

To gain a deeper understanding of transformation in insurance, we conducted:

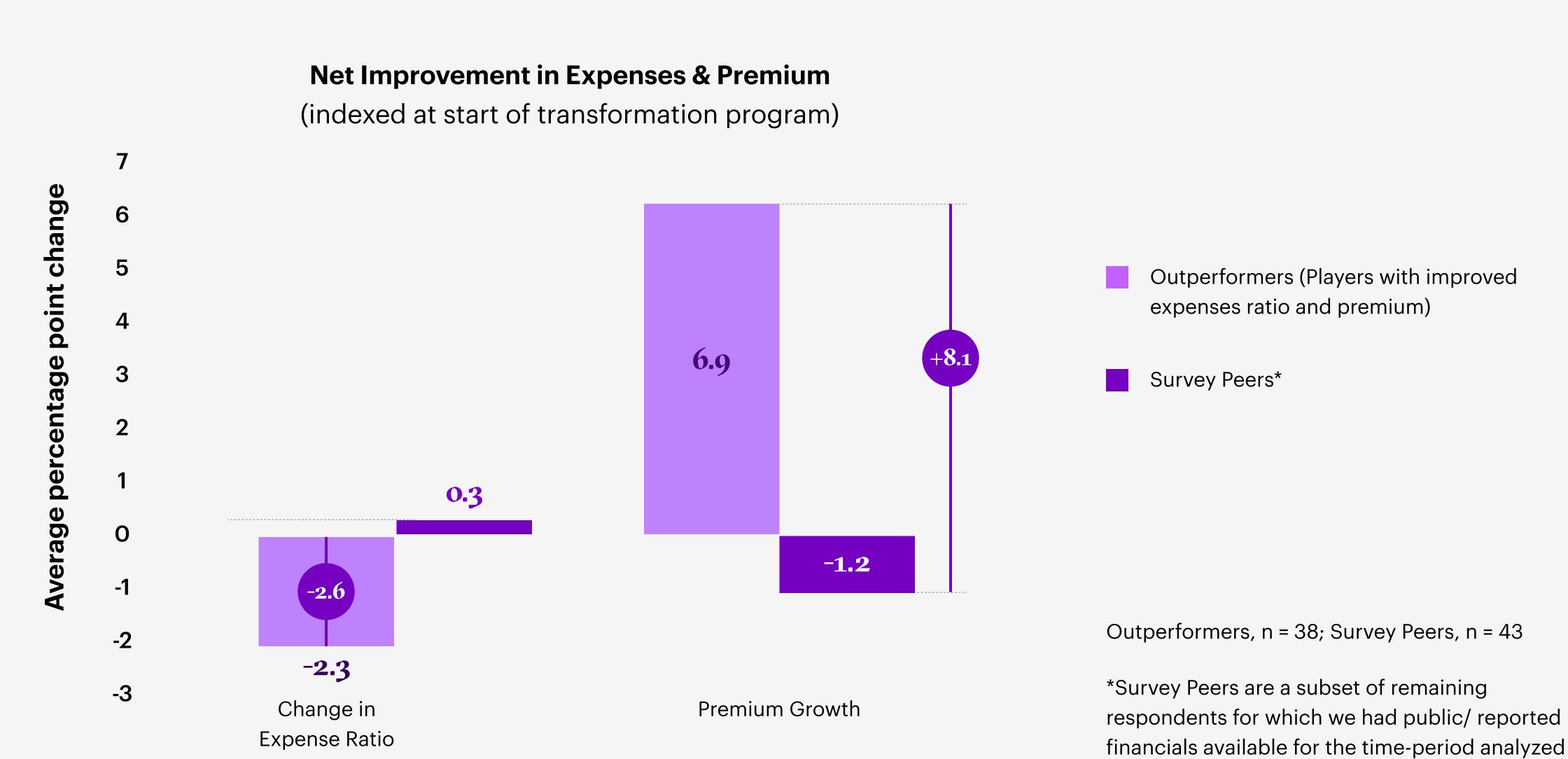
A survey of 324 senior insurance executives across North America, Europe and APAC

12 in-depth interviews with insurance transformation executives

Financial analysis of 81 insurers during their change programs. Of this group, 38 emerged as "Outperformers" with lower expense ratios and significant growth in premium revenue

The Outperformer Advantage - Size of the prize

Outperformers improved premium revenues by an average of 8.1 pp and reduced expense ratios by 2.6 pp



Relative performance from start to 2 years since start

Insurance transformation drivers

What are / were the primary drivers of your transformation program? (Share of respondents; Ranked top 3)

