



Case Study: Insurance

Regional target operating model accelerates digital transformation for multinational insurer

Standardization enables integrated online functionality and reduces time to market.

Customer demand for digital interaction and self-service drove this multinational insurance carrier to focus on building digital platforms that would improve customer experience, speed time to market and enable cross-selling among lines of business (LOBs)—including life, health, group and general insurance—in eight entities throughout Asia.

To accelerate its journey toward digital, the carrier needed to overcome numerous internal challenges. It lacked uniform processes and relied heavily on manual intervention, so its insurance policies were prone to error and new products could take more than two months to roll out. Because few of its agents were using advanced technology, only they could take a 360-degree view of their customers' needs, resulting in duplicate customer entries across LOBs. There were no end-to-end digital channels for selling and issuing policies,

At a Glance

Poor customer interaction coupled with manual processes, rigid back-end systems and lengthy product release cycles drove this multinational insurance carrier to transform its IT application landscape. The carrier engaged Cognizant to digitize its IT operating model to help address time to market and provide a 360-degree view of its customers to enable cross-selling and more efficient sales cycles. Cognizant's Regional Target Operating Model delivered an end-to-end solution that included defining business processes.

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360-degree customer views enhance product marketing

Lofty goals

The carrier wanted to speed time to market, lower operating costs, develop a scalable solution, and improve customer and agent satisfaction.

and rigid back-end systems couldn't keep up the growing needs of the carrier's expanding customer base.

Differing expectations from each entity, including country-specific legal requirements, product deviations, varying user interface needs and multiple languages made it difficult to establish standards. The company wanted a cutting-edge online and mobile solution that would enable self-service capabilities, improve customer and agent experiences, and implement end-to-end process management for faster time to market.

In a competitive bidding process, Cognizant was engaged to digitize the carrier's existing enterprise architecture and implement the Regional Target Operating Model Platform to address faster time to market with lower cost, develop a scalable solution, and improve customer and agent satisfaction.

Cognizant's proposed approach included:

- Developing an enterprise product structure that would reduce product roll out times.
- Consolidating the company's legacy systems into a new standard digital platform to create long-term scalability and address delivery and sustainability.
- Creating a single view of the customer to enhance customer service, standardize coreprocesses and provide integrated online functionality.
- Enabling multiple user access channels for agents, employees, trusted partners and customers.
- Enabling multi-language capability supporting country-specific local languages.

In a three-phase engagement, Cognizant first digitized the company's enterprise applications relating to the administration of general and life insurance policies, enabling straight-through

Outcomes:

- Supported digital transformation and enabled straight-through processing, giving the carrier first-to-market competitive advantage.
- Reduced new product rollout time by 50% to 55%.
- Increased user interface and process reusability for the private motor division by more than 60% which reduced implementation costs by 30%.
- Increased the speed of subsequent rollouts of Regional Target Operating Model in other markets by 30% to 35%.
- Positioned the carrier to double its revenues by 2020.

processing and a standardized digital platform with high scalability and availability. During the second phase, Cognizant helped the carrier use its new enterprise foundation to build a flexible user interface by compiling criteria across entities to create a standard that each entity could customize as needed. The Cognizant team also established common processes that could be customized based on entity requirements. Cognizant's design provided flexibility for customization of entity- or product-specific requirements while setting a standard for user interfaces, requirement changes, processes and product configuration. In addition, Cognizant integrated headless business process management into the new enterprise foundation, allowing digital channels and partners to build customized user interfaces.

Now in phase three, Cognizant is providing all partner channels and entities with digitized customer interaction platforms that integrate the company's data, processes and services to improve speed and quality.

Cognizant's cost-effective Regional Target Operating Model solution optimized the carrier's existing architecture, enabling it to fully support its digital transformation. As a result, the carrier gained competitive advantage by being the first to offer complete straight-through processing across its Asia markets. In addition, its new product rollout cycle was reduced by 50% to 55%. For the private motor division, user interface and process reusability exceeded 60%, which reduced implementation costs by 30% to 35%.

With a new 360-degree view of its customers, the company can design products for diverse customer segments, upsell products and enhance its overall product marketing, helping it achieve its 2020 goal of doubling revenues and reducing operational costs by 10% to 20%. Enabling customers to purchase through agents or self-service online and mobile options significantly improves customer satisfaction and creates a more efficient sales cycle for agents.

While Cognizant was initially engaged only for IT development, based on the success of the Regional Target Operating Model project, the carrier subsequently engaged Cognizant to take over support and maintenance from another vendor.

About Cognizant

Cognizant (Nasdaq-100: CTSI) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 193 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us [@Cognizant](https://twitter.com/Cognizant).

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