

Industry Accelerators for Insurance

Mastering Insurance Data for Greater Agility, Compliance and Risk Management with the Informatica Intelligent Data Management Cloud

Unprecedented change is sweeping across industries, demanding rapid adaptation in technology, services, and business practices. For the insurance industry, evolving climates, emerging technologies, shifting workforce dynamics, and changing customer and societal expectations are transforming the way companies operate. It's not just about making a profit anymore; it's about adapting to survive. Insurance companies are now taking on bigger roles, focusing on preventing risks and reducing losses, especially with the growing number of complex risks we face today.¹

This change in dynamics is further challenged by a change in customer expectations. Today's customers expect insurance firms to balance digital-first experiences without compromising the personal touch. As these expectations evolve, insurance firms must adapt, striking the right balance to meet customer needs effectively.

The regulatory environment adds another layer of complexity. Divergent regulations in laws and policies related to privacy and governance require robust adaptability. Adjusting to these regulatory shifts is mandatory for firms to maintain not only compliance but also operational excellence.

Technological advancements like AI and automation present significant opportunities for cost savings and productivity enhancements. However, to maximize their impact, it's crucial that we have accurate data that can be easily accessed and shared across the enterprise.

"Modernizing systems can potentially facilitate the use of alternative data sources for faster application underwriting and processing, more seamless cross-selling, customer personalization and ease of engagement, as well as rapid new product launches."¹

- Deloitte Center for Financial Services

¹ <https://www2.deloitte.com/us/en/insights/industry/financial-services/financial-services-industry-outlooks/insurance-industry-outlook.html>

What Makes Data Management in Insurance So Hard?

Effective data management in the insurance industry has its own set of challenges. Understanding these is the first step toward addressing them:

- **Poor data quality:** The struggle with poor data entering the system, which might be fragmented, duplicated, or contain incomplete information.
- **Lack of a single source of truth:** The challenge of managing and tracking data from multiple sources, both internal and external, such as traceability issues, data consolidation challenges, absence of clear data ownership, and failure to standardize data for clear communication.
- **Lack of centralized data definition:** Data nomenclature issues, with different departments recording the same type of data under different names, causing confusion and unnecessary costs.
- **Lack of data certification:** Data traceability isn't always automated, which is crucial for meeting regulatory requirements.
- **Integration costs:** The costs associated with integrating and maintaining various data standards like ACORD are extremely high.

As a result, insurance firms often attempt to patch together different systems hoping to manage various aspects of insurance data. However, this approach typically results in a high volume of data scattered across multiple platforms that struggle to communicate effectively. By adopting a unified platform, insurance companies can overcome the challenge of working with disjointed systems, simplifying data management on a single, comprehensive platform.

The Informatica Intelligent Data Management Cloud™ (IDMC) for Insurance

The Informatica Intelligent Data Management Cloud™ (IDMC) for Insurance delivers a comprehensive platform for data integration, application integration, data governance, metadata management, data quality, and master data management. It features CLAIRE®, the industry's first AI-powered data management solution for all users and all data. The platform is built on a microservices architecture to help insurance organizations unleash the power and value of all data across local systems and hybrid and multi-cloud environments – ensuring data is trusted, protected, governed, accessible, timely, relevant and actionable.

