

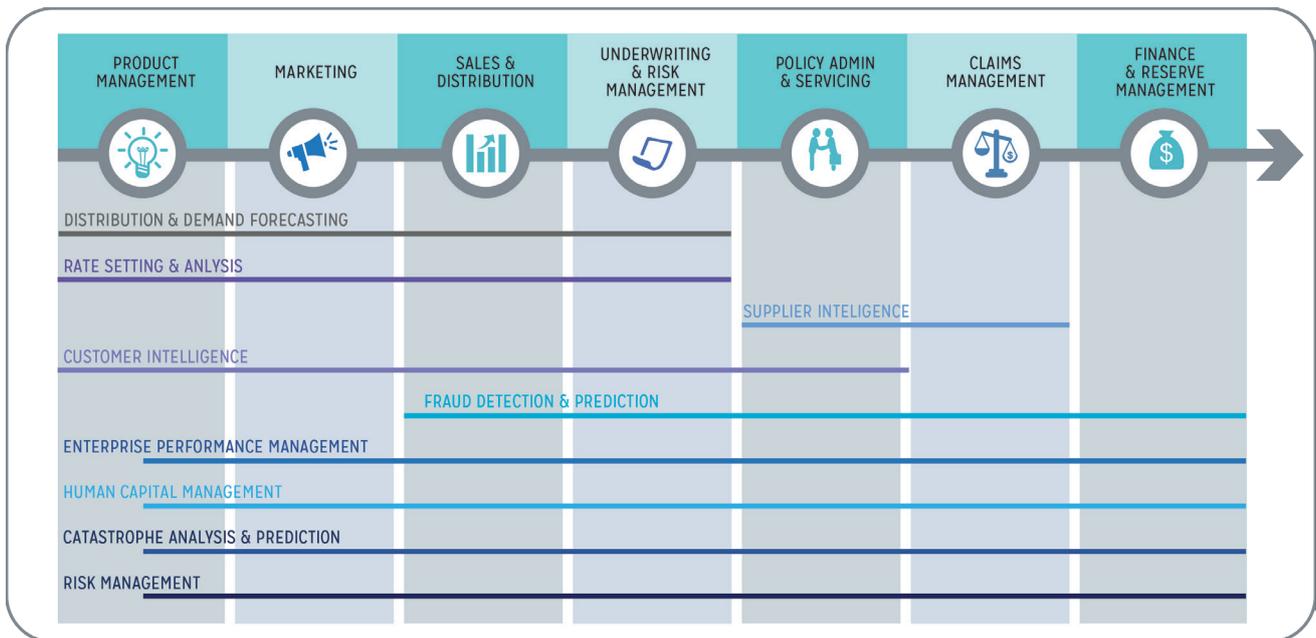
Why Property & Casualty Insurers should be making fact-based decisions

What are the current industry challenges?

The South African Property and Casualty (P&C) Insurance market is becoming increasingly competitive in a difficult economy. At the same time, consumers are adopting technology in their personal lives and are expecting their financial services providers to adapt to their needs. This transition to a digital world represents both a challenge and an opportunity for insurers. The challenge is to provide insurance services to consumers who expect to interact via both non-digital and digital channels, and cross over between them without interruption. The opportunity is to use digital technology to reduce operating costs and to increase customer intimacy by analysing the increased information available on customers.

Global leaders that source, consolidate, analyse and make fact-based decisions on this data outperform their peers in this rapidly changing global market. Fact-based decisions help Executives and Managers to increase sales, reduce risk, improve product pricing and enhance the customer experience.

We at BSG believe that South African P&C Insurance companies that find the story in the data will be the winners in the long run.



What are P&C Insurance Companies doing to address these challenges?

Leading international P&C Insurance companies are already leveraging big data to make informed fact-based business decisions to respond timeously to changing market dynamics. There are several key practices that we at BSG are advising our clients and enabling them to differentiate in the local market:

Predictive Analysis



Predictive analytics helps predict future outcomes or probabilities of certain catastrophes. Predictive analytics can be used to assess and control and improve the risks associated with underwriting, claims, and marketing, pricing and reserving process. It can be used to strengthen customer relationships by helping insurers understand their customers and, subsequently, meet or exceed their expectations.

