



undiscovered opportunities
insurance | analytics

Advanced analytics
for insurance

unlock value
profitable growth
deep experience
innovation

..... We work with insurers to find opportunities that deliver profitable growth while protecting and optimising their enterprise.

Drawing on our deep insurance experience and.....
a new, whole brain analytics approach, we'll
help you unlock new areas of value.

insight
whole brain analytics



Natural perils, globalisation, 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.

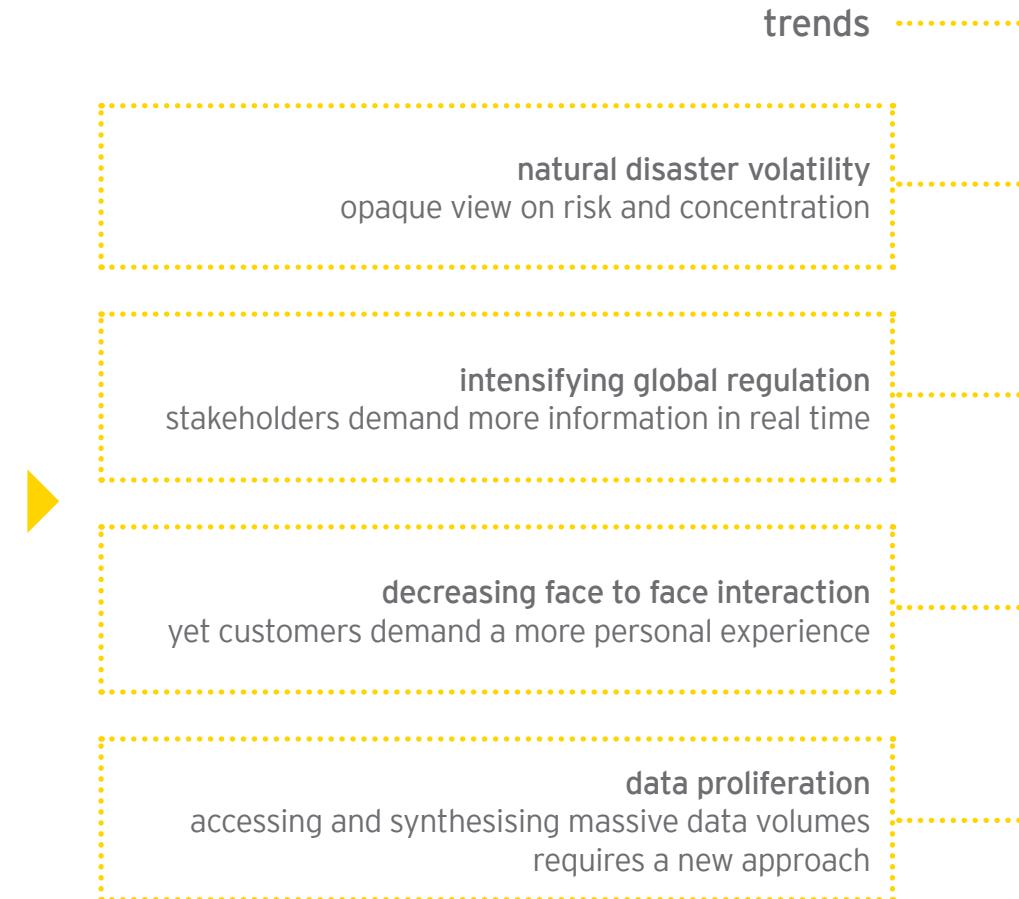
Infusing advanced analytics capability into an insurer's DNA allows you to identify new growth opportunities while at the same time protecting and optimising your enterprise.

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Trends, implications and opportunities

The proliferation of data, technology advances and innovation in analytics create opportunities to take advantage in a changing world



Personal data is becoming a new economic 'asset class', a valuable resource for the 21st century.

