

CASE STUDY

Reimagining the claims experience

Analytics and data: the keys to unlocking
business potential

fractal 



The insurance industry is going through a transformation

The sector has long been crying out for a more modern approach, and recent events mean that change is no longer a luxury, but an imperative.

Improvements are needed across the board; better customer experience, more automated decision-making, and greater no/low touch claims processing all need to be addressed as the needs of consumers shift rapidly, with digital convenience expected as standard. Insurers are also looking to drive significant cost savings by identifying and streamlining key areas within the claims workflow.





A sector in need of change

The impact of Covid-19 has only served to accelerate change as insurers find themselves rushing to catch-up with these changing consumer expectations.

Across the world, consumers now want to go contactless, and expect a seamless digital experience. Insurance is a traditionally very analogue business, more so than many industries, so for insurers, the new digital landscape has been a wake-up call that it's time to ditch the fax machine.

Big tech has only encouraged these new expectations of a slick, effort-less experience, and legacy players in the insurance industry also face new competition from tech-savvy insuretechs in their own sector.

No one wants to fall behind, - so the traditional insurance giants are hurrying to catch up.

There are also the continuing demands of being a low-growth industry. Insurance is a mature market, user numbers don't have the scope to grow rapidly in the way that tech giants are experiencing. High regulations, historically low customer satisfaction, manual paper-heavy processes makes cost-cutting an essential route to profitability - all avenues and untapped possibilities need to be explored. Claims organizations normally have 1/3 of overall operations efficiency targets so exploration and implementation of all opportunities are paramount.

The shift in the digital landscape has been a wake-up call that it's time to ditch the fax machine

