

# SynerScope in the Insurance market

## A case study on personal lines claims process improvement based on analytics

### Market trends

Insurance companies are operating a marketplace that is changing more drastically than perhaps ever before.

Carriers address this by continuing their focus on operational efficiency. They achieve this by cutting costs and modernizing operations to support an increasingly agile and responsive eco-system. They also invest more strategically in profitable growth: by developing products for emerging markets and customer segments, new products around for example cyber insurance or shared economy, or new IoT related products and services. All of this requires using and analyzing more and other data than ever before.

*"As the variety and amount of data increase and analytics continues to advance, the need to have top notch capabilities becomes mandatory to maintain competitiveness"*

*Mark Breeding, SMA Partner.*

All these initiatives create and depend on large amounts of information, consisting of structured & unstructured data. Carriers that were accustomed to scarcity of useful data now have the potential to unlock enormous data lakes. This forces insurers to select the right technology to unlock this data, acknowledging that they also have to rethink their digital and big data value propositions and business models.

### A Case Study Our Customer

We implemented a solution for a top 5 insurance company in the Netherlands, providing its customers with Health, Life and P&C coverage. The client's strategy is to offer the market affordable, easy to understand products.

### The Business Challenge:

In general the following factors are accelerating the need to improve claims efficiency and effectiveness:

- One out of every five customers switches insurers after experiencing a less-than-satisfactory claims process
- It costs insurers five to seven times more to bring on new policyholders than to retain existing ones
- The average time and effort of claims handlers consumed to process simple claims like windshield damage is significantly high and experts considerable pressure on the underwriting margins.

This specific carrier wanted to increase its capabilities in all types of claims analytics, except for fraud. They organized a direct vendor comparison between various solution providers and selected SynerScope because of its **speed of data conversion** and the **quick and flexible revealing of new insights from the dark data-lake**.

SynerScope's ease and speed of using data from different sources was critically important since the claims business process involves many departments and operational functions, with different data systems. Traditionally this siloed approach in processes and data ownership had complicated the creation of speedy new insights.





## The SynerScope Solution

SynerScope installed an appliance with iximeer 3.0 and upgraded the whole system with our data management engine ixiwa 1.0 to enable core systems and data infrastructures to become accessible for iximeer and other applications like SAS.

## Proofpoints

We showed an increase in useful new insights from data from many different systems that resulted in the following:

1. Speed
2. Capability to directly work from raw data
3. Improved productivity
4. Bringing "Dark Data" to use
5. Data flexibility
6. Data transparency

## Impact on the Customer

It became clear that SynerScope was able to early identify new trends as prior undetected claims causes and categories were discovered in the dark data. We did this by combining unstructured data with open text fields together with figures.

New risk factors were found for:

- Persons
- Products/coverage features
- Combination of the above

This resulted in new underwriting guidelines. In addition, the carrier formulated the following strategic actions:

1. Re-evaluate risk categories and adjust the underwriting policies including pricing where necessary
2. Change claims department processes: develop a "kick-out" escalation process for human intervention on top of straight through processing

## Successful outcome

These new processes were implemented with the following outcomes:

- Saving millions of €€ by variance reduction in claim pay-outs
- No increased burden on the claims systems or resources
- Escalated claims got identified and settled faster than before
- Improved customer satisfaction for both categories of claims



**synerscope**

| [www.synerscope.com](http://www.synerscope.com)

| [info@synerscope.com](mailto:info@synerscope.com)

| T + 31 6 23644933