

Research on the Development Trend of the Insurance Industry under the Internet Background

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Abstract: As China and the world have entered the Internet era, major changes have taken place in people's living habits and consumption habits, the flow of information has become faster, and industry occlusion has been broken, leading to more intense competition in most industries. Industry upgrades combined with the Internet Became the norm. The insurance industry is also no exception. At present, China's insurance industry has been closely integrated with the Internet to cope with the current Internet-based market background. The insurance industry will also provide customers with better and more convenient services through the Internet.

This article analyzes the innovations and changes brought about by the application of Internet technologies in the insurance industry by studying the changes in people's lives brought by the Internet to explain the services and innovations that the insurance industry should perform at the current stage and the next stage in the context of the Internet.

1. Research Background and Research Significance

1.1 Development History of the Insurance Industry

Modern insurance originated from maritime borrowing. British capitalism developed very well after the Renaissance in Europe in the 17th century. As its trade expanded, maritime insurance began to provide birth conditions around the world. In 1888, the United Kingdom formally commercialized life insurance, and established organizations such as the "Widow Annuity System" and "Widow Insurance Association", making insurance a major step towards the formalization of the industry.

On November 20, 1929, Taiping Insurance Co., Ltd. was established in Shanghai, and successively established branches in mainland China, Hong Kong, Southeast Asia and other regions, becoming the leading insurance company in China's insurance market at that time. On October 20, 1949, China's first national comprehensive state-owned insurance company, the People's Insurance Company of China, was established, marking that China's insurance industry has officially become one of China's key industries. The promulgation of the "Economic Contract Law of the People's Republic of China" on December 31, 1981 introduced relevant provisions for property insurance contracts and became a necessary condition for the subsequent formulation of insurance laws.

On March 3, 1985, the "Interim Regulations on the Administration of Insurance Enterprises" promulgated and implemented by the State Council initially realized the standardization and standardization of the insurance industry. And on May 28, 1988, the establishment of China's first joint-stock insurance company, Ping An Insurance Company of China, marked the beginning of a comprehensive marketization of the insurance industry. In 1991, China began to draft the Insurance Law and adopted it at the 14th meeting of the Standing Committee of the Eighth National People's Congress on June 30, 1995. The same year, it came into effect on October 1. The promulgation and implementation of the "Insurance Law of the People's Republic of China" marks that China's insurance industry has entered a new period of legal construction. Subsequently, a number of large national insurance companies also successively established many large insurance companies including "China Pacific Insurance, Tianan Insurance, Volkswagen Insurance, Taikang Life Insurance, Xinhua Life Insurance" and so on.

On November 18, 1998, the China Insurance Regulatory Commission (hereinafter referred to as the China Insurance Regulatory Commission) was formally established, marking that China has achieved supervision and review of the insurance industry in terms of regulations, management, and qualifications. With the intensification of China's reform and opening up and the comprehensive opening up of China's insurance industry, foreign investment has gradually entered China's insurance companies, and Ping An of China, China Life, Ping An of China, China Pacific Insurance entered the A-share market and other insurance companies in Hong Kong or New York Choose to go public. This is also an important manifestation of the marketization of the insurance industry. Then with the launch of eHealthinsurance's product "Youbao" in Xiamen, China's insurance industry officially entered the era of e-commerce. And after the Insurance Regulatory Commission decided to set July 8 as the "National Insurance Publicity Day" every year, it also increased the insurance to a certain extent and began to go Internet.

2. Changes Brought by the Internet

With the large-scale spread of the Internet in our country, China 's economy and society have undergone major changes, and information is no longer blocked. A large number of Internet companies have emerged at the historic moment, including "Alibaba, Tencent, Baidu," and other game Internet companies that have provided China The economy has a direct impact on change. The Internet industry such as e-commerce, social networking, games and entertainment has experienced a blowout with the growth of Chinese Internet users, and China has officially entered the Internet era. The full coverage of 4G networks has even brought China into the era of mobile internet. It has had profound impacts and changes in various fields such as industry, manufacturing, finance, and people's livelihood. People simply obtain information, entertainment, Shopping is transforming every aspect of life through mobile Internet services. Thanks to the popularity of smartphones, the number of Internet users in China has shown another explosive growth. As of June 2019, the size of Chinese Internet users has increased by 25.98 million compared with the end of 2018, and the Internet penetration rate has reached 61.2%. The number of mobile Internet users has reached 847 million, and Internet users 99.1% used mobile phones to access the Internet. [1]

With the popularization of the mobile Internet, whether it is e-commerce, gaming, entertainment, social or other fields are focusing on mobile Internet users with such a base, mobile applications are emerging endlessly, and various industries have begun to integrate closely with mobile internet, such as Wealth management apps (Chinese name: application, English full name: Application) in the fields of takeaway, group purchase, short video socializing, mobile games, live broadcast, and finance have also begun to expand on a large scale. [2]

China is currently the global leader in terms of mobile Internet field and is the country with the largest number of mobile phone users worldwide. People's lives, work, communication, and financial management have been closely integrated with the mobile Internet, so the insurance industry fully uses the mobile Internet for services It is necessary to upgrade and expand.

