



SAS® Insurance Intelligence Solutions

*Maximizing profitability and managing risk
with a strategic intelligence architecture*





The power to achieve business success

SAS® Insurance Intelligence Solutions give you a single, enterprisewide foundation that enables you to:

- Create a solid, winning corporate strategy.*
- Communicate the corporate vision to your entire work force.*
- Empower employees to implement strategic initiatives successfully.*
- Measure the impact of complex, evolving strategies that will lead you into the future.*

Growing and thriving at a time of uncertainty

The last decade or so has put the squeeze on the insurance industry, with companies taking hits on all sides—from a stagnant economy and market uncertainty, to increasingly unpredictable natural disasters and global instability. As a result, insurance companies have watched profits dwindle while their exposure and vulnerability have increased.

Rising claims and reinsurance costs have contributed to the need for higher capital returns. In addition, competition is getting more fierce and customers have a plethora of choices, making them more demanding and less inclined to stay loyal. As a result, companies are searching for ways to boost revenues and, ultimately, profitability while supporting key intermediaries, keeping customers satisfied and lowering expenses.

The task at hand isn't an easy one, and there are plenty of challenges:

- Increasing sales and the number of new policies, while decreasing operational costs.
- Improving loss ratios and achieving a higher return on equity.
- Marketing to customers across channels despite rising campaign costs and declining response rates.
- Supporting the growth of intermediaries as they face their own business challenges.
- Turning mountains of data from every corner of your operations into valuable intelligence that you can use to make effective and timely business decisions.

All this can seem complex and daunting, but it needn't be so. In fact, you can not only survive, but thrive in such economically challenging times. The key lies in first bringing together the vast quantities of data that reside in functional, geographic, LOB, channel and system silos across your enterprise; then deriving intelligence from

that data; and, finally, applying the knowledge you gain to make effective, strategic business decisions.

SAS Insurance Intelligence Solutions make this possible by delivering a comprehensive package for accomplishing your business objectives. With SAS you can:

- Align resources more efficiently and effectively.
- Execute targeted, successful marketing campaigns.
- Retain and grow your customer base.
- Maximize customer and campaign profits.
- Support key intermediaries.
- Know current and prospective policyholders well enough to evaluate their profitability and risk.
- Realize a rapid, appreciable return on your technology investments.



Profits Profits



Results, results, results... Success.

Built on more than a quarter-century of experience in the insurance industry, SAS Insurance Intelligence Solutions combine in-depth analytics and award-winning data management capabilities to help you better manage your customer relationships, marketing efforts and overall corporate strategy. As a result, you can optimize your risk reward profile and maximize your profitability. And because the solutions are built specifically to handle the unique pains associated with your industry, you'll enjoy a faster, higher ROI.

Maximize profitability

SAS Insurance Intelligence Solutions enable you to leverage valuable customer data to develop a deeper understanding of your customers' behavior, risk and profitability. Identify your best customers. Implement strategies to retain them. And make the most effective use of all your assets and channels. The result? You'll increase your

customers' value to your organization while simultaneously increasing your organization's value to your customers — a winning situation for everyone.

Translate strategy into action

The SAS solutions allow you to develop and communicate a strategic vision to your entire work force, while empowering individuals to take pre-emptive action. Because these solutions are fully integrated, decision makers throughout the enterprise can have full confidence in the reliability and consistency of the information they receive. This, in turn, makes it easier to establish top-down objectives across your enterprise, align processes and resources around common goals, and monitor progress.

SAS Insurance Intelligence Solutions enable you to access silos of data and link disconnected operations that plague your organization. You'll be able to produce a strategic roadmap that shows where you're going and how you'll get there, as well as how everything is connected. Because you can monitor which processes are successful and which ones need modification, your organization can boost profitability while simultaneously managing overall risk.



Objectives



Delivering on the promise of an intelligent advantage

Achieve a rapid return on investment

SAS Insurance Intelligence Solutions were specifically designed to address key business challenges unique to the insurance industry, which eliminates the need to spend large amounts of up-front time and resources on adapting them to fit your industry environment. Because these solutions share a common foundation and can be deployed in a modular fashion, you can achieve quick results for a specific business problem and build on this foundation over time.

The inclusion of a methodology for successful implementation enables you to reduce project risks while accelerating your ability to extract and share valuable insights from your data and realize significant, timely returns on your investment. In addition, all SAS solutions can be easily recalibrated to encapsulate the variables unique to your organization that are most likely to yield not only significant ROI, but maximum competitive advantage as well.

SAS Insurance Intelligence Solutions combine SAS' award-winning technology with industry-specific analytical and dimensional models for customer retention, claims prediction and cross-sell/up-sell, along with segmentation, marketing and business performance. With these models, you substantially reduce your "time to intelligence," accomplish faster system implementation, diminish associated project risks and, above all, gain a rapid ROI.

