Microsoft

Transforming insurance for the digital age

Erik Neraal

Microsoft Digital
Global head, Financial Services Industry

Digital Transformation for Insurances: Why business as usual is not an option

"Our costs are too high and our agility is too low – if we don't change this quickly, we won't be able to compete."

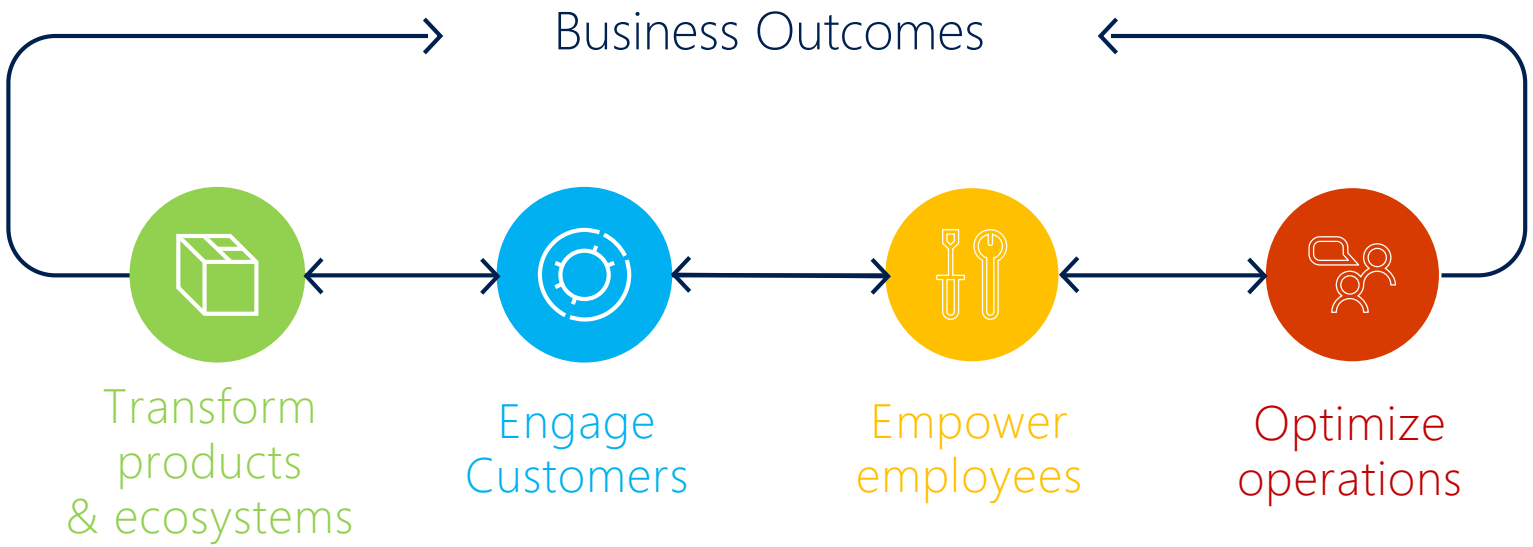
CIO of a Global Systemically Important Financial Institution


C Customer
46° F C
Heavy Rain
Claims frequency & severity
Switching economy
Soft markets
Low interest rates
Burden of legacy
FinTechs
Regulatory environment
M Market
R Changing Risk
P Pressures

Digital Insurance Transformation with Microsoft
Joint realization, High impact focus

