

Benefits

- Lower loss ratios with insights on claims severity, subrogation recovery, litigation risk, and more.
- Improve risk selection with insights to separate bad risks from good, price accurately and competitively, and improve retention.
- Stay far ahead of the competition with insights to win in your market.

Features

- Predictive scores from prebuilt, market-validated models built on large data sets.
- Benchmarks that show how an insurer compares to its peers.

Data Cooperative

Pooled, Anonymized, and Aggregated P&C Industry Data

Insurers desire profitable growth. They want to grow their top line while improving loss ratios and customer service. However, the P&C industry today faces many headwinds — loss ratio pressures in many lines of business, missed opportunities to optimize claims outcomes, and trouble retaining loyal customers.

In response, Guidewire is leveraging analytics at a large scale to tackle these challenges and support insurers' growth ambitions by delivering intelligent predictions to underwriters and claims adjusters. By doing this, Guidewire seeks to transform traditional systems of record into systems of insight where decisions about risk selection, pricing, retention, claims triage, and settlement are all aided by useful data and analytics.

Yet analytics is only as good as the data it runs on, and intelligent predictions require bringing together large volumes of relevant industry data. When it comes to predictive modeling, more data means better predictions: observing a large number of claims can predict more accurate outcomes. However, insurers' observations are limited by the number of claims they process themselves.

Although an insurer can often get good outcomes with just its own data, imagine how much more accurate and powerful their predictions would be if they could use claims data from the entire industry. But gathering and aggregating such data from multiple insurers is difficult.

Here's the good news: Guidewire is uniquely positioned to bring more detailed data together at a lower cost and with less effort because we create systems of record that generate insurance data. The Guidewire Data Cooperative pools anonymized and aggregated P&C data for the purposes of improving operational performance and confronting P&C industry pain points.

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When a member of the Data Cooperative runs Guidewire core systems, it securely contributes its own claims and underwriting data. This industry data is then pooled, anonymized, and translated into the following services for all Data Cooperative members:

1. **Predictive scores:** Predictions from prebuilt, market-validated models built on large data sets.
2. **Claims benchmarks:** Metrics that show how an insurer compares to its peers.

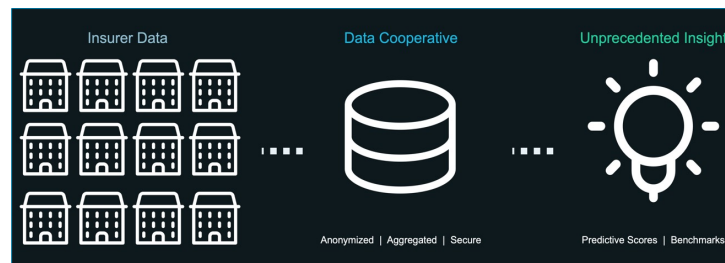


Figure 1: Guidewire Data Cooperative

The Data Cooperative is now global and has 15 member insurers — with more than 35 additional members that are in the process of onboarding. The cooperative is currently fed by 25 million claims across multiple lines of business such as personal, commercial, and workers’ compensation. As the volume of data in the cooperative grows, the insights derived will become more powerful.

Predictive Scores

Predictive Scores are predictions from prebuilt, market-validated models built on large data sets. The predictions automate key decision points across underwriting and claims. Predictive guidance from the scores is embedded into Guidewire PolicyCenter and Guidewire ClaimCenter with simple configuration so that underwriters and claims adjusters have all the information necessary to make the best decision. Figure 2 shows insights from the Subrogation Likelihood predictive scores embedded directly in ClaimCenter. Guidewire keeps the scores — and the models powering those scores — up to date so that insurers don’t need to worry about data and modeling and can focus instead on their business and growth aspirations.

Predictive scores enable a system of insight and provide fast ROI for insurers. In the future, Guidewire plans to release additional Data Cooperative predictive scores that will supply powerful guidance for improving risk selection, pricing, customer retention, and underwriting efficiency as well as improving claims outcomes with segmentation, severity escalation, and loss management.

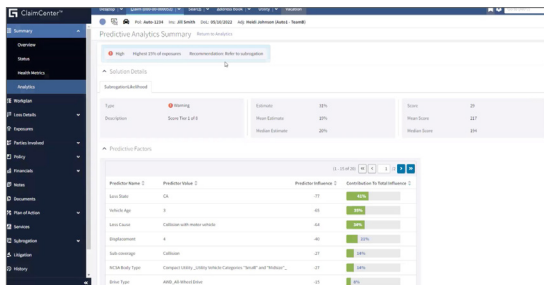


Figure 2: Predictive insights embedded in ClaimCenter

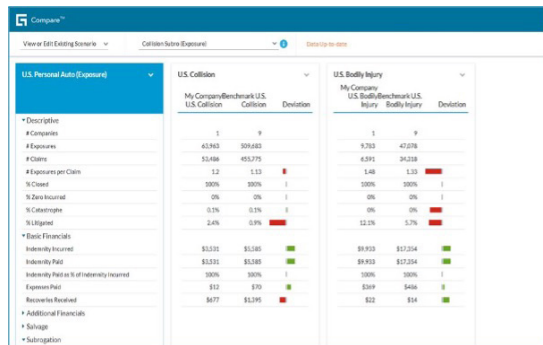


Figure 3: Claims performance across descriptive and financial metrics in Compare

Claims Benchmarks

Cooperative data also powers the Guidewire Compare application, which enables insurers to benchmark their claims performance against their peers and compare performance over time across hundreds of different metrics: expenses, cycle times, reserves, salvage, subrogation, percent closed, catastrophe, litigated, and more. This helps insurers identify areas of excellence as well as opportunities for improvement.

By using Compare, insurers can identify, change, and monitor results across their whole portfolio or within a certain segment or line of business. Compare can answer questions such as, “How am I doing with subrogation for personal auto in California and Texas versus my peers?” As an added incentive to join the Data Cooperative, Compare is free for both self-managed and Guidewire Cloud customers.

Compare’s simple design makes it very easy to use. It shows results in a tabular, side-by-side comparison with deviation bars (Figure 3). Compare presents claim and exposure data in a consumable and accessible format that facilitates improved communication both within the claims department and with non-claims staff. It helps save time and resources in researching issues and reduces the use of offline tools and reports.



Take Action

The Data Cooperative is growing — and with the rising volume of data, insights are becoming more powerful. As participating Cooperative members, insurers can leverage all the new, ready-to-use predictive scores and benchmarks.

Join the Data Cooperative and start making better decisions today.

Guidewire is the platform P&C insurers trust to engage, innovate, and grow efficiently. We combine digital, core, analytics, and machine learning to deliver our platform as a cloud service. More than 500 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.