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The Need for Speed:

Gain a new competitive insurance edge by boosting speed to market



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Executive Summary

Many insurance companies today are implementing new technologies to digitally transform their business.

In fact, a recent study from KPMG found that **64% of insurers are now prioritizing investments in new technology and digitization solutions.**[1]

As they do, they're seeing how innovative new insurance technology platforms can help develop and deploy new, highly targeted and personalized offers much faster.

For insurers who can overcome challenges caused by legacy pricing processes, speed to market is a very real opportunity to differentiate, win more business, strengthen the bottom line and gain a sustainable advantage over the competition.

This eBook will show you how all of this is more than just possible—it's achievable with the right technology solution.

1. KPMG's 2020 CEO Outlook: COVID-19 Special Edition



Digital challenges slow speed to market efforts. 82% of insurance CEOs[2] admit they:

- *"Lack insight into the future of digital and operational scenarios"*
- *"Face difficulty in making fast technology decisions"*
- *"Can't move from pilots to scaled deployments fast enough"*

2. KPMG, "The COVID-19 Catalyst: Insurers Race to Digitize

The insurance industry has experienced many changes in the last few years:

01 The introduction of **intelligent insurance technology platforms** that offer advanced tools, with the proven capability of transforming the insurance industry.

02 Customers who value—and now demand—**faster, more personalized products** and services, and are willing to take their business to insurers who provide this experience.

03 Heightened pressures to **generate new revenue streams** and a stronger bottom line by winning new market share, increasing margins, increasing customer lifetime value—or all of the above.

04 An overall recognition that traditional technology and approaches—such as mainframe-based pricing solutions, siloed systems, and manual processes—simply **can't keep pace** with change.

05 Increased competition, both from **traditional players**, but also from new, aggressive start-ups looking to revolutionize the market.

All these changes point towards accelerating Speed to Market as the answer for gaining a new competitive advantage.

Achieving Speed to Market Delivers Real Business Value

Happier, More Profitable Customers:

Faster, more personalized offers lead to happier, more loyal customers and increases customer lifetime value.

Reduced Costs:

Reduce, and in some cases, even eliminate internal costs, especially by automating labor-intensive work.

New Revenues:

Reach customers and prospects in the moments that matter with highly relevant, personalized and appealing products and services.

Higher Profits:

Take advantage of modern technology to create more innovative offers, cross-sell with tailored bundles and retain key customers.

Why Speed to Market Was So Difficult (Until Now)

When attempting to increase speed to market, insurers typically face a wide array of challenges, such as outdated technology, siloed systems, manual processes, a lack of ownership and collaboration, and real data limitations.

At best it's inefficient and slow, but at worst, such a pricing approach leads to results that are unacceptable in an increasingly agile world. Some insurers still rely on pricing models that take months to update, put back into production and begin using. Customers are simply not willing to wait this long for innovative products and services they expect.

Most insurers realize that their current approach won't work.



Over 90% of insurance carriers believe their existing technology environment will not support their product capability requirements in the next 3-5 years. Based on recent Deloitte Consulting LLP survey of commercial insurance carriers.[3]

Let's take a closer look at the challenges most insurance companies face as they attempt to increase their speed to market.

3. Deloitte, "Speed to Market: Part of the Insurance Series: Benefits of a New Policy Administration System: Why Going Live is Not Enough," page

Common Challenges in Today's Pricing Process



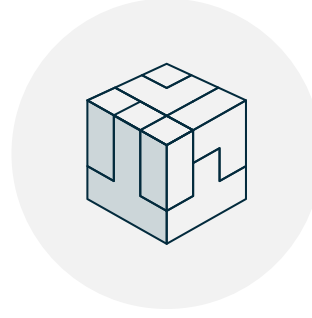
Manual Processes

Many pricing teams rely on manual approaches, legacy systems or other workarounds that **weren't designed to develop, analyze, fine-tune** and adjust pricing models in the time the market now demands.