Insurance Transformation Challenges

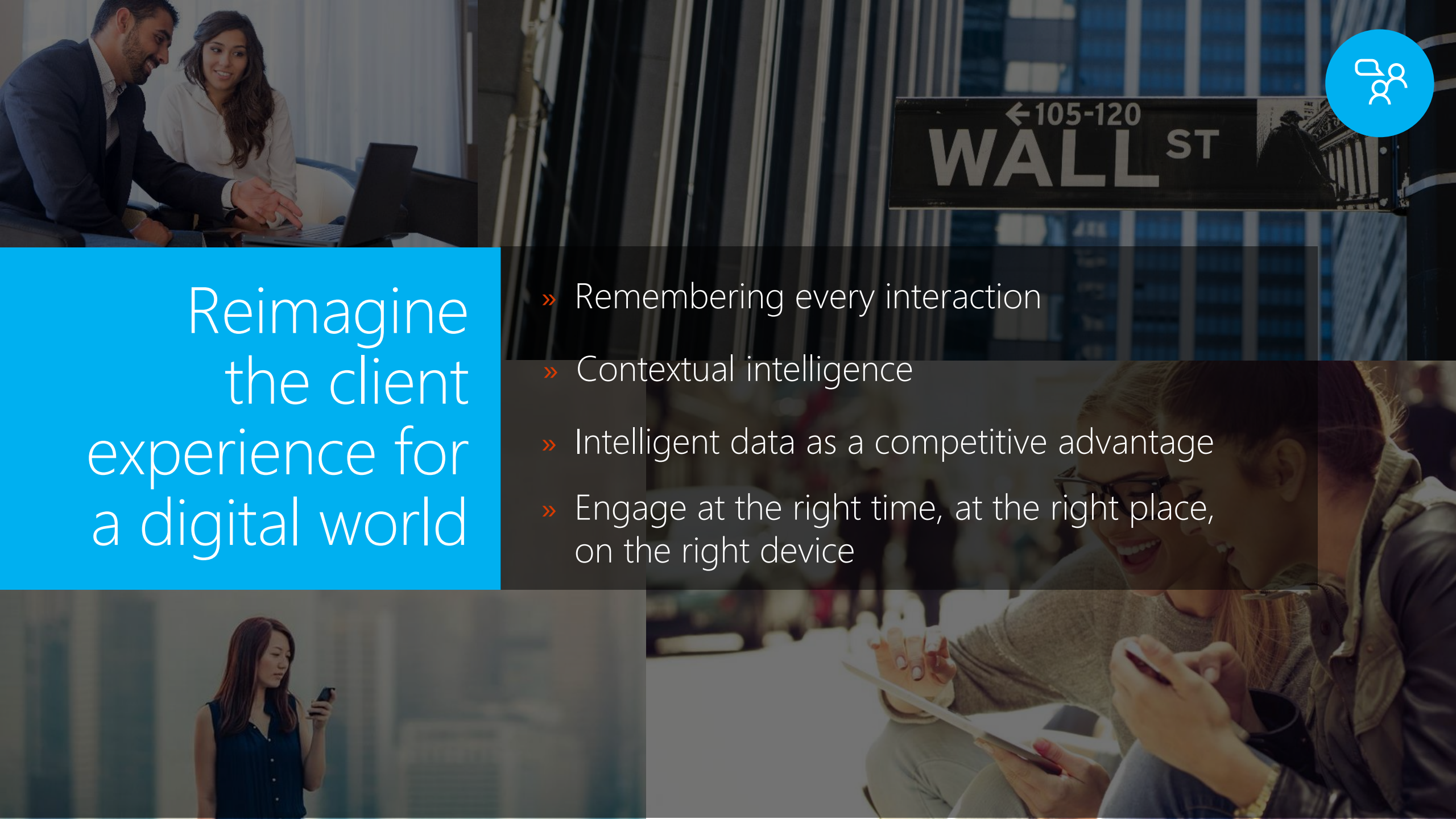
Open ecosystems, New services & Revenue, Risk & Compliance



IT Transformation Challenges

Open scalable platforms, speed & agility, transparence & control

Digital transformations in financial services: Where does Microsoft partner with Insurances?



Reimagine the client experience for a digital world

- Remembering every interaction
- Contextual intelligence
- Intelligent data as a competitive advantage
- Engage at the right time, at the right place, on the right device

ENGAGE YOUR CUSTOMERS

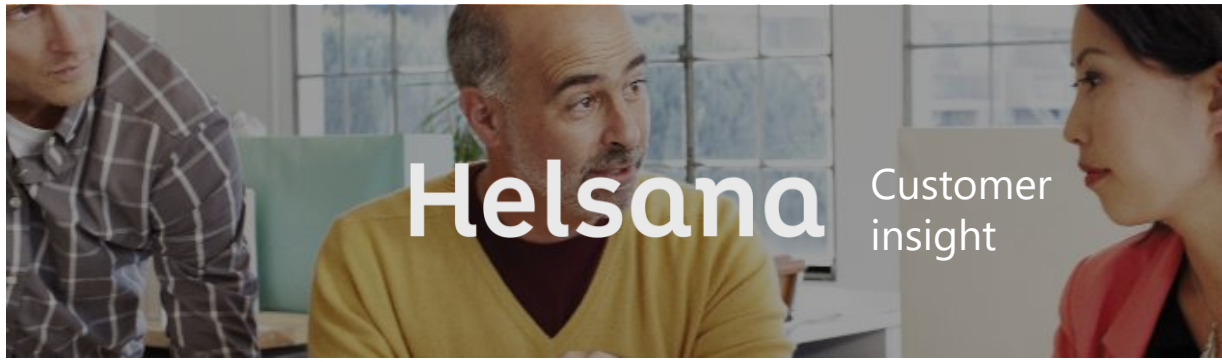
with compelling experiences - consistently across all financial services channels

