Ssas

Take charge of insurance pricing with advanced analytics
Drive higher profitability by speeding and improving the pricing process

Simple, intuitive modeling capabilities

Rich, guided rate making for competitive advantage

Fully traceable and auditable solution with fast deployment

The Issue

The technologies and revenues of the insurance world have changed considerably in recent years. To stay ahead of this evolution, insurers must optimize every area of the business – especially pricing. Pricing is a fundamental process that directly affects an insurer's profitability, brand reputation, market penetration and growth. But many insurers still rely on fragmented systems for pricing and premium (i.e., insurance rate) modeling – an issue compounded by slow, inefficient processes.

To survive over the next few years, insurers must offer sophisticated pricing and get to market quickly while ensuring their process is fully traceable and auditable. And they must do it while reducing costs. Insurers also need to meet strict regulatory requirements in every region they cover – while striving to deploy all their models rapidly.

The Challenge

Speed of adaptation. Insurers' processes are often based on manual efforts and multiple touch points. To respond to changes effectively, insurers must adapt quickly to variable demands – which requires a drastic reduction in time spent deploying new premiums.

Relevance and competitiveness. Staying competitive in the insurance market requires sophisticated risk and behavioral pricing models based on deep insights.

Portfolio profitability. Accurate information about renewals and acquisitions helps insurers understand risk and retention outcomes, optimizing portfolio profitability.

Data silos and fragmentation. Redundancies in data and systems increase pricing process complexity and entail additional time for tasks like model implementation and deployment.

Messy processes. To work efficiently while meeting regulatory requirements, insurers must maintain governance, control and traceability over all their processes.
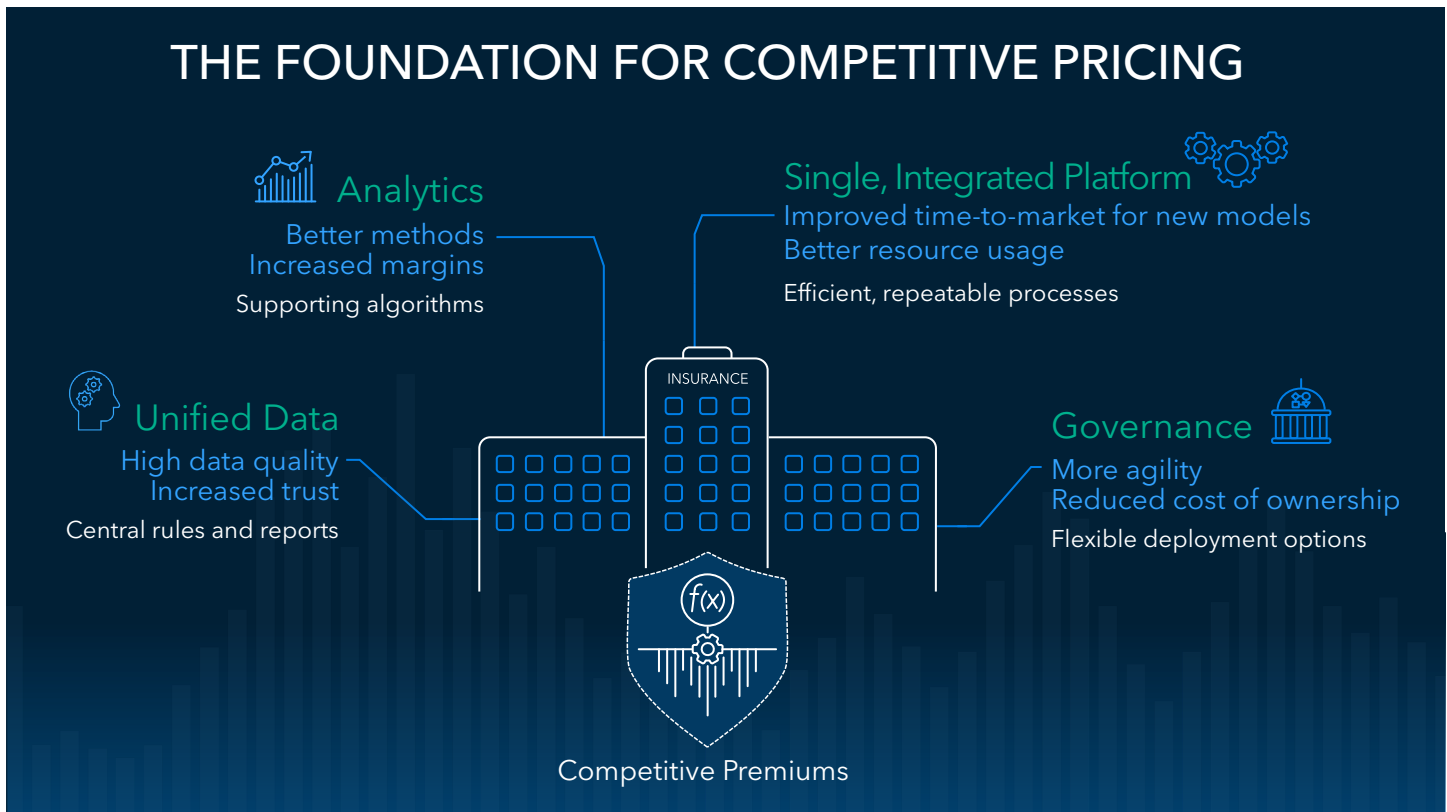
Our Approach

To stay ahead of the competition, insurers must deploy models faster and improve their pricing process. SAS provides software and services to enable a guided and governed actuarial process – from data preparation and modeling to automatic deployment and firmwide integrated reporting. We offer:

- A simple, intuitive way to modify and group continuous variables – supported by interactive grouping functionality.
- Controlled and traceable post-modeling modification of premium model parameters through a rate-making feature for actuaries that accounts for risk factors.
- Interactive modeling, post-modeling and implementation of premiums. The entire premium modeling process is self-contained in a single tool, which speeds deployment and provides full traceability.
- Sophisticated modeling capabilities, including explainable machine-learning models. SAS makes modeling more accessible for actuaries by giving them a choice of models and guidance throughout the pricing process.
- A choice of flexible model options – including open-source models, models developed in Python or R, or prebuilt models.

The SAS® Difference

Insurers using SAS can independently manage the entire actuarial modeling life cycle. Our solution allows insurers to:

- Create finely tuned pricing and premium models. Actuarial business expertise is embedded in our solution, helping to generate higher profitability and competitive advantage.
- Take full advantage of sophisticated machine-learning techniques and decision-making assistance throughout the pricing process.
- Quickly and easily modify and create new variables using the interactive grouping feature. Our rate-making capability supports various actuarial techniques, such as frequency/severity distributions and modification of premium model coefficients.
- Integrate third-party software for actuarial evaluation – ensuring you retain value from previous investments.
- Use a guided workflow and fully auditable and traceable solution to assist and speed practitioners' work.

THE FOUNDATION FOR COMPETITIVE PRICING

Analytics
Better methods
Increased margins
Supporting algorithms

Single, Integrated Platform
Improved time-to-market for new models
Better resource usage
Efficient, repeatable processes

Unified Data
High data quality
Increased trust
Central rules and reports

INSURANCE

Governance
More agility
Reduced cost of ownership
Flexible deployment options

$f(x)$

Competitive Premiums

For more information, please visit the solution page for Actuarial Transformation.

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