

Insurance Technology Trends: Smart Home Sensors and New Communication Tools for Consumers

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Insurance technology trends are changing how people protect their homes — and changing how insurers communicate with customers in the unified communications space. One of the greatest growth opportunities for industry leaders is their ability to capitalize on newly evolving tech in the area of connectivity, engagement, and data-fueled consumer experiences — all of which help prevent damage and loss.



Capitalizing on insurance technology trends like smart homes and the communication tools that come with them can help insurers stay competitive while better serving customers.

Take smart home technology, for example. As this sector expands, insurers, owners, and service providers are seeing seismic changes — shifts in the ways customers can monitor wall strength, watch for plumbing fissures, and stay abreast of all the possible problems a building can face.

As technology sharpens the focus on factors like these, it's important to understand how the developing landscape is impacting the ongoing insurer–consumer conversation.

Smart Home Sensors: Growing Sector, Growing Capabilities

According to Twice, more than half of U.S. consumers have plans to purchase connected-home devices within the next two years, and 84 percent of those who already own at least one device have plans to buy another. The numbers tell the story: People want more insights into their homes, and they want the digital capabilities that come with smart alert–system tech.

One example of this is leak detection. Two aspects of preventing and reducing the damage caused by plumbing fissures — early detection and gathering and aggregating post-event data from numerous instances over time — are changing how risk management works. As the Digital Insurer points out, applications already exist for flagging leaks in their first stages and reactively stemming the incoming water supply until a fix is enacted, preventing more widespread damage.

In another example, Deloitte recently reported wall-strength sensors and faulty wiring detectors as developing options on the insurance front. Smart doorbell video technology is also showing promise as consumer interest and adoption evolve.

Insurance technology is tracking toward deeper and more accurate understandings of numerous variables — all the risks and preventative steps that can apply to a given home. According to Insurance Business, up to 75 percent of home insurers in some regions expect smart home technology to empower better risk mitigation overall.

When insurers then turn to the power of data analytics to pool and assess information collected from sensors, the new insights derived will allow for more accurate pricing structures across future policies. And incentivizing customers to add smart home tech to their living space is the insurance industry's upcoming opportunity as well. Everybody wins.

These innovative approaches to technology allow leading insurers to stay on top of risk, bringing their own preventative efforts into an arena that empowers consumers and bolsters returns.

Insurance Technology Trends: Leveraging New Channels for Engaging Customers

How insurers communicate with their customers is transforming, too. As data and online channels are opening up new approaches to earning trust and promoting prevention, insurers are on the cutting edge of interacting with customers in the digital space.

It's not just that the expanding array of sensor options makes buying insurance more complicated — it does, and insurers can help with this factor — it's also that seeking insurance answers typically revolves around either having or anticipating a challenge in the home. Key to creating positive moments out of these challenges is providing quick answers via a combination of digital and human channels that work together to set consumers' minds at ease.

One approach is to explore communications platform-as-a-service (CPaaS) solutions, which are powerfully suited to embrace the evolving digital and sensor-based insurance equation. Insurance conversations are most effective when insurers can turn to technology

solutions that are connected to in-home sensors and weave together voice, text, instant messaging, in-app answers, social media auditing, and responsiveness. Leveraging the ability to log and refer to all the data generated at these different points is key, too. As a result, solutions evolve and customer confidence expands.

Additionally, for providers that wish to supply even quicker answers and empower consumers to make choices on their own, the same data and multichannel approaches can fuel insight-rich communications via chatbot and virtual assistants. This makes for fast, accurate interactions around underwriting and claims.

These innovative approaches to technology allow leading insurers to stay on top of risk, bringing their own preventative efforts into an arena that empowers consumers and bolsters returns. The smart sensor home is here to stay — now it's the insurance industry's move to leverage the advantages these technologies put into play.

Ready to improve customer communication — and customer loyalty — for your insurance organization? Learn more about Vonage insurance solutions.