

Information Builders enables agile information solutions with business intelligence (BI) and integration technologies. WebFOCUS – the most widely utilized business intelligence platform – connects to any enterprise system or application and enables simple and intuitive interaction with information.

# Predictive Analytics for Insurance

WebFOCUS RStat Builds Stronger Customer Relationships and Mitigates Risk

WebFOCUS RStat and Visual Discovery combine predictive and exploratory analytics with highly interactive, color-coded data visualizations to:

- Increase customer lifetime value
- Enhance risk assessment and evaluation
- Accelerate claims processing
- Improve fraud detection



Maintaining profitability through effective underwriting and actuarial practices is still important, but insurance companies must become more customer-focused and find new ways to stay ahead of policyholder demands and potential risks. Predictive analytics gives insurers valuable insight into future business conditions so they can deliver superior products and services to customers while improving the way they price policies, boost profitability, manage internal operations, and detect and combat risk and fraud.

WebFOCUS RStat from Information Builders is a comprehensive information management platform that enables insurance organizations to leverage advanced predictive analytics technologies to make proactive decisions based on the patterns and trends they uncover in their historical data.

## Find Out More

To find out how our solutions can help your company succeed, talk to an Information Builders representative today. Contact your local Information Builders office, visit us at [informationbuilders.com](http://informationbuilders.com), or in the U.S. and Canada, call (800) 969-4636.

Insurers gather and store a tremendous amount of data. Information from a variety of sources, including applications for policies, premiums, and claims, contain vital intelligence that often goes untapped. Predictive analytics combine powerful, fully automated discovery and analysis technologies to enable insurers to prepare for the future by learning from the past.

### Increase Customer Lifetime Value

Maximizing market share and reaching sustainable profitability levels is about more than just selling policies. Predictive analytics provides insurers with a deeper understanding of their customers. Combine that with more accurate customer segmentation, and insurers will be primed to develop and implement more targeted up-sell and cross-sell campaigns and boost customer lifetime value. Efforts can then be applied toward acquiring and retaining the most valuable customers to ensure continued growth, and developing new products that are more in tune with market needs.

### Enhancing Risk Assessment and Evaluation

To properly set premiums, insurance companies must be able to determine the potential risk each client brings. This requires a comprehensive assessment of customer demographics, property characteristics, and past claim activity to predict the likelihood and severity of future claims.

### Improving Fraud Detection

Subtle, complex factors that can indicate fraud often go undetected during manual claims review processes. Predictive analytics aids in fraud prevention, conducting advanced analyses of patterns and trends in past claim transactions to instantly identify anomalies in current claims. Suspicious activity is uncovered and stopped before fraud and abuse can impact the bottom line.

### Accelerating Claims Processing

With predictive analytics, insurers can use historical data to make precise forecasts about future activity. Armed with this forward-looking insight, they can appropriately set loss reserves, identify and leverage subrogation opportunities, and instantly uncover problematic claims. Insurers can also boost customer satisfaction and retention by routing certain types of claims to specific agents and adjusters based on skill sets, and by fast-tracking the settlement of appropriate claims.

### WebFOCUS RStat: State-of-the-Art Predictive Analytics for the Insurance Industry

Leveraging the 'R' open source language, and providing a single environment for both BI and predictive analytics, RStat lowers the cost of predictive analytics by eliminating the need for additional hardware and maintenance. Containing the most commonly used techniques for advanced analytics, RStat's graphical user interface (GUI) simplifies the model creation and testing process, and lets our customers build predictive models without having to learn code or syntax.

RStat empowers insurance firms to accurately anticipate – and handle – customer needs, potential risk, and other critical factors. Consistent, complete, and accurate results can be used to make better decisions about tomorrow, resulting in higher profits and reduced costs, while maximizing ROI and customer satisfaction.