World Economic Forum, 2012

opportunities

sensors across the planet capture data to create early warning systems

real time analytics automates compliance reporting to meet stakeholder needs

leverage human digital records to tailor services to a customer's situation, behaviours, preferences and risk profile

use advanced analytics modelling methods and tools to leverage useful internal and external data



Implement real-time trigger based analytics to provide early detection of opportunities and issues

identify hidden revenue opportunities within your customer base



Advanced analytics leverages specialised methods and tools to generate intelligent insights that drive business innovation

retain your high value customers, employees, brokers with the right retention offers

leverage social media to deepen customer knowledge and open a new distribution channel

optimise capital across jurisdictions or business units through a deeper and more immediate knowledge of risks



Key questions insurers are asking

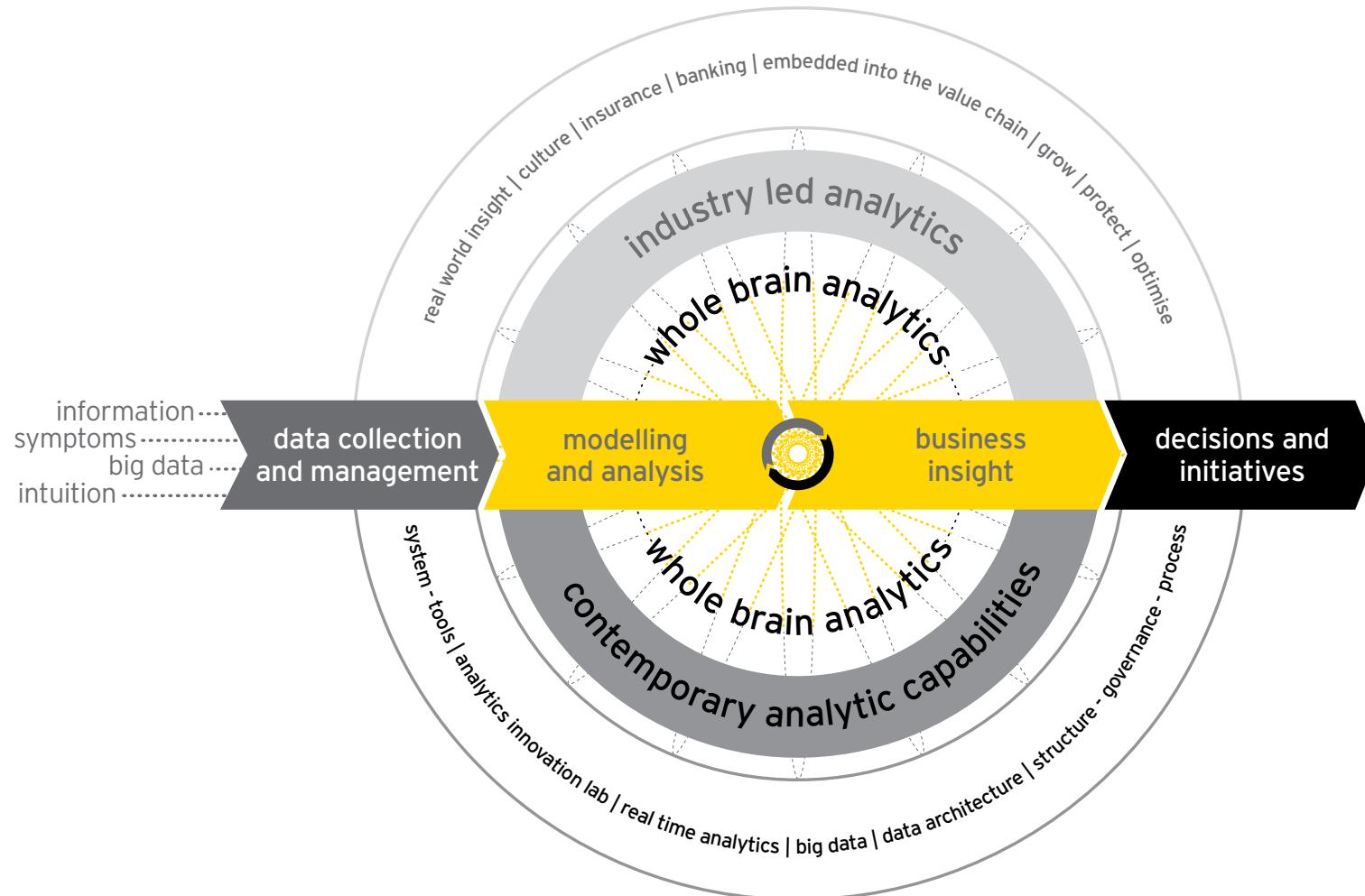
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- 1** What more can our own data tell us?
 - 2** What else could we learn if we added external data to our models?
 - 3** How can we build the power of analytics into day-to-day decision-making?

