



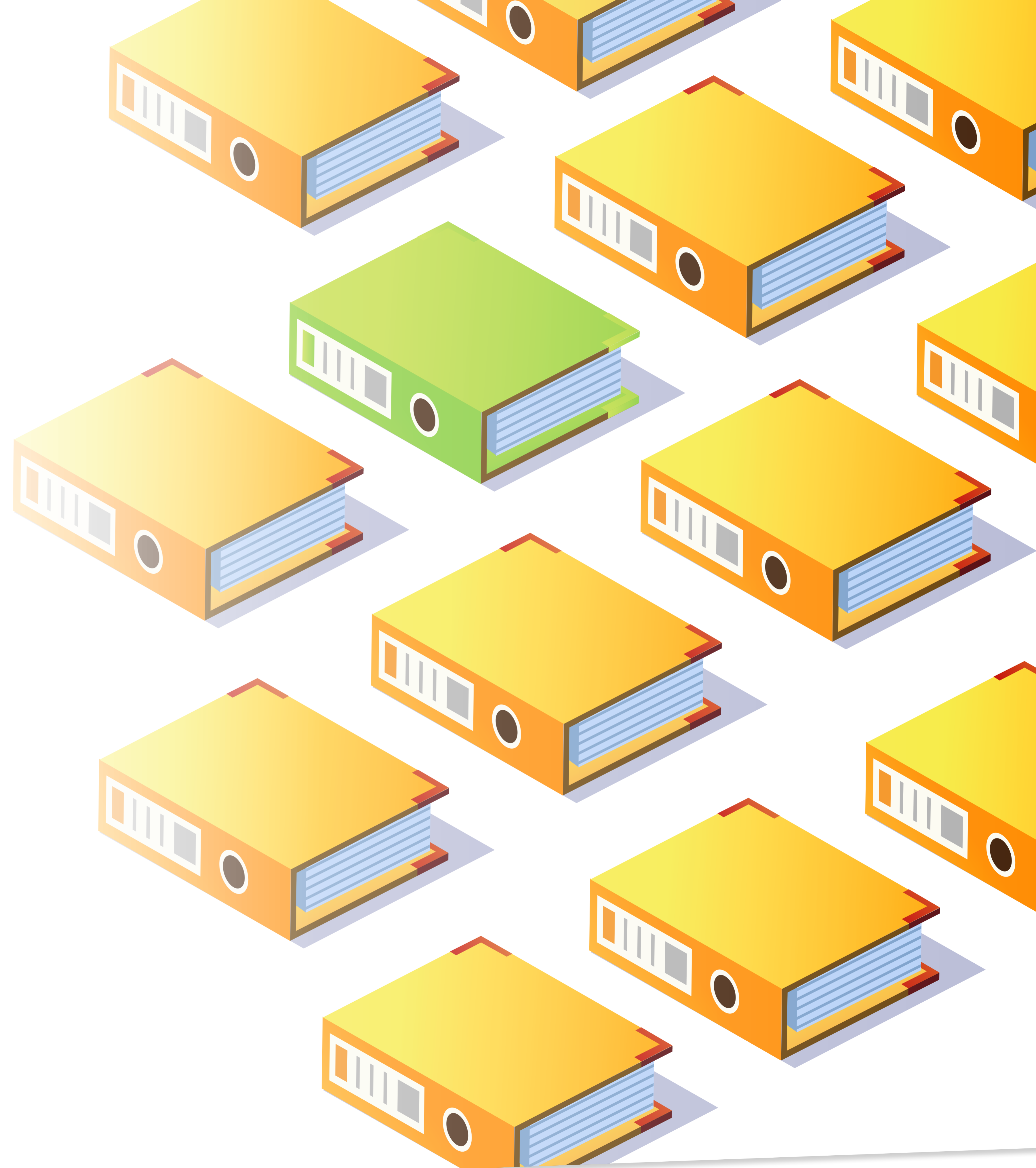
EVERYTHING CLEAR IN THE PORTFOLIO?

Stay in control and minimize risks



Why this eBook?

How well do you know your customers? Do you really have all the relevant information to assess whether a customer fits into your portfolio? A healthy portfolio needs control mechanisms; efficient strategies to check and evaluate risks – preferably with automation, in real time, and always from a central point that bundles and presents all data. This eBook will show you why this is the case and how to create a value-optimized portfolio.



Customer expectations and market developments

The digital transformation affecting all areas of our lives also poses new challenges to the insurance industry. Customers who are familiar with platform-operated companies, such as Amazon and Netflix which offer fast and easy digital experiences, also increasingly expect insurers to provide a comprehensive, digital offer – direct, quick, mobile communication based on state-of-the-art technology.

