

INSURANCE

**INSURANCE  
SMART QUOTE  
POWERED BY PEGA AI**

**Coforge**

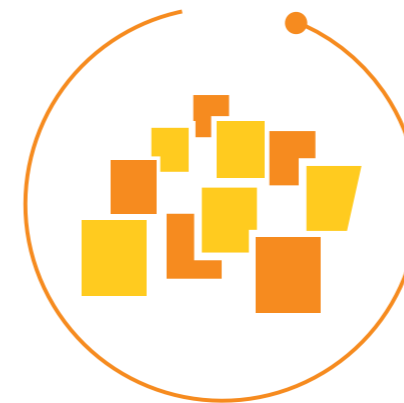
# Increase your strike rate using data-driven analytics from Pega



HIGHER HIT RATIO,  
LOWER LOSS RATIO



HIGHLY PERSONALIZED  
AND COMPETITIVE OFFERS TO  
INCREASE CUSTOMER  
SATISFACTION



A MATURED AND  
SELF-LEARNING DATA  
MODEL WITH REAL-TIME  
FEEDBACK



DATA MODELS AND PEGA  
DECISIONING ENSURE  
BETTER PRODUCT  
OFFERINGS FOR CUSTOMERS

New solution brings in the objectivity needed to facilitate fact-based, predictable and self-learning decisions for new business CLSAs

## THE FACTS

Underwriters are no longer just responsible for risk selection and pricing, they are now expected to:

- Support Sales function and increase new business
- Significantly decrease the loss ratio
- Increase retention rates of existing customer base

The information used by underwriters can vary widely. Also, underwriting actions are not always truly risk-based, but instead influenced by:

- Market dynamics
- Subjective decision making
- External competition

## Other Challenges

- Uniqueness of applicant's data from a risk assessment standpoint
- Inefficiencies while handling huge datasets related to risk proles
- Risk selection and competitive pricing to avoid under/over pricing
- Deciding between risk averseness and applicant's propensity to buy

## ANALYST VIEW

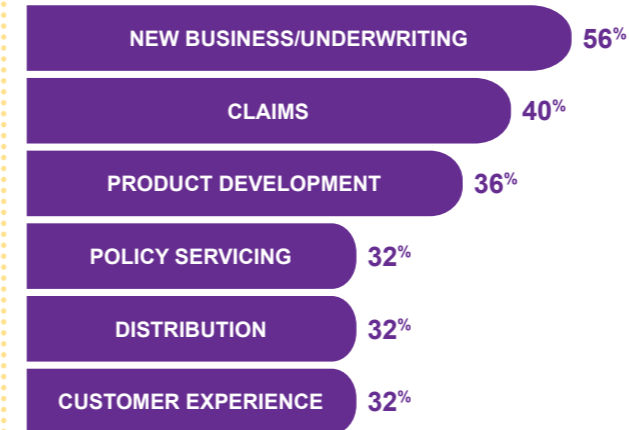
### Augmenting Underwriting with AI/ML

Of respondents believe that predictive model solutions are amongst the top 3 technological investments for underwriting