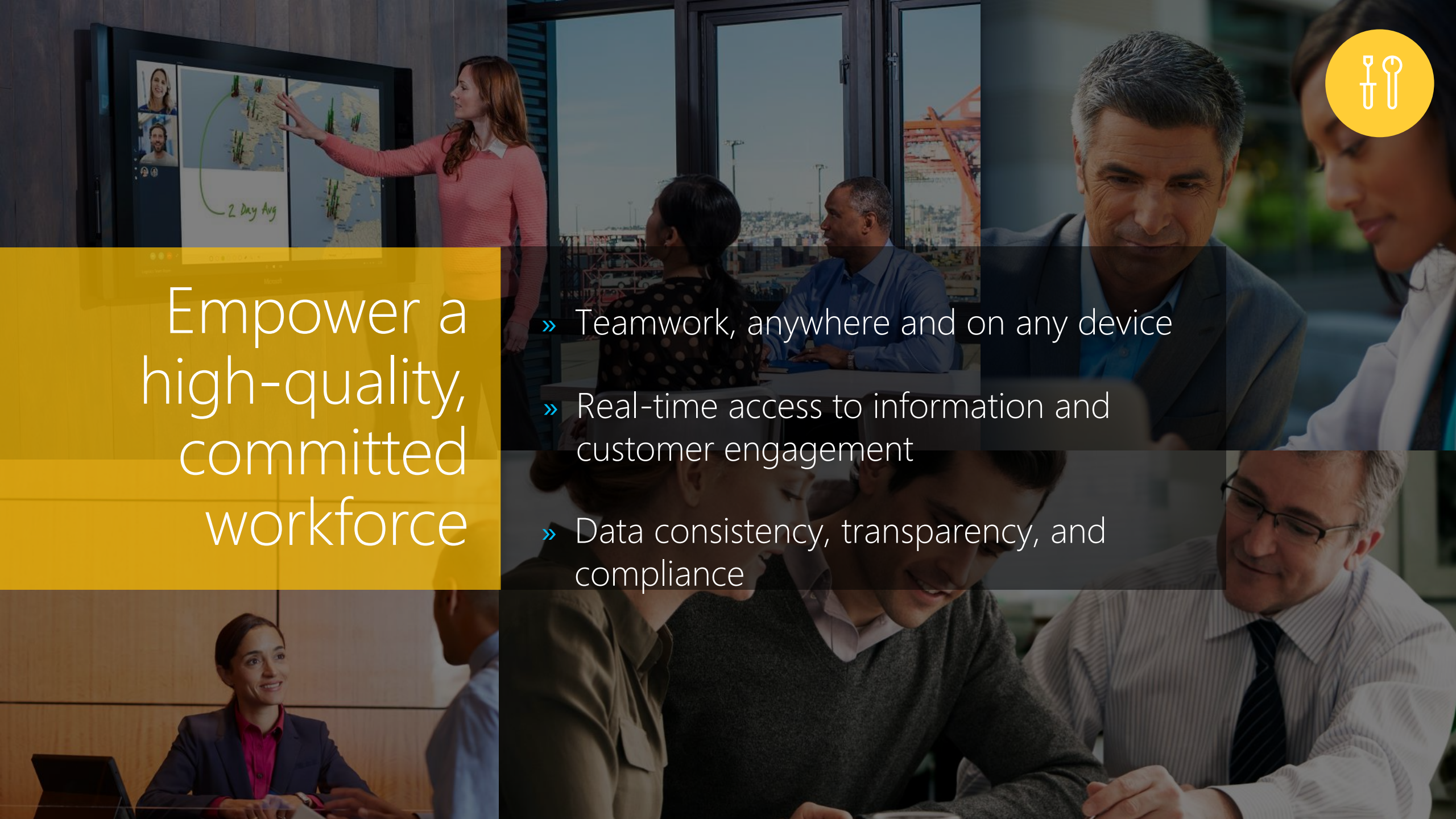
USE
data as a competitive advantage

ATTRACT
new customers with innovative experiences across touchpoints

RETAIN
customers by consistently providing the last best experience

UNDERSTAND
client sentiment and interaction history





Empower a high-quality, committed workforce

- Teamwork, anywhere and on any device
- Real-time access to information and customer engagement
- Data consistency, transparency, and compliance

