Why Location Matters in Insurance - Business Analytics

Location has intrinsically been a part of insurance since the beginning - at Lloyd's Coffee Shop one of the first questions would be "so, where are you headed?"

The World has changed dramatically since then and the business of insurance has needed to keep up. However, it's only been recently that insurance companies of all types have begun to recognize the enriched technical capabilities associated with the integration of business analytics - business intelligence, predictive analytics and catastrophe modeling with GIS / spatial analytics.

Spatially enabled decision management is improving the financial performance, product profitability and risk management for insurance companies while allowing them to provide more personalized offerings and services.

In this session GIS specialists and financial services firms will learn the business value propositions as well as the business/technical enablers for a set of biunique offerings made available through the powerful partnership between Esri and IBM with a specific case study.

Craig Bedell, IBM
cbedell@us.ibm.com
Why Location Matters in Insurance - Business Analytics Enriched by Spatial

Craig Bedell
Worldwide Insurance Industry Executive
Business Analytics & Software Solutions Group
Why Location Matters - Insurance

Underwriting
Rating
Claims
Sales
Marketing
Distribution
Traditional Uses of Spatial Analytics

Proximity to Risk
Catastrophe Analyses
Aggregation of Risk
Setting Premiums
Sales & Marketing Areas
Claims Adjustment
IBM Business Analytics
Insurance Imperatives

Customer
- Operations
- Finance
- Risk

Advanced Analytics
- Data Collection
- Statistics
- Modeler (Data Mining/Text Analytics)

Business Intelligence
- Analysis, Scorecards, Reports, Dashboards

Business Intelligence & Advanced Analytics
- Sales Performance Management
  - Territory, Channel and Incentive compensation management
  - Quota Planning

Financial Performance Management
- Planning, Budgeting and Forecasting

Disclosure Management
- Workflow Assembly and Audit of complex reports
- Disclosure Management

Financial Risk modeling
- Market Risk, Credit Risk, and Portfolio Risk
- Balance Sheet and Capital Modeling
- Stress Testing
Business Analytics

Transform through analytics for breakaway results

Align your organization around information

Anticipate see, predict and shape business outcomes

Act with confidence at the point of impact to optimize outcomes

Learn from solutions that get smarter with every outcome
Why Business Intelligence Matters
Why Predictive Analytics Matters
Why Spatial Analytics Matters
Why Decision Management Matters
Predicted Claims
Business Intelligence Made Better

See What You're Missing

Esri Maps for IBM Cognos boosts your business intelligence (BI) to new levels. Easily integrate smart maps to your BI applications for more complete and actionable reports. By visualizing your intelligence data and applying location analytics, you add value to your decision-making process. Give your organization what it needs to gain unprecedented business insight.

http://www.esri.com/software/location-analytics/esri-maps-for-ibm-cognos
Esri Maps for IBM Cognos®

Bi-Directional Integration
- Business Intelligence
- Spatial Analytics

- Claims Optimization
- Fraud
- Territory Performance
- Agency Optimization
- Concentration of Risk
- Rating Territories
- CAT Analysis
- Disaster Response

http://www.esri.com/software/esri-maps-for-ibm-cognos
ESRI Maps for IBM Cognos
Insurance Analyses

ACME Insurance - Regional Performance

TIV $96,019.61

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1103386 | Morgan 3000 Ridgeview, CA 93055-3571 Ridgeview (760) 384-4200 | Property | 0 | $297.46 | 221.43
1105870 | Adock 610 Birch Ave San Mateo (550) 456-1165 | Disability | 0 | $297.42 | 284.44
1105125 | Kelman 110 Amherst Rd Sacramento (919) 820-7188 | Property | 1 | $297.13 | 259.65
1105163 | Ameywind 812 Ronda Mendoza, Unit Q Laguna Woods (448) 456-3415 | Automobile | 0 | $295.62 | 278.87
1101125 | Willis | Property | 1 | $293.34 | 300.91

