

Embedded Insurance

Giovanna Henny : 8-10 minutes : 3/29/2024

“This is an enhanced version of the earlier Open Insurance Transformation offer, repositioned to meet Industry demands”

ELEVATOR PITCH	OFFER: Capgemini's Embedded Insurance 🕒 - 45"
MARKET CONTEXT AND MAIN ADDRESSED CUSTOMER CHALLENGES	
<p>Today, Insurer's omni-channel distribution strategies have added a new spoke, B2B2C to existing intermediaries and direct digital channels. With B2B2C Insurer's are embedding products in prospect's daily life at key moments, making purchase intuitive and hyper convenient. Insurers need to adopt new ecosystem led operating model to innovate at pace to embed right products and services at right moments.</p>	
OUR OFFER AND VALUE PROPOSITION	
<p>Capgemini brings together its cross-industry expertise, co-innovation capability and Insurance technology know-how, transformation frameworks to help insurers embed their products in the purchase journey of a customer across industries (B2B2C channels) . In the process, Capgemini leverages its highly secure Open Insurance AWS cloud native platform to expedite the implementation of Open API architecture, using ACORD Next-Gen Digital Standards, thus making the insurer future ready.</p>	
WE HAVE DONE THIS BEFORE FOR...	
<p>The Capgemini solution has guided multiple insurers on their path to adopt embedded (open) insurance. E.g.;</p> <ul style="list-style-type: none"> • Implementing “SECOND CHANCE”, a gadget insurance product for a Mobile carrier and an insurer • Embedded insurance services through a German OEM connected car mobile app • Millennial targeted life insurance product embedded in a toy's chain digital journey • New venture support for protection first embedded insurance for a retailer of home security devices 	
WHY WE ARE 'SPECIAL'	
<p>Capgemini as a trusted partner brings in multiple layers of benefits thru proven technology, experience in venture design, governance, product modelling, proven operating model thereby guiding the insurer to adopt Embedded insurance.</p> <p>Capgemini Assets such as its highly secure Open Insurance AWS cloud native platform built on Open architecture, using ACORD Next Gen digital standards with a catalogue of Open Business opportunities/ideas already implemented on the platform serve as a lever to expedite an insurer's journey to Embedded (Open) Insurance.</p>	

The Business Goal



The Business Vision/Goal

Evolving customer expectations, modern UX, innovative products and strong digital distribution platforms are compelling insurers to open up their ecosystem to collaborate with external partners to unleash new revenue models and new distribution models, using APIs, globally. Open Insurance transformation can help meet these aspirations and become an inventive insurer.

#InnovativeProducts #OpenArchitecture #OpenAPI



Business Issues

1. Reaching customers at right moment

Insurers need to bundle POS into signature moments like high value purchases, key life decisions and new experiences. They feel urgency to build access to flourishing insurance marketplaces, distribution platforms and new affinity groups, swiftly and make this possible through APIs while making sure their core IP is safe.

2. Access to best of breed capable providers

The need of the hour is for insurers to onboard external partners with ease to participate in core value chains like service providers, SaaS software, AI models etc. They need high flexibility to widen or replace partners with confidence on data privacy as new capabilities become available.

3. Orchestrating seamless service for brand elevating CX

Evolving CX needs insurance to become invisible in claim contexts like roadside assistance, minor incidents etc. Which in turns needs integration of external value-added services and digitization of complex new business placement with brokers, while ensuring customer consent and compliance to privacy.



The Solution

Capgemini's Open Insurance Transformation

Accelerated and risk-mitigated transformation framework with a robust operating model and an industrial development approach to achieve the business goals of the carrier. The offering helps insurers to scale up their digital maturity and become Inventive Insurers that integrate new technologies into their processes, collaborate with ecosystem partners via APIs, and create a personalized digital experience for customers. We bring a comprehensive set of modular services and proven IP and industry standards to address the end-to-end open transformation needs. The framework assists carriers from defining a business vision, monitoring value realization, API strategy/governance, legacy modernization, data governance and leverage the Capgemini cloud native secure Open Insurance platform and assets.