EMPOWER YOUR EMPLOYEES

to drive customer intimacy and enable a digitally astute workforce

OPTIMZE
productivity, collaboration, and streamline compliance

FOSTER
innovation, creativity, and workforce morale

HIGHLIGHT
market or customer insights in real-time

EMPOWER
mobile financial advisors and insurance agents

Transform operations with high power AI & FSI analytics

- Risk and operational insight
- (Near) real time data enabled decisions
- Bot enabled processes

OPTIMIZE YOUR OPERATIONS

to drive efficiency, manage risk, and meet financial regulatory requirements

GAIN
powerful real-time insights into risk exposure

ENSURE
security, privacy and regulatory compliance

DRIVE
scale, agility and improved economics

MITIGATE
information and technology risk by managing cybersecurity

Claims analytics and loss ratios

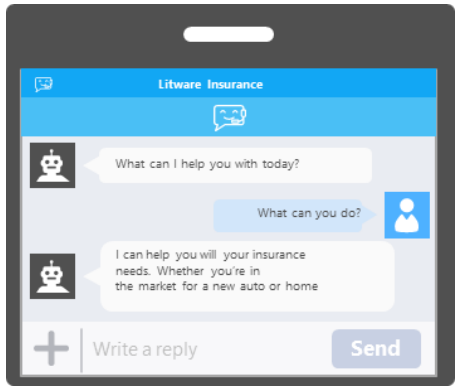
Risk placement advice to SMBs

Internet of Things

Life actuarial modeling

Bot and Artificial Intelligence virtuous framework

CUSTOMER



Deepen engagement through natural and personalized conversations at scale

Machine Learning

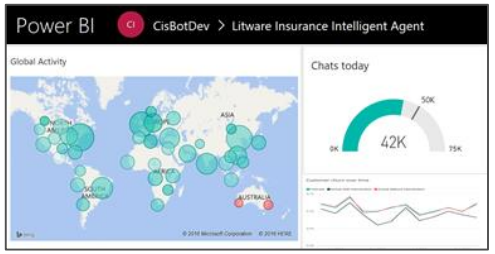
Uncover new insights by reasoning over new customer interaction data

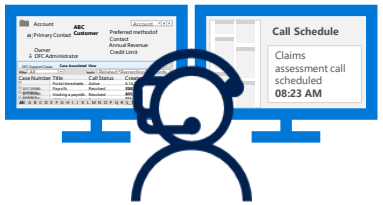
Business Systems Integration

Big Data

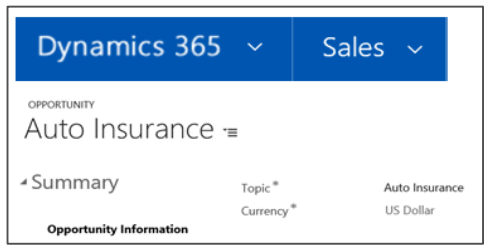
Improve efficiencies by augmenting business processes

