

Helping Out Insurance Companies in Unlocking Their Digital Strength

Focus on your clients,
not tedious insurance documentation



Table of Contents

An Overview of the Ever-Changing Trends of The Insurance Industry	01
How to Guide Yourselves Into Becoming Successful Insurers in the Current Environment?	06
Demarcating the Boundaries for Enhancing Shareholder Value	06
Providing Better and Enhanced Customer Experience in the Insurance Sector	07
Stunted Growth - Building An Answer to Guide Better Productivity	09
Retaining Employees Under the Talent Proposition - A COVID-19 Repercussion	09
Influencing the Society to Adopt the Changing Trends of Insurance Companies	10
Comparative Analysis Between Paper-Based and Paperless Insurance Companies	11
Saving the Needed Space	11
Protecting Data From Disaster	12
Find Required Data Through Heaps Easily	12
Signing Documents Electronically	13
How to Influence Digitization in the Insurance Claim Process?	13
Prominent Trends in Insurance Industry - Towards a Digitized World	15
Artificial Intelligence and Automation to Manage Claims	16
Adopting Blockchain Across Mainstream Databases	16
Predicting Customer Behavior with Analysis	17
Personalization of the Insurance Procedure	17
New and Quick Partnerships	18
Contacting Through Social Media	18
How Can UPDF Help Insurers Unlock Their Digital Strength?	19

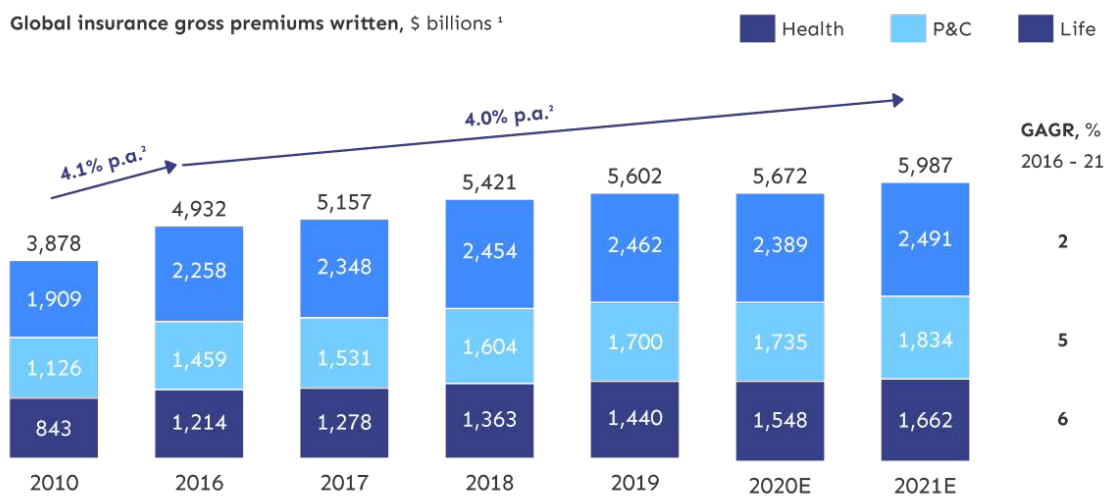
01

An Overview of the Ever-Changing Trends of The Insurance Industry

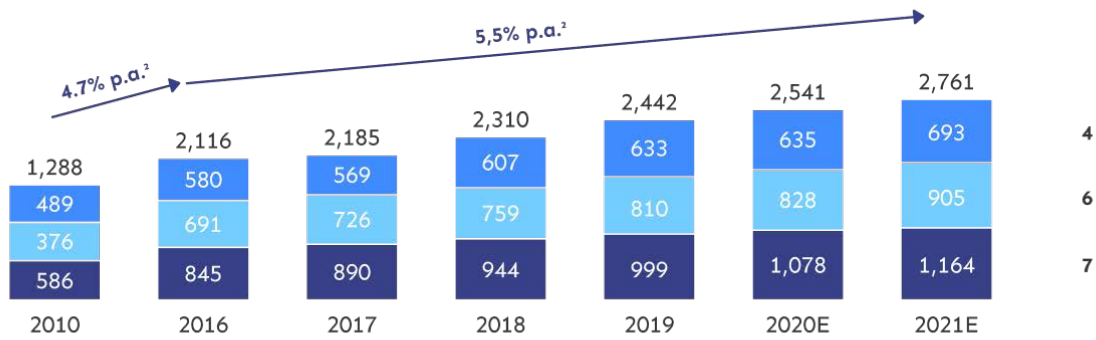
The industrial sector faced a massive transition in operations after the COVID-19 wave. The deadly wave turned out to be fatal for various industries, where the operation's pause or stoppage was excessively lossy and led to multiple changes in the sector. The insurance industry was among the list of industries that had to rapidly face the effects caused by the pandemic. According to several reports, a significant impact in the sector was observed when the growth was of only 1.2 percent/year compared to the metrics that always remained above 4 percent/year. Conclusively, it can be seen that the change was exceptionally great, and there was nothing that the industry could do to change its system.

