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## **DIGITALIZATION IN INSURANCE**

Digitization as an evolutionary process of social development during the corona crisis acquired signs of revolutionary development. Simultaneously with digitalization in the public sector of Ukraine, there was a transformation of the interaction of suppliers with consumers of goods and services, an active growth of online sales, which collectively led to the digitalization of the financial sector of the economy, in particular the insurance market.

Investigating the current issue of digital transformation in various spheres, Ukrainian scientists V. Onyshchenko and A. Chervyak emphasize that digitalization was introduced in the financial services market as one of the first (2019). A. Bonnert, A. Fritzsche, Sh. Gregor emphasizes that modern digital technologies will increase the dynamics of the main indicators of the insurance market due to transparency, reduction of operating costs and a wider online audience (2019). Considering the dynamics of digitalization in insurance, the study of practical aspects of the digital transformation of this part of the financial sector and its scientific and methodological justification remain relevant and require constant improvement in accordance with the needs of insurance market entities.

According to a report by consulting firm McKinsey & Company, financial markets account for more than 40% of all insurance premiums in developed markets.

Studying the development trends of the world insurance market, it is possible to predict the following changes in this segment of the financial market in the near future, which are caused by the possibilities of digital transformation:

- increasing the level of trust of users of insurance services in technologies;
- increased interest in usage-based insurance (UBI);
- acceleration of entering the insurance market;
- distribution of built-in insurance.

The benefits of the digital transformation of the insurance market are obvious for both policyholders and insurers. The digital transformation of the insurance business helps to increase the speed of conclusion of insurance contracts and their maintenance, makes the choice of an insurer convenient and accessible with minimal time spent.

The digital transformation of the insurance space has already given insurers the opportunity to evaluate the benefits of cooperation with aggregator sites, marketplaces, the involvement of mobile applications, namely the ability to attract and serve clients who are forced to stay abroad, and reduce commissions. costs, simplification of interaction between the insurance company and the client, optimization of costs for attracting clients, reduction of the total cost of insurance services. Thanks to

marketplaces and affiliate sales through banking applications, insurers save resources on buying traffic, integrating with partners, and setting up modern digital marketing tools. In addition, the introduction of a digital insurance product allows the insurance company to focus attention and efforts on the main activity - development and improvement of insurance products, optimization of insurance settlement processes.

An innovative approach, digitization in insurance today is an indispensable condition for the survival of the Ukrainian insurance business in the conditions of an open international insurance market. InsurTech should become a vector of innovative development of most insurance market entities, which increases the relevance and demand of scientific research and development in this direction.

### **References:**

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