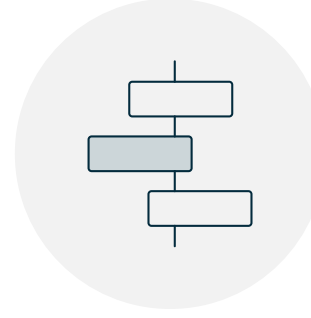
Siloed Systems

Insurance environments often consist of many disconnected systems, especially related to data, pricing and rating, and deployment. Such a patchwork of systems causes **wasted time, wasted effort** and the general inability to get new, innovative offerings to market in real time.



Overly Complex Architecture

Most internal insurance pricing processes include too many handoff points as pricing teams often need IT or other resources. It's not uncommon for insurers to use 5+ rating and pricing systems, especially for different channels or in various departments. At best this approach is **time-consuming and inefficient**; at worst, it leads to critical errors and lost revenue.



Lack of Internal Prioritization & Alignment

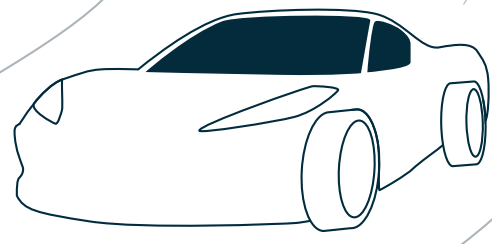
Insurers may face a shortage of talent or have a hard time getting teams to agree on critical priorities. It may also be **difficult to fully align teams** such as pricing, data science, and IT for a full commitment to realizing true speed to market.



The Data Dilemma

The majority of insurers lack an effective way to **collect, manage and model** the mountains of data at their disposal in a meaningful, agile way. Insurers require analytical agility to quickly model complex scenarios to improve decision-making, model price sensitivity and develop the perfect product at the perfect price.

Why Is Speed to Market So Important?



Enhance Internal Processes

Many insurers still rely on outdated systems that result in pricing and deployment **time frames measured in weeks and months**—if not longer. This challenge is a real opportunity: if insurers can automate manual tasks, consolidate systems and streamline key processes, they can increase speed to market.

Meet Customer Expectations

Insurers need to **get products and services to market faster** to keep up with customers' expectations, especially with personalized offers, innovative products, and the overall customer experience. Customers now expect to open their phone and quickly get the insurance they need, and they're not interested in what it takes for insurers to deliver.

Strengthen the Bottom Line

Speed to market can be a **better way to win more business**, increase profit margins, and adapt pricing strategies to strengthen the bottom line. Achieving these same results with legacy systems and manual processes is an uphill battle few insurers will win.

Maintain Governance & Compliance

Using the same technology that promotes speed to market helps insurers **stay up-to-date with compliance efforts** and avoid potential fines and penalties. It's crucial in an industry constantly facing new regulations and challenging requirements.

Achieve First-Mover Advantage

Insurers who increase speed to market now stand to **gain valuable market share before competitors** who may be late to the game. They can also take advantage of better risk assessment capabilities to drive better decisions and boost their overall ROI.

How to Achieve Speed to Market with Earnix's Intelligent Capabilities



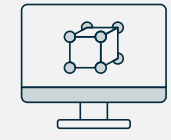
Automation

Reduce, even eliminate, the excessive amount of time and effort it used to take developing pricing offers—and the errors that once went along with them.



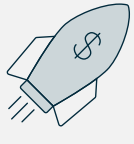
Advanced Data & Risk Modeling

Build or import any model using first- or third-party data to analyze and leverage data that impacts risk, conversions, loyalty, growth, and profitability.



Business Simulations

Select between future pricing scenarios with "what if" scenarios and predictive algorithm-based simulations to make smarter, data-based decisions.



Real-time Deployment

Instantly deploy your new pricing and personalization strategies, and deliver real-time responses required for today's digital channels.



Governance & Compliance

Take advantage of complete logging, recordkeeping, and other controls to streamline your compliance burden.



Monitoring & Reporting

Gain the real-time visibility you need to monitor the performance of pricing strategies against business objectives.

