Come rain or shine

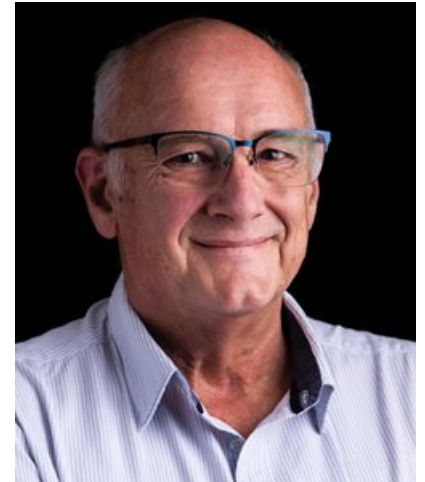By Brian Civin , issued by AfriGIS

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How GIS-enabled weather data analysis and visualisation is transforming the insurance industry.

Sub-Saharan Africa is particularly vulnerable to the impacts of climate change. In South Africa, we're seeing parts of the country dealing with increasingly severe droughts, while other regions are facing unexpected storms, landslides, and flash floods due to changes in rainfall patterns.

When it comes to managing insurance claims during these extreme weather events, insurance companies are up against some serious challenges. These events may be huge in scale, complex, and often hard to predict.

But here's the interesting part: insurance companies are now looking to data and analytics to step up their game when it comes to handling claims after weather-related incidents.

Brian Civin, chief sales and marketing officer at AfriGIS

Traditionally, insurers have struggled with processing and making sense of all the weather data out there. They're now turning to geospatial solutions that bring together information about policies with alerts from the South African Weather Service. By using weather-based data, the big insurance players in the country are getting better at calculating risks, improving safety measures, and handling claims more efficiently.

So, how does it work? Geospatial solutions tailored for the insurance industry gather real-time weather data from different sources like weather stations and satellites. They overlay this data with information about locations. Insurance providers can analyse this information to figure out weather patterns, track storms, and keep an eye on atmospheric conditions. This helps them make smarter predictions about what's going to happen in specific areas.

There are several benefits to this approach:

Risk assessment

By layering weather data on top of other location-based info, insurers can identify areas that are prone to certain weather risks, like floods or wildfires. They can also figure out how weather might impact things like buildings, homes, and vehicles, and estimate how much damage it could cause. More accurate, more detailed risk profiles help them set the right prices for policies and put in place measures to reduce risks.

Real-time monitoring and alerts

When systems keep a constant watch on weather conditions they can send out alerts when things start to get serious. Insurers can set up automated alerts based on certain criteria, like warnings about severe weather. This way, they can take action quickly and let customers know what's going on.

Protecting assets and preventing losses

Insurers can spot assets that might be at risk because of the weather. They can map out what their customers own and figure out how exposed they are to weather dangers. Based on this, they can give advice on how to protect assets better – like suggesting changes to properties, measures to prevent damage, or even tips on getting ready for emergencies. For example, in Gauteng, insurance companies advise people to move their cars to a safe spot if a hailstorm is on the horizon.

Managing claims and acting fast

Every weather event is tracked and recorded, including lightning strikes, hailstorms and severe downpours. In the event of a claim, the insurance company has the ability to validate that a particular weather event happened at a specific time and place. This makes it easier for insurers to handle claims. By bringing together geospatial info with claims data and customer details, they can quickly figure out the impact, confirm claims, and speed up the whole process. Swift reaction results in improved customer service.

Sharing risk info and talking to customers

Geospatial systems are also a great way for insurers to communicate risks to their customers. They can use interactive maps and visuals to show potential dangers and give advice on how to stay safe. This kind of engagement encourages customers to think proactively about managing risks and protecting their possessions.

Insurers are under increasing pressure to differentiate themselves in a highly competitive market driven by evolving customer expectations, technological advancements, and changing risk landscapes. They need to deliver unique value propositions and remain relevant in an industry undergoing rapid transformation. By tapping into the capabilities of geospatial systems, insurers are getting better at predicting and managing weather-related risks. They're keeping customer assets safe, making risk assessments more accurate, handling claims more smoothly, and getting their customers more involved in staying safe.

ABOUT THE AUTHOR

Brian Civin is chief sales and marketing Officer at AfriGIS.

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