.....

There is a formula for success

Three things are required to succeed

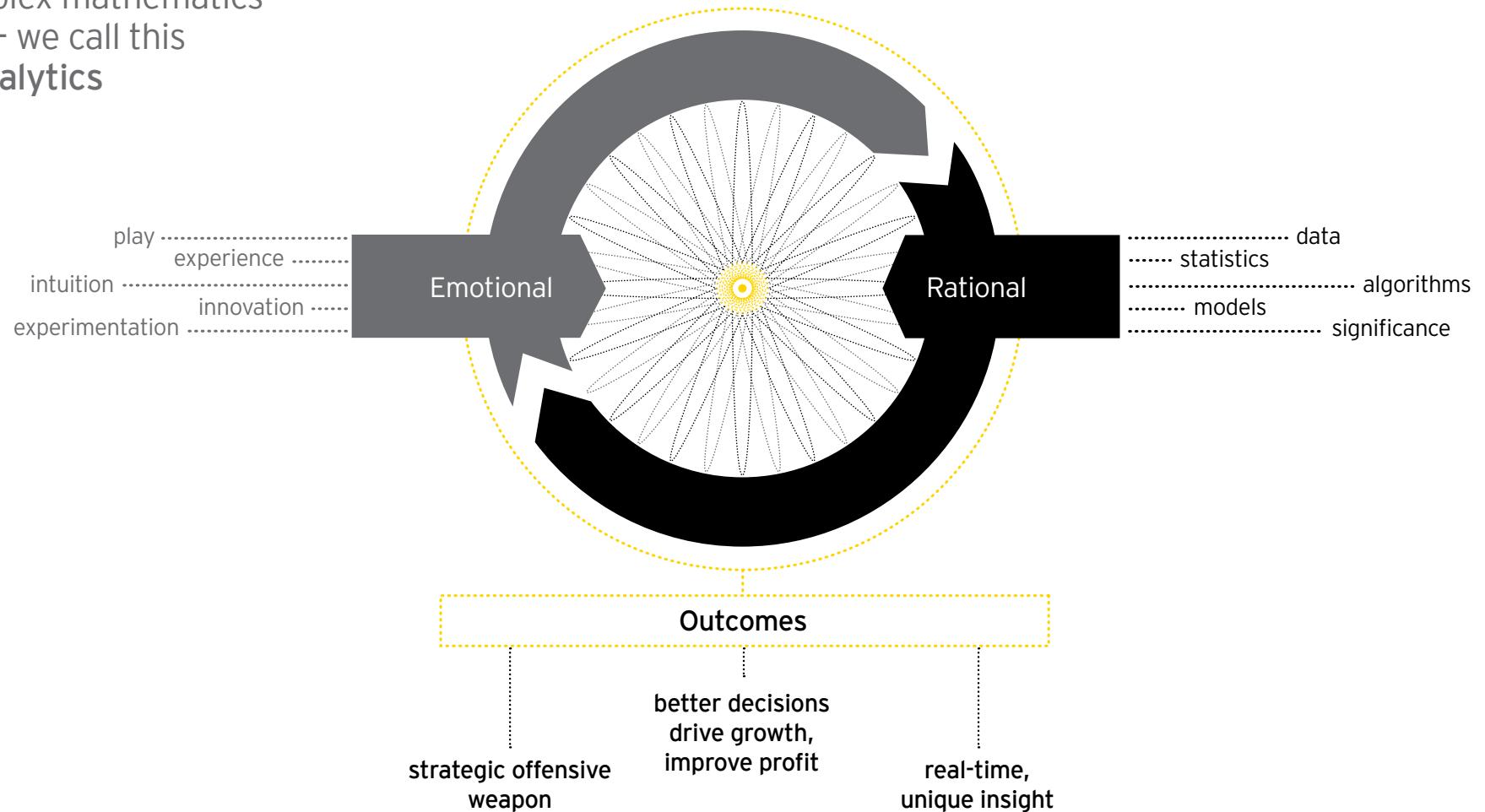
- 1** Whole brain analytics
an advanced analytics method
- 2** Industry led analytics
integrated into the business value chain
- 3** Contemporary analytic capabilities
the right skills, information architecture and tools