Benefits of Earnix Price-It™

Earnix Price-It empowers insurers to quickly model, simulate and compare the impact of various pricing models in real time. With extremely fast sprint-to-value cycles as part of every engagement, insurers can **implement the Earnix platform, set up day-to-day use, and start seeing real business value in just a few short months**—if not sooner.

Take advantage of big data modeling, sophisticated analytics and AI-driven insights to:



Automate and streamline internal pricing processes



Offer the right price to the right consumer at precisely the right time

Overcome Past Challenges and Achieve True Speed to Market

Legacy Pricing Challenges



Manual Processes

Wasted time and effort slows speed to market.



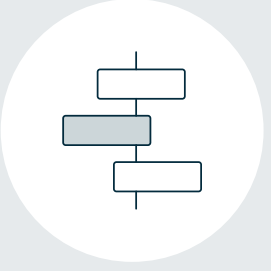
Siloed Systems

Every handoff is a chance for something to go wrong.



Complex Architecture

Too slow and difficult to make timely technology changes.



Lack of Alignment

Cobbled-together frameworks lead to many real business challenges.



The Data Dilemma

Challenged by unorganized and unstructured data

Earnix Pricing Solution



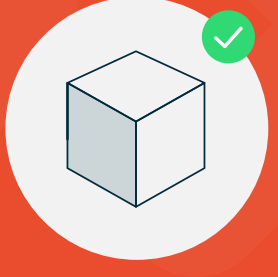
Automation

Automate key processes for new efficiencies and reduce costs.



Intelligent Operations

Overcome manual and disjointed pricing and rating processes



Connected Systems

Streamline procedures with agile and intuitive capabilities.



Empower Business Users

Include pricing teams in developing and deploying models/updates.



The Data Opportunity

Use ML, AI and advanced data modeling for maximum business results.

Success in the Real World

Gore Mutual Unlocks Faster, Smarter Insurance

Recently, Gore Mutual Insurance Company kicked off a **digital transformation effort with a focus on improving speed and responsiveness** to a constantly changing market.

Speed to market was critical, especially in terms of improving the way Gore Mutual once performed vital analytical and pricing processes. In the past, they relied on a siloed, manual approach to update pricing algorithms and redeploy them into production. This resulted in a minimum of six weeks for even the most simple pricing changes, but often required months for more complex updates.

After implementing the Earnix Price-It platform, **Gore Mutual now makes any modeling change in four days or less**—including analysis and approvals. In turn, this has helped the insurer increase its speed to market, provide valuable new services to customers and gain a new competitive edge.

> **Thanks to Earnix, we can now develop, deploy, and refine pricing models much faster than before. This has helped us personalize our insurance offerings for our customers and given us a new competitive advantage. Earnix has been a game changer for us.**



Deb Upton
Vice President, Pricing and Actuarial, Gore Mutual

“

In the new world, it is not the big fish that will eat the small fish, *it’s the fast fish which eats the slow fish.*



Klaus Schwab

Chairman, World Economic Forum

Effectively Increase Your Speed to Market.

Unlock True Speed to Market at **Earnix.com** ⟶

- Take advantage of **advanced insurance technology** to truly achieve your vision of speed to market.
- Innovative pricing platforms—such as Earnix Price-It—deliver all of the **proven, next-generation technology and capabilities you need** to overcome past challenges and dramatically accelerate time to market.
- **Increase revenue and strengthen your bottom line.** With data management and modeling, automation, AI, governance and compliance, and advanced analytics—within an intelligent, dynamic and composable solution—develop and deploy highly competitive offers faster than ever.

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Earnix is a leading provider of mission-critical systems for global insurers and banks.

Through Earnix, customers can provide prices and personalized products that are smarter, faster, safer and in full alignment with corporate business goals and objectives. Earnix's solutions offer systemized, enterprise-wide value with ultra-fast ROI. Earnix has been innovating for Insurers and Banks since 2001 with offices in the Americas, Europe, Asia Pacific, and Israel.

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