GUIDEWIRE

Guidewire Cyence for Small Business Cyber

Overview

Cyber attack is one of the most prominent threats to small businesses in the 21st century. However, the lack of relevant data exploration, collection, and modeling hinders the prospect of rolling out effective cyber products in this market. The small-business cyber insurance market is undifferentiated and underserved—presenting a tremendous growth opportunity for insurers.

> **Expand your business profitably by capitalizing on the thriving small-business cyber market with a solution uniquely built for the industry.**

Benefits

- **Streamline underwriting for improved efficiency**
- **Automate underwriting on low-risk submissions**
- **Protect profitability with granular pricing**

Features

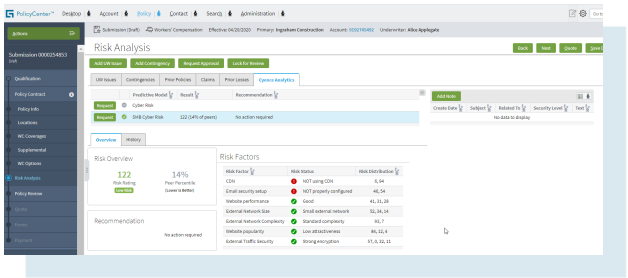
- **Real-time cyber risk assessment of every small business worldwide**
- **Proven predictive indicators for likelihood of cyber incidents**
- **Fast cloud-native API retrieval**
- **Easy to implement: Go live in under three months**
- **Predictive modeling based on data from hundreds of thousands of SMBs**
- **Detailed risk factors curated health-check report**

Identify New Opportunities for Growth

Today's businesses must consider cyber insurance for risk mitigation and business continuity—especially small and medium-sized businesses (SMBs). Unlike large enterprises, which have the capital to invest in prevention and threat-detection mechanisms, the SMB segment often lacks dedicated resources to safeguard data, devices, and networks. Moreover, many cyber incidents are caused by human error or employee malpractice. The inability to invest in proper cybersecurity training and education for employees to maintain basic security hygiene practices has exposed small businesses as easy prey for cyber criminals. To help small-business owners grow their businesses securely, insurers can protect them with cyber insurance.

Many of today's cyber policies, however, require small businesses to complete detailed questionnaires. These questionnaires can be confusing for small-business owners, who often have little to no cyber security knowledge. They may subsequently provide inaccurate or no information, which makes underwriting risk assessment difficult. And because the cyber risk landscape is always changing, a cyber insurance product that is not based on data from extensive, validated data sources cannot be successful.

> "Guidewire Cyence has really underpinned a lot of the cyber work we're doing, in particular when we launched a new SMB product. What was really exciting was that we got that product to market in three months."
>
> —Vincent Branch, Chief Executive, AXA XL Accelerate Team



One-stop underwriting integrated with PolicyCenter

Underwrite Small-Business Cyber Risks with Confidence

Guidewire Cyence for Small Business Cyber is uniquely engineered to focus on cyber data that is relevant to SMBs, and the model is fine-tuned to reflect the risks specific to this segment. We developed this product from historical data from hundreds of thousands of SMBs, and we then trained and refined it with data from hundreds of data breach incidents.

Accessed via a RESTful API, this risk-assessment engine collects and analyzes data on demand and returns a risk rating, risk factors that explain the rating, and a peer comparison in less than two minutes after receiving information about a particular company. The risk assessment is created by looking up and identifying a company's external network and then running a variety of network assessment tests. Based on the insurer's risk appetite and the intended target market, the risk rating can be used to identify outliers to enable a more streamlined and frictionless underwriting process while providing a unique risk assessment for each submitted company. For example, low-risk companies can go through the automated guidelines, but high-risk companies are flagged for further review by an underwriter.

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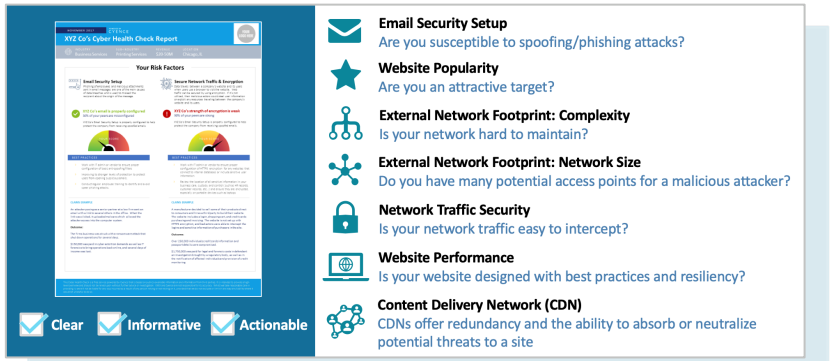
Promote Cyber Awareness with New Services

> **"I was blown away by the amount of information that Cyence could tease out of publicly available sources and track internet footprints and the like. Cyence's ability to take that quantitative information and tease out useful data for insurers is why we bought the product."**
>
> **—Brad Gow, Global Cyber Leader, Sompo International**

Small businesses are generally less experienced with cyber security and need information that is easy to digest. Cyence for Small Business Cyber enables insurers to provide value-added service to policyholders with health-check reports generated by curated risk factors. For example, email phishing and spoofing are primary causes of data breaches. Cyence for Small Business Cyber looks at a company's email security setup as one of the assessed risk factors, and determines whether the company is susceptible to spoofing and phishing attacks. An affected company can then take precautions by fine-tuning email configurations to protect themselves from receiving suspicious email. These reports not only educate policyholders and brokers about a company's cyber hygiene, but they also help establish insurers as trusted advisors in this new insurance class and market.



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Proven predictive value

Guidewire Cyence for Small Business Cyber works—its risk rating, curated risk factors, and peer comparison provide a real-time comprehensive view of a firm's cyber risk exposure. Streamline underwriting, improve service offering, and protect profitability with a single solution.

Realize Immediate Benefits Across the Insurance Lifecycle

Use Case	Examples	Benefits
Underwriting	• Automate low-risk submissions through existing underwriting guidelines • Augment existing process with predictive indicators on the likelihood of a data breach or cyber incident • Enable underwriters to focus on more complex risks	• Enable specialized underwriting for the small-business market • Streamline the underwriting process • Improve underwriting efficiency and accuracy • Avoid adverse risk selections
Pricing	• Modify target pricing using predictive outputs • Reduce credit allowance for riskiest deciles	• Protect profitability with granular, more accurate pricing • Optimize capital usage
Education and Customer Service	• Inform assessed companies about their cybersecurity posture with detailed health-check reports and peer comparison benchmarks	• Promote cyber awareness • Improve customer satisfaction with additional value-add services

Guidewire is the platform P&C insurers trust to engage, innovate, and grow efficiently. We combine digital, core, analytics, and AI to deliver our platform as a cloud service. More than 380 insurers, from new ventures to the largest and most complex in the world, run on Guidewire. For more information, contact us at info@guidewire.com.

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