3. The Impact of the Insurance Industry Combined with the Internet

3.1 Universality of Public Perception

The rapid development of mobile Internet has made information dissemination more advantageous than the traditional Internet. It was not until the 1990s that people in China began to have a preliminary understanding of insurance. Increasing the public's awareness of insurance is to increase the public's awareness of insurance and make them proactive An important means of purchasing insurance. Until now, there are still many people in China who are resistant to insurance. Many people who buy insurance do not have a good sense of insurance but because of acquaintance recommendations and sentiments, many insurance sellers also take sales performance as the first goal. It does not provide the policyholder with reasonable and efficient insurance products, which has led to the general public's poor awareness of insurance and a defensive attitude. At this time,

using the characteristics of the mobile Internet to widely popularize insurance knowledge and the importance of insurance is an indispensable means for insurance companies to carry out large-scale promotion. While promoting their own insurance products, they can also improve the level of insurance awareness of our nationals.

The mobile Internet has a very obvious fission-type propagation effect, and the transmission rate is more efficient and faster than the traditional Internet. Often, the number of geometric effects that can be generated by a repost, like, or comment increases. Since the media can also play a significant role in communication. According to the data from iResearch, the number of self-media in China has reached more than 3.7 million as of September 2019, and the number of part-time self-media people has exceeded 6 million, and the resulting traffic can not be estimated [3]. Therefore, by utilizing the advantages of various resources of the mobile Internet, traffic can be obtained to a large extent, making the public's perception of insurance universal.

3.2 Quickness of Diffusion Scale and Convenience of Purchase

The direct benefit of the insurance industry after borrowing the mobile Internet to raise public awareness of insurance and enhance its insurance awareness is the rapid diffusion of insurance product sales, and this diffusion can lead to the speed of diffusion by coverage. Today's netizens are happy to share that after a good insurance product is promoted by netizens, advertisements, and media, it can be purchased through convenient mobile phone operations or APP purchases, which can greatly enhance the efficiency of sales diffusion. Incomparable speed. The premise of this content is that: insurance companies increase the promotion of the mobile Internet field and speed up the construction and improvement of their own insurance apps. At present, most insurance companies have their own apps, and direct mobile phone purchases by the public have become the norm.

3.3 Increased Market Competitiveness

Due to the large number of insurance products available to consumers in China's insurance company brands, the insurance industry is becoming more and more competitive. In the era of mobile internet, both public opinion, services, and product quality can be quickly and quickly. Dissemination, therefore, many insurance companies are not limited to peer competition in products, but also market competition in services and brands, to prevent the widespread spread of online public opinion. Competition on the mobile Internet, such as products, services, and positive energy, has become an area that companies in the insurance industry attach great importance to. [4]

4. Future trends of Internet insurance

4.1 Integration into Life Services

In the era when many insurance companies compete with each other and many insurance products are available, basically most insurance companies have established their own APPs. Consumers choose insurance companies and insurance products in addition to reliability and practicality. This service is also one of the important factors for consumers to recognize it. With the gradual increase of people's requirements for convenient life, insurance APP services are not limited to the purchase and introduction of insurance products. The convenience services that provide consumers with close to life have become one of the current performances of the insurance industry [5]. In the development process of future Internet insurance, APP is a comprehensive service platform related to customer stickiness and customer cooperation sustainability. Insurance companies should use the various service functions that are close to consumers' lives to make consumers use habits and use them. Dependence is like the current use of Internet tools such as WeChat and QQ to connect with people to occupy consumer life-level applications.

To realize the life service of the insurance app, the insurance company must integrate the consumer's surrounding living resources, so that the app has the ability to meet consumers' daily needs such as food, clothing, housing, transportation, etc., and provide convenience while

improving the convenient operation experience and improving the online quick claims service. Wait.

Service is a selection factor that consumers attach great importance to in the current market economy. The insurance industry is no exception. The services provided by insurance companies to consumers will be more important than consumers in the future. Components, so insurance companies should take full advantage of mobile Internet applications to improve the depth and breadth of services.

4.2 Achieving Integrated Finance with AI and Big Data

Insurance is not only life insurance, property insurance, medical insurance, but also a kind of finance. With the continuous improvement of China's per capita income level, the relationship between consumers and finance has become closer. Whether it is borrowing, managing wealth, or investing, it has begun to fund the public life. As an integral part of the financial sector, insurance should be more in line with the development of the times, and provide insurance and lending, wealth management, and investment services to consumers. By combining the existing big data technology and AI technology to achieve risk management and control while improving financial service capabilities, insurance company products are no longer singular, and the direct role of insurance products is integrated into a variety of financial activities including lending, wealth management, and investment Comprehensive financial services are an indispensable part of insurance companies at this stage and the next.

Vigorously developing the field of integrated finance can bring more business value and revenue value to insurance companies, which has a significant effect on the expansion of the company's scale. It can also provide customers with benefits and value to a certain extent. To meet the development needs of enterprises, comprehensive finance has also become an important area for the vigorous development of the insurance industry. [6]

5. Conclusion:

After China entered the Internet era, the economy began to develop rapidly, and the various industries have begun to combine and innovate on the Internet. At the same time, the Internet has also become an indispensable tool for people and in the context of the Internet, the development of the insurance industry in combination with the Internet is necessary and necessary. While combining the Internet to protect products, the application of Internet technology and the enhancement of service content and service depth are important for insurance companies to participate in the competition of the insurance industry under the Internet means. For insurance companies, providing consumers with better insurance products, better services, more convenient life, and more comprehensive financial options is the key to victory in market competition now and in the future.

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