Although traditional business still exists, these processes move further into the background, used only for cases requiring in-person consultations. COVID-19 has heightened the urgency of this issue even further and ruthlessly exposed potential weaknesses. Many operating models show promise, but still there are numerous processes that aren't being digitized. And improvements are urgently needed here.

In addition, insurers are facing issues such as regulatory pressure and market consolidation. They wonder, how can you differentiate yourself from other market players, become more agile in product development and improve the customer experience?

Well, greater investments in technical solutions can increase convenience for the customers. At the same time, insurers are now being offered new solutions to protect themselves against unwelcome risks and optimize the customer portfolios.



Traditional models in transition

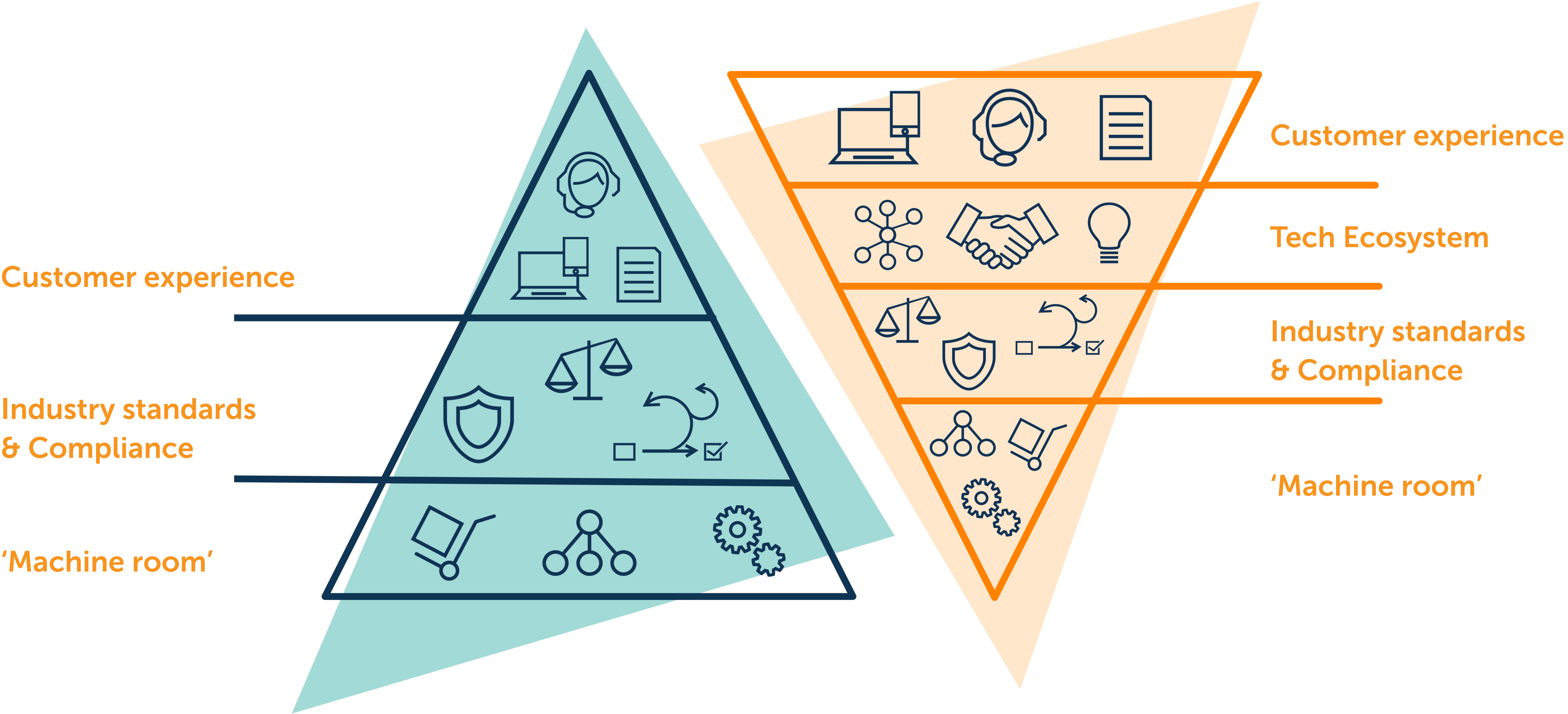
The traditional model of the insurance industry is the assumption of risks in return for compensation. We can use the analogy of an engine room. It's the basis for the creation, administration and execution of insurance services. These include IT services, IT development and IT administration. The problem, though, is that this engine room ties up a lot of resources within an insurance company, resources that are needed to improve the customer experience.