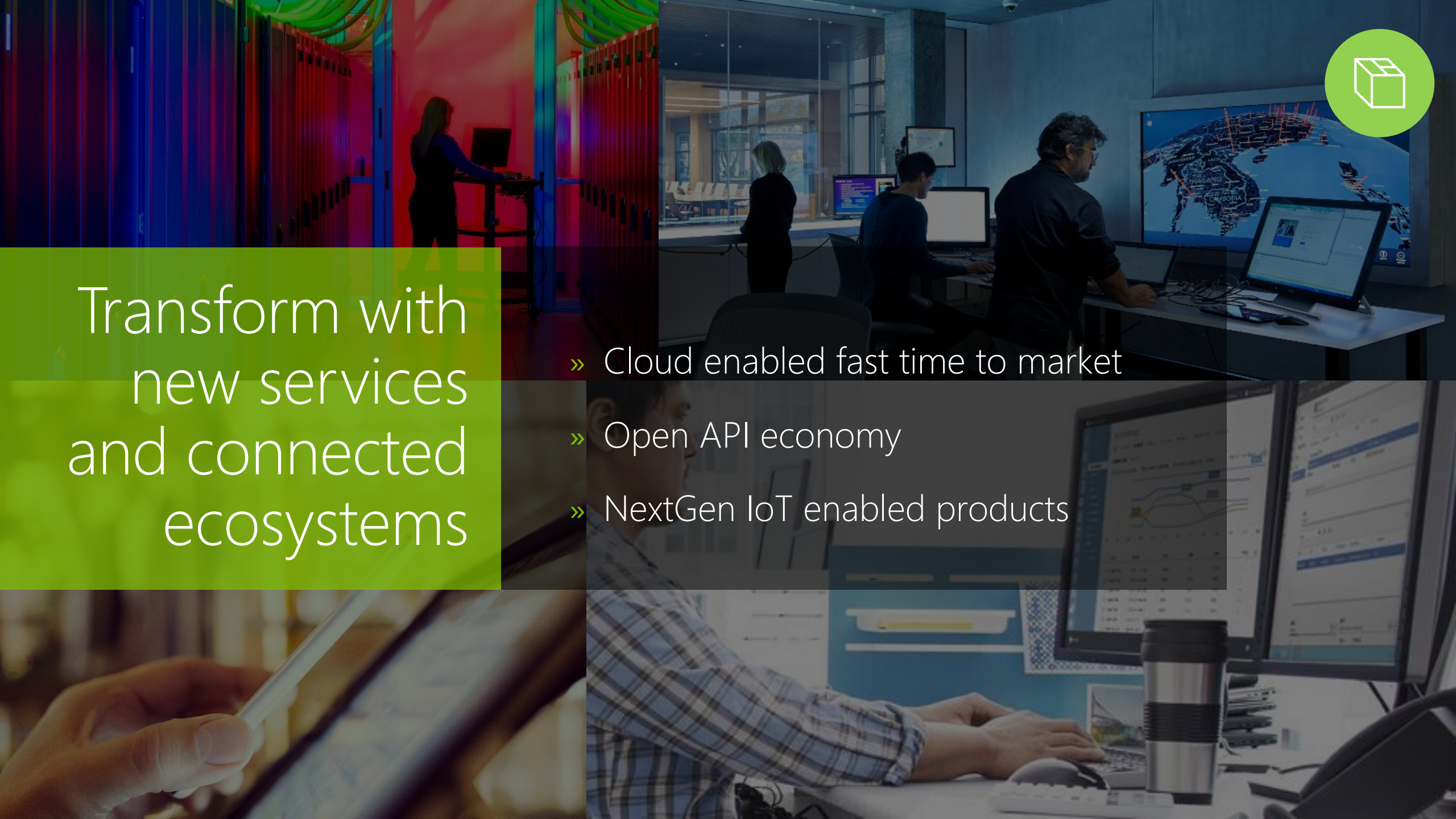
VP OF OPERATIONS





CONTACT CENTER AGENT





Transform with new services and connected ecosystems

- Cloud enabled fast time to market
- Open API economy
- NextGen IoT enabled products

TRANSFORM YOUR PRODUCTS

with open and connected financial systems and processes

CREATE
rapid, innovative solutions

EMBRACE
an open API economy

HARNESS
IoT for competitive advantage

MANAGE
complexity and scale for growth

Insurances & Microsoft partnership :

How do we concretely get high impact transformations?

Platform Services

Security & Management

- Service Creation & Configuration
- User/Group Directory Store
- Identity Sign-Up and sign-in
- Multi-Factor Authentication
- Scheduled Service Management
- Task Scheduler
- Encryption Key Store
- Software/Solution Marketplace
- Pre-Build VM Images

Services Compute

- Stateless Compute
- Distributed Compute
- Scheduled Compute Jobs
- Virtual App Streaming

Integration

- Simple Queuing
- B2B Integration
- Hybrid Connections
- Service Bus

Media & CDN

- Live & OD Media Streaming
- Content Delivery Network (CDN)

Web and Mobile

- Web Apps Infrastructure
- API App Infrastructure
- Mobile Backends
- Business Process Automation
- API Management
- Notifications Hub

Developer Services

- Development Tools
- Software Development Kits
- Software Lifecycle Management
- Application Instrumentation

Data

- Relational SQL Database
- Data Warehouse
- Document Database Service
- Distributed In-Memory Cache
- Search
- Simple Key/Value Store

Analytics & IoT

- Big Data Analytics
- Machine Learning
- Data Stream Analytics
- Big Data Storage
- Data Pipelines
- Event Hubs
- Data Source Management
- IoT Device Management
- Mobile Analytics

Hybrid Operations

- Directory Health Monitoring
- Privileged Identity Management
- Domain Join & Policy Management
- Server Data Backup
- Operational Analytics
- Bulk Data Import And Export
- Disaster Recovery
- Hybrid/Intelligent Data Backup

