Six Proven Approaches to Customer Centricity in Insurance

Respond to rapid industry shifts with timely, accurate data by partnering with Informatica

Build a Better Insurance Business with Cloud Data Management

Few industries are experiencing a more dramatic, rapid evolution than insurance. The causes of this transformation are wide-ranging – from climate change and pandemics to an aging population and the digital economy. Younger people expect more digital interactions, and price sensitivity is rising among customers of all ages.

To respond effectively to these challenges, carriers want to digitalize the insurance value chain. But traditional firms are facing stiff competition from emerging insurtechs, who can pivot more easily without the burden of disconnected legacy technology systems.

Consider how the industry handles data. Although data is essential to insurance operations, many companies lack the strategic frameworks and technology needed to realize valuable insights from these assets. Siloed data sources, disconnected technology systems and immature data management strategies prevent insurers from treating data as a strategic asset — missing out on key opportunities to improve customer experience and promote agile business practices.

Upgrading to more holistic data management systems, empowering teams to collaborate across functions, and moving beyond basic risk and cost reduction goals could help insurers capitalize on their data and analytics initiatives to accelerate innovation, bolster competitive differentiation, and ultimately sustain profitable growth.

"How to Walk the Talk by Treating Insurer Data as a Strategic Asset"
Deloitte Insights, July 2022[1]

[1] https://www2.deloitte.com/us/en/insights/industry/financial-services/insurance-data-as-a-strategic-asset.html

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Six Key Insurance Business Imperatives that Benefit from Modern Data Strategies

Following are top concerns for today's leading insurance companies, along with their data-driven solutions.

Customer Experience: How can we turn the **customer experience** into a competitive advantage? Companies need 360-degree views of customer data to improve retention and maximize cross-sell and upsell opportunities, simplifying the insurance purchase process via digital portals, which can drive organic growth.

Business Agility: How can we accelerate product development to quickly respond to new risks and changing market expectations? Insurers must use **high-quality data** to rapidly prototype new products, such as cyber and commercial insurance. They also need timely, relevant data to explore new revenue models and streamline claims processing while supporting finance, operational and M&A activity.

Underwriting: How can we improve **data quality** so we can better manage our producers, improve quote and bind activities, and increase underwriting straight-through processing rates? By addressing data quality from ingestion to integration, companies can support deeper underwriting insights.

Risk Management: How can we classify exposures faster and improve loss history analysis so we can identify potential claims management cost-saving opportunities? Insurance firms need timely, high-quality data to enable effective risk assessment, risk modeling, portfolio diversification, claims processing and fraud detection.

Regulatory Compliance: How can we protect sensitive data while ensuring compliance with provincial, national and international mandates? Advanced **data discovery** and tagging can help companies find, flag and manage sensitive data and ensure regulatory compliance.

Environment, Social, Governance (ESG) Compliance: How can we create a complete view of enterprise ESG sustainability data? Comprehensive data — internally across departments and externally with third-party ESG rating agency data — can help companies comply with reporting requirements at home and around the world.

Create an Engaging Customer Experience

Insurance companies that support customer engagement — by making information available across channels, personalizing communications and reaching out at the right time — can boost satisfaction, loyalty and retention. Happy customers buy more offerings, boosting sales and profitability.

Maximizing Cross-Sell and Upsell Opportunities
The most profitable customers hold multiple policies with your company. Even when data about each product resides in different enterprise systems, customers expect one holistic view of their policies, payments and coverage. Cloud-native data management solutions can create a cross-policy view by gathering, cleansing and integrating data from disparate policy systems and presenting it in a single unified display. Data-driven insights can help you understand your best sales opportunities and turn the customer experience into a competitive advantage.

Accelerating Turnaround and Delivering Personalized Offerings
Customers want to do business with companies that treat them as individuals – not as a mass market. And they expect rapid, accurate and informative communications from you. Advanced, AI-powered data management solutions that deliver clean, timely and relevant data can help streamline underwriting processes and reduce application processing time.

The right solution can also enable you to make informed decisions and respond quickly with customized communications. By building on trusted and complete data, you can make personalized policy recommendations and target offers to enhance the customer experience.

