

# i2s<sup>®</sup> analytics

# Analytics in insurance

Business value creation

# Analytics in the insurance market

Natural perils, globalization, and disruption in distribution combined with regulatory intervention and increased competition has put immense pressure on insurers.

Rapid integration of technology and life has created a proliferation of data, presenting unprecedented opportunities to use advanced analytics to leverage new information – about potential markets, risks, customers, competitors and natural disasters.

**Infusing analytics capability into an insurer's allows you to identify new growth opportunities while at the same time protecting and optimizing your enterprise.**

*In Advanced analytics for insurance, EY*



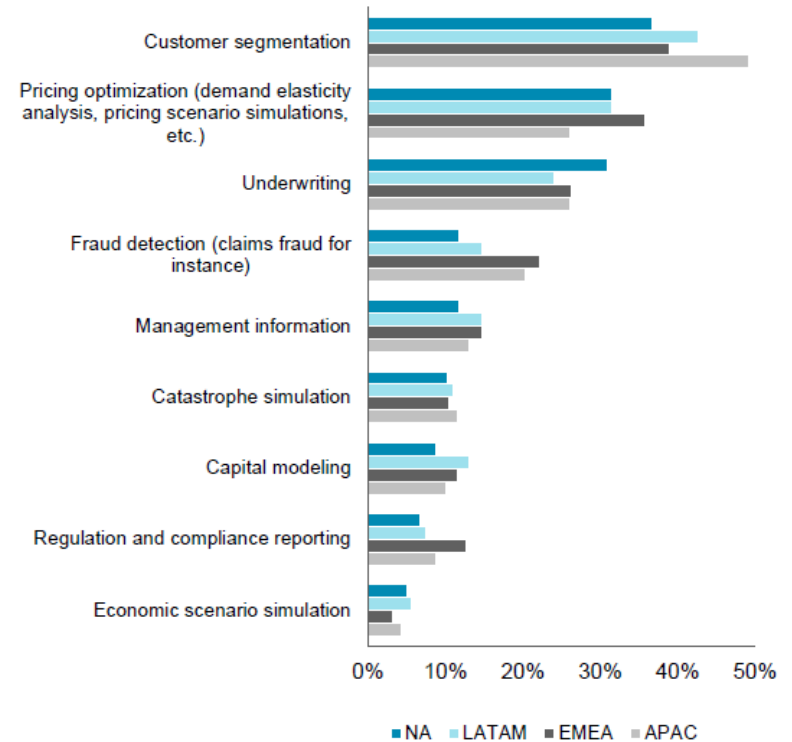
# Insurance analytics priorities

Insurers prioritize **customer segmentation, pricing optimization, underwriting and fraud detection** (prevention and detection) as **key areas** for applying analytics with business impact.

To effectively support decision making, analytics tools must provide:

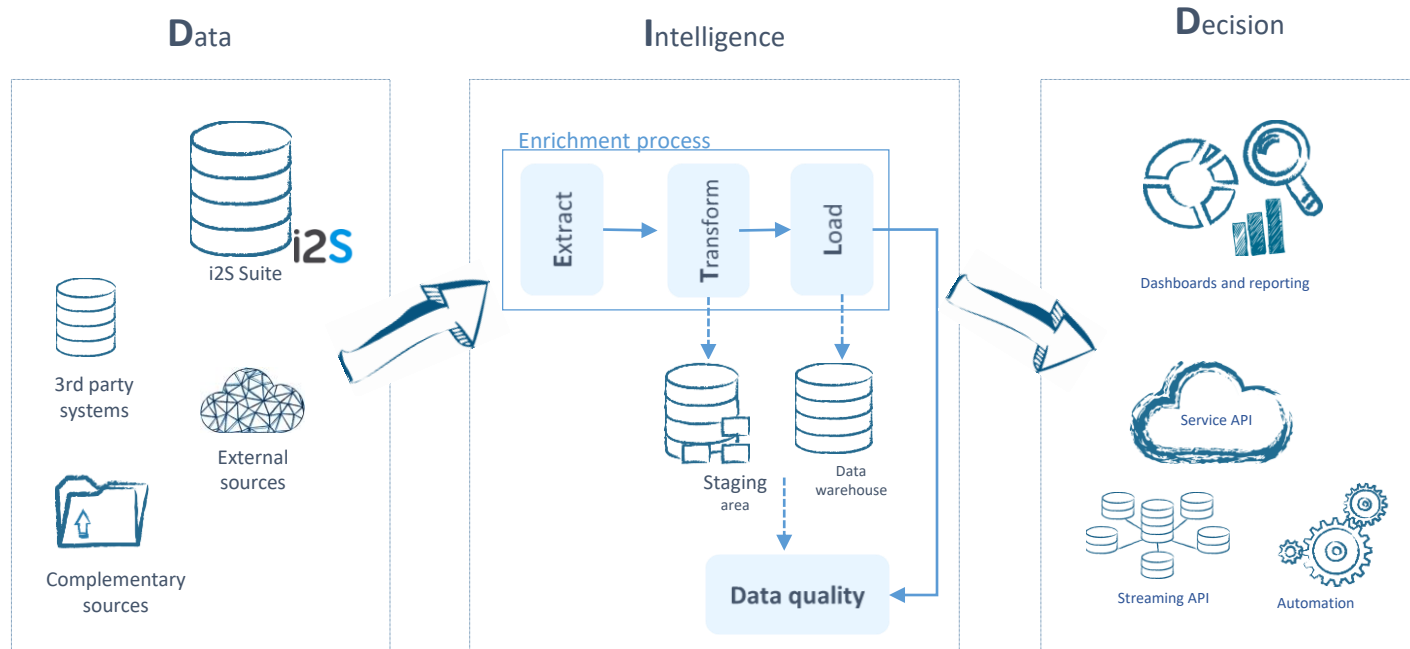
- meaningful information based on quality data;
- relevant business metrics;
- on-time analysis

