



# Open Insurance Transformation

*Maximize the new ecosystem reality and launch innovative products and services to market faster*



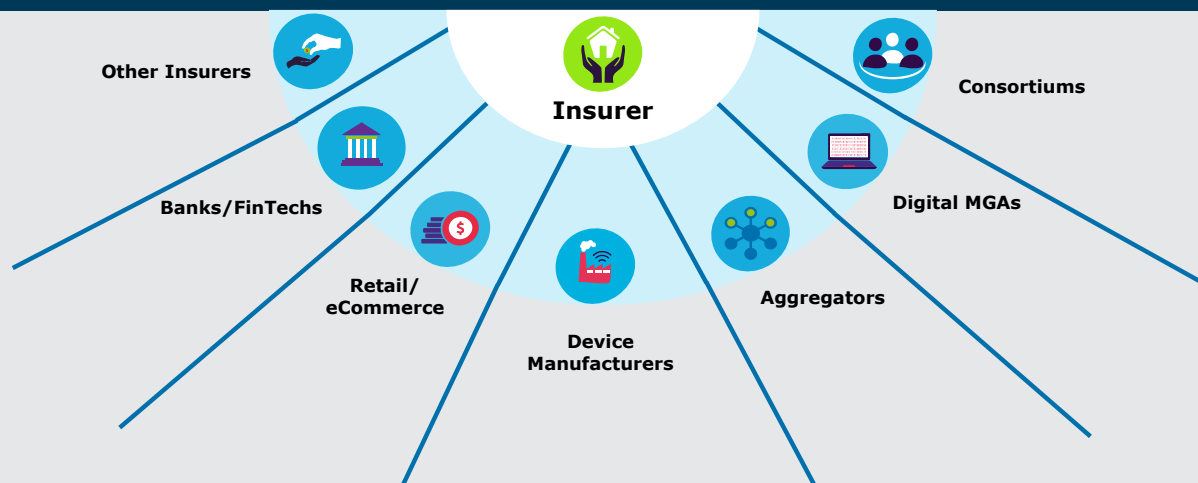
The insurance industry is in the midst of a large-scale transformation. Gone are the days of a home office/field office orientation that was supported by underlying processes and technology that were driven by the needs of the traditional insurance industry approach. This model has now been turned on its ear with new types of products and new ways of selling and servicing.

This new world order requires a connected ecosystem of carriers and InsurTechs, service providers, and other technology offerings. And to play in this complex environment, insurers must aggressively adopt new business processes and technology to support an “outside-in” model, driven by customer and market trends to create new value propositions.

To succeed and prosper, insurers must experiment and innovate to launch new products and capabilities at a far more rapid pace and with ever-reducing lead times. By leveraging an open approach, a bouquet of offerings can be created by cross-industry parties collaborating to deliver end-to-end value for the customers.

**58%** of the customers are highly interested in innovative insurance models and **50%** showed higher likeliness to continue with current insurer providing value-added services –

*World Insurance Report 2019*



## “OPEN” INSURANCE BUSINESS MODELS

Open business models allow external and cross-industry collaboration with secure exchange of data, tasks and business functions to futureproof the businesses, by building upon the growth in other industries. In the competition

towards capturing the new opportunities, business agility will play an extremely vital role in defining the winners. Ultimately, customers experience higher value in purchasing and using insurance that meets their lifestyle and digital native demands.

Key Driver	Imperative Business Model Transformation
<p><b>Access new customers at the right moment using the right channel</b></p>	<ul style="list-style-type: none"> <li>• Customers buy insurance when true value is perceived, such as an expensive purchase or a new life event. Insurers can enhance this process by leveraging distribution partners from other industries such as aggregators, digital brokers, digital MGAs, banking, ecommerce, lifestyle, hi-tech and sharing and gig economies, and more.</li> </ul>
<p><b>Launch innovative products for delivering right value</b></p>	<ul style="list-style-type: none"> <li>• Carriers can address key areas such as the type and timing of customer needs, as well as how a product is going to be used. “Connected” insurance products can help deliver a tangible customer experience.</li> </ul>
<p><b>Reduce costs and focus energies on critical functions</b></p>	<ul style="list-style-type: none"> <li>• Emerging players and InsurTechs are enabling unforeseen levels of business process automation and orchestration. Insurers can embed these 3rd parties in the value chains to cut costs.</li> </ul>

## CAPGEMINI’S OPEN INSURANCE TRANSFORMATION

Open Insurance Transformation from Capgemini enables and accelerates carriers’ business model transformation into “open insurers.”

The end-to-end offering’s features include:

- Flexible and modular architecture for varied contexts
- Fail-fast approaches for new business/product models, optimizing the capital expenditure related to it
- Embedded innovation and design services
- Pre-integrated assets/IP built based on our experience from multiple transformations
- Automation-enriched factory approach for new API development
- Transparent and predictable pricing structure for embedded Capgemini IP
- Reliable technology and services

The solution contains a mix of assets and services, including an **Insurance Model Innovation service**, **Business Agility with APIs service** and an **Open Insurance API platform**.