Enabling a True Omnichannel Experience
To meet customers where they are, you need to offer access to services using multiple channels that are digital and built on a foundation of robust, reliable and trustworthy data. The right cloud data management solution can help you provide a single digital data source, where customers can access critical information. **Master data management solutions** deliver a single 360-degree view of customers and your relationships with them — supplying insights that can allow workers to provide faster, more comprehensive service — thereby enhancing loyalty and increasing customer retention.

"Data is both the raw material and finished product for an insurance company. It is the fuel that drives any risk assessment, pricing decision, or customer interaction."

Brad Foust
Assistant Vice President,
Software Development,
National Interstate Insurance

Elevate Underwriting

Being able to quickly and accurately determine the inherent risk in insurance products and assigning them prices is an essential process in the insurance industry. The more accurate and complete your data, the better your underwriters can gain insights needed to support profitable business decisions.

Improving Decision-Making

The best underwriting decisions are made when they are based on current, complete information. Data governance and data management solutions can help you improve data quality across the underwriting data pipeline, from submission to bind, by ensuring that data is fit for business use – in other words, data that is accessible, valid, transparent, clean, understood, governed and protected. To support decisions related to fleet-specific risk assessments and pricing, today's powerful solutions also can ingest third-party fleet telematics data automatically.

Increasing Efficiency

Traditional underwriting and claims processes are time-consuming and error-prone. By using automation, cloud-based data management technology and 360-degree customer views, insurance companies can improve claims processing and underwriting efficiency and accelerate decision-making. Advanced solutions offer an underwriting workbench that can consolidate decision-support data from new business as well as existing customers seeking renewals and endorsements. These technologies can help you increase straight-through processing rates and improve quote and bind activities.

Reducing Manual Data Processing

The manual process of collecting and inputting application data is lengthy, labor-intensive and also prone to human error. Cloud-native data management solutions that leverage AI for data automation can help insurance companies automatically extract and use data in ACORD (Association for Cooperative Operations Research and Development) application forms. These solutions help reduce manual data processing and the errors associated, improve data quality and cut process times by automating and streamlining underwriting activities.

"The insurance business is extremely dependent upon the quality of management information provided to its people. At all times, we need to understand exactly where we are in the business cycle, and for that we need timely and accurate integration of data."

Peter Thomas
VP of European Management, IT, **Chubb Insurance Company of Europe**

Modernize Risk Management

Insurance companies that access, process and use data to better understand risk exposures can reduce the cost of managing risk and compliance. Yet it can be difficult to overcome persistent, ineffective data quality processes, limited visibility into data lineage and a lack of centralized, trusted risk data.

Detecting Fraud Proactively
Multiple challenges – such as poor-quality data and the lack of information about participants in suspicious activities – prevent insurance companies from effectively combatting fraud. However, modern data management solutions can help overcome these challenges by delivering trustworthy data to your fraud surveillance systems, helping you understand the lineage of data used to manage fraud, and identifying those involved in fraudulent transactions.

Creating a 360-Degree View of Risks
Most insurance companies gain only a limited view of risk through their fraud surveillance systems. To help combat financial crimes and fraud, advanced data management solutions can provide a complete view of various risks — including underwriting, market, credit and operational risks — so you can manage and mitigate risks effectively. These technologies relate legal and non-legal entities in a single, authoritative and trusted data source that can be used by new and existing fraud surveillance systems.

Facilitating Compliance
Staying current with changing regulatory mandates requires extensive effort. By relying on powerful cloud-native data management systems, you can enable compliance with local and global regulatory requirements. These modern solutions support data discovery and tagging to help you find, flag and manage sensitive data. Some offerings include an **ESG sustainability data hub**, which helps you more effectively define, update and maintain greenhouse gas emissions data while measuring ESG impact.

"Because the compliance team can rely on the quality and accuracy of data, they can assess risk more effectively and respond accordingly. For policies covering high-value assets such as yachts and racehorses, Gras Savoye can freeze payments in compliance with regulations until the compliance team can investigate further."

Stéphane Beneteau
Global Project Delivery Manager, **Gras Savoye**

Boost Agility and Scale Enteprise-Wide

To deliver an exceptional customer experience, maximize sales opportunities and prioritize risk management, insurance companies need data that is fit for business use.

