



How Important is **Decision-Grade Data** in Commercial Insurance?

 **Veridion**™

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An average of 45% of insurers' commercial customers have inaccuracies in critical areas, such as business activities and addresses.

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Insurers often face challenges due to data inaccuracies, particularly concerning business activities and addresses.

Failure to update or accurately capture this information can lead to mispriced policies, inadequate coverage, and significant financial and legal repercussions.



How Does a Company's Relocation Challenge the Commercial Insurance Process?

A company's move to a new location is more than just a physical transition. It's a complete transformation of its risk profile.



TechGiant's Story



TechGiant, a tech industry leader, moved its headquarters to a new facility, posing a challenge for its commercial insurance partner to reassess the company's risk profile and insurance needs.

What was the impact of TechGiant's relocation on the commercial insurance process? And what is the role of decision-grade data in assessing and mitigating new risks?

Let's take a closer look →

1 The decision to move

TechGiant, a leading player in the technology sector, recently embarked on a strategic move to relocate its headquarters to a new state-of-the-art facility with distinct features such as:

- high-rise
- restaurant on top floor
- proximity to a river
- part of a tech ecosystem

2 The Ripple Effect

This decision sets off a ripple effect, particularly in the realm of commercial insurance. The insurer, a partner of TechGiant for over a decade, is now faced with a substantial challenge.

The insurer's team, a blend of seasoned analysts, risk assessors, and legal experts, is tasked with untangling the web of existing policies and tailoring them to fit a new, dynamic environment.

3 The Risk Assessment Process

The insurer's team embarks on a journey to the new location, armed with maps, risk assessment tools, and a keen eye for detail.

They walk the grounds of the new headquarters, noting its proximity to a river, assessing the potential for flooding, and evaluating the robustness of local infrastructure against natural disasters.

They dive deep into cybersecurity risks, recognizing that the vibrant tech ecosystem, while beneficial, also increases the threat landscape.



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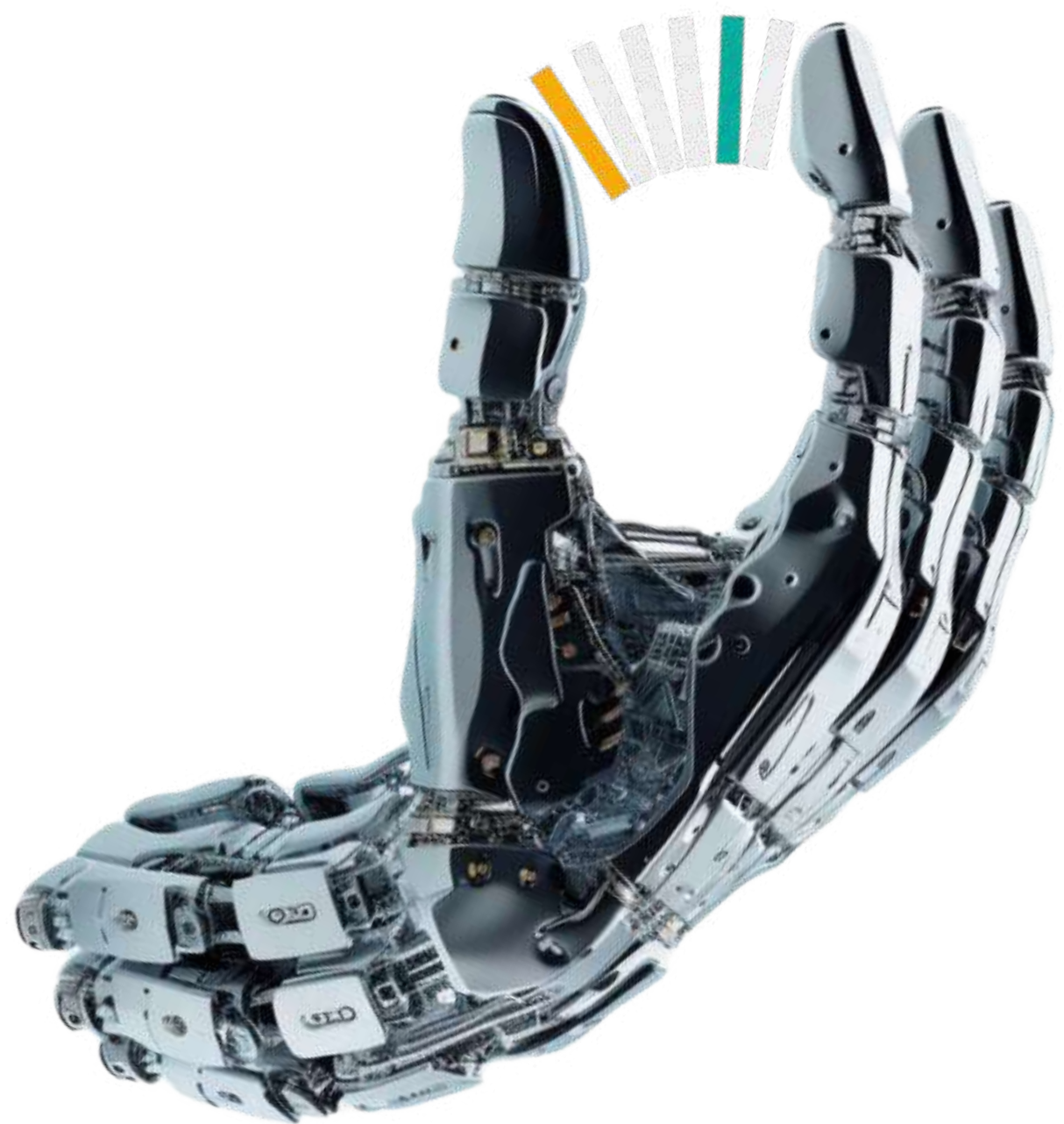