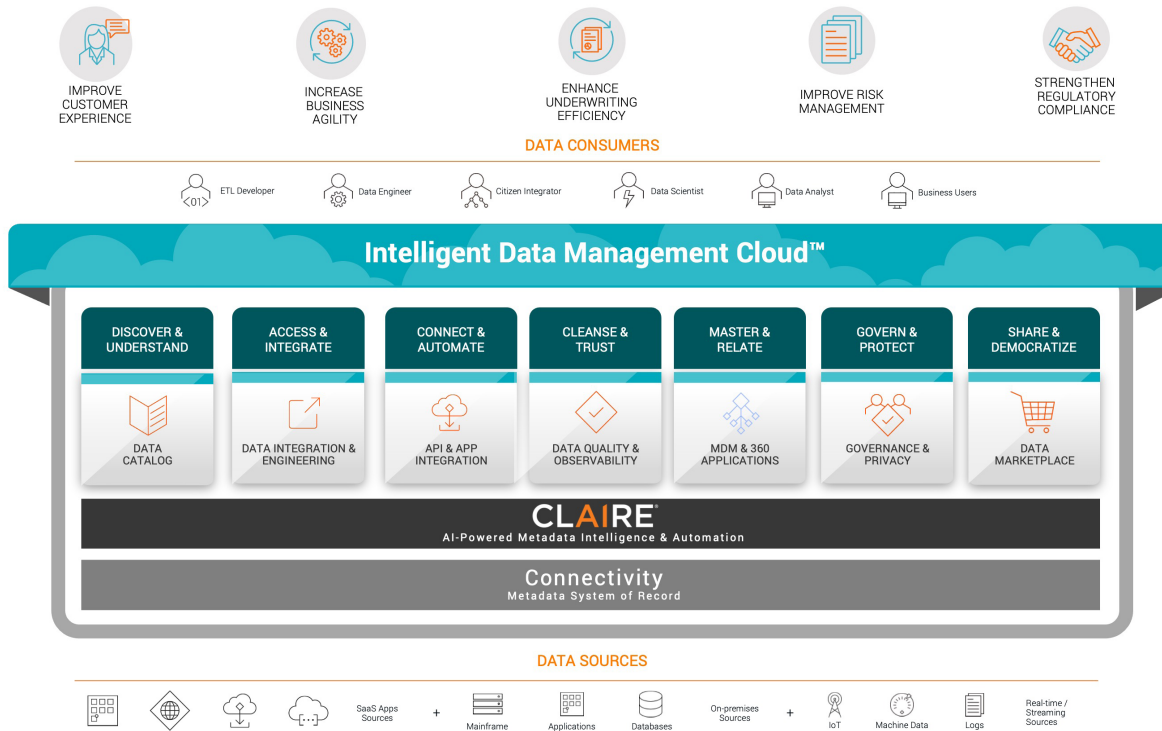


Figure 1. IDMC for Insurance

IDMC for Insurance includes several types of prebuilt insurance accelerators:

- Data Integration for Insurance (Out-of-the-box support for ACORD data standards)
- Insurance solution for Customer 360
- Location master solution

This enables insurance firms to rapidly deliver data-driven transformational outcomes and expand their opportunities for success.

Data Integration for Insurance

Data Integration for Insurance streamlines and secures financial transactions by providing out-of-the-box support for insurance industry standards such as **ACORD**. Through prebuilt data libraries and validation tools, it simplifies the processing of policy and commission data for insurers, ensuring data accuracy and operational efficiency.

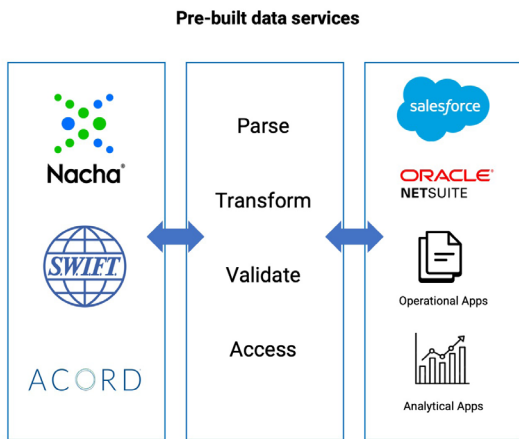


Figure 2. SWIFT, NACHA, ACORD data flows

Key Features

Pre-built ACORD data services	Simplify policy and claims management with tools to source, validate, transform, and process commission and policy data using ACORD AL3 standards.
Extensive Connectivity Options	Leverage a broad array of connectors for flexible data sourcing and targeting, ensuring compatibility with various financial systems and platforms.

