

# Augmented Reality – An Emerging Opportunity for the P&C Industry



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It can be helpful for brokers to educate themselves about emerging technologies that haven't yet achieved wide popularity but nonetheless represent areas of major potential for the P&C insurance industry – augmented reality (AR) is one such technology. AR overlays digital information on an image of reality being viewed through a device (such as a smartphone or tablet). In other words, AR takes an existing picture and blends new information into it. This technology may sound fanciful to many brokers, but staying abreast of cutting-edge innovations such as AR can inspire brokers to think more about the types of technology their own business could use now and in the future.

## **AR for Consumers**

65% of Canadians with insurance use a smartphone and 47% use a tablet, according to a 2015 Forrester consumer survey. It would therefore be wise for brokers and insurers to think about how to leverage mobile technology as effectively as possible – and this could involve thinking “outside the box”, beyond the standard mobile app that provides policy management and claims filing. European insurer Allianz did just that when it commissioned an AR app to be used by current and potential policyholders to highlight risks around the home. Consumers download the app onto their tablet, point it at an object inside their home, and a simulation appears on screen showing the potential risk. (For a demo of this, please visit: <https://youtu.be/avrvkZaphwo>) Seeing this type of strong, memorable visual can help get consumers thinking about the insurance products that they might need.

Desjardins Insurance also introduced an innovative mobile app in 2015 called Your way Desjardins, which uses AR to teach consumers about saving for retirement. Consumers open the app and hold their phone over some Desjardins print collateral, such as a flier, and the image “comes to life” within the app, introducing an animated character and various educational videos. (For a demo of this, please visit: <https://vimeo.com/104343075>)

As we are advocates of a paperless work environment at CSIO, we must also note Hyundai's innovative AR Virtual Guide app. Launched in late 2015, it replaces the paper car owner's manual by allowing owners to point their smartphone or tablet camera at any part of the car, overlaying the image on screen with practical how-to information, such as how to replace the car's air filter. (For a demo of this, please visit: <https://youtu.be/kf-wvrfK3-c>) Useful AR apps such as this could help consumers go paperless, and it is easy to imagine how an app of this sort could have insurance applications, such as simply pointing a smartphone at a vehicle to renew or update its insurance policy.

## **AR In the Field**

It isn't difficult to see how an AR app could also benefit insurance professionals working in the field to help them record and analyze the environment in real time. A Polish software firm, for example, developed an app that uses AR for precise car damage inspection. The app takes an image of a damaged car and quickly overlays precise damage area measurements, dent damage detection and even a damage cost estimate for the adjuster. (For a demo of this, please visit: <https://youtu.be/kENx6zOtQbw>) This could help the adjuster to process the auto accident report more quickly, leading to improved customer service if the coverage offer can be estimated and provided on the spot instead of days later.

17% of Canadian adults aged 18 to 35 use wearable devices, and 18% of the highest-earning consumers, who have a household income of \$100,000 or more, use wearables. (Forrester, 2015) AR technology is often integrated into wearables, such as with Microsoft's HoloLens, announced in 2015. HoloLens is a smart-glasses headset that deploys a natural user interface, meaning that users interact with it through gaze, voice and hand gestures. 3D graphics and screens are overlaid on the user's real environment. (For a demo of this, please visit: <https://youtu.be/aThCr0PsyUA>) One can imagine how

a technology such as this could be used in insurance: a broker or adjuster going out into the field with HoloLens, instantly calling up information about the building they're looking at, determining which fire district it is in, retrieving data about who the tenants are, what premiums they're paying, what their exposures are, how many people work in the building, etc. It could be an interesting way to quickly and efficiently bring information to the insurance professional on-site.

## **AR for Employee Training**

AR technology can even be used for employee training purposes, and Zurich Insurance has already taken advantage of this opportunity. In 2015, Zurich launched an AR smartphone app to help over 10,000 of its managers in 170 countries to improve their coaching, project management and people management skills. The app is used during classroom-based training sessions, where managers can point their phones at a poster or a “learning card” that takes them to a video, an online training course, or a book with more in-depth information. Providing this AR technology allows Zurich to cater to all the different learning styles that their managers may have: visual, aural, read/write or kinesthetic. Brokerages could use this to their advantage as well, using an AR device or app that shows a new hire or recent graduate the ins and outs of a brokerage in a more engaging, in-depth manner than a basic tour through the office can provide.

It could only benefit brokers to start thinking about how innovative technologies such as AR could be incorporated into their business and some forward-thinking insurance firms are already doing just that. To get yourself thinking about other types of technology that have “wowed” insurance professionals, check out CSIO's Technology Eye-Opener video series, available at [CSIO.com/videos](http://CSIO.com/videos). ■

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