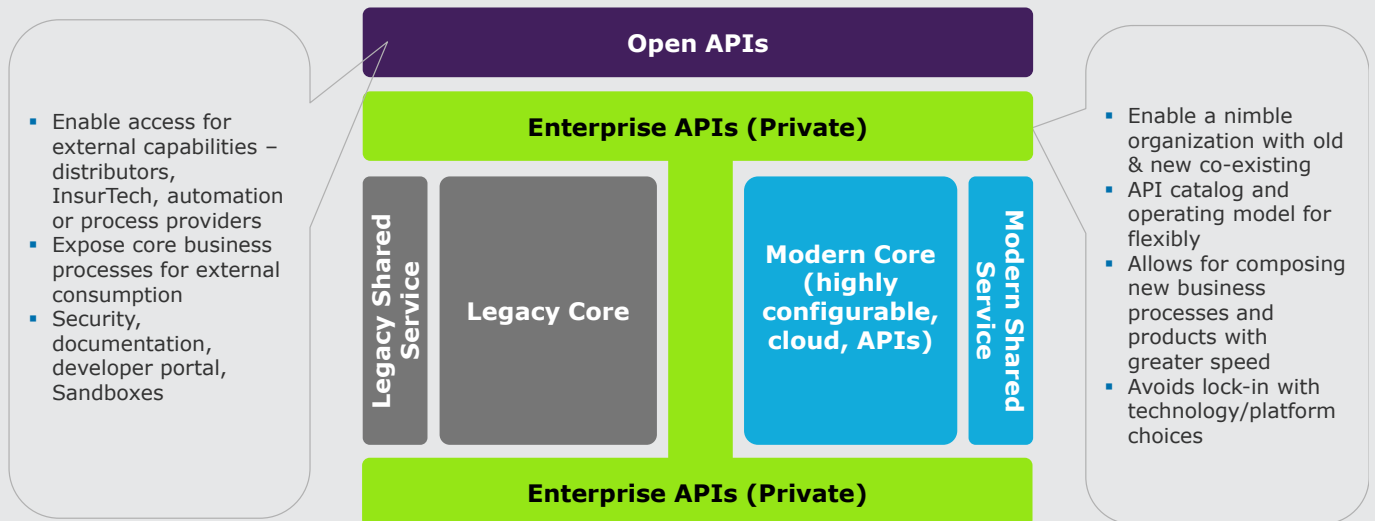
## Insurance Model Innovation

We believe in collaborative ideation and operate with insurers as “one team.” Together, we define experiences with a human-centric approach. Leveraging our Accelerated Solutions Environment (ASE) and Applied Innovation Exchange (AIE), we use proven innovation methods and work collaboratively through each phase, from strategy to prototyping to scaling insurance models. We create a feature roadmap and utilize a fail-fast approach to optimize the CapEx.

## Business Agility with APIs

Our proven and comprehensive Legacy Modernization approach combined with an API-based ecosystem architecture will enable flexible platforms and optimize the capital expenditure.

A rigid and monolithic technology environment is the biggest challenge for insurers wanting to increase business agility and innovate at pace. Our transformational solution is targeted to enable a bi-model business environment that encompasses:



- Migration of growth-oriented and new products to modern, highly configurable and cloud-based platforms with APIs that have an architecture where the legacy and the “new” co-exist in harmony.
- Building an API ecosystem and operating model to deliver quicker speed to market and technology interoperability.
- Enabling the legacy systems to participate seamlessly with larger enterprise by adopting an API-ification strategy, design and development through a factory approach.

We will also leverage Capgemini’s proven tools such as [Economic Application Portfolio Management \(eAPM\)](#) and **CAP360**, which provides a roadmap for legacy transformation. These solutions combined with our industry leading expertise on Insurance digital platforms will provide high quality and predictability.