Use Cases and Benefits

Enhance Operational Efficiency: Leverage point-and-click interfaces to swiftly adapt new data formats, reducing the need for hand-coding. Expedite project timelines with prebuilt data libraries for finance-specific standards, increasing overall efficiency.

Reduce Costs: Reduce ACORD integration costs and decrease maintenance costs associated with keeping up with ACORD changes.

Improve Data Transparency: Ensure end-to-end data visibility before and during integration for improved data quality. Validate and verify customer data to be complete, consistent, accurate, and timely before it enters the ACORD network.

Adapt to ACORD Updates: Prepare for ACORD updates effortlessly with prebuilt transformation rules provided well in advance, allowing for a smooth transition whenever new versions are released.

[Learn more about the industry-specific pre-built data libraries.](#)



National Interstate Insurance automated the receipt of industry-standard ACORD forms from its agents, reducing total underwriting processing time by up to 30%.

Insurance Solution for Customer 360

Informatica's insurance solution for Customer 360 delivers a unified view of master data drawn from disparate policy and claims systems, enhancing data governance and regulatory adherence. It streamlines customer lifecycle management and unlocks opportunities for strategic upselling and cross-selling, directly aligning with your firm's growth objectives.

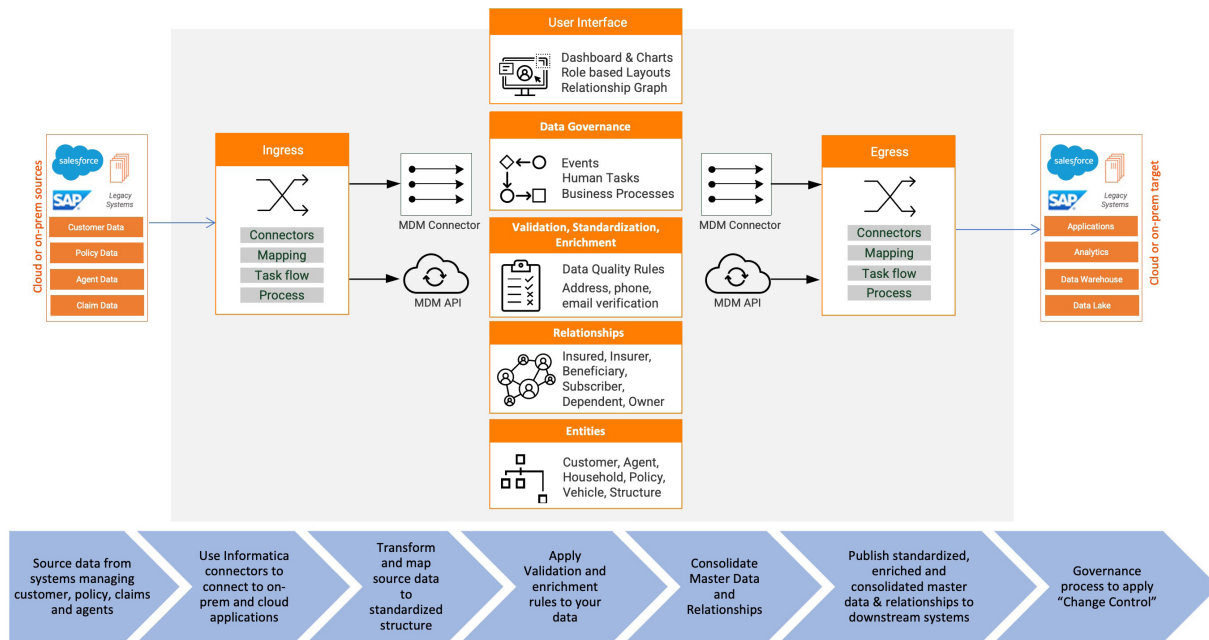


Figure 3. Insurance Solution for Customer 360

Key Features

Comprehensive Data Model	Harness a comprehensive set of 7 business entities, 35 reference entities and 15 relationship types to represent complex insurance-related relationships and transactions.
Customizable User Interfaces	Benefit from 14 pre-designed page layouts and search configurations, all tailored for various user roles and providing an intuitive, out-of-the-box business user experience.
Out-of-the-box Data Quality Rules	Employ a prepackaged set of data quality and matching rules to maintain high data integrity, facilitate accurate reporting, and enable a consistent match model for all entities.