(In % of respondents)



Celent Survey, 2015

# The analytics value chain



# Advantages of using analytics tools

## Companies using Analytics are:

- 5x as likely to make decisions faster than market peers;
- 3x as likely to execute decisions as intended;
- 2x as likely to be in the top 25% of financial performance within their industries
- 2x as likely to use data frequently when making decisions

Source: Bain & Company, 2016

# Business benefits and use cases

Putting i2S Analytics to work for your business

# i2S customer value drivers

## UNDERSTAND THE PAST

Explain “why it happened”.

Create knowledge:

- Benchmarks: performance;
- Behaviour: risk;
- Baselines: service, fraud, ratios;
- Identify deviation.

## SHAPE A FUTURE

Realise possibilities – choose a path

- Determine risk appetite.
- Set pricing.
- Set thresholds & controls.
- Select segments.
- Optimise loss ratios.
- Reduce fraud.

## REACT TO THE PRESENT

Trending ... act now

- Retain customers.
- Achieve acquisition rate.
- Monitor distribution efficiency.
- Keep agreed service levels.
- Monitor daily efficiency.
- Monitor fraud.
- Pick up on trends.

## EXPLORE POSSIBLE FUTURES

Simulate the possibilities

- How can I increase customer profitability?
- Which products should I launch?
- Am I capital adequate?
- How I could reduce fraud ratios?
- What if prices or services changed?
- What is my customer potential to switch?
- How can I most impact my cost to serve?



# i2S Analytics: business benefits

- **Customer segmentation**

- Benefit from a 360° view of the customer.
- Explore niches to offer relevant products.
- Improve customer retention.
- Identify new trends and opportunities.

- **Price segmentation**

- React to pricing opportunities: the right price, for the right segment, at the right time.
- Support pricing experiences: change price and immediately monitor feedback.

- **Underwriting**

- Integrate quality data in decision making.
- Better risk rating based on risk qualification and analysis.
- Automate acceptance decision making based on previous performance.

- **Fraud detection**

- Monitor fraud indicators.
- Identify the most likely cases of fraud.
- Score.

# i2S Analytics: IT benefits

- **Immediate value**

- Pre-built and available multiple data sources, business/risk metrics and dashboards.
- Connect data sources, populate data and access relevant business indicators.
- Make decisions with information available on time.

- **Flexibility provided by broad connectivity/extensibility capabilities**

- Connect to unlimited data sources (internal and external).
- Define and create additional insurance metrics.
- Adapt or create executive dashboards.

- **Data quality**

- Data cleansing and scoring metrics: using categories and rankings to maximise data quality.
- Data profiling using business rules: improved semantics.
- Data alerts: feedback to operational systems to foster data correction at source.

