



## Overview

Guidewire Analytics for General Liability enhances the traditional underwriting process with out-of-the-box models powered by machine learning and non-obvious data—all delivered via a fast API to support straight-through processing.

## Benefits

- Differentiate similar-looking submissions
- Automate declinations and referrals
- Avoid adverse selection
- Gain timely predictive insight on small risks

## Features

- Real-time risk assessment of every small business in the U.S.
- Fast risk assessment with cloud-native API
- Easy to implement: go-live in less than three months
- Easy integration with any underwriting workflow
- Predictive modeling based on billions of dollars of real-world claims and premium

# Guidewire Analytics for General Liability

> Achieve profitable growth with a proven, innovative approach to underwriting general liability risk

## Harness Predictive Insight from Non-Obvious Data

General liability is a diverse coverage that faces many difficult dynamics, including increasing litigation, escalating claim severity, and unpredictable loss cost trends. How can underwriters stay ahead of these trends and manage a profitable book of business?

The good news is that a recent and explosive proliferation of data has paved the way for better underwriting of GL risk. However, this data can be hard to consume—it's often hidden in customer ratings, buried in business websites, obscured in permit filings, or locked away in government databases.

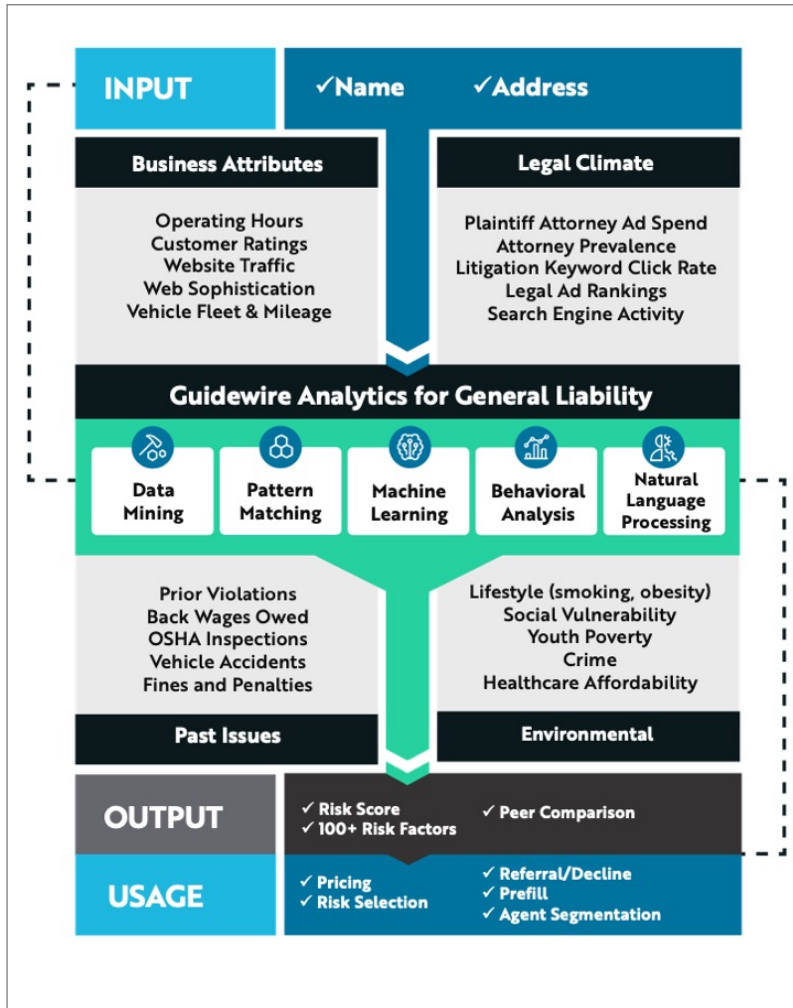
Guidewire calls this “non-obvious data,” and it can be highly predictive of loss. Using advanced machine-learning techniques on petabytes of data, back-tested on hundreds of thousands of claims, we harness the predictive power of this data for better underwriting.

Today's underwriting margins are razor-thin. Finding predictive signals in the noise of big data is what separates outperforming insurers from those who fall prey to adverse selection. Harness the future of commercial underwriting with us.

### Supercharge General Liability Underwriting

Many smaller GL risks look the same on paper—even if they carry completely different susceptibility to loss. **Using only the name and address of the business**, the Guidewire Analytics risk-assessment engine enables insurers to address this problem, drawing from hundreds of risk factors from relevant third-party databases.