Infrastructure Services

OS/Server Compute

- Virtual Servers
- Containers

Storage

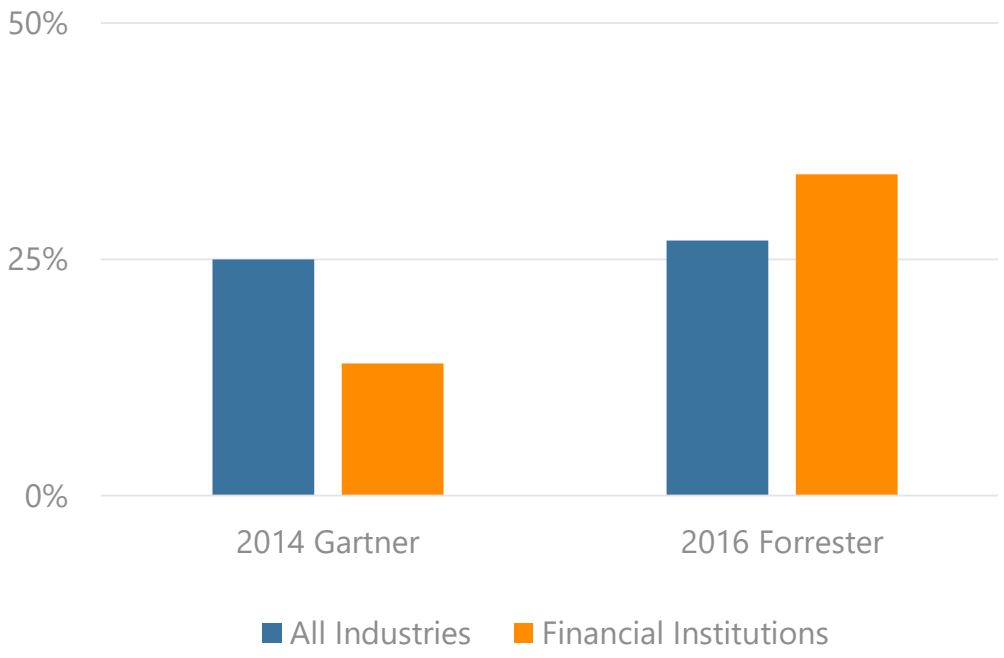
- Disk based Object/File Storage
- Shared Storage
- SSD based Object/File Storage

Networking

- Virtual Network
- VM Load Balancer
- DNS
- Direct Network Connections
- Traffic Distribution
- VPN Gateway
- HTTP Load Balancer

Datacenter Infrastructure (34 Regions)

Globally, rate of Cloud adoption in Financial Services Industry now exceeds the broader market



- Gartner found that in 2014 only 14% of Banks had significant Cloud workloads vs. 25% for All Industries
- Forrester found that in 2016 34% of Financial Institutions expected to significant Cloud adoption vs. 27% for all Industries

