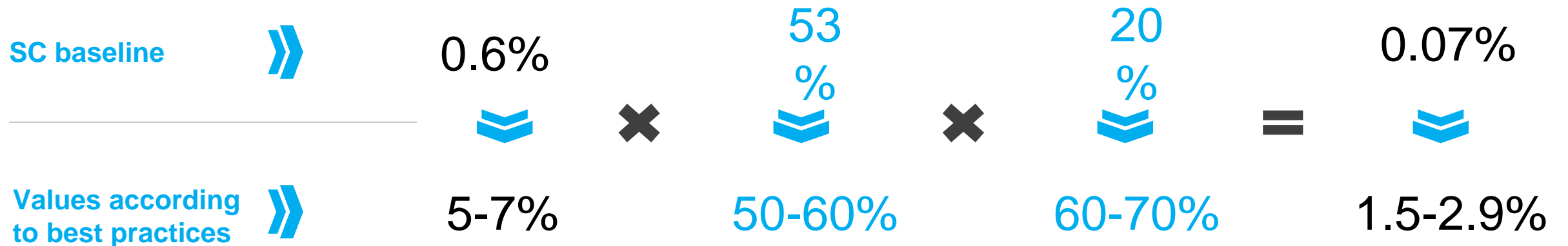


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FRAUD

Motivation for change

Total claims – Fraud process



We launched the new fraud prevention area

MAIN INITIATIVES



DESIGN

- New definition of fraud
- Strategy to address fraud



PROCESSES

- Triage and investigation
- Improvements to speed up core system processes



STRUCTURE

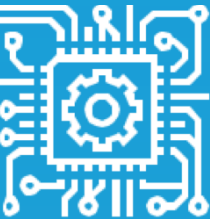
- Clear goals
- Expansion of team capabilities
- Branch involvement



MEASUREMENT

- Internal and external KPIs
- New monitoring tools

+ MACHINE
LEARNING
Techniques



FRAUD

Automatic detection with Machine Learning



SOURCE	DESCRIPTION	GOALS
Expert Rules	<ul style="list-style-type: none">Automated rules of market best practices and expert business knowledge to detect fraud cases	Deliver indicators easy to understand
Supervised Machine Learning Models	<ul style="list-style-type: none">Identify potential fraud through historical patterns not directly representable through rules	High dimensionality. Complex patterns.
Unsupervised Machine Learning Models	<ul style="list-style-type: none">Identify hidden fraud in unusual and very singular claims. We included new types of fraud	May generate new case studies Many false positives

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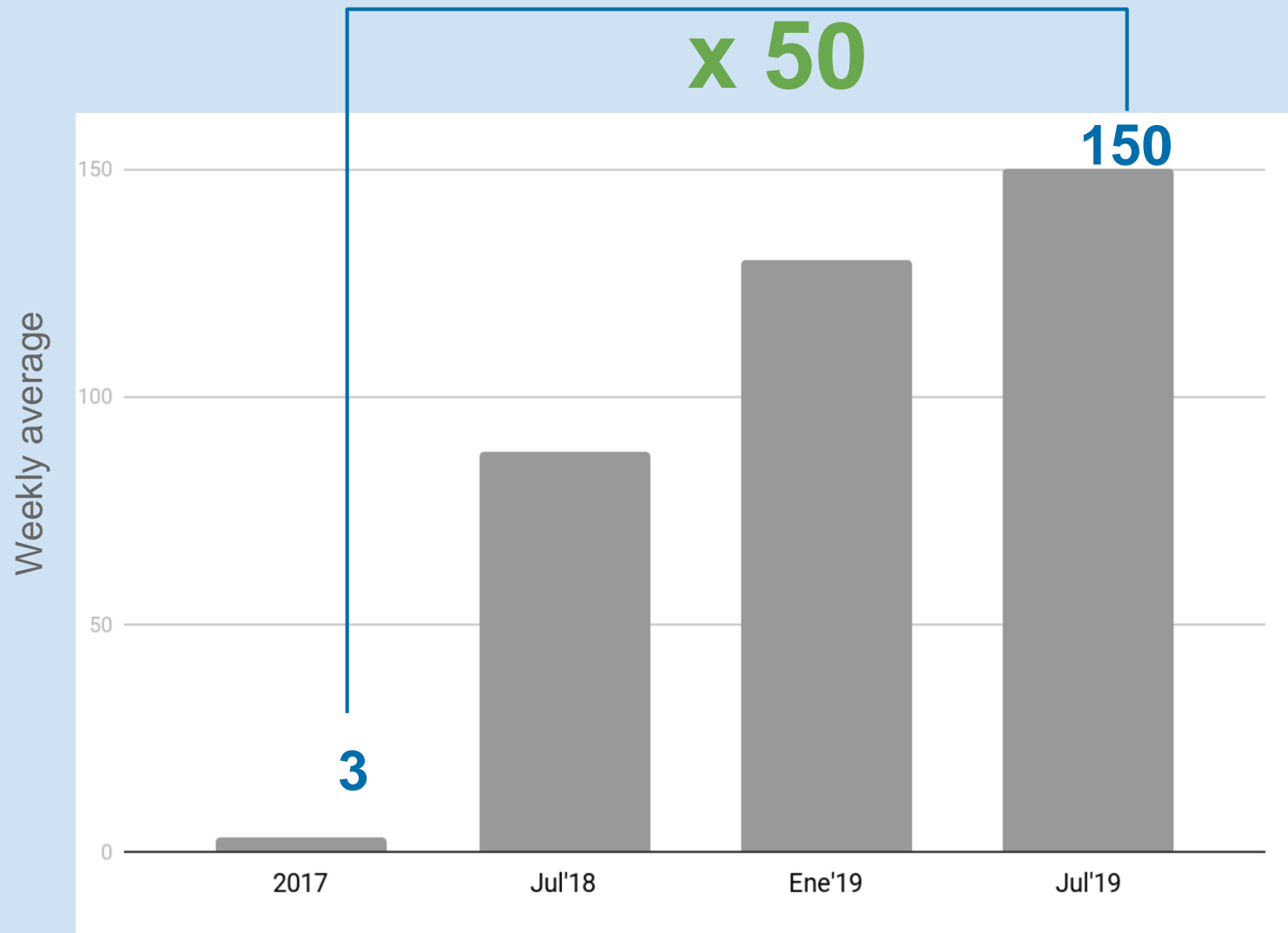
CHALLENGES



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CHALLENGES

Cultural change



We worked hard to overcome resistance to change within the organization



- The clearest example is the substantial increase in manual referrals

CHALLENGES

Continuous performance improvement



Image classification model

- **Deep Learning** model that determines pre-existing damage or cost overrun fraud by comparing pre and post accident images
- **Technological innovation** project that will enable us to progress in different business processes

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RESULTS



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FRAUD MANAGEMENT RESULTS

% of increase from baseline



978%

Managed



787%

Investigated



1.137%

Avoided



853%

Savings



Data from last fiscal year

THANK YOU!

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