

Accenture Technology Vision for Insurance 2015

High performance. Delivered.

A new "We Economy" is bringing profound change to the insurance industry

Carriers that embrace the new collaborative economy have an opportunity to enable and monetize disruption, placing them on a path of higher growth.

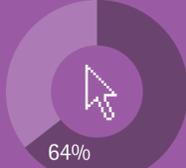
Most insurers are still tied to a business model based on pooling risk, calculating average pricing and generating gross premium income. This model will increasingly be threatened as carriers assess and price risk directly and individually.

The leaders are already reviewing their role in a future economy where service is personalized and real-time, is measured by outcomes, and is delivered through powerful ecosystems.

3 out of 4 insurers believe industry boundaries will dramatically blur



64% plan to engage with new digital partners in the insurance industry



45% aim to find partners outside of insurance



The drive to digital

Social, mobile, analytics, cloud, and the Internet of Things are the driving forces behind the rapid evolution of digital insurers.



35% of insurers are investing comprehensively in digital as part of their overall business strategy

29% are investing in select business units

Trends shaping the digital insurance business of tomorrow

This year's Accenture Technology Vision highlights five trends that are creating a competitive advantage for the digital leaders, and causing insurers to stretch their businesses beyond the boundaries of the enterprise—and of traditional insurance.

1. THE INTERNET OF ME

The Internet of Me is changing the way people around the world interact through technology, placing the end user at the center of every digital experience.

50% of insurers have achieved a positive ROI from investments in personalization.

AXA's seed fund for innovative start-ups is investing €300,000 in a data-driven online savings management platform. The aim is to help individual investors build a personalized, optimal portfolio based on their profile.



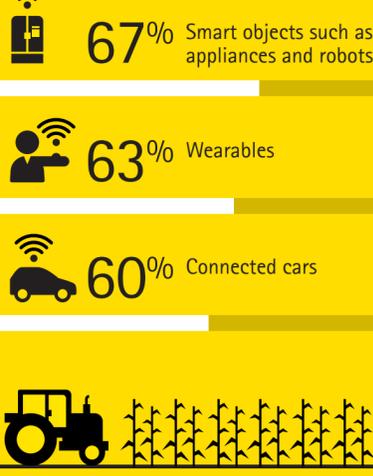
2. OUTCOME ECONOMY

Digital devices at the edge, where the digital and physical worlds meet, are powering an Outcome Economy and enabling a new business model that shifts the focus from selling things to selling results.

Insurers that expect these innovations to have a high or very high impact on their organization:

- Smart objects such as appliances and robots: 67%
- Wearables: 63%
- Connected cars: 60%

The Climate Corporation helps protect and improve US farming operations with data analytics software, insurance and risk management services. It offers crop insurance as well as data and advice that help farmers make better decisions.



3. THE PLATFORM (R)EVOLUTION

The Platform (R)evolution reflects how digital platforms are becoming the tools of choice for building next-generation products and services—and entire ecosystems in the digital and physical worlds.

77% of insurers agree: Companies will move toward real-time platforms and systems as they adopt mobility and Internet of Things solutions.

Aviva's partnership with UK mobile health company, babylon, provides a 'virtual health service' app to selected customers. This enables access to GPs, specialists, and health monitoring and treatment.

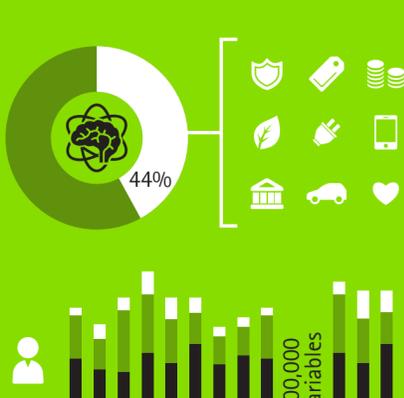


4. THE INTELLIGENT ENTERPRISE

The Intelligent Enterprise is making its machines smarter, embedding software intelligence into every aspect of its business to drive new levels of operational efficiency, evolution, and innovation.

44% of insurers believe the data they manage has grown by 50% or more in the past year.

US start-up Picwell uses a recommendation engine to rate health plan options according to individual needs. It combines big data, predictive analytics, behavioral economics and machine learning to analyze more than 900,000 variables.

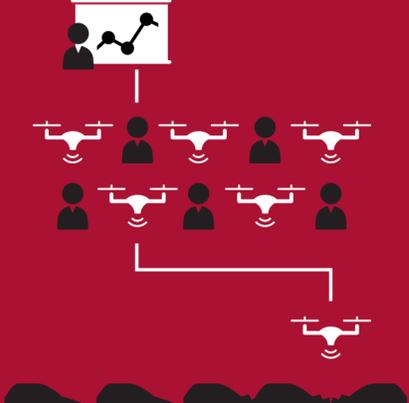


5. WORKFORCE REIMAGINED

Workforce Reimagined sees advances in human interfaces, wearable devices, and smart machines enabling intelligent technology to become a 'team member' that works alongside employees.

74% of insurers believe in three years, companies will need to focus on training their machines as much as their people.

USAA has sought permission from the US's Federal Aviation Administration to use drones to process insurance claims faster and more safely in areas hit by catastrophes.



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The data quoted above is drawn from the findings of the Technology Vision for Insurance survey of 221 insurance executives worldwide.

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