

# BROWNLEE LLP

# INSURANCE

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## April 2023 Update



**The Five Forces Influencing P&C Insurance Shopping**  
The pace of change in the P&C industry has been increasing for years.

In this complimentary report, J.D. Power explores five forces and trends that are creating a very different insurance shopping environment than what we saw just a few years ago.

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**Coalition Demonstrates Cyber is Insurable with New Method for Modeling Aggregate Cyber Risk**

Coalition has announced the release of the all-new Active Cyber Risk Model, a practical framework for understanding cyber risk aggregation that provides an ongoing view into organizations' cyber risks and identifies preventive measures to protect against new threats.

[Read More](#)



**Imagine 23: Sedgwick looks ahead to this year's industry trends**

Sedgwick, a leading global provider of technology-enabled risk, benefits and integrated business solutions, has released its "Imagine 23" report of major industry trends and issues that employers, brokers, carriers, risk managers, human resources professionals and product safety experts should be aware of throughout the coming year.

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## The Five Forces Influencing P&C Insurance Shopping

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the P&C industry has  
been increasing for  
years.

### J.D. Power Insurance Intelligence Report

Troy, MI (Apr. 6, 2023) – The pace of change in the P&C industry has been increasing for years. Once considered a staid industry, largely rooted in past ways, internal forces within the industry have been motivating change at an ever-increasing pace. More recently, external factors have increased the scale and speed of change in the industry.

In this complimentary report, we explore five forces and trends that are creating a very different insurance shopping environment than what we saw just a few years ago.

- Inflation is driving rates, and rates are driving shopping
- UBI is taking a larger role in shopping
- Insurers are targeting the most profitable customers
- Insurers are pulling back as more consumers are shopping
- Less satisfying claims experiences are influencing more consumers to shop

Access the report: <https://hub.jdpower.com/five-forces-influencing-insurance-shopping>

#### About J.D. Power

J.D. Power is a global leader in consumer insights, advisory services and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, J.D. Power has been delivering incisive industry intelligence on customer interactions with brands and products for more than 50 years. The world's leading businesses across major industries rely on J.D. Power to guide their customer-facing strategies.

J.D. Power is headquartered in Troy, Mich., and has offices in North America, Europe, and Asia Pacific. To learn more about the company's business offerings, visit [JDPower.com/business](https://www.jdpower.com/business). The J.D. Power auto shopping tool can be found at [JDPower.com](https://www.jdpower.com).

SOURCE: J.D. Power



## Coalition Demonstrates Cyber is Insurable with New Method for Modeling Aggregate Cyber Risk

The report, released alongside this new model, explains the concept of aggregation technologies and vendors (ATVs), the shared technology infrastructure that fuels aggregate cyber risk. While our knowledge graph allows us to observe the ATVs of an organization individually, the model helps us understand our exposure at a portfolio level.

The model demonstrates that ATVs and cyber risks aren't as interconnected as often assumed, indicating that the failure of an ATV—even one that, at surface level, is ubiquitous—will likely be localized. For example, imagine an outage of a cloud computing provider such as Amazon Web Services (AWS), Microsoft Azure, or Google Cloud. Each of these ATVs operates hundreds of thousands of physical servers and millions of virtual machines across an equally large number of network segments from data centers around the globe. However, the infrastructure and operations of each ATV are highly segmented, preventing a failure of any one element from spilling over to another.

If a cloud services provider were to go down, it's improbable (if not nearly impossible outside of an extinction event) that this would happen globally; more likely, it would impact a specific service segment and all of the organizations reliant on that segment. But, more importantly, our platform allows us to actively determine which organizations would be affected by an outage in a given segment (be that a particular data center or network segment) and appropriately manage our portfolio to our risk parameters.

In other words, our model allows us to determine the technologies each individual organization employs and understand how an attack vector or technology failure could aggregate across our portfolio. Make no mistake; we believe a cyber event could be very large, although we also believe it will be manageable.

To fix the issues we identify, we send detailed security recommendations and provide self-service resolution methods and on-demand access to our security support team. As a result, in 2022 alone, we observed a 43% reduction in customers with critical vulnerabilities. Should an incident occur, we also maintain a team of in-house security professionals available 24/7/365 to help our policyholders respond to and contain losses.

Read the report: <https://info.coalitioninc.com/download-active-cyber-risk-model-2023-03-21.html>

SOURCE: Josh Motta, CEO, Coalition



## Imagine 23: Sedgwick looks ahead to this year's industry trends

Sedgwick, a leading global provider of technology-enabled risk, benefits and integrated business solutions, has released its "Imagine 23" report of major industry trends and issues that employers, brokers, carriers, risk managers, human resources professionals and product safety experts should be aware of throughout the coming year.

"We're living in a world of constant change and evolving challenges," said Kathy Tazic, managing director, client services at Sedgwick. "We believe there is opportunity to imagine the possibilities for growth and embrace change so we can best serve our global client base. Our trends analysis this year is just the starting point as we forecast and follow issues that matter to our industry, share ideas, and offer support and solutions around the world."

For Imagine 23, Sedgwick's experts and thought leaders focused on 23 essential trends to watch in the year ahead; the company will continue to monitor their impact on the industry throughout 2023. These trends align with Sedgwick's focus on the pillars of people, property, brands and performance..

For the full list of trends that comprise the Imagine 23 report, as well as Sedgwick's broader industry thought leadership, visit [sedgwick.com](https://www.sedgwick.com).

Read the report: <https://thoughtleadership.sedgwick.com/>

SOURCE: <https://www.sedgwick.com/news/2023/imagine-23-sedgwick-looks-ahead-to-this-years-industry-trends>