- **Data availability**

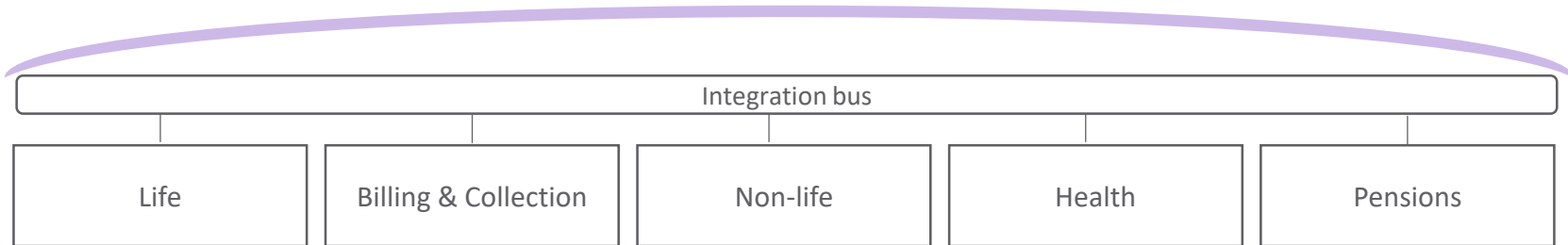
- On-time data availability.
- Flexible scheduling of data extraction, transformation and loading processes.

# i2S Analytics: business use cases

Aggregate multiple solutions and provide a centralised view of the insurance business



## i2s<sup>®</sup> analytics



# i2S Analytics: some business use cases

- **Gap analysis:** compare and highlight deviations from pre-established goals for market share, sales, customer acquisition, etc.
- **Trend analysis:** understand key economic, behavioural, technological, or demographic trends and how to combine them to create opportunities.
- **Operational efficiency:** detect pain points in your products, services, or solutions and in the organisational processes or practices.
- **Stakeholder analysis:** learn from the behaviours and needs of your leading-edge or laggard customers, employees, or suppliers.

# What is i2S Analytics?

Product architecture and components

# i2S Analytics: a powerful solution

**Deep insurance knowledge** delivered through a flexible framework with **400+ business and risk metrics**, compiled into **key business monitoring dashboards**, available from day one.

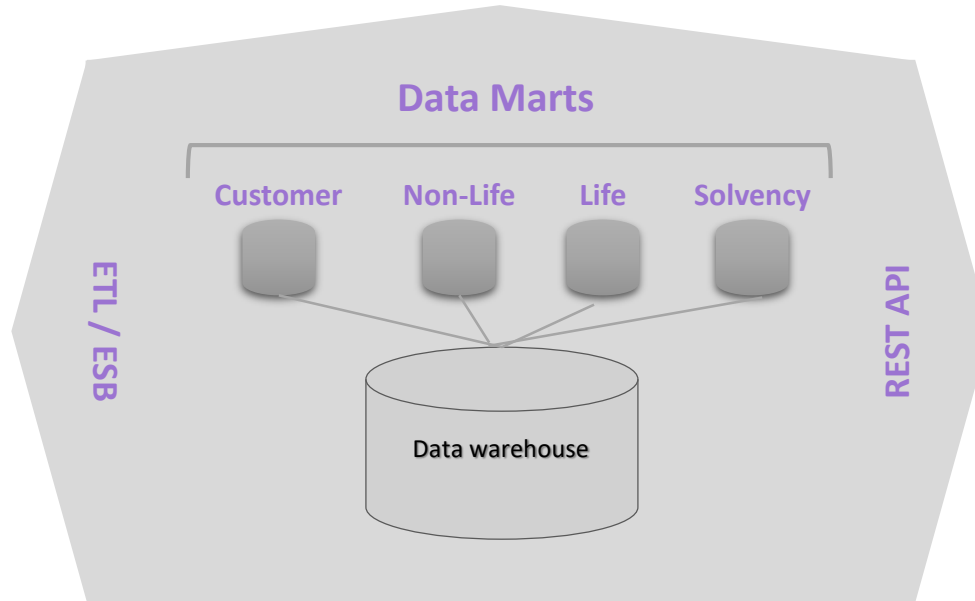
# i2S Analytics: architecture overview



Visualization Interfaces\*

Unlimited Data Sources

- Policy
- Administration
- Sales & Marketing
- CRM
- Billing & Collection
- Regulatory
- Banking
- Stock Exchange
- Markets
- Lifestyle Data