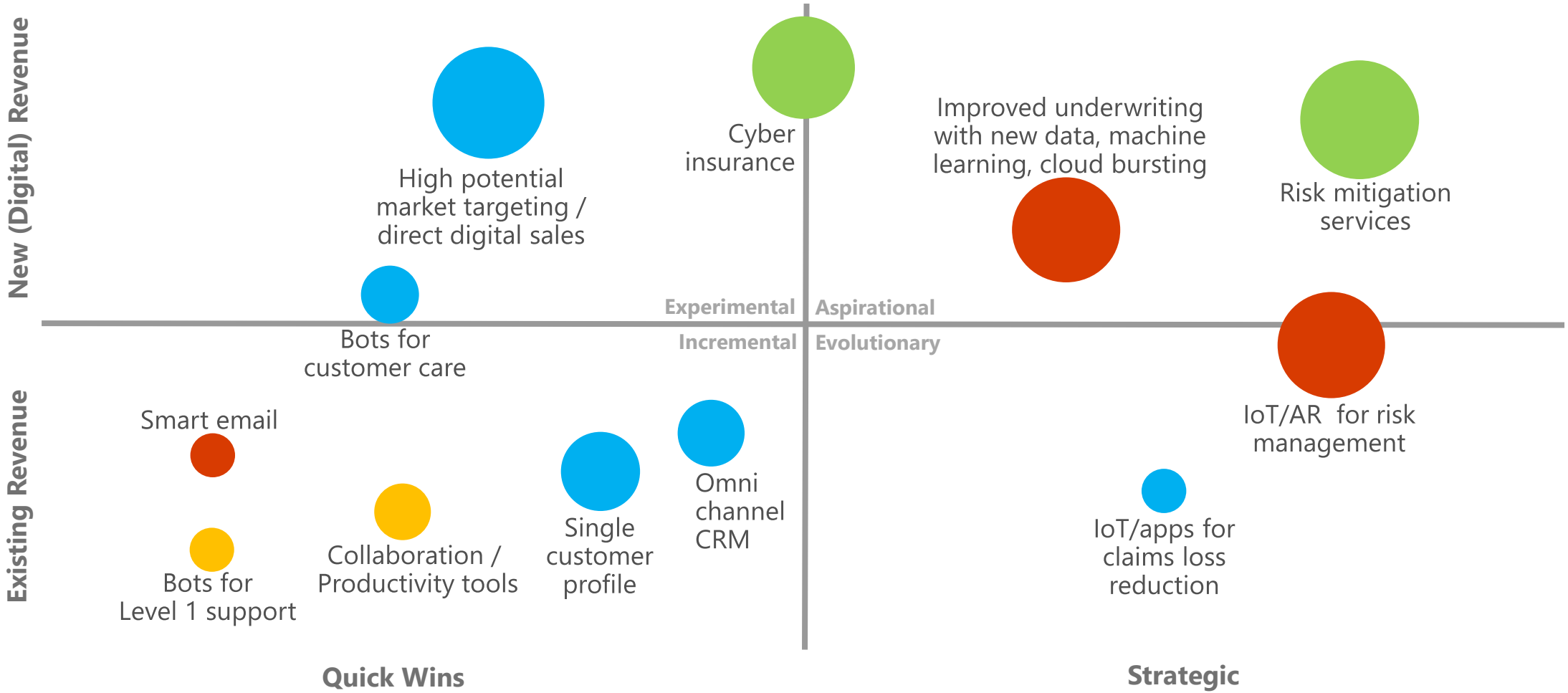
Source: Gartner Survey Marcn 2014

Source: Business Technographics® Global Priorities And Journey Survey, 2015, Forrester Research, Inc.

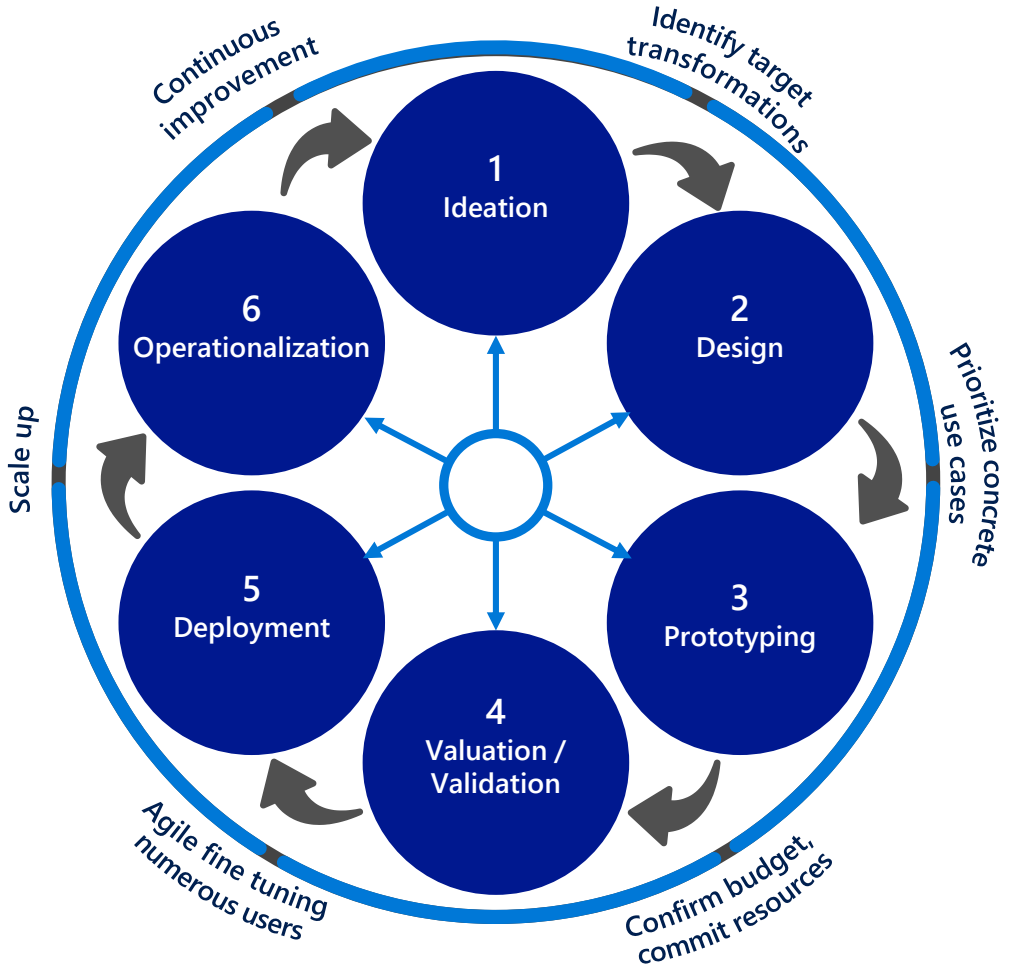
“Do the right things” : Focus on High impact insurance transformations