Use Cases and Benefits

Consolidate Insurance Data: Unify disparate data for customers, policies and agents to streamline reporting, enhance analytical insights, and support strategic decision-making across the enterprise.

Maximize Customer Lifetime Value: Monitor customer life events and household data to pinpoint valuable upselling and cross-selling opportunities, thereby maximizing customer lifetime value and revenue.

Improve Customer Experience: Provide a holistic view of customer relationships to enhance service personalization, improve retention rates, and fortify customer satisfaction.

Enhance Operational Efficiency: Effectively track and manage agent networks, policy associations, and customer overlaps to optimize sales efforts and avoid redundancies, cutting operational costs.

Enhance Governance and Compliance: Maintain rigorous control over data governance processes, uphold compliance with evolving regulations, and safeguard against risks associated with customer data handling.



Gras Savoye leveraged Customer 360 to centralize data across the organization, meet KYC compliance requirements and verify the legitimacy and trustworthiness of third parties.

Location Master Solution

The Location Master solution enables insurance firms to harness the power of location intelligence by integrating and enriching location data across domains. Data managers can now transform location data into strategic insights for comprehensive business growth and informed decision-making. Insurers can create ‘a golden record’ for each location, storing descriptive attributes that can reveal patterns and relationships among the data sets.

Key Features

Comprehensive Location Attributes	Provides essential attributes and contextual data for comprehensive location management.
Location Hierarchy Management	Offers robust location hierarchies within a universal data model.
Data Quality Standardization	Ensures standard data quality rules for seamless integration across various master data domains.

Use Cases and Benefits

Optimize Risk Mitigation for Property Insurance: Use location data to foresee and reduce potential damage. Advise policyholders on protective actions and assist with preparing for quick claims handling and resource allocation in high-risk areas.

Enhance Risk Assessment: Incorporate precise location details to assess risk factors more effectively, influencing insurance pricing and coverage. This includes evaluating proximity to hazardous zones and analyzing property build quality for a thorough risk profile.

Inform Reinsurance Strategies: Leverage location insights to make informed decisions on reinsurance. Identify groups of properties to reinsure together and better balance the risk across their portfolio.

Accelerate Claims Processing and Fraud Detection: Analyze property location data to assess the possible damages and respond to claims more quickly and accurately, in addition to flagging potentially fraudulent claims.

The Informatica Commitment to Insurance Innovation

The insurance industry faces unique challenges that require distinct and sophisticated solutions, which is why Informatica dedicates extensive resources to industry-specific research and development. Harnessing our wealth of expertise, we've created accelerators specifically designed for insurance use cases – to speed up time-to-value, expedite go-to-market strategies, and ensure our solutions meet the complex needs of a modern insurance industry.

Next Steps

Learn more about IDMC for Financial Services. Visit our [Product Page](#) or [Contact Us](#).

Where data & AI come to



Informatica (NYSE: INFA) brings data and AI to life by empowering businesses to realize the transformative power of their most critical assets. When properly unlocked, data becomes a living and trusted resource that is democratized across your organization, turning chaos into clarity. Through the Informatica Intelligent Data Management Cloud™, companies are breathing life into their data to drive bigger ideas, create improved processes, and reduce costs. Powered by CLAIRE®, our AI engine, it's the only cloud dedicated to managing data of any type, pattern, complexity, or workload across any location – all on a single platform.

IN06-4735-0424

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