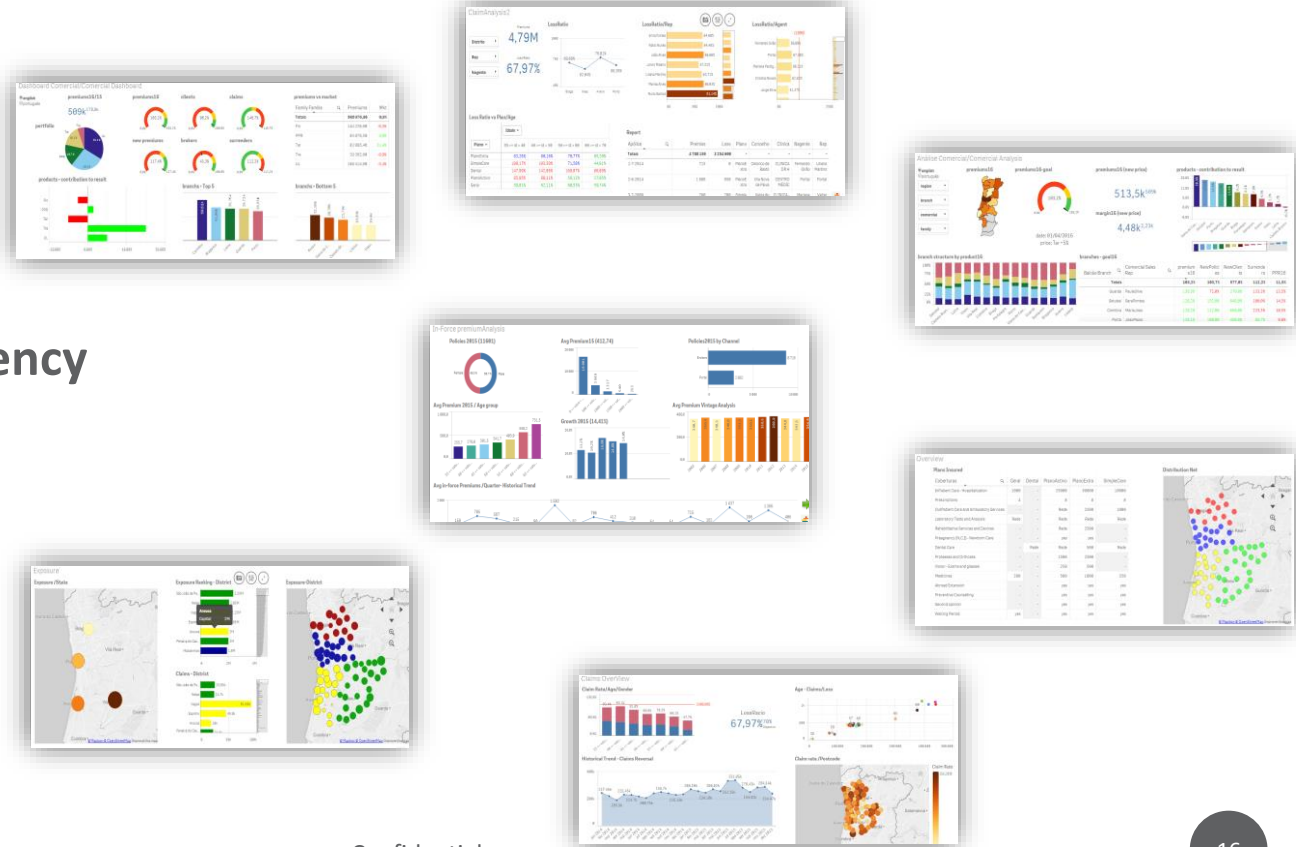
Connectivity to other systems

- Finance & Accounting
- Regulatory
- Fraud detection
- Systems
- CRM

\*These reporting tools are illustrative, others may be used.

# i2S Analytics: Qlik Sense pre-built dashboards

- Customer
- Financial
- CRM
- Operational efficiency
- Commercial
- Campaigns
- Risk & Fraud





# i2S Analytics: 400+ business and risk metrics, readily available to configure dashboards

- Number of new customers.
- Number of nominated agents.
- Written premiums.
- % sales performance by commercial.
- Average collection time.
- Commission rate.
- Leads conversion rate.
- Product contribution to result (%).
- Funds yields.
- Bond yields.
- Number of complaints by branch.
- Number of surrenders.
- Value of claims in the period.
- Loss ratio.
- Frequency ratio.
- % FCR – calls solved in the first attempt.
- ASA – Average Speed of Answer.
- SLA – Service Level Agreement.
- AHT – Average Handle Time.
- Average proposal issue time.
- Average policy issuance time.
- Number of critical alerts.

# Contacts



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