Risk Analysis



Risk analytics can significantly improve the quality decision-making processes and can enable more proactive risk-monitoring. Most importantly, risk analytics

can assist in improving compliance capabilities and dealing more effectively with an increasingly complex regulatory environment e.g. capital calculation models, governance, Own Risk and Solvency Assessment.

Distribution and Demand Forecasting



Collecting, storing and real-time analysing of the data at every interaction point with customers and distribution partners can help ensure instantaneous detection of events for cross selling, customer retention and satisfaction by targeting of customers and offering better leads management, one on one marketing campaigns as well as allowing agents to offer better holistic advice. Advanced statistical techniques to accurately forecast both sales and demand.

Fraud Detection and Prevention



Data analytics and predictive modelling can be used to detect fraud and help uncover sophisticated fraud rings, by modelling past fraudulent incidences, behaviours, profiles, segments and matching social network analysis, this can help the insurer understand the indicators and propensity for fraudulent behaviour associated to a claim.

Customer Intelligence



Segmenting and profiling of customers for improving risk profiling, automating and optimising campaigns in real time resulting in acquisition of new clients, accurate pricing, retaining and growing wallet share of existing clients.

Enterprise Performance Management



Having the ability to source real-time data from multiple sources into a consolidated view across customer, operations, risk and human capital to enable managing performance using balanced scorecard, KPIs and dashboard visualisation approaches also taking into account latest User Experience (UX) principles for the deployment and use of intelligence across the enterprise.

Supplier intelligence



A data driven analytics approach to suppliers and spend with a consolidated view of past, current and predicting future spend to rationalise and optimise suppliers, terms, buying patterns and behaviours.

Human Capital Management



Build a single view of the employee learning from fact based past behaviours to predict future behaviour giving management the ability to attract and retain top talent.

Catastrophe Risk and Prediction Analysis



Location intelligence and catastrophe analysis modelling help insurance companies determine risk exposure of current policies, probable loss from a catastrophic event and allows for real-time responsiveness to potential events. Using location intelligence and catastrophe risk

modeling allows for more accurate policy pricing ensuring the necessary reserves are available to pay future claims.

How can BSG help?

At BSG, customer-centric, fact-based decision making is in our DNA and, that, we believe, makes the difference. As a niche Consulting and Technology company with almost two decades experience and a proven performance history across numerous industries, we are passionate about being a proactive force for positive change, making a difference in everything we do. We are committed to delivering visible business benefit as a result of the work we deliver to our clients through our people.

In support of a fact-based approach, we believe that truly understanding your data is fundamental to the success of any business improvement programme whether it is improving operational efficiencies, managing risk and performance or understanding ones customer. This belief underpins our commitment to building Customer Experience Design (CXD) and Business Analytics capabilities. In order to ensure the successful growth and development of these capabilities we have invested in executive level resources with over fifty years combined experience in these disciplines. These resources are committed to building the roles and competencies required to deliver these capabilities to the market.

The understanding of these two critical capabilities, coupled with integrated/agile delivery experience over silo-based deliverables, affords BSG a unique position in the market.

We are local and relevant

BSG, founded in Cape Town in 1997, identified a gap in the market for services to create synchronicity between business and IT functions. Initially specialising in Business Analysis, today BSG offers services designed to shape fact-based, customer centric change in business operations, employing the latest technologies combined with cutting edge methodologies, including Agile Development, Scrum and Running Lean practices.

BSG is recognised as a Level 2 B-BEE contributor. BSG Management and Employees hold the 60% majority share, with Hosken Consolidated Investments Limited ("HCI") owning the remaining 40%. HCI is, in turn, majority owned by the Black-women owned (BWO) South African Clothing and Textile Workers Union (SACTWU).



Unlocking potential > Accelerating performance

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