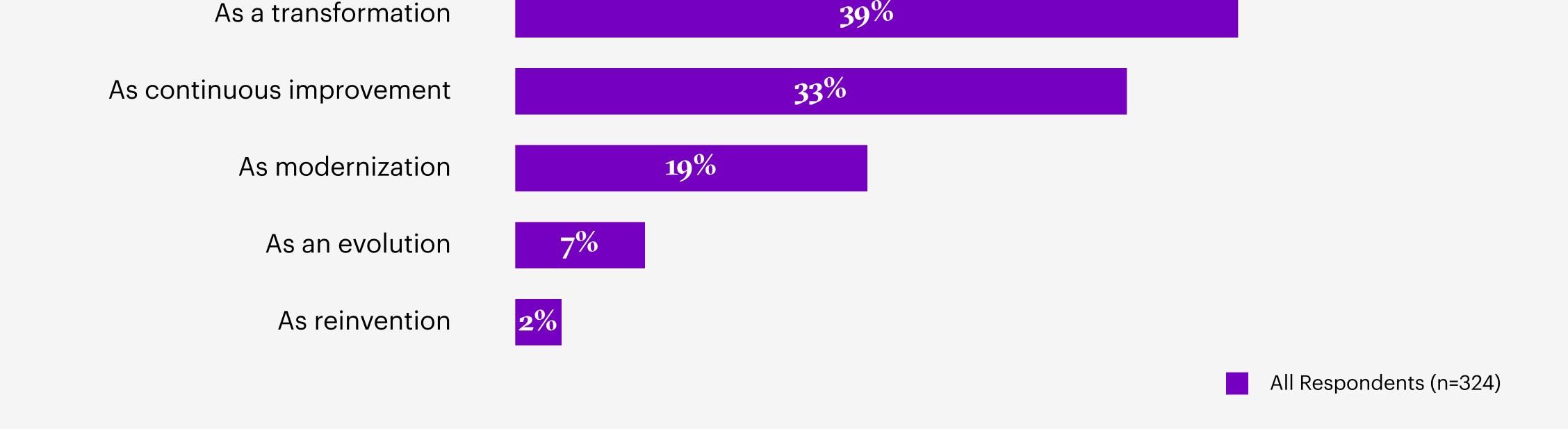
Technological advances 61% Product innovation/offering requirement 61% 48% Adaptation of business models InsurTech opportunity / threat (increasing **26**% capabilities and reach) Enablement of geographic expansion/consolidation 19% 19% Cost pressures

All Respondents (n=324)

Clarity is critical amidst constant change

How was your program perceived and executed in your organization?

The term 'transformation' has become a catch-all for insurers



Program objectives

Operational Efficiency

of the transformation program?

What is/was the primary objective(s)

60% **Growth Enablement 28%** Improved profitability **12**%

of insurance executives say operational efficiency and profitability were the primary objectives of their transformation programs 28% say growth was the primary objective **57%**

Primary Objectives

important factors

Most

rank as the most important factors:

Improved profitability: better risk selection and/or pricing

Those who say operational

efficiency and profitability were

their primary objectives (n=232)