>50%

### Machine Learning is extensively used across the Insurance value chain

#### PROPERTY/CASUALTY

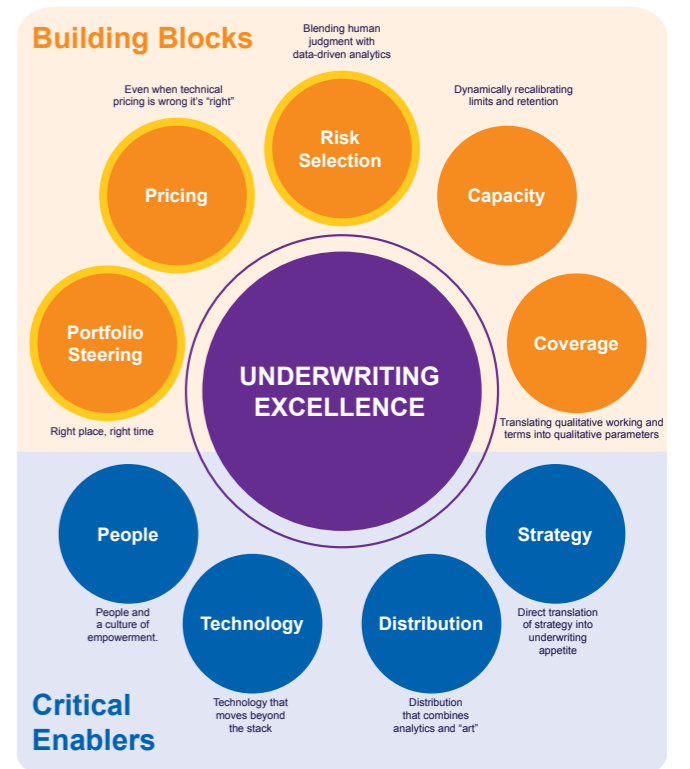


#### LIFE/ANNUITY



Source: EY- CPCU underwriting

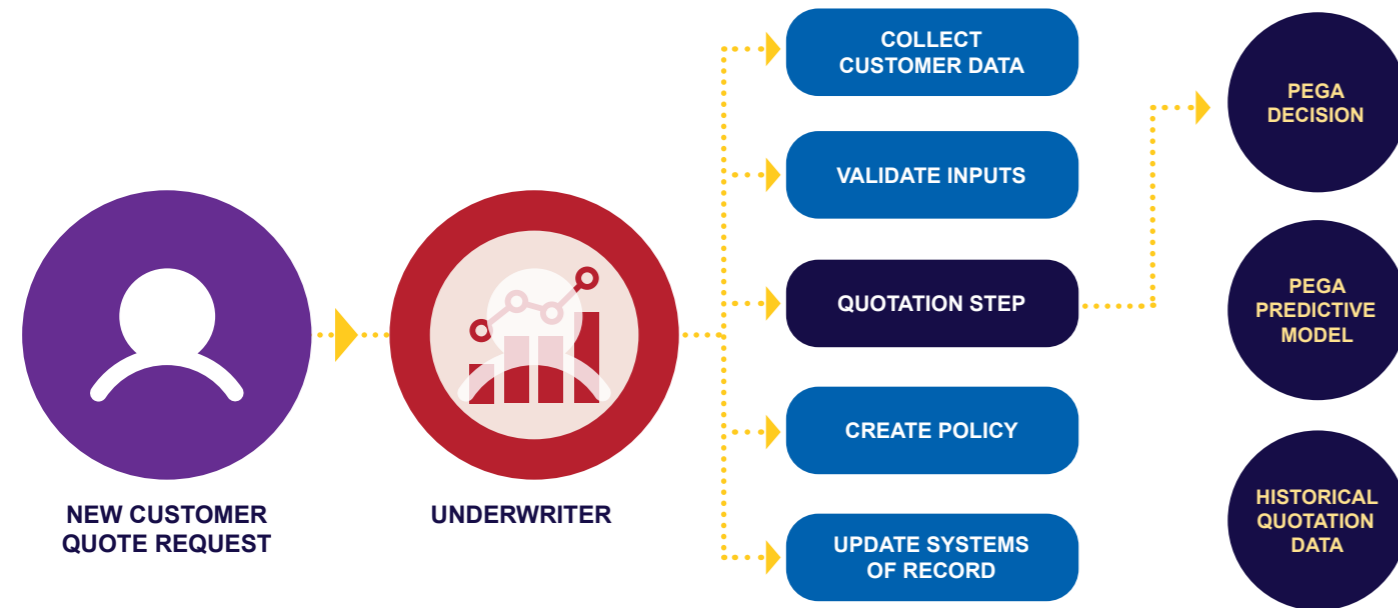
Data-driven AI/ML based policy pricing and risk selection help control the Loss Ratio and contribute to Underwriting excellence



## INTRODUCING SMART QUOTE, POWERED BY PEGA AI

### BUSINESS PROBLEM

It is widely acknowledged within the Insurance industry that data-driven analytics based human judgment would help minimize the subjectivity in Underwriting decisions and significantly improve business efficiency



### Future State/ Strategic Benefits

- Higher hit-ratio, lower loss-ratio with a more mature and self-learned predictive model
- Improved CSAT scores with possibility of offering new and highly relevant product mixes

### Differentiators

- Pega predictive and adaptive modeling covering the real-time aspects of business
- Providing a holistic risk assessment of the act to aid better business decisions

### Solution Overview

Powered by Pega AI/ML based decisioning models, Smart Quote will augment the Underwriting process by:

- Providing real-time quote acceptance propensity
- Underwriter decision feedback loops into the predictive model
- Customer risk data from D&B and Pitney Bowes
- Data driven Pega Predictive models

### ADOPTION OF SMART QUOTE

#### Scope of Activities

**Duration for Discovery (1 week) and Dev: 4 - 5 weeks**

- Understanding of AS-IS workflow and business use case
- Extract historic data and create the prediction model
- Create the Pega Decision Strategy and link to data model
- Link Decision Strategy to Underwriter workflow
- Creation of Underwriter UI components

**SIT/UAT/Go-Live:** Along with next release of the Underwriting application

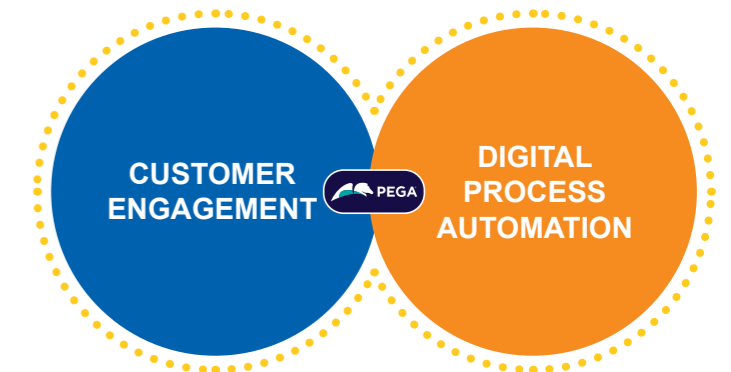
**Team:** 1 Business Analyst, 1 Pega Developer, 1 Data Analyst

#### Pre-requisites

- Pega 7.x or 8.x platform license, Pega Decisioning license
- Datasets with good Data Quality and Quantity of data of at least 1 - 2 years
- Unbiased data which is representative and balanced

#### Commercials

- Smart Quote framework provided free of charge
- 4-6 week framework customization cost to be provided to the customer as part of consultation process



For more information, contact [information@coforgetech.com](mailto:information@coforgetech.com)

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Coforge is a leading global IT solutions and services organization which believes that real transformation cannot be driven by thinking in technology terms alone. With a mission to “Transform at the Intersect” it aims to bring both deep domain and deep emerging technologies expertise to achieve real-world business impact. A focus on very select industries, a detailed understanding of the underlying processes of those industries and partnerships with leading platforms provides us a distinct vantage. We leverage AI, Cloud and Insight driven technologies, allied with our industry expertise, to transform client businesses into intelligent, high growth enterprises.

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