The solution? Turn the model upside down. Outsourcing is the magic formula here, in a positive sense of course. These necessary IT services can be transferred to specialised service providers such as Keylane and FRISS. In addition, we can implement interfaces such as [ControlExpert](#), [HIS](#), [Boniversum](#), [Infoscore](#) and many others. As an insurance company, this gives you more freedom and the opportunity to fully focus on the customer experience through the application process, policy management and claims process.



Flip the triangle

With a **standardized approach**, **SaaS** and high **scalability**, we relieve insurers so they can **deliver superior experiences to their customers**.



Data, data, data

If the data is inadequate or unavailable, the digital path makes one blind, so to speak. Insurers must ask themselves:



The answers to these questions have a massive impact on optimizing the value of a portfolio. So how can information be bundled in such a way that the customer gets a face to their name?

- Who am I actually doing business with? Who is my customer?
- Should I even do business with this person, this company? Do I need to take certain measures, are there sanction lists?
- Do I even want to do business with the person, the company? Does it fit into my portfolio?

Centralizing data sources and data channels

The fact is: Some insurance companies have no control over their portfolios and growth strategies. If customer acquisition and profit maximization are the top priorities, any application is acceptable. Audits are often carried out in various places, and data sources are used contrastingly – if at all, because this involves an enormous amount of time, personnel and costs.

However, in order to make an actual assessment, the data sources and data channels must be brought together in a central place. Transparency can only be created by standardizing the audit process: Who am I doing business with, what kinds of objects are these, who or what is behind this?

Here, where all channels and data converge, the insurance company can determine how much they are willing to take risks and how the portfolio can be optimized with this in mind.



Optimize the portfolio

Companies, people, objects – everything can be audited. But how exactly? Are there markers in place that indicate earlier instances of fraud? Are there indications of inconsistencies in contracts? Is there information about the payment morale? Does the combination of the policy holder and the insured object already constitute a risk?

One example: A young man and a fast car. It doesn't have to be a risk, but it could be, and it should be reviewed in detail. What is the comprehensive coverage here? Do I really want to include this person in my portfolio and if so, to what extent do I want to underwrite the risk?

The goal is to clean up the portfolio to reduce the number of fraudulent applicants, high-risk customers or delinquent payers. Watch out for the revolving door model: Contracts that weren't accepted through the in-person agency track probably should not end up in the portfolio through an online application or other entry channels either.

Of course, a value-optimized portfolio always has an impact on the combined ratio as well. Lowering the combined ratio by one percentage point is certainly realistic if it is possible to prevent fraudulent potential from entering the portfolio. At the same time, administration costs created by multi-channel processing and multi-channel assessments can be reduced. This then leaves room to focus on what's essential!



High efficiency through automated real-time assessment

How can we achieve this increase in efficiency? We optimize processes by combining internal and external data sources and subjecting applications to an automated real-time assessment. This means that while we use internal data from your claims and application system, we also utilize external data such as sociodemographic data, background information about companies or personal addresses to combine them.



The payment morale, creditworthiness risks, objects and type of usage at companies, etc. – is all examined transparently and in detail. Simultaneously, with access to the HIS application pool and the car insurance, we can check whether conspicuous claims have already been registered for the vehicle even before the application is completed.

By using all data sources, it's now possible to implement a quick applicant acceptance process – with benefits for both sides. The agents can skip a manual assessment; the customers in turn can expect their applications to be processed more quickly – which then increases their satisfaction with their insurer.

And don't worry, this doesn't mean that underwriters are "out", only that their tasks are shifting. After gaining all of this time, they no longer have to deal with obvious matters and instead can focus on high-risk applications and demanding challenges.





Activate security – automated risk assessment with Keylane Axon and FRISS

Keylane, as a service platform, and FRISS, as an associated ecosystem provider for risk validation, both represent the ideal combination to set up your portfolio in a healthy and value-optimized way.



About FRISS

FRISS is 100% focused on automated fraud and risk detection for P&C insurance companies worldwide. Their AI-powered detection solutions for underwriting, claims and SIU helps 175+ insurers grow their business. FRISS detects fraud, mitigates risks and supports digital transformation.

Insurers go live within 4 months, realize up to 10 times their original ROI and see an 80% increase in straight through processing of policy application and claims. FRISS solutions help lower loss ratios, enable profitable portfolio growth, and improve the customer experience. For more information, please visit friss.com



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About Keylane

Keylane is a leading European provider of flexible standard software and SaaS for insurance companies. With state-of-the-art software, extensive IT expertise and a thorough understanding of the industry, Keylane strives to enable the insurance and pensions industries to transform. Over 270 customers in the Benelux countries, Scandinavia and the DACH region operate their businesses through Keylane's software platforms.



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