4 The required data points

To accurately assess the risk associated with TechGiant's relocation, insurers need to delve into a myriad of data points.

These include:

- the new address
- geographical risks
- liabilities
- property details
- operational data
- legal and compliance information
- financial data
- cyber risk data
- supply chain vulnerabilities
- environmental risks



5 The challenge

Traditionally, gathering this essential information has been a time-consuming task, requiring hours of manual research, consultations, and analysis.

Insurers would have to navigate through various sources, from public records and legal documents to conducting physical site inspections and interviews with the company's management.



Traditional methods of risk assessment in commercial insurance often lag in updating such critical data points, leading to potential underestimation or misjudgement of risks.

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In our scenario, if the IT company fails to update its address, or the insurer overlooks this change the company could end up with a policy that does not reflect its current risk profile.

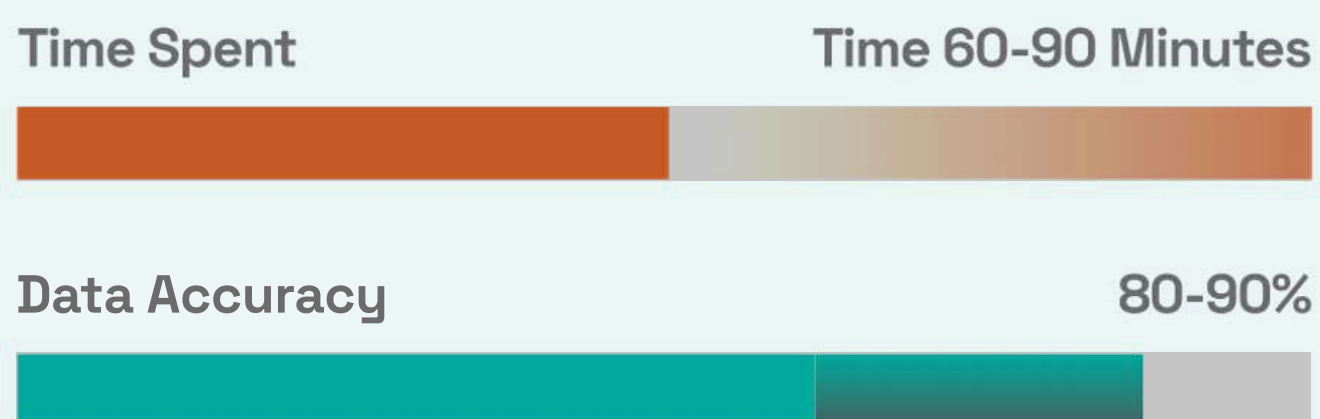


Veridion Match & Enrich API

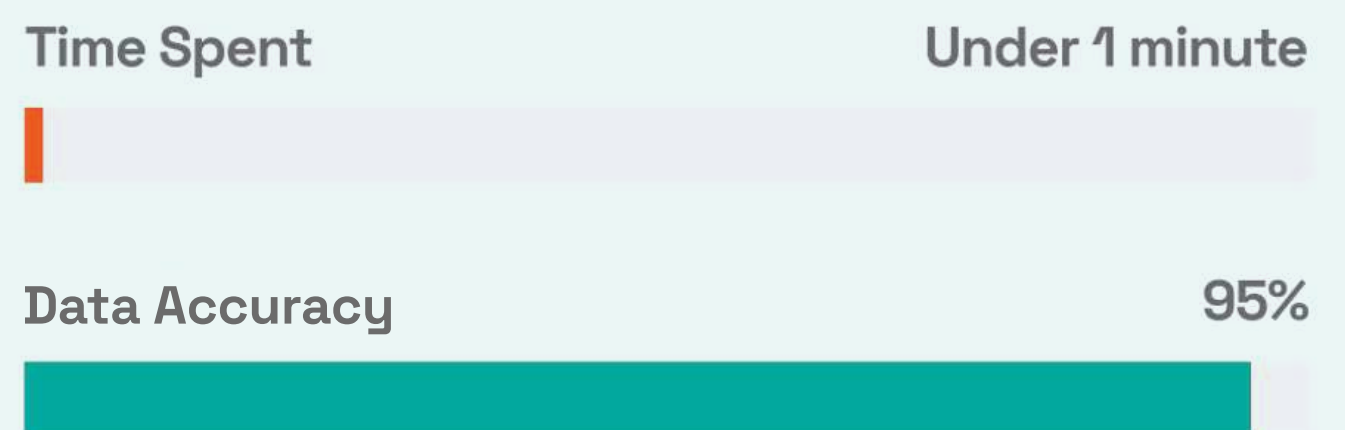
6 The solution

90% of the data points mentioned are available through the Veridion Match & Enrich API in approximately 1.5 seconds, starting from simple inputs like a business name, address, or website link.

Manual data gathering.