An effective combination of these capabilities accelerates innovation and delivery of business value

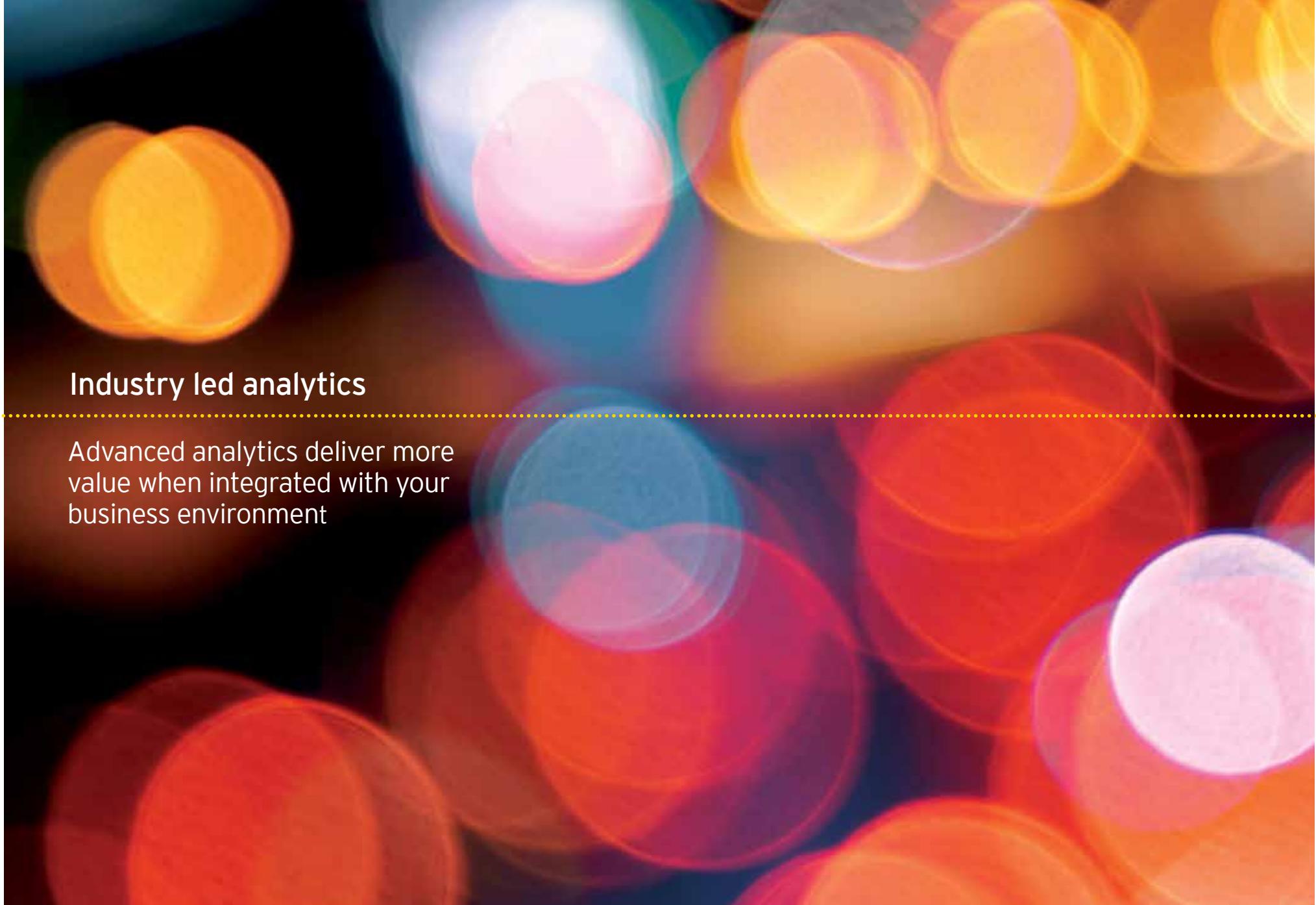
Whole brain analytics

To generate business value, you need a method that combines complex mathematics and creativity – we call this **whole brain analytics**