In real time, users receive company-specific **risk ratings**, **100+ risk factors** that explain the rating, and a **peer comparison** for any small businesses. These outputs leverage petabyte-scale data collection to gather relevant, company-specific data—such as company fundamentals, history of violations, legal environment, and environmental influences. Augmenting submissions with such non-obvious data yields better underwriting triage and smarter risk selection.



Gain a competitive advantage with specialized data and machine learning

## Guidewire Analytics: Predictive Risk Factors

Consumer ratings	Plaintiff attorney ad spending	Area lifestyle behaviors
Employee ratings	Attorney prevalence	Alcohol & drug dependency
Social media sentiment	Voting patterns	Child poverty rate
Hours of operation	Local sentiment: business friendliness	Healthcare accessibility
Web marketing sophistication	Neighborhood sentiment: racial equality	Healthcare cost index
Web reputability	Neighborhood sentiment: workplace equality	Property-to-income ratio
Web front complexity	Regional disability rate	Proximity to urgent care
Prior safety violations	Violent crime	Proximity to fire station
Prior wage practice violations	Property crime	Proximity to police station
Prior safety inspections	Auto vehicle theft	Proximity to hazardous chemicals
Prior fines and penalties paid	Civic engagement	... and 170 more

## Gain a Competitive Edge Through Risk Differentiation

Imagine a commercial lines insurance landscape where all information about a risk is available on demand: information that is not only “black and white” (like hours of operation and services provided) but also intangibles such as consumer sentiment and policy compliance.

For example, two ordinary sheet metal manufacturers of similar size will often look like similar risks, as shown in the table below. **Using only a name and address** input into the Guidewire API, the risk-assessment engine retrieves hundreds of data points from commercial, government, geospatial, and propriety sources in real time to show differentiation between the risks. This new insight can be used to improve pricing and quoting decisions.

		A1 Sheet Metal	Metalcraft LLC
Most General Liability Applications	<b>Revenue</b> <b>Full-time employees</b> <b>Classification</b> <b>Claims in past 36 months</b> <b>Hazardous chemicals used</b> <b>Products manufactured</b>	<ul style="list-style-type: none"> <li>\$4.0M</li> <li>21</li> <li>58922 (Sheet Metal)</li> <li>0</li> <li>None</li> <li>Standard</li> </ul>	<ul style="list-style-type: none"> <li>\$3.1M</li> <li>17</li> <li>58922 (Sheet Metal)</li> <li>0</li> <li>None</li> <li>Standard</li> </ul>
Guidewire Analytics for General Liability (Uses ONLY name and address)	<b>Past issues</b> <b>Legal environment</b> <b>Area sentiment</b> <b>Business operations</b>	<ul style="list-style-type: none"> <li>None</li> <li>Standard</li> <li>Business-friendly</li> <li>Standard hours</li> </ul>	<ul style="list-style-type: none"> <li>Past violations</li> <li>Adverse</li> <li>Labor-friendly</li> <li>All-night operations</li> </ul>



## Realize Immediate Benefits Across the Insurance Lifecycle

**Proven Predictive Value**

Guidewire Analytics for General Liability provides real business value, with curated risk factors that deliver underwriting insight and predictive ability. Given the opportunity to back-test your historical claims with these risk factors, we can prove it out.

Use Case	Examples	Benefits
Pricing	<ul style="list-style-type: none"> <li>Modify target pricing using predictive risk factors</li> <li>Reduce credit allowance for riskiest deciles</li> </ul>	<ul style="list-style-type: none"> <li>Enable granular, accurate pricing</li> <li>Optimize capital usage</li> </ul>
Decline/Referral	<ul style="list-style-type: none"> <li>Automatic referral for any past wage or hour violation</li> <li>Automatic decline for safety violations on file above a permissible threshold</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to underwriting guidelines</li> <li>Enable consistent risk appetite</li> </ul>
Automation	<ul style="list-style-type: none"> <li>Straight-through processing (i.e., for risk scoring below the 30th percentile)</li> </ul>	<ul style="list-style-type: none"> <li>Lower acquisition costs</li> </ul>
Prefill	<ul style="list-style-type: none"> <li>Ask fewer questions to arrive at a quote/decline decision</li> <li>Minimize keystrokes by populating data entry fields</li> </ul>	<ul style="list-style-type: none"> <li>Increase submission flow</li> <li>Improve data quality</li> <li>Improve customer experience</li> </ul>