

Insurance White Paper:

Accelerating Insurance Innovation

How Awywi's Insurance Fulfillment Platform Can Accelerate Your Insurance Innovation

This paper will explore how Awywi's Insurance Fulfillment Platform (IFP) can break down the barriers to innovation. It will allow the business to retake the lead in innovative thought without the associated costs and encumbrances that traditionally hinder strategic projects.



Why Insurance Needs to Innovate

Late 2019, AM Best released their methodology and criteria on scoring and assessing innovation.

*“**Innovation** is becoming increasingly critical to the long-term success of all insurers. With innovation, companies can develop sustainable competitive advantages and better respond to external challenges such as evolving consumer preferences, growing business complexity, shifting market dynamics, and ever-expanding technological advancements.*”

Companies need innovation to outpace competitors, fend off potential external disruptors, and promote organizational longevity.”

While AM Best developed a methodology for scoring innovation, they don't tell you how to innovate.

Why Innovation Is Crucial to the Insurance Industry.

1. **Risks are evolving faster than insurance solutions.** Climate change, Coronavirus, Cyber are all examples of an evolving global risk environment. A tremendous amount of uncertainty but also opportunity for those able to meet the challenge.
2. **Capacities are being tested** by new exposures encouraging insurers to cooperate to mitigate their own maximum potential loss. How easy is it for you to work with others (insurers or brokers) in the insurance distribution vertical? The usual hurdle of administration and associated costs often make subscription policies subject to premium minimums. Anything that prevents innovation is a barrier that must come down.

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3. **New and existing segments of opportunity.** Society is changing; the new “gig” economy, an aging population, and emerging affluence in segments of the population around the world. Insurance must evolve to meet the demand and opportunities that these segments represent.
4. **New products for new market opportunities.** If you remove the typical barriers to innovation (oddly enough if we haven’t hinted at this already, we’ll just come out and say it – TECHNOLOGY), there are many innovations that haven’t yet been dreamt of. We’ll show you how you can leverage the technology within Awywi’s Insurance Fulfillment Platform for business innovation.



Barriers to Insurance Innovation

Good or bad (sometimes both) innovation is tied to technology. Great when your technology is responsive and supports innovative thoughts and ideas. Bad when it becomes a barrier to innovation that business can’t access when necessary. Effectively stifling all innovation. Is your technology an enabler or a barrier?

Is this stifling your innovation spirit?

Cost of Implementation. How many opportunities have you had to pass on because you couldn’t meet the hurdles associated with the cost of implementation? When you innovate you assume risk. However, with the high cost and time associated with successful technology implementations good projects are rejected.

Failure of business case. The dreaded business case intended to set the bar for whether a project meets the financial criteria to pursue. Unfortunately, most opportunities are not that easy to quantify. Does it really save that much money? Will it really meet the premium targets? Too many business cases have failed because they were based on unrealistic assumptions.

Time to implement. Can you effectively implement when the opportunities present themselves? Is your organization that nimble or agile to implement in days, not months or years? Does this sound familiar: Your team has produced a great idea, built a sound business case with extremely realistic numbers that is able to pass to the next stage. However, all your corporate resources are dedicated to other projects, and it will have to go in the queue. Seldom do companies carry excess resources to throw at even the best of opportunities. Re-

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TK 0457	Arrived	08:19	09:05	10:04
PS 9557	Arrived	08:47	09:45	10:04
PS 0106	Arrived	09:20	09:45	10:04
KL 3099	Delayed till	09:20	10:20	10:45
TP 8245	Delayed till	09:53	11:08	11:08
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prioritizing might do the trick, but that would require huge buy-in from everyone. IFP offers that instant excess resource that can take your insurance projects from the drawing board to the market in hours.

Ability to Effectively Reach Customers. Awywi’s unique customer focused solution is ready made for new product introduction.

Cost of New Products. Awywi’s Insurance Fulfillment Platform is developed and designed to rapidly deploy end to end solutions without expensive and limited programming resources.

Risk. Unfortunately, technology investments often never reach the success promised or worse completely fail. Anyone who has worked within the insurance industry has witnessed technology failure. It certainly reduces one’s innovative spirit to stare into the bleak graveyard of failed implementations and still really want to go ahead.

Corporate Fit. Too often this is overlooked, but the culture of a company is important to whether you can innovate or just watch on the sidelines. Culture is hard to change and requires more investment in time and effort than most are prepared for. You might want to try to automate but is your culture ready for it? Or, is change such a paralyzing fear that any innovation is doomed to failure. That is what is great about Awywi’s IFP. We allow business innovation to occur without changing anything else in your corporation or culture. In contrast, large projects can take weeks, months and even years sucking up scarce resources and enabling “fear of the unknown”.