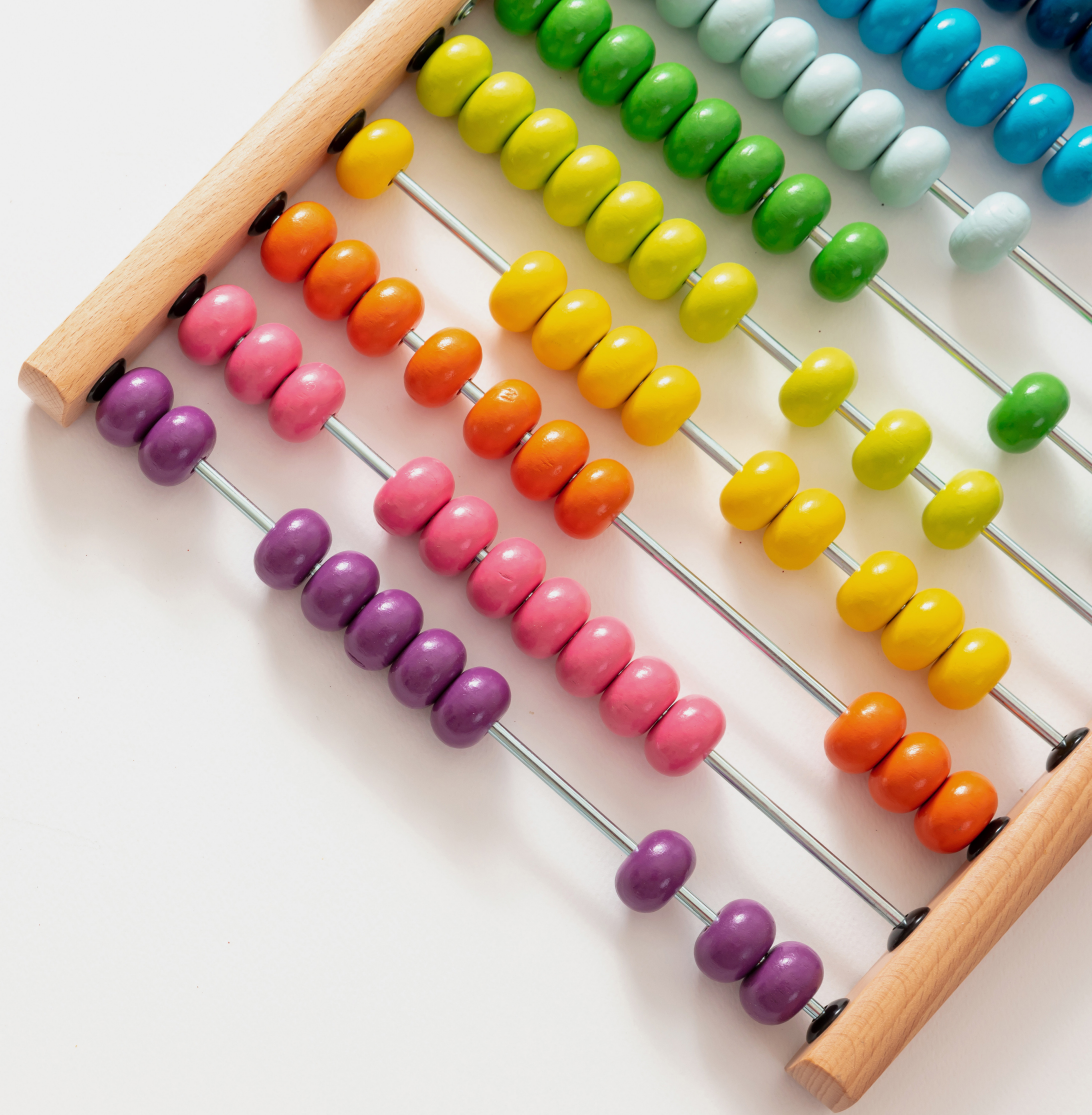


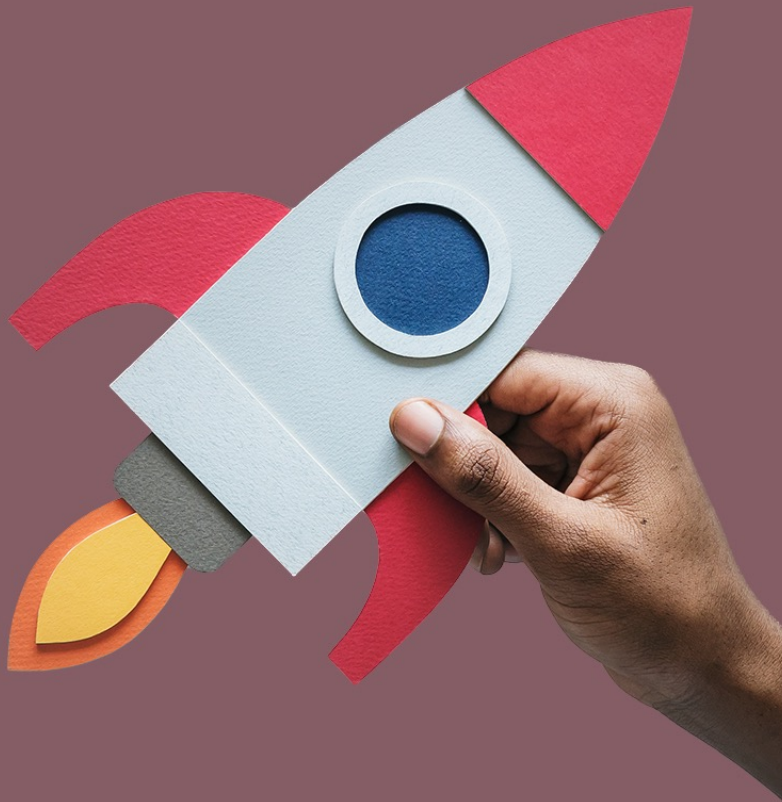
Making data count

Our client, one of the top 10 property and casualty insurers in the US, wanted to drive significant cost savings and improve customer experience in their claims department by identifying and streamlining key areas within the claims workflow.

A major company, they had a vast amount of claims to handle and data to manage, with ~95K claims in the commercial sector. Claims make up to 80% of any insurance company's costs, so it was an incredibly important area for our client to mine for untapped potential savings.

The key objective of the project was to identify analytical and non-analytical focus areas in the claims workflow, prioritize them, and build a roadmap for implementation. They were looking to make things easier, not only for claimants but for their own agencies too.





Starting the process

Our experience in the sector made us the ideal partner to take on this client's specific needs. The project was all about helping the client reshape their focus through digital discipline, and the use of data and analytics, an area in which Fractal has a wealth of expertise.