Transform your offers | Engage your Customers | Empower your teams | Operational excellence

Strawman, Joint Innovation & Transformation priorities



"Do things right": Teaming for fast time to market
A unique ability to create and execute digital innovations together



Spot and remove blockers early on, speed up time to launch:

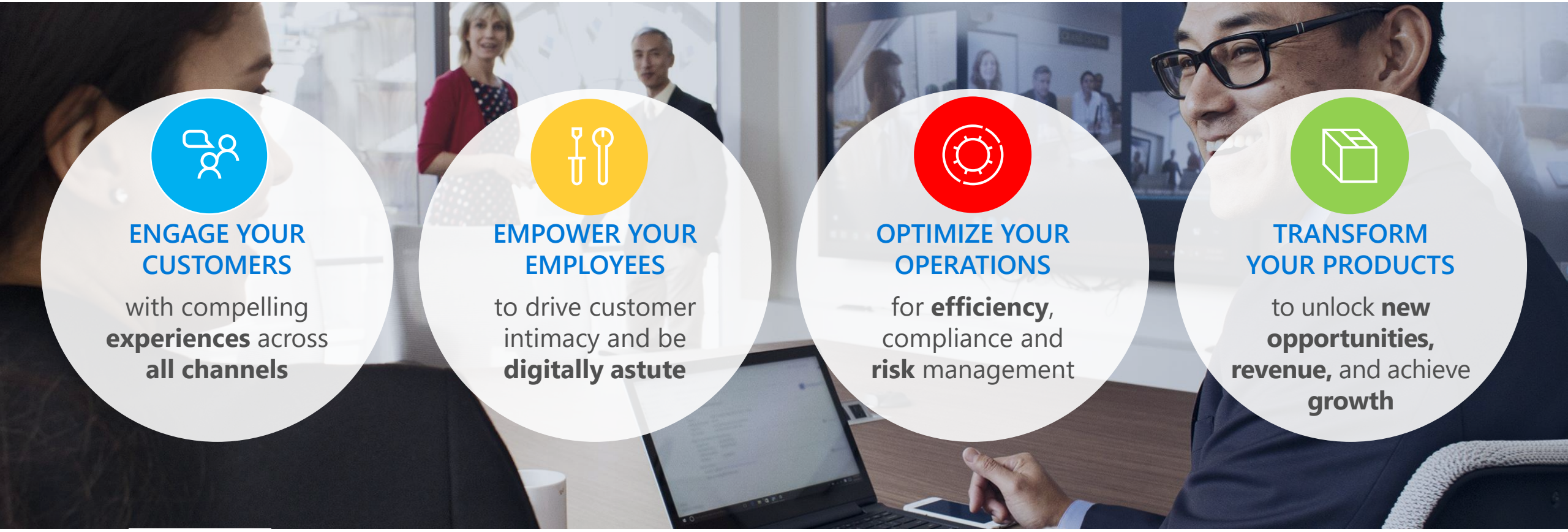
- Agile at every step
- Iterative
- Continuous feedback loops / updates

Focus on Business Outcomes, with committed Digital Workgroups:

- Sales & Marketing
- Underwriting
- Claims & operations
- Product management
- Risk & compliance
- IT architecture
- IT operations

Banking transformation is challenging…

… Don't do it alone!



ENGAGE YOUR CUSTOMERS

with compelling **experiences** across **all channels**

EMPOWER YOUR EMPLOYEES

to drive customer intimacy and be **digitally astute**

OPTIMIZE YOUR OPERATIONS

for **efficiency**, compliance and **risk** management

TRANSFORM YOUR PRODUCTS

to unlock **new opportunities, revenue,** and achieve **growth**

AVIVA

AIA

PHOENIX GROUP

Berkshire Hathaway Specialty Insurance

Thanks for your attention…

… And looking forward to great digital insurance transformation together!


Microsoft