



Is a connected data platform the latest silver bullet for Insurers?

By Ilse Willemse, BSG Principal Consultant

No, it is not! At first glance, the solution seems simple: A connected data platform with access to a data lake or reservoir. But, on its own, that is not enough. While a connected data platform is certainly a step in the right direction, it's not a silver bullet for Insurers.

Creating a simplified, practical approach to connected customer data

The South African insurance sector faces a number of challenges off the back of COVID-19 and ratings agency downgrades. Cash-strapped consumers are reducing their cover, while InsurTech market entrants are putting pressure on the 'old guard'. With the economic outlook likely to remain negative into 2021, this looks set to be the status quo for the foreseeable future.

There is increasing pressure from business stakeholders on CIOs to provide fact-based insights on agents and brokers, distribution partners, customers and internal operations to drive customer experience (CX), operational efficiency and other objectives.

Access to data from a wide range of sources and providers is available to insurers. This can then be collated and combined to enable incredible predictive insight. That insight can be leveraged by taking the time to understand the nuances of the challenge, before collaboratively defining the most effective solution, resulting in empowered people who deliver better customer experiences. The insight can also be utilised to focus on the quality of data received from agents and brokers, distribution partners and customers.

The volume of data can be overwhelming and, as a result, many organisations are simply shying away from it. But, those that embrace it and apply a simple, practical and iterative approach, will reap the benefits of a connected, single-view of customer data.

To truly enable business transformation and bridge the gaps between the Business, Technology, and Data functions, a connected data platform must be combined with a proven methodology, comprised of **four pillars**:

- **Technology** – the technology landscape must fully enable the data requirements and include modern data computation techniques for large data sets
- **Data governance** – the data must be owned and managed appropriately to ensure quality, consistency and compliant use of data
- **Analytics and reporting** – data must be used to drive business decision making, and be forward looking as well as retrospective
- **Capability and culture** – an internal analytics and modelling capability combined with an organisation-wide appreciation of and respect for the inherent value in the data is critical, this will ensure it is used naturally in day-to-day operations

2020 has undoubtedly brought a number of challenges, across all industries. But, for South African insurers the immediate future offers an opportunity for great transformation and innovation. Those willing to take steps towards business transformation will thrive. To find out more about how BSG can partner with you to discover insights and transform your business operations, [get in touch](#).



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