Research Findings

1. The evolving risk landscape is increasing customer demand for insurance
2. New players with disruptive models are entering the insurance marketplace
3. 47% of insurers prioritize innovation for new business models
4. 49% of insurers want to work with ecosystem partners and co-develop solutions
5. >50% of customers would buy insurance from Big-Techs and non-trad. players
6. >70% of customers expect a multi-channel experience for policy research, purchase
7. > 80% of customer interaction with insurance firms is digital (website/mobile app)
8. 87% of insurers say they will invest in digital enhancements

Above factors are leading insurers to consider Open Insurance Transformation to allow them to implement new business models, distribution models, collaborate with niche partners in an agile and secure manner and be a part of a digital ecosystem enabling the future Insurance marketplace.

Client Value Proposition



Client Benefits / Business Value

Open Insurance Transformation enables clients for:

- Implementing evolving business models – such as embedded insurance, usage-based/on-demand insurance etc.
- Ecosystem partnerships – to future proof and augment revenue streams through product & service innovation, new distribution models, etc.
- Data Security – through secure and regulatory-compliant data governance model for transformation, API services and technology
- Interoperability between different ecosystems – through industry API standards (ACORD open API digital standards)
- Strategy & Implementation roadmap – for legacy revitalization, core modernization and data governance.
- Expansion of distribution network – by enabling intermediaries (agents, brokers) to rapidly expand their reach and facilitate end-to-end digitalization of distribution.
- Capgemini Open Insurance platform – provides secure, reliable data exchange b/w insurance and related entities and expedites the overall open insurance transformation journey, for any insurer.



Why Capgemini?

- **Portfolio of comprehensive services and proven IP:** The Open Insurance Transformation framework is based on Capgemini's in-depth industry experience and facilitates end-2-end open Insurance transformation from defining business vision to implementing Open APIs based on a robust API strategy and governance.
- **Deep domain expertise backed by thought leadership:** As an insurance industry thought leader, Capgemini brings the domain expertise from its insurance SME community and Invent (Innovation, Consulting and Transformation services).
- **Open Insurance solution:** A cloud native SaaS solution, with bank grade security, catering to regulatory compliance (e.g., GDPR) and robust consent management needs. It has been implemented on a microservices based, layered architecture, comprising of business adapters, system connectors, transformation layer for insurance industry standards.
- **Open Insurance architecture:** The solution based on an open architecture provides for Agility (Auto provisioning, DevOps tooling) Open Innovation (Developer Portal, API sandbox), Open APIs (API factory blueprint, API gateway, Pre-built open Insurance OOTB APIs).
- **Best-in-class Partnerships:** The solution is supported by our partner ecosystem, including Amazon Web Services, MuleSoft for cloud and API gateway services and integration with established vendor platforms including Guidewire, Majesco, Appian, OIPA etc.
- **Industry standard compliant:** Capgemini has been working with industry standards organization (e.g., ACORD) to develop digital Open API standards, which have been implemented in the solution. Capgemini is also participating in EU initiatives in defining Open Insurance frameworks.
- **Industry recognition:** [ACORD News](#)



Clients on this journey

- **Large Auto Insurer (US) – Open API strategy for auto quote for commercial business**
- **Large B2B2C insurer (Brazil) – Consent Management**

Selling Strategy



Offerings we sell

1. **Flexible and modular, layered Open architecture for varied contexts**
2. **Fail-fast approaches for new business / product models, optimizing associated capex**
3. **Pre-integrated assets, IP built based on our experience from multiple transformations**
4. **Automation-enriched factory approach for API development, Provisioning, E-2-E DevOps tooling**
5. **Alignment with ACORD open API Next-Gen digital standards**
6. **Open Insurance Platform – secure cloud-based platform supporting Open Architecture with pre-built OOTB APIs.**



Questions to ask

- **How are developing new revenue opportunities collaborating with partners?**
- **What are the barriers in exposing your business IP to explore new business streams via partnerships?**
- **What constraints are you facing in implementing new business models, value added services swiftly?**
- **Are legacy systems/architecture, posing a challenge for interfacing with new breed partner solutions?**
- **How are you modernizing your distribution systems for agents to expand their customer reach?**