So how could we help them reduce costs and meet new customer expectations, while driving greater profits and streamlining a chaotic claims process?

Getting the priorities right

The client needed a defined list of programs to focus on, with ease of deployments, impact on customer/agent experience, and competitive positioning all taken into consideration.

The feasibility of programs needed to be evaluated through:

- Required process modifications
- Data availability
- Resource availability
- Deployment cost
- Necessary mindset changes

They also required detailed definitions of four prioritized programs in terms of potential business benefits, people/technology/process requirements, and timelines, as they sought to discover untapped cost-saving opportunities.

The development stage

Our plan: develop a multi-year roadmap considering multiple factors such as business benefits, organization readiness, and competitive landscape. This would equip the client to deal with multifaceted challenges - from revenue savings to staying ahead of the competition.

Here's how we did it:

1

The first step was to partner with the client's claims team to assess the current process. It's important to know where a company stands in terms of data available and what's already in place when designing a potential future.

We conducted interviews with key stakeholders to better understand the data, technology, process maturity to support these programs, and the associated KPIs.

2

After taking in all the necessary information, we developed analytical and non-analytical programs to support the client's vision and process expectations. We identified the enablers required to implement these programs in detail.

3


We analyzed each program from the lens of potential business benefits and ease of deployment, and segmented programs. We split these into two categories:

- Foundational - those which must be implemented before other programs
- Followers - to be focused on after the implementation of foundational programs

4

The final step is to take all our research and analysis, and to provide the client with our recommendations. This took the form of a 36-month roadmap for their transformation.

The client saw this as a high priority, so we worked on a tight timeline. All in all, we went from discovery to providing the roadmap in 6 weeks.

A piggy bank is centered in the background of the slide. It is a light-colored piggy bank with a coin slot on its back and a small tail. The text is overlaid on the piggy bank.

Through changing a few key processes, the client could save **\$10m** immediately.

Making an immediate impact

While the client is set to implement our roadmap in Q2 2021, our research led to a discovery that shows exactly how great an impact our roadmap can have for the client.

Through changing a few key processes, such as document digitization, adjuster auto-assignment, and improved self-service capabilities, the client could save **\$10m per annum** immediately. Not bad for short-term impact.

This figure stands as testament to the power of data and analytics in ensuring that a company, no matter how large, complex or well-established, can prosper and discover meaningful cost savings and new business opportunities.

Discovering long-term potential

As Fractal's roadmap for the client progresses, they can expect to see numerous benefits, beyond further significant cost reduction. They'll see improved customer experience due to the analytics- augmented decision-making processes, staying in front of the competition as the insurance industry all struggle to meet the same challenges.

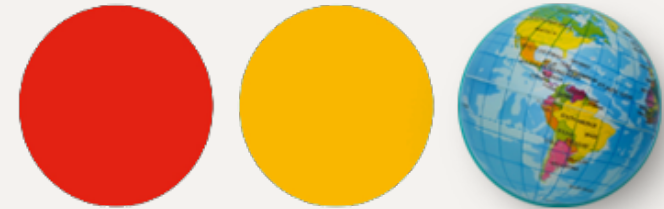
They'll receive our guidance every step of the way, and we look forward to both helping them meet their future data and tech challenges, and partnering with them on our bespoke solutions as the roadmap progresses.

Enable better decisions with Fractal

Fractal is one of the most prominent players in the Artificial Intelligence space. Fractal's mission is to power every human decision in the enterprise and bring AI, engineering, and design to help the world's most admired Fortune 500® companies.

Fractal product companies include Qure.ai, Crux Intelligence, Theremin.ai, Eugenie.ai & Samya.ai.

Fractal has more than 2,300 employees across 16 global locations, including United States, UK, Ukraine, India, and Australia. Fractal has consistently been rated as India's best company to work for, by The Great Place to Work® Institute, a 'Leader' by Forrester Research in its Wave™ on Specialized Insights Services, Computer Vision & Customer Analytics and as an "Honorable Vendor" in 2021 Magic Quadrant™ for data & analytics by Gartner.



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