Datum

SPECIALTY INSURANCE DATA ADVISORY

Data Driven Insurance: Hindsight – Insight - Foresight

INDUSTRY LEADERSHIP DRIVEN BY RICH DATA FOUNDATONS

The London Market can only advance by leveraging the three layers of data combining to drive the business of insurance.

- ***Historic -*** decades of claims and underwriting information - anchors actuarial precision, advanced modelling, and pricing discipline as well as representing the soul of organisations across the market.
- ***Real-Time***, representing constant information flows from IoT sensors to live exposure feeds, which enables dynamic risk assessment and faster, more responsive underwriting decisions.
- Finally, ***Third-Party -*** geospatial intelligence, credit and regulatory feeds and even web-based background information fills structural blind spots that historic data alone cannot see. Together, integrated across resilient, DORA-compliant infrastructure, these three components transform London Market participants from a reactive market into a predictive, capital-efficient ecosystem built for modern risk.

5 KEY BENEFITS OF THE HINDSIGHT, INSIGHT AND FORESIGHT MODEL

1. **Sharper risk pricing**

   Historic loss data combined with real-time exposure feeds reduces underwriting guesswork and improves technical pricing accuracy.

2. **Faster response to emerging risk**

   Real-time data lets underwriters and brokers act on live conditions (weather, supply chain, cyber events) rather than reacting after the fact.

3. **Reduced blind spots**

   Third-party data (cat models, geospatial, credit feeds) fills gaps that internal historic data alone can't cover, especially for novel or systemic risks.

4. **Stronger capital efficiency**

   Better-informed risk selection and reserving means capacity is deployed more precisely across the syndicate/broker chain.

5. **Improved regulatory and resilience posture**

   An integrated data model supports DORA-style operational resilience requirements and gives a defensible audit trail for decision-making.

Implementation:
Hindsight – Insight - Foresight

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6. **Get the data foundation right (Hindsight)**

   Consolidate historic claims, underwriting, and exposure data out of legacy policy admin systems and spreadsheets into a query able, structured layer.

   Standardise taxonomies (class of business, peril codes, geocoding) so historic data is comparable across years and systems.

   Establish clean audit trails, since Lloyd's/PRA expect lineage on how pricing and reserving decisions were derived.

7. **Build real-time ingestion capability (Insight)**

   Stand up API/streaming infrastructure capable of ingesting live feeds rather than batch nightly loads

   Build Hybrid Multi-Cloud infrastructure for low latency interconnection (colocation near exchanges/data sources), not just cloud compute!

   Underwriting platforms need to be re-architected to consume real-time inputs at point of quote, not just at renewal

   AI services should be deployed as part of the design, nit as an after-thought

8. **Leverage Insurance Ecosystems and Platforms for third-party data partnerships (Foresight)**

   Contract and integrate cat modellers (RMS, AIR/Verisk), geospatial providers, credit agencies, and increasingly climate/ESG data providers

   Establish clear data licensing and usage governance

   Build vendor concentration risk management into this, since third-party dependency is itself an operational resilience issue

9. **Remember Cross-model requirements that actually make it work**

   A unifying data model (a good fit for Paradigm) — without a common schema, the three layers stay siloed even if each is individually well-built

   DORA-compliant resilience architecture

   Governance and skills — actuaries, underwriters and brokers need to trust and interpret model outputs

   Executive sponsorship and phased rollout — most failed attempts try to do all three layers simultaneously; the pragmatic path is hindsight-layer cleanup first