Scarce Resources. Said before but worth mentioning again, there are very few that can dedicate resources to be available when innovation is required. IFP’s infinite scalability and unmatched speed to market provide instant resources when required. Even more remarkable is that even complex insurance product development doesn’t require any programming skills. IFP is engineered to require no programming skills to fully implement an automated, web enabled customer direct product solution that handles quote to issue, to policy change up to renewal and cancellation.

How IFP Drives Innovation

Improve your bench strength. Awywi’s Insurance Fulfillment Platform is like having a bench full of players ready to play at any given notice. Best of all, it is totally up to the business to determine when that excess capacity is required. IFP was engineered to take insurance products from the drawing board to market, digitally, without any programming skills. Anyone with basic computer skills in a spreadsheet should be able to implement within the IFP framework.

“...engineered to take insurance products from the drawing board to market, digitally, without any programming skills”

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Enable automation. Every aspect of the insurance product lifecycle is automated. 100% automated underwriting with fully automated rating, policy issuance, policy change, renewals and cancellation. If the power of automation is something that intrigues you, even if you have never had the resources or capabilities, then give IFP a try.

Enable cooperation. With IFP multiple insurers can combine their strengths in many ways. First, capacity can be increased for risks that require a subscription policy. Secondly, combining multiple coverages into a single insurance application makes it easier for the customer to obtain all the coverages required. For example, business insurance with cyber, equipment breakdown and/or professional liability. The same carrier need not issue all coverages, IFP lets the customer come first with the convenience of covering all of their exposures with a single policy even if it is shared amongst multiple carriers. Lastly, cooperating without the usual additional administration costs may encourage expanding risk appetites into non-traditional coverage or into higher risk coverages than would otherwise be possible.



Allow organizational learning. If you already have a good digital strategy or even if you have none, IFP can enable your organization to learn the process of becoming digital.

Lower your costs of product innovation. Awywi's Insurance Fulfillment Platform is Software as a service is licensed on a subscription basis. It can do the job of hundreds if not thousands of underwriting staff if you take full advantage of Awywi's IFP.

Put the Business back in control. With IFP, the business is always in control without requiring resources from other departments. IFP is not going to replace your IT departments who do a multitude of vital tasks for the organization. However, when we say INSURANCE FULFILLMENT PLATFORM, that is exactly what we mean, it allows for insurance innovation at the product delivery level and that is what it does.

Reduce innovation disruption to the rest of the organization. As much as we agree with most experts, changing culture is a long-term necessary goal for the overall health and wellbeing of any organization. However, we recognize that this is a difficult achievement that requires a long-term approach. BUT what if you can't wait and have a project that must be completed tomorrow? You could just disrupt current operations and let the chips fall where they may. OR, you could implement an IFP solution and avoid disruption that can be quite chaotic.



Complete control of your own technology costs. Technology projects seldom stay on time or on budget. There are simply too many unknowns that can disrupt both timelines and cost. What if you could completely control the total cost of implementation and get rid of the

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unknowns? The cost of IFP aligns with the success of your strategy and outcomes.

Sell products Where and When. Awywi's IFP was designed to incorporate the entire distribution vertical. This includes insurance brokers. IFP eliminates all the burdensome manual tasks, leaving time to sell – not push paper. At the same time, IFP is distribution without borders; selling 24/7 without geographical restrictions (excepting regulatory constraints). Every transaction from quote to issue, change and renewal is done in Real-Time.

“IFP eliminates all the burdensome manual tasks, leaving time to sell – not push paper”

Reduce administration costs. Like broker's manual tasks, insurers manual tasks are reduced as well. Gone are tasks associated with quoting, issuing, assembling or delivering policies. No more policy change costs, imagine!

Exclusivity. IFP delivers through the internet. One single broker or one carrier can service enormous volumes of business without increasing staff or physical locations. Traditional models are outdated and expensive.

Conclusion

Awywi's IFP is proof that digital innovation is possible for the insurance distribution vertical as well as the benefits that emanate from that including:

- Insurers and brokers can have the lowest cost structure and a sustainable competitive advantage over others
- Customer first focus, where legacy, in systems and in thought, are no longer barriers to innovation
- Speed to market. Let us show you how quickly you can go from drawing board to full implementation
- Low cost and ease of implementation



Contact Awywi to Learn More About Accelerating Your Insurance Innovation

Call (833) 462-9994 or email:

steve@awywi.com or dominik@awywi.com

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