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Data is in the air

Computing technology is looking less and less like tooling and more like a resource.

We used to regard IT as a kind of power tool for improving clerical processes. We adapted to seeing data as being the lifeblood of the organisation and data communication as essential to productivity and agility.

Now, with the rapid maturing of cloud services, IT is becoming an always-on, cost-effective and virtually limitless resource that can be tapped at will.

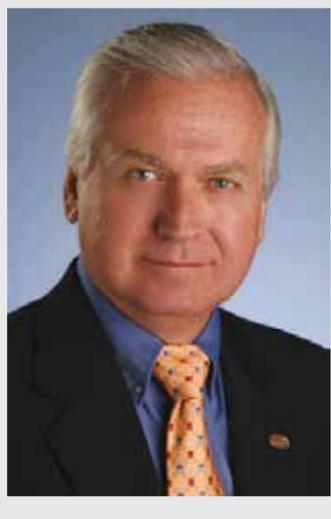
Firms are no longer constrained by their capital budgets or specialist expertise when it comes to tackling surges in demand or trialing new products and services at scale.

For insurance, cloud computing is a gateway to innovation and growth. And as more of us choose to do business in the cloud, so the opportunities to collaborate and create new relationships will grow.

The standards we use to simplify and strengthen internal business systems and to move information among partners and customers are essential to succeeding in this new business environment.

The industry's investment in its standards are set to pay off handsomely – yet again. Data is all around us. Only standards can turn it into real information upon which we can act with certainty and consistency. ■

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Why insurers have their heads in the cloud

The insurance industry has seen the value the computing cloud can offer



Anthony Duffy
Fujitsu UK & Ireland

The IT industry has for some time highlighted the potential the cloud offers to reinvent the customer relationship. At Fujitsu, we work with insurers around the globe to help address many different business issues. Many are already taking steps to implement cloud – so much so, that in a recent piece of research we commissioned in the UK and Ireland (Two Years On: The Financial Services Landscape), we asked a series of questions specifically about this issue.

Our research found more than 50% of insurers surveyed had already started to move to the cloud, while a further 30% have plans to do so.

Of these, 78% were moving to some form of private cloud, while 12% were looking at using a public cloud facility. Interesting enough, but what really caught our attention was why insurers have been the vanguard of cloud adopters.

Those surveyed told us they are increasingly alert to the need to deepen and broaden each customer experience. They highlight how insurance is all too often sold on an implied promise: that in the unfortunate event of a claim being made, a smooth and easy claims process will conclude swiftly with a satisfactory settlement.

However, the industry recognises on too many occasions the implied promise is broken, often resulting in a disappointed customer.

Technology offers new ways by which customer expectations can be fulfilled. In particular, companies that place the cloud at the centre of their operations have the opportunity to remodel many areas of customer interaction.

Insurers can collate information from both internal and external sources – for example, core client information supplemented by, say, demographic and weather-related information – which can then be used to evaluate and respond to specific operational issues.

Furthermore, the cloud offers the potential to redesign processes and operations, often using a customised case-management system, to deliver a quicker service for the customer, as well as being more efficient and cheaper for the insurer.

Data, data, everywhere

When stored in the cloud, customer information and process-specific documentation can be accessed from almost anywhere, via laptop, tablet or smartphone. Contact centres that have been relocated to the cloud offer the option to route calls to the most qualified agent, a decision perhaps based on previous interactions or the availability of specialist skills.

Making an insurance claim might, after all, be easier if it were supported by a video-enabled conversation with a remotely located knowledge expert, able to support customer approaches from anywhere in the world.

We believe the information storage and management features of the cloud will become particularly important as the “internet of things” grows – that is, as intelligent devices, each connected to another, are more widely deployed in the environment. The information these devices provide will be used by insurers to understand better the risks they face; to price and reprice such risks accordingly; to refine existing and develop new products; and to ensure their relationship with the customer is always managed appropriately.

Existing platforms may struggle to cope with the anticipated explosion of information culled from



Insurers understand nothing disturbs the regulator – or undermines the customer experience – more than a major system outage. With cloud services, service disruption will become increasingly rare

portable or wearable computers, home monitors and devices in vehicles. The cloud is likely to be the only cost-effective way of rapidly collating, collating, storing and retrieving such large amounts of data.

Business never stops

Insurers have also highlighted the importance of ensuring regulatory compliance. Increasingly, this means systems must be sufficiently robust to support multi-year business, as well as being flexible enough to meet the demands of a changing consumer protection regime.

Insurers understand nothing

disturbs the regulator – or undermines the customer experience – more than a major system outage. They know systems availability and business continuity count as never before. With cloud services, service disruption will become increasingly rare.

The cloud offers the insurance industry the opportunity to reinvent the way it does business. It promises products and services can be delivered “differently” – to offer customers full access to their insurers at any time of the day or night; to improve the quality of the end-to-end customer-to-insurer experience; and to do this much more quickly and at a lower cost than more traditional solutions can.

Perhaps we should not be so surprised the insurance industry has seen the value the cloud can offer. This cloud really does have a silver lining. ■

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