by leveraging data and technology

Improving decision-making / profitability

64%

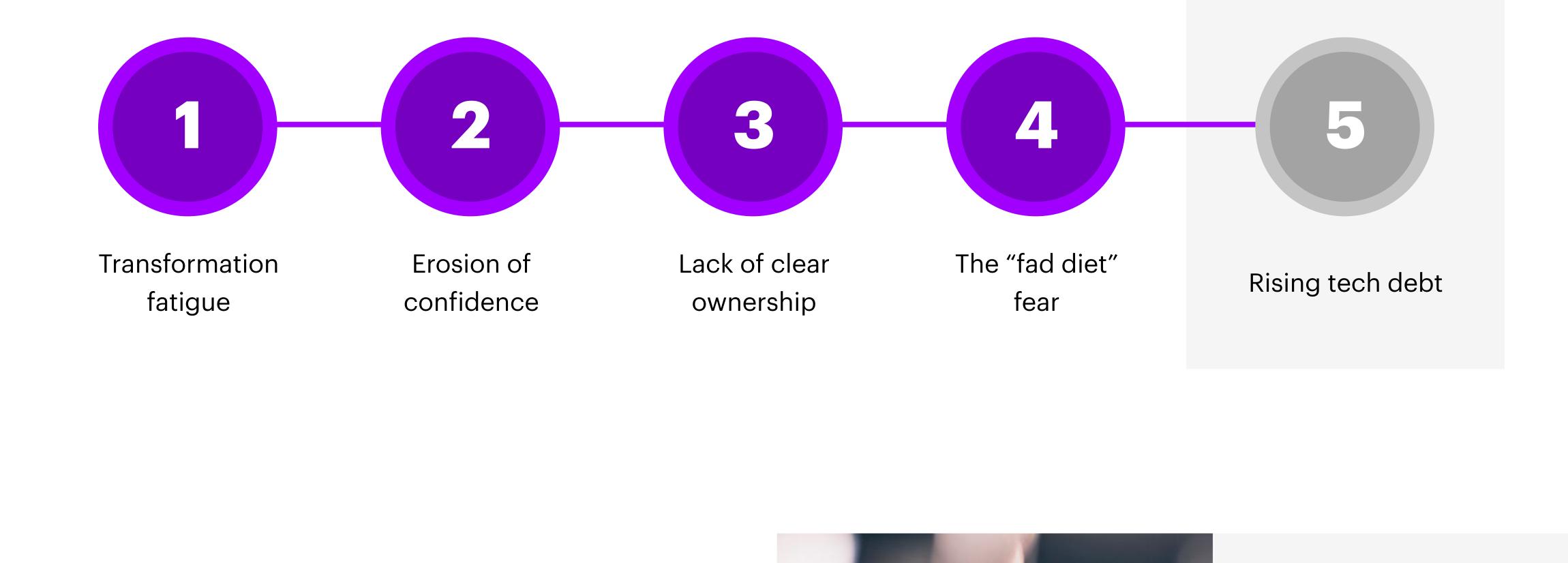
Standardizing processes

Financial

Program objectives definitions: Operational efficiency: cost reduction and/or productivity gains including improved experiences Growth enablement: increased revenue and/or premium via product, channel or service differentiation

Lack of clarity is taking a human and financial toll

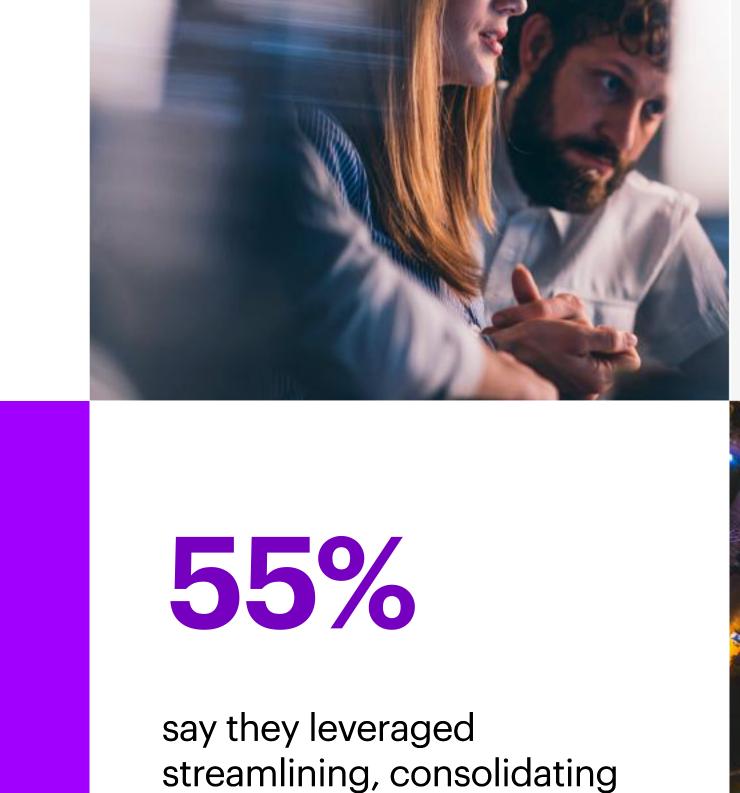
Human



programs

3 ways Outperformers

deliver transformation



with automation, workflow management or similar solutions, compared with 72% of survey peers.

82%

of Outperformers say

transformation programs

they delivered their

omni-channel interaction and self-service compared with 65% of survey peers.

lead to large performance gaps. Mastering the discipline of precise

transformation is essential to become an insurance outperformer.

79%

of Outperformers say they

used digitization to enable

and optimizing the operating model compared with 44% of survey peers.

What this demonstrates is that small gaps in clarity and execution can

Impactful change without illusion

About the report

Research snapshot

Our research included a survey of 324 senior executives across 245 insurance companies globally, in-depth interviews with a dozen transformation leaders and financial analyses of 81 insurers during their change programs. Of this group, 38 insurers emerged as clear outperformers

Definition of an outperformer Accenture Research assessed the relative performance of each insurance company between distinct time periods using publicly available financials (accessed across S&P Capital IQ, AM Best and local regulatory databases). The time-period used for measurement was between the year of start of the transformation program till 2 years after the program commenced. Outperformers were defined as the ones which saw an improvement in both expense ratios and an increase in premiums during this time-period. All financial performance was indexed at the start of the transformation program.