

# HOW DIGITALIZATION AND INTELLIGENT AUTOMATION ARE TRANSFORMING THE INSURANCE SECTOR

**Facing increased competitive and regulatory pressures, insurance companies must embrace new technology and improve operational efficiencies, or risk fading into irrelevance. Indeed, 86% of insurers recognize that they must innovate at an increasingly rapid pace simply to retain a competitive edge.<sup>1</sup>**

The emergence of intelligent automation is helping insurers to meet these challenges. By harnessing new technologies, they are able to make major efficiencies while providing a better service to customers.

## The Benefits of Intelligent Automation

- Up to 80% reduction of document delivery times to the back office<sup>2</sup>
- Human and artificial intelligence works seamlessly together
- Claims automation results in 10x faster processing<sup>2</sup>
- 30% reduction in the total cost of the claims journey is possible when using robotic process automation (RPA) in combination with artificial intelligence (AI)<sup>2</sup>
- Intelligent automation increases claims quality, as routine tasks are automated while managers use their skills to service more complex losses
- Intuitive digital interfaces provide a better customer experience

## Why SPS?

- Experienced with deploying advanced technology, such as intelligent automation, in the insurance sector
- In three months, SPS can structure 80% of a client's unstructured data using intelligent automation<sup>2</sup>
- SPS provides end-to-end support from inbound document management to the digital customer interface
- We create seamless systems that integrate advanced throughout the organization
- Swiss quality and precision at every stage of the process, whether it is deploying new technology or right-shoring operations with high-performance service providers
- SPS can work in a modular fashion, with major digital transformation projects completed in stages

## Intelligent Automation in Action

A leading motor vehicle insurer receives over 2,000 customer emails a day with attachments and previously was only able to categorize 30–40% of emails correctly. Using a combination of optical character recognition (OCR) and machine learning nearly 70% of all emails were being categorized correctly after just seven weeks.<sup>2</sup>

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## Insurance Industry: Key Numbers

 **15 to 20 years**  
average age of an insurance policy administration system<sup>3</sup>

 **56%**  
proportion of insurance chief information officers who say improving operational efficiencies is a key business issue for them<sup>4</sup>

 **60%**  
proportion of senior insurance executives who think insurers lag behind other financial services firms in the drive for digitalization and automation<sup>2</sup>

 **90%**  
of unstructured documents that are processed manually<sup>2</sup>

- 1 'Who's Paying for the InsurTech Investment Boom?' — Accenture Blog <http://insuranceblog.accenture.com/whos-paying-for-the-insurtech-investment-boom>
- 2 Swiss Post Solutions Data
- 3 'Global Insurance Outlook 2015' — EY Report. Available at: [http://www.ey.com/Publication/vwLUAssets/ey-2015-global-insurance-outlook/\\$FILE/ey-2015-global-insurance-outlook.pdf](http://www.ey.com/Publication/vwLUAssets/ey-2015-global-insurance-outlook/$FILE/ey-2015-global-insurance-outlook.pdf)
- 4 The Digital Insurer. 'How insurance CIOs will achieve real transformation — KPMG Report.' Available at: <https://www.the-digital-insurer.com/be-bold-how-insurance-cios-will-achieve-real-transformation-kpmg-report-by-lisa-heneghan-marc-snyder/>. Accessed December 2017