IBM Cognos Viewer - ACME Regional Performance

Esri EMEAUC13
Modern Application of Business Analytics & Spatial

Fraud & Abuse
Operational Risk Management
Market Availability
Advanced Customer Segmentation
Agency Performance
Drive Time & Predictive Modeling

Claims Fraud

Predictive determinant –
Drive time to Treatment Facility
Vs
Drive time to Doctor
Drive Time & Business Intelligence

Claims Fraud

Paring of post hail storm event with Policy Records, Repair Services & Claimants
Insurance Agency Productivity & Prospecting
Managing existing agents
External validation

http://www.analytics-magazine.org/component/content/article/130-analytics-section-of-informs-news/792-innovative-applications-in-analytics-award
Business Analytics
As a Business Capability
What is an ACE?

Drive Analytics adoption for better business outcomes

Get the free book, 5 Keys to Business Analytics Program Success and create an analytics center of excellence within your organization to maximize the quality, efficiency and application of analytics across all lines of business.

Join the conversation
Boost your AQ

Increase your analytics quotient and improve your business results

Find out how well you are using analytics – and what to do next. The AQ quiz is quick, easy, and free. It gives you a score that shows your organization’s stage in your analytics journey, as described in the AQ Maturity Model.

Take the AQ quiz
Analytics for Insurance
Increase retention, optimize claims and improve risk management

Turn challenges into opportunities
Insurers faced with intense competition, diminishing customer loyalty, and an increasingly regulated and complex risk environment, understand 'business as usual' is not an option. IBM Business Analytics solutions help insurance companies overcome these challenges and generate growth and profits.

Business analytics solutions help insurers address challenges in three key areas:
- Retain and grow your customer base by predicting the right offer for the right customer
- Fast track claims and improve profitability by predicting claim complexity, severity and likelihood of fraud
- Manage risk across the enterprise and address regulatory compliance requirements

See more insurance downloads

Business analytics for insurance: Four ways insurers are winning with analytics
Read paper

Analytics in Insurance Study: Transforming customer relationships
Read report

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- Request a quote
- Or call us at: 866-601-1934
  Priority code: 101KR29W

Infinity Property & Casualty Insurance Customer video

Related Links

http://www.ibm.com/software/analytics/insurance/
Westfield Insurance Company
Business Analytics Transformation

https://www.youtube.com/watch?v=hLpuMZdAuG0&list=FL3etlX-M8CJlj5-ikSaqNMA
For more information

ibm.com/software/analytics/insurance
IBM Cognos Performance Management System – Business Modeling

Applications / Accelerators / Blueprints

Access & Interactivity

Universal Capabilities

Performance Management Platform

Information Infrastructure
Architecture Overview

**IBM Solution Components**
- Cognos
- SPSS
- WebSphere
- IBM Implementation Services
- Netezza, PureSystems
- DB2

**Esri Solution Components**
- ArcGIS® Server
- ArcGIS Desktop
- ArcGIS Online Data Subscription and Collaboration Portal
- Esri Maps for IBM Cognos
- Esri Implementation Services

![Diagram showing integration of IBM and Esri components](image-url)
Business analytics from IBM

• **Business intelligence (IBM Cognos10 BI)**
  - Dashboards, Scorecards, Reports, Analysis, Ad-hoc, Alerts, Mobile, Office, etc

• **Financial performance management (IBM Cognos TM1)**
  - Financial and operational planning, budgeting and forecasting

• **Advanced analytics (IBM SPSS)**
  - Predictive modeling, Data Mining, Decision Management, Polling/Survey

• **Sales performance management (IBM Cognos SPM)**
  - Compensation Management, Quota Management, Territory Management

• **Risk and compliance (IBM Algorithmics / OpenPages)**
  - Financial / Market and Operational Risk Mgmt – Solvency 2 / RMORSA