DATA ANALYTICS
THE TREND THAT’S RESHAPING THE INSURANCE INDUSTRY
WHAT IS DATA ANALYTICS?

Data analytics is the discipline of evaluating large sets of data to discover patterns, market trends, customer preferences and other useful information.

BY EMBRACING DATA ANALYTICS, YOUR BUSINESS CAN:

- Find new revenue opportunities
- Enhance customer service
- Deliver more effective marketing
- Improve operational efficiency
- Gain a competitive advantage
BIG DATA IS A BIG DEAL

> The digital universe will grow 300 fold between 2005 and 2020, totaling 40 trillion gigabytes

> Big data technology and services will grow to $9.83 billion in 2020

> By 2018, the U.S. could face a shortage of hundreds of thousands of experts needed to analyze big data

“90% of the world’s data has been created in the last 2 years. The ultimate question is really what insight and value can we draw from that data.”

George Lee
CIO, Goldman Sachs

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COMPANIES USING DATA ANALYTICS HAVE A DISTINCT ADVANTAGE

- 2x as likely to be in the top 25% of financial performance within their industries
- 5x as likely to make decisions faster than market peers
- 3x as likely to execute decisions as intended
- 2x as likely to use data frequently when making decisions

*Bain & Company. The who, why and how of big data. 2013.*
Insurance is an inherently data-driven industry.

Information you need is in your management system – you just have to understand how to use it.

Data analytics is a software-driven discipline, offering you the tools to gain a deeper understanding of your agency or brokerage.

"Analytics is increasingly becoming a game changer for insurers, expanding beyond the traditional focus on risk to all areas of the insurance business."

Data Analytics in Insurance
SMA Research Study5

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NOW IS THE TIME FOR YOU TO CAPITALIZE ON DATA ANALYTICS

**50% OF INSURANCE EXECUTIVES** are prioritizing technology investments to capture new client insights over the next 3 years.⁶

“Information is money. The ability to extract the right information at the right time holds an immense value and should be the goal of every executive, manager and employee.”

Tomasz Sloniewski
Analyst, IDC

WHY IS DATA ANALYTICS IMPORTANT FOR INDEPENDENT AGENCIES AND BROKERAGES?

5 REASONS WHY YOU SHOULD LEVERAGE DATA ANALYTICS:

> Discover data-driven insights about your business
> Transform data into actionable insights to generate more revenue
> Measure and improve employee productivity
> Strengthen client relationships, market share and revenue
> Create more profitable carrier relationships
MANAGE AND INCREASE BUSINESS PRODUCTIVITY

DATA ANALYTICS DELIVERS REAL INSIGHT, allowing you to optimize your workforce and boost productivity. With this valuable information you can:

- Deploy resources that maximize profitability based on a comprehensive assessment of employee productivity
- Evaluate producer workload and revenue per employee
- Link agent/broker activities to the dollars coming into your company

“Critical questions—such as whom to hire, how to manage people, and what drives performance, retention, and customers—can now be understood statistically and answered with data, not just opinion or experience.”


BECOME MORE STRATEGIC ABOUT YOUR BOOK OF BUSINESS

ANALYZING CUSTOMER DATA allows you to gain new insights into how to better serve your clients. Enhanced service results in increased revenue and policy retention and ultimately more profitable client relationships.

“Companies that use data analytics extensively are more than twice as likely to generate above average profits.”

DataMatics Survey, 2013
McKinsey & Company

ASSESS CARRIER RELATIONSHIPS TO CREATE MORE PROFITABLE PARTNERSHIPS

MULTIDIMENSIONAL VIEWS of carrier data deliver more insight into profitability trends, gaps and opportunities, enabling you to:

> Effectively assess carrier performance with details on:
  - Policy volume and revenue
  - New business
  - Overall carrier activity

> Identify and focus on the most responsive and profitable carriers
NOW IS THE TIME TO CREATE A DATA ANALYTICS PLAN

5 STEPS TO CREATE YOUR OWN DATA ANALYTICS STRATEGY:

1. Develop objectives and allocate resources
2. Review analytics software and select a solution
3. Launch a pilot project and communicate the results
4. Deploy the solution across your company
5. Measure results and refine

“The primary technology driver of change in the [insurance] industry is leveraging data for information purposes. Insurance companies have been storing data for probably 50 or 60 years, but their inability to leverage it has seriously hindered their ability to understand their customer: to up-sell, to cross-sell, to look at risk in a more holistic manner, and frankly to make it easier to work with them.”

Gary Plotkin
Partner, KPMG

MAKE QUICKER, MORE INFORMED BUSINESS DECISIONS

WITH APPLIED PERFORMANCE MANAGEMENT you obtain greater business insights from your existing management system data to make quicker, more informed business decisions.

“Data analytics is huge for us. Without Applied Performance Management, I would have to create a dozen reports by hand. I now have all of that information at my fingertips.”

Joe Pratts
COO, Hoffman Brown Agency

With a dynamic visual user interface and graphical report views, you can track and analyze metrics that matter most to your business.
To learn more about data analytics technology from Applied, visit www.appliedsystems.com/appliedanalytics