Keywords to listen for

- **Open Digital Ecosystems**
- **Open API Open Data**
- **Legacy Modernization**
- **Partner collaboration**
- **Apification API strategy**
- **API Governance API management**
- **Data Governance Digital Transformation**

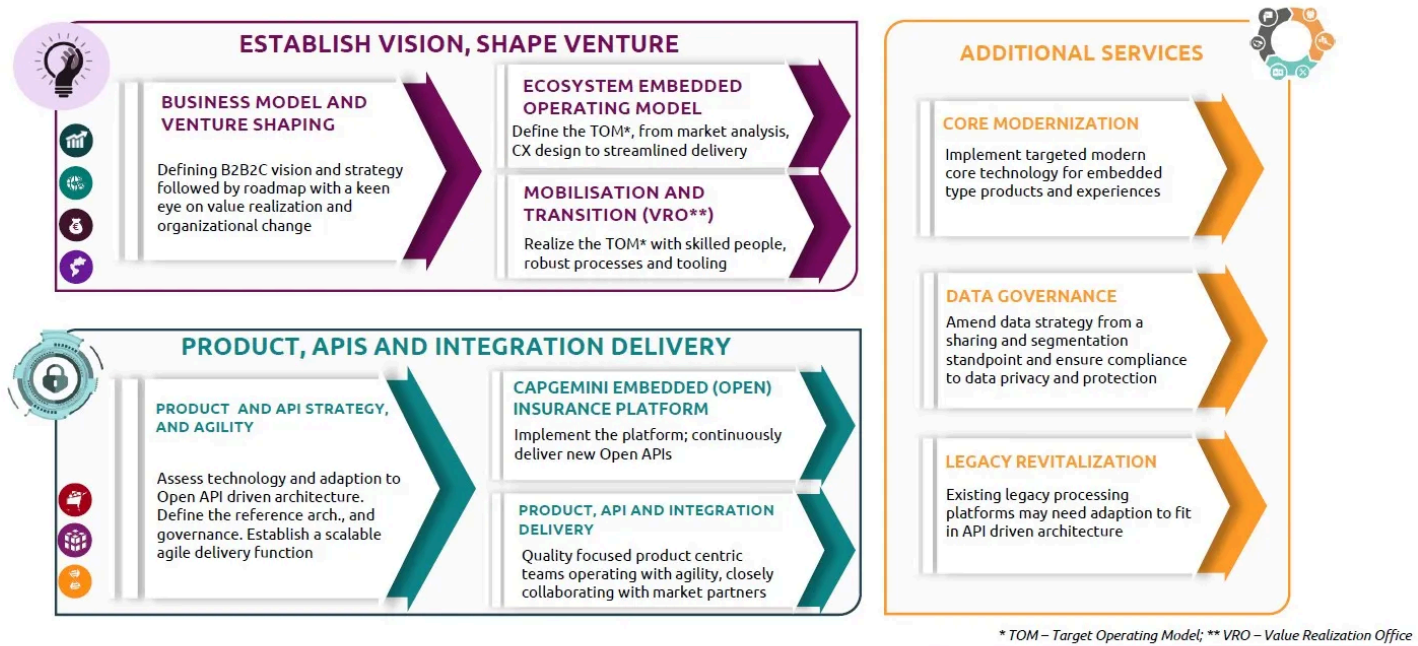


Targets & Deal Size

- **Insurers – Wanting to innovate but are constrained by internal systems, traditional way of working, Cyber/Privacy/IP concerns**
- **Profiles – CXOs (CDO, CMO, CUO, COO, CIO, CEO) to be approached.**
- **Deal Size – Will vary from engagement to engagement**

Notes by Portfolio Team or Experts

CAPGEMINI'S APPROACH FOR SUCCESSFUL EMBEDDED BUSINESS MODEL



We have successfully defined, designed and implemented Open Business Transformation for several large insurers.

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