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DIGITALIZATION OF THE INSURANCE MARKET OF UKRAINE

Insurance is an integral element of the financial system of any socio-economic formation, designed to protect the property interests of citizens, business entities and the state. Every year, Forbes magazine publishes a list of the 2,000 most influential companies in the world, and every 19 of them is an insurance company. Insurance is popular because it is the safest way to avoid excessive expenses in case of critical situations.

The insurance market in each country is evaluated by the volume and rate of growth of real insurance premiums, that is, the funds that the insurance company receives from the sale of policies. The world leaders according to these indicators are the USA, Japan and China. The US provides almost half of the global property and liability insurance market. The average American family pays \$3,000 in insurance premiums annually, with another \$4,000 included in the cost of goods and services, which is nearly 12% of a family's household budget. In Ukraine, less than 1% of the family budget is spent on insurance.

Unfortunately, at the moment, Ukraine still remains a country with an underdeveloped market for insurance services. One of the reasons for the backward development in this industry may be the fact that Ukraine is a fairly young country that is actively developing. It follows that people are not very knowledgeable about certain aspects of insurance and have only superficial knowledge. However, compared to previous years, Ukraine has advanced far in the development of insurance. People's trust in insurance companies is growing every year. At the current stage of development of the economy of Ukraine, its insurance market is experiencing a new stage of transformation, due to the development of new technologies and structural changes in the economy, reforming the legal field of activity of its participants throughout the period of Ukraine's independence. However, it is the small technological potential that inhibits their economic development and reduces their contribution to the competitiveness of the national economy. It should be noted that it is beneficial for insurance companies to switch to electronic channels for the sale of insurance products, because it speeds up the sales process, frees up working time for attracting new customers and improving processes, reduces the probability of error due to the human factor, etc. The advantages of digitalization for customers are that the mechanism of buying an insurance product is as simplified as possible. There is no need to return to the office of the insurance company and wait in line to draw up contracts. You only need to fill out the online form and pay the appropriate insurance premium. At the same time,

the insurance contract cannot be falsified. This information is submitted directly to the insurer's database and without the involvement of an intermediary, the insurer saves on the agent's commission, the benefit of which is passed on to clients in the form of lower insurance sums. In order to report an insurance case, it is enough to go to the company's website or fill out the appropriate form through the mobile application [1].

There are a number of areas of digitization of global insurance, which consists of:

1. Transport insurance, which is characterized by a centuries-old history of development and originates from marine insurance - the type of insurance that serves ships, cargo and freight, and also provides for the liability of ship owners to third parties.

2. The freight insurance process is a type of insurance of the charge collected for the transported cargo.

3. Motor transport insurance, which represents the civil liability insurance of the owners of motor vehicles according to the "Green Card" (agreements of insurers of a number of countries on mutual recognition of insurance coverage of civil liability of motor vehicle owners and on the provision of mutual assistance for the repayment of losses arising during international motor transport) [2].

The insurance sector of Ukraine is gradually gaining momentum in the field of digitalization: the number of insurance products is growing every year and is sold online, remote loss settlement services are being developed, mobile applications are being implemented, etc. Insurance companies are increasingly interested in the basic innovations of the digital economy. The interest of insurance companies in the digitalization of the insurance business is determined by the development of blockchain technologies and the possibility of their implementation in various business processes [3].

References:

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