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Data and AI in insurance

Wigmore: Now, you talk about data. So, you have a lot of data when you're an insurer and that data is—there's layers and layers and layers. You know, you have, um, ah, lifestyle data—of course you do. You have, um, credit check data—of course you do. It's all that data. If you put that together, the way you can actually then make risk against an individual is incredibly strong. So our ratios—in other words, you always say, “Right, if we take on this customer, what are the chances of them making a claim within a twenty-four year—uh, a twelve-month period or twenty-four months? It is high, because they're so low social demographic grouping, they don't have a proper job, they have to take out a loan to pay for their car insurance.” You can make a risk assessment of that, so it makes it more expensive.

But imagine if you had the ability to say, “This person is absolutely brilliant. We know, as an insurer, it's worth giving them a good price because we know they're unlikely to make a claim, they're solid, they've got a good job, you know, they've got a family life, blah, blah, blah, blah, blah.” So that, in artificial intelligence terms, is the holy grail in insurance. So that was a by-product of what we discovered, brilliantly. And that's all about data. That is all about data. So, um, that was—that was the upshot. So, we've set that up in Mississippi. It's been going for nine months. We've been testing, for twelve months now, I think, testing all the insurance against it and it's extraordinary.

Work with Mississippi

Wigmore (cont.): ...the narratives. And we started creating the news stories.

Briant: And you start to learn what works and what doesn't.

Wigmore: Yeah, you do. You completely learn—it's self-learning. And our actions—

Briant: And you are building, essentially, a psychological model of how people function.

Wigmore: So, what was the upshot? Let's say the referendum's just finished. What we discovered—we were actually quite bloody good at artificial intelligence. And we've applied what we learned in the referendum to our business model for insurance. So, for risk and, um, making sure you get the right person who's not gonna be fraudulent, not gonna make claims they—you know, you know so much about them. So, we've started an operation in Ole Miss University in Mississippi, which is the centre of artificial intelligence in the world, who knew?

Briant: Is it? Okay, I didn't know that.

Wigmore: And, and, and the guy that runs it, he's like the most extraordinary data scientist.