Veridion business data enrichment.



7 The Outcome

What happened when TechGiant's insurer decided to use Veridion's decision grade data?

When TechGiant's insurer decided to use Veridion's decision-grade data to assess the risks associated with TechGiant's move to a new location, several positive outcomes resulted from this decision:



Accurate entity validation and risk profiling



Improved model accuracy



Dynamic risk assessment



Improved pricing accuracy



Increased conversion rates

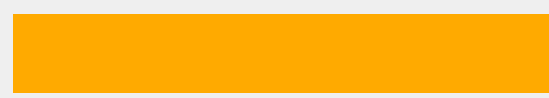


Proactive model development

8 Highlights

Better risk assessment with Veridion's decision grade data

- Leveraging decision-grade data from Veridion facilitates the discovery of emerging risks and the recalibration of known ones, elevating risk assessment accuracy.
- The capacity for swift adaptation and response to fluctuating conditions is paramount in the contemporary business landscape and Veridion's precise, timely data is crucial in mastering the intricate factors involved in relocating or adapting to shifts in a company's dynamic setting.
- Through its high quality decision-grade data, Veridion empowers insurers to refine commercial insurance operations, including underwriting, claims handling, and policy renewal processes.
- Veridion offers commercial insurance companies a powerful tool to transform the complex process of risk assessment into a streamlined, efficient, and more accurate practice.



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