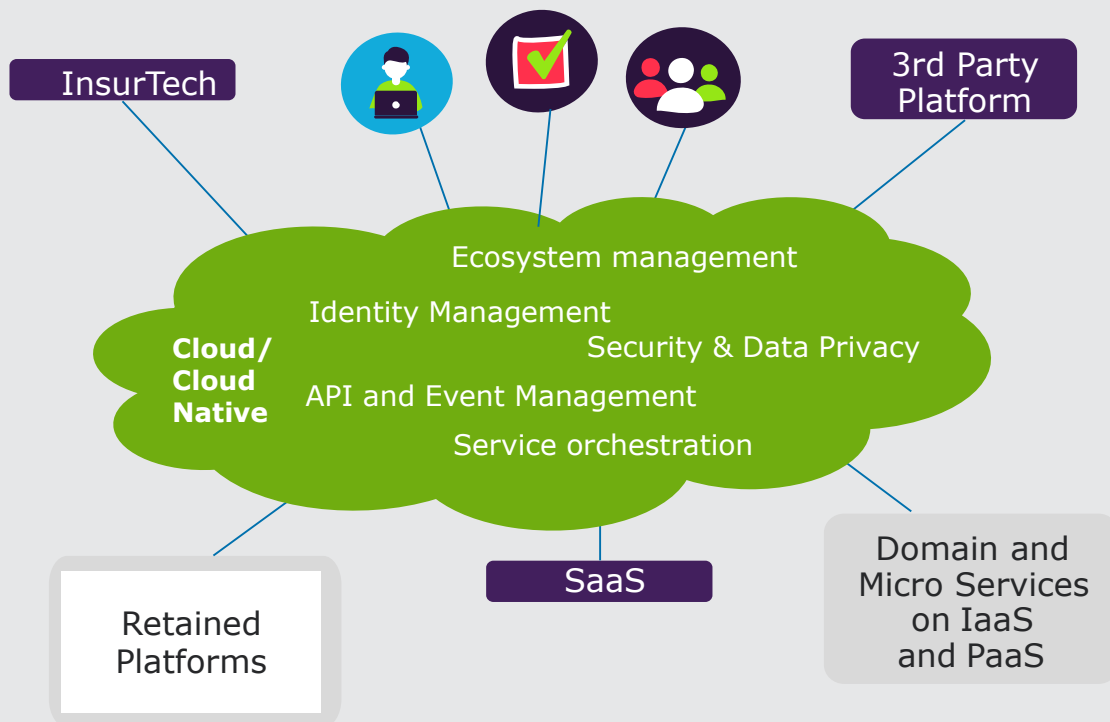
## Open Insurance API Platform

The Open Insurance Platform consists of an insurance API Gateway layer containing prebuilt APIs for external partners such as Aggregators, Digital MGAs, InsurTechs, data providers and more. It works with enterprise APIs to integrate with

legacy and modern core insurance systems, along with supporting shared service capabilities.

As a pre-integrated platform containing abstraction layers, it allows interoperability with external partners. This same platform can also be used by insurers to expose APIs for 3rd party consumption along a developer portal. Built based on API management and design best practices, the platform is a reliable solution for “Open Insurance” needs. It is a “platform-as-a-service” solution that can connect with other Capgemini solutions such as Cognitive Document Processing (CDP) as-a-service.

The open insurance platform comprises of best-of-breed technologies and is bank grade security compliant to cyber and GDPR regulations. It can be deployed on-premise or on the cloud, enabling a highly agile, secure and efficient enterprise that can get products faster to market to keep up with customer expectations.



## BENEFITS OF CAPGEMINI'S OPEN INSURANCE TRANSFORMATION

Our solution establishes a very robust capability in your organization to realize business outcomes such as:

- **Business Agility** – APIs and cloud-ready platforms enable faster time-to-market
- **Accelerated Business Transformation** – with marketplace of APIs on Open Insurance Platform, quickly access distribution models and data to generate new revenue streams
- **Improved Customer Experience** – Deliver new purchase and usage experience for insurance with connected policies and value-added services
- **Interoperability** – One of the greatest flexibilities with API based internal and external integrations is the freedom from lock-in with specific business partner/ technology partner choices
- **Decreased Costs** – Minimizing the capital with pre-built Open Insurance Platform, cuts the cost of development

## WHY CAPGEMINI

We bring powerful and proven end-to-end capabilities and assets to rapidly enable your business to engage with external partners with agility to offer solutions that meet evolving customer needs.

Capgemini's Open Insurance Transformation solution is very uniquely positioned to transform your organization to be future ready. Our unsurpassed capabilities have been integrated together in this offering to deliver high impact. Our proven partnerships with industry providers such as Guidewire, Duck Creek, Majesco and MuleSoft enable us to bring best-of-breed technologies to our client. We have also been carefully curating and mentoring the InsurTechs for maximizing the business value for carriers. Additionally, we have successfully enabled multiple global insurers to innovate new products, distribution channels and optimize value chains.

### Successful open insurance models by Capgemini

- A life insurer with a toy store chain for children's savings products
- A retailer selling insurance attached to home security and protection devices
- A mobile telecom provider with an insurer for device protection plans
- An auto insurer with four different aggregators

### Leverage Open Insurance Transformation to build a sustainable growth in a highly competitive environment

- Reinvent insurance product models
- New distribution paradigms
- Value-added servicing opportunities
- Tap into emerging capabilities to reduce costs

For more information on Open Insurance Transformation, email us at [insurance@capgemini.com](mailto:insurance@capgemini.com)





## About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of over 200,000 team members in more than 40 countries. The Group reported 2019 global revenues of EUR 13.2 billion.

Learn more about us at

[www.capgemini.com](http://www.capgemini.com)

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