An integrated, insurance-specific enterprise data architecture allows you to quickly organize your disparate data sources into a reliable platform for a single version of the truth and effective, actionable customer analysis. This architecture—the most extensible environment on the market today—lets you respond quickly to changing business needs and realize value in each step of the intelligence creation process.

In addition, an enterprisewide scorecard with insurance-specific key performance indicators (KPIs) gives you a single, strategic view of your enterprise to help drive your business forward.

SAS Insurance Intelligence Solutions include:

SAS® Claims Prediction for Insurance

Using SAS Claims Prediction for Insurance, you can improve your loss ratios by predicting the propensity of both existing and prospective customers to make a claim, the size of the claim and the key factors that identify those customers who pose a higher risk. You can then use this vital information for policy underwriting and rating, as well as for determining whom to target for cross-sell/up-sell opportunities—which improves your overall business quality.

Investment



SAS® Customer Segmentation for Insurance

The ability to classify customers according to their likely behavior and profit potential is key for better customer communications. SAS Customer Segmentation for Insurance provides a customizable segmentation model to determine optimum segmentations across your customer base and product lines so you can create more accurate product offers, product communications and bundled services.

SAS® Cross-Sell and Up-Sell for Insurance

Vital to increasing profitability and retaining customers is the ability to identify potential up-sell and/or cross-sell opportunities within your existing customer base. SAS Cross-Sell and Up-Sell for Insurance helps generate increased revenues from existing customers by providing you with analytical models for identifying the cross-sell and up-sell potential of a specific policyholder. The solution also includes market basket analysis to predict which “next product” offers have the highest potential for cross-sell success.

SAS® Customer Retention for Insurance

SAS Customer Retention for Insurance allows you to accurately identify those policyholders who have the highest propensity to lapse, while better understanding their needs. Using “retention scores” delivered through SAS’ prebuilt analytical models, you can effectively target high lapse risk customers to improve retention—and benefit your intermediaries—which results in huge advantages for your organization.

SAS® Marketing Automation for Insurance

By fully integrating SAS’ powerful insurance-specific customer analytics with industry-leading campaign management technology, SAS Marketing Automation for Insurance gives you a better understanding of your customers. Using quantitative, customer-focused measurements, strategic segmentation and behavior predictions, this solution increases campaign efficiency, which leads to long-term customer profitability.

Integration between insurance analytical models—such as cross-sell/up-sell and customer retention—and in-depth campaign management functions enable you to optimize campaigns and channels by automatically tracking each campaign element. As a result, you can more efficiently implement complex customer interaction strategies—such as multichannel, multistage and event-triggered campaigns—that maximize your customer intelligence and enable you to act confidently and in a timely fashion to get the most return from your campaigns.

SAS® Strategic Performance Management for Insurance

For today’s insurers, the ability to translate business strategy into actions that can be quickly measured and monitored throughout the organization is essential. SAS Strategic Performance Management for Insurance delivers this capability through an insurance-specific corporate scorecard, utilizing key performance indicators, maps and a centralized knowledge base. You can apply business intelligence throughout your organization with a strategic roadmap that will enable you to confidently and quickly monitor progress toward a wide range of strategic objectives.



Significant returns, today and tomorrow

SAS Insurance Intelligence Solutions are unique in combining enterprise-wide business processes and strategies with a wide spectrum of proven, robust analytic techniques and tightly integrated campaign management processes. This results in faster implementation and results, giving you significant returns within months, not years.

With SAS, you maximize the intelligence derived from the large volumes of customer and enterprise data that are scattered throughout your enterprise, which enables you to enjoy lower implementation and maintenance costs as well as a dramatic increase in your ROI from measured and validated results.

The SAS® Intelligence Advantage

In today's marketplace, insurance companies must focus scarce resources on the strategies most likely to yield success. SAS can help you achieve this focus.

We leverage the investments you've already made in operational systems and applications, adding a layer of intelligence you can't get anywhere else. SAS solutions and services empower your organization to transform raw data—from any source and across every channel—into real intelligence about customers, your supply chain, your organization and the overall performance of your enterprise. We call it SAS Intelligence, and we deliver it through our industry-leading data management, analytics and specialized solutions.

Because all SAS solutions rely on the same open, extensible framework—the SAS Intelligence Architecture—it's easy to link individual solutions and leverage existing technology to pro-

duce reliable information that decision makers can act upon with confidence. Whether you're focused on one facet of your business or committed to improving performance throughout the organization, SAS Intelligence helps you maximize profitability, manage risk and achieve competitive advantage.

SAS solutions are used at more than 800 insurance companies worldwide. In all, solutions from SAS, the world's largest privately held software company, are used at more than 40,000 business, government and university sites around the world, including 90 percent of the Fortune 500. For more than a quarter-century, SAS has been giving organizations *The Power to Know*®. For more information, visit us at www.sas.com.



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