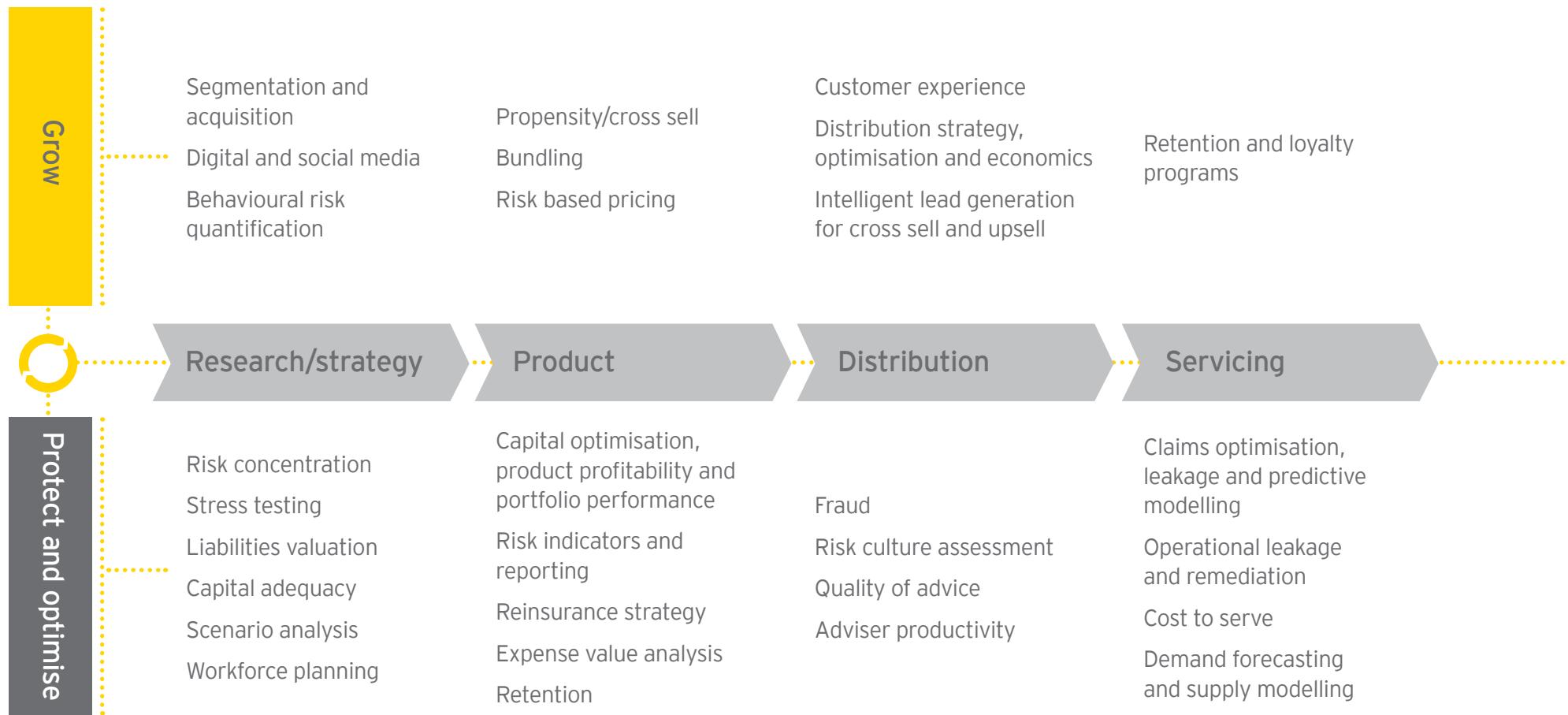


Bringing rational and emotional thinking together
delivers new insight, allowing you to solve complex business
issues and find new growth opportunities



Industry led analytics

Advanced analytics deliver more value when integrated with your business environment