Informatica is ready to help.

The Informatica® Intelligent Data Management Cloud™ (IDMC) employs the latest AI and machine learning technologies to revolutionize the way insurance companies leverage data to support top business imperatives. With IDMC for Financial Services, which includes capabilities for the insurance market, you can:

- Access, integrate and share volumes of data from any source, in the cloud or on-site

- Quickly and confidently correct data quality errors and trace the lineage of your data from creation to consumption

- Govern, enforce and ensure that business users have answers about their data

- Identify, classify and protect even the most sensitive data

Powered by a metadata-based artificial intelligence engine, IDMC is a cloud-native data management platform that accelerates and automates core data management and governance processes, promoting agility, reducing costs and improving operational efficiencies.

IDMC helps deliver simplicity, productivity and scale to insurance companies through the following capabilities:

- **Cloud-native at scale.** Scale as you need for all enterprise workloads with elastic and serverless processing.

- **AI-native at scale.** Automate thousands of manual tasks and accelerate data-led transformations by applying AI and machine learning to data and metadata.

- **Multi-cloud, hybrid cloud.** Run, interoperate and support all combinations of multi-cloud and on-premises hybrid infrastructures.

- **Low-code/no-code experience.** Maximize agility by empowering the largest possible community of data practitioners within your organization.

- **Security and trust as design principles.** Ensure the highest level of security, consistent data quality, end-to-end data governance and data privacy across the enterprise.

- **IPU-based pricing model.** Choose any cloud services at any time across IDMC as your requirements change with **Informatica Pricing Units (IPUs)**.
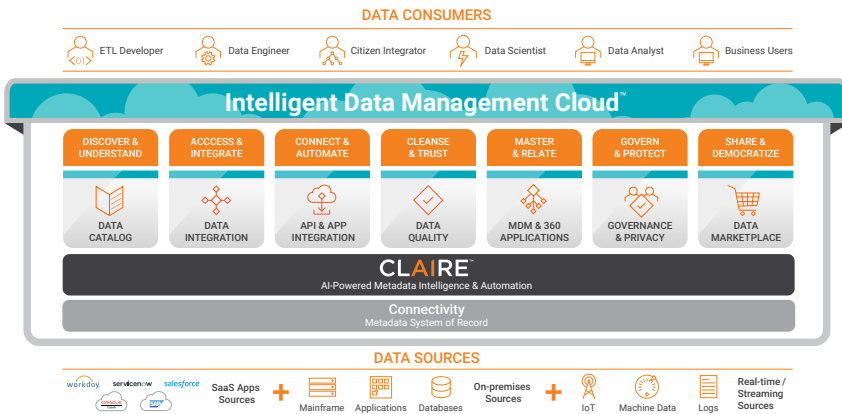
Benefits of the Informatica Approach

AI-powered and microservices-based, IDMC helps you to become more data-driven, develop more innovative products and services, and deliver exceptional consumer experiences. With this platform, you can:

- Increase workforce productivity by empowering governed, trusted, self-service access for all data consumers

- Boost revenue and profitability by operationalizing AI models and improving their accuracy by fueling them with high-quality, authoritative, trustworthy data

- Enhance operational efficiency by simplifying and streamlining business processes and workflows

- Reduce regulatory risk by ensuring the accuracy and protection of sensitive data

- Increase agility and resilience by enabling 360-degree views of relationships between customers, products and suppliers across the business

Get Started with Digital Transformation

To learn more about Informatica cloud data management solutions for the insurance industry, please visit **www.informatica.com/insurance**.

Informatica (NYSE: INFA) brings data to life by empowering businesses to realize the transformative power of their most critical assets. When properly unlocked, data becomes a living and trusted resource that is democratized across your organization, turning chaos into clarity. Through the Informatica Intelligent Data Management Cloud™, companies are breathing life into their data to drive bigger ideas, create improved processes, and reduce costs. Powered by CLAIRE®, our AI engine, it's the only cloud dedicated to managing data of any type, pattern, complexity, or workload across any location — all on a single platform. Informatica. Where data comes to life.

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