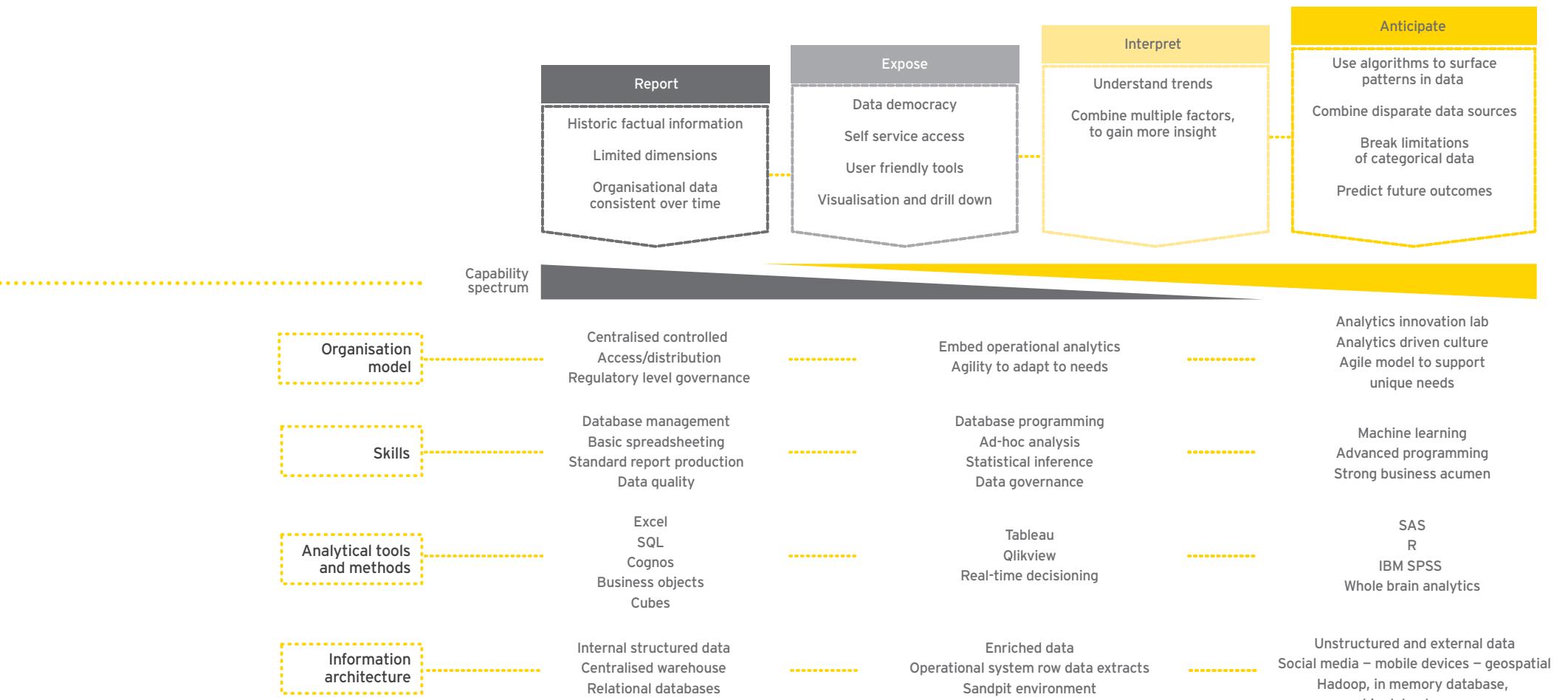


This approach informs decision-making with practical, deep insight in real-time across the insurance value chain

Contemporary analytics capability



Establish the right organisation models,
skills, information architecture tools
and methods



Seven actions for success

1 **Make a commitment**

Commit to an inquisitive, information driven, culture

2 **Assess maturity**

Assess analytics maturity against your current and future needs

3 **Define your approach**

Establish a clear operating and governance model

4 **Map your opportunities**

Develop an analytics opportunity map that identifies and prioritises analytics led initiatives based on business value

5 **Prove the concept**

Start with a targeted scope and deliver value early

6 **Analytics innovation lab**

Establish an analytics innovation lab as a way to do rapid experimentation and drive business innovation

7 **Build for the future**

Build a scale-able road map to meet future needs of the business



examples

Situation

The life insurance division of a leading Australian bank had high lapse rates eating into its profit margins.

Solution

We used analytics to diagnose actual patterns, developed short term tactical remediation initiatives and designed high level retention strategies.

business outcomes

More than 7% increase in NPAT over the first 6 months.

Potential of a further 2% reduction in lapse rates over the long term.

Situation

A global insurance and re-insurance client had increasing claims costs, year on year.

Solution

We undertook an extensive analytical review of the clients' private motor vehicle portfolio, leading to a current state assessment of overall claims costs against industry benchmarks and an improved data management framework.

business outcomes

Savings of claims costs in the millions of dollars.

Improved overall operating efficiency.

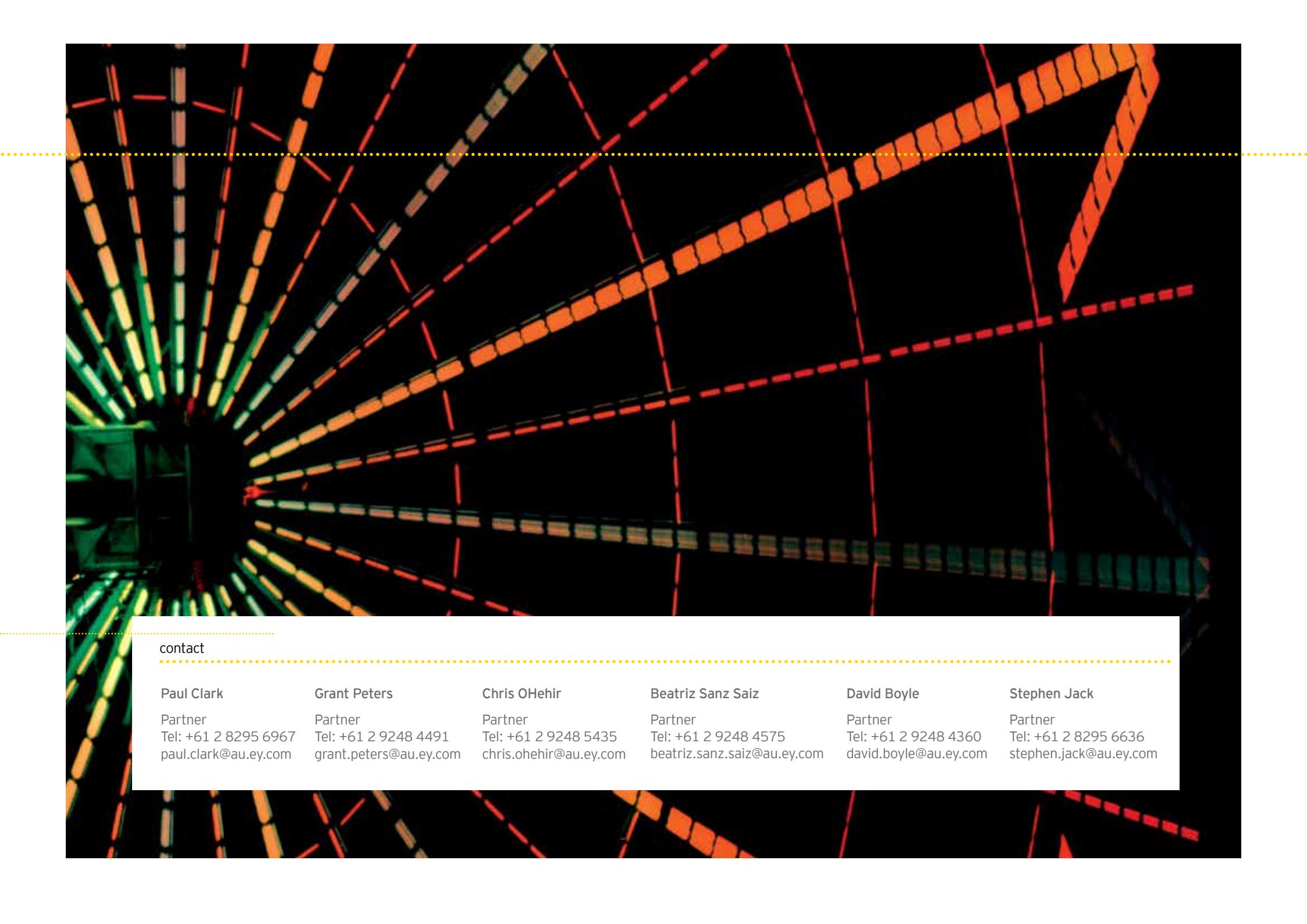


In a volatile world, advanced analytics for insurance allows you to identify new growth opportunities, while protecting and optimising your enterprise.



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