Premium growth rebounded in 2021 after slowing in 2020.

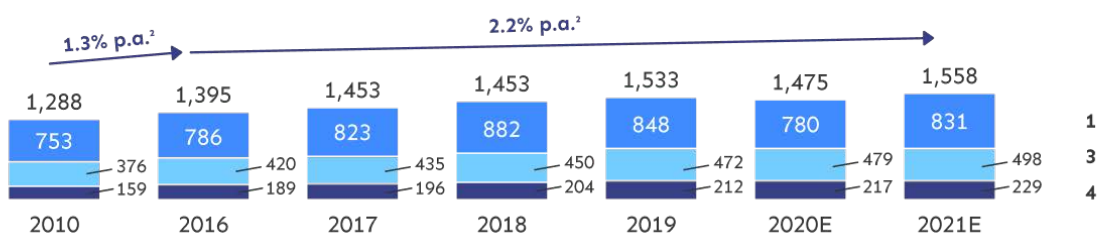
Global insurance gross premiums written, \$ billions ¹



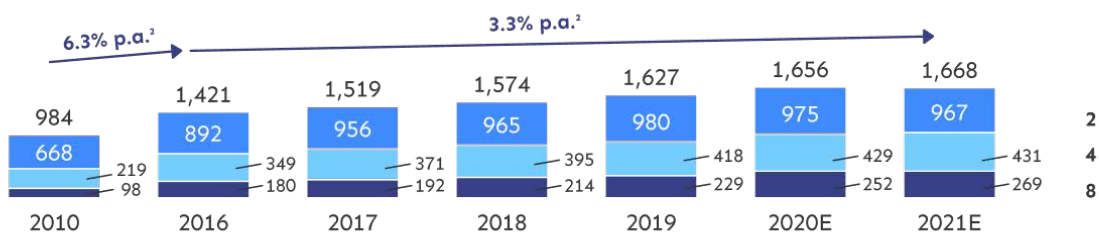
Americas



Europe, Middle East, and Africa



Asia — Pacific



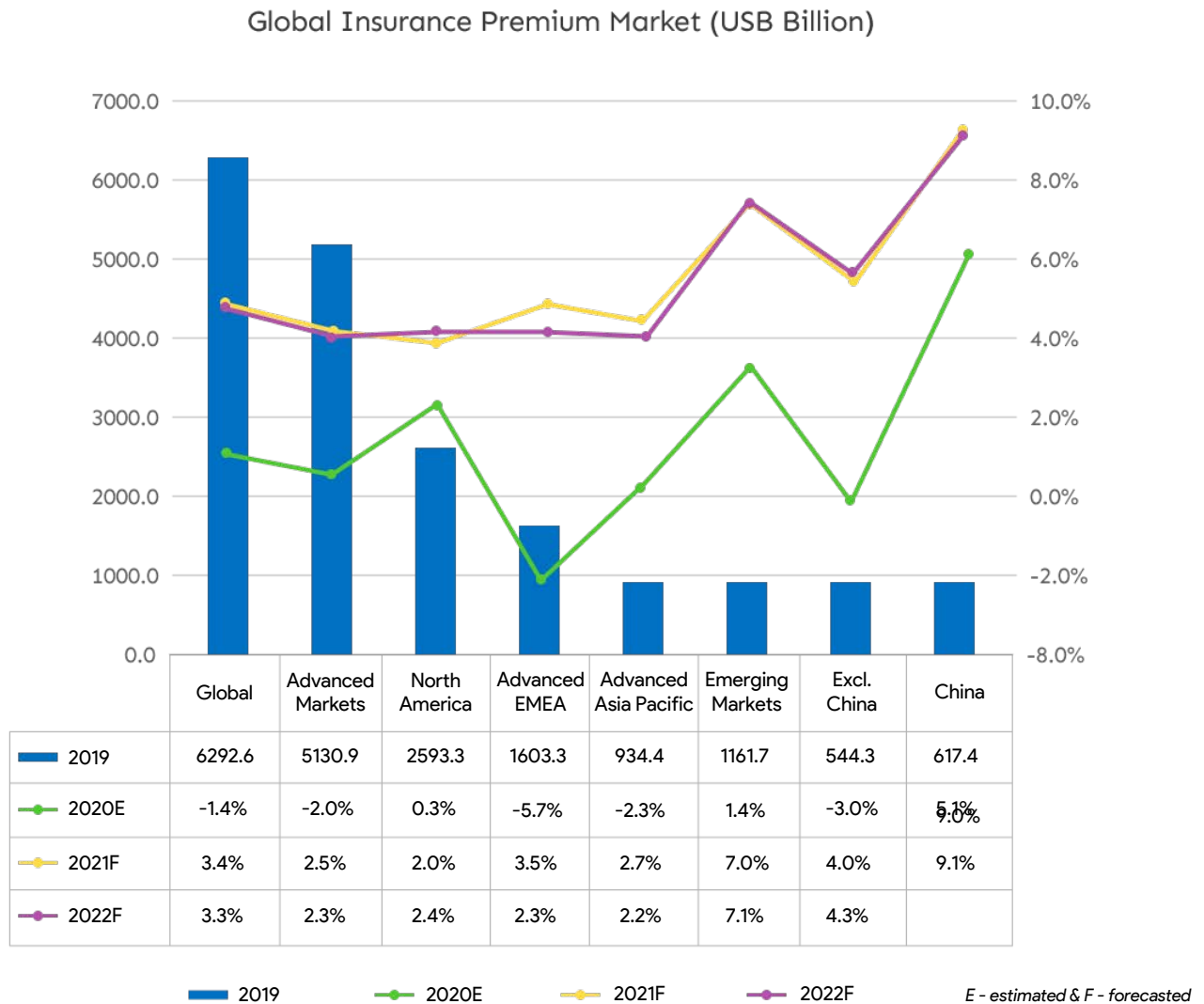
Note: Figures may not sum, because of rounding.

¹ Based on 2020 average fixed exchange rate.

² Per annum.

Source: McKinsey Global Insurance Pools

Every continent had to face the repercussions of the pandemic, which could be observed in the change brought across their industry in terms of growth. However, as the governments moved for support programs and the recession bottomed out across the professional sector, economic recovery was recorded for 2021. The year 2021 turned out to be a year of recovery for every industry, including the insurance industry. The profits plummeted to new heights in 2021 compared to the previous year, which was made possible due to multiple transitions and innovations introduced across the industrial sector.



Note: The global insurance premium market has been segmented into Advanced Markets and Emerging Markets.

Advanced Markets - North America (US and Canada). Advanced EMEA (UK, France, Germany, Italy, Netherlands, Ireland, Spain, Switzerland, Luxembourg, Sweden, Denmark, Belgium, Finland, Norway, Austria, Israel, Portugal, Malta, Liechtenstein, Greece, and Cyprus), and Advanced Asia Pacific (Japan, South Korea, Taiwan, Hong Kong, Australia, New Zealand, and Singapore)

Emerging Markets - Excl. China Markets includes Latin America and Caribbean, Emerging EMEA, and Emerging Asia Pacific countries.

Source: Netscribes Report on Insurance Industry Trends and Outlook

The insurance industry has always remained a controversial sector. Even before the pandemic, there were some evident problems and concerns which ultimately led to heightened leverage after economic insurgency hit the market. Structurally observing the industry, multiple factors deal with stunted growth that will eventually lose its relevance in the market. Although the organic demand for insurance has been increasing, the economic improvements in the industry are just a product of the price increase instead of the actual increase in the volume or coverage of risks.

The inclusion of innovation through digital means has become the last haven for insurance providers. Where the complete process has wholly become a marketing gig for people, the success of any company is based on improvising the perfect way of enhancing brokerage in the industry. Rather than providing insurers, the companies were heavily subjected to brokers that were majorly responsible for bringing clientele from the market. The following exhibit clearly depicts how much the industry can be automated and digitized to present a new model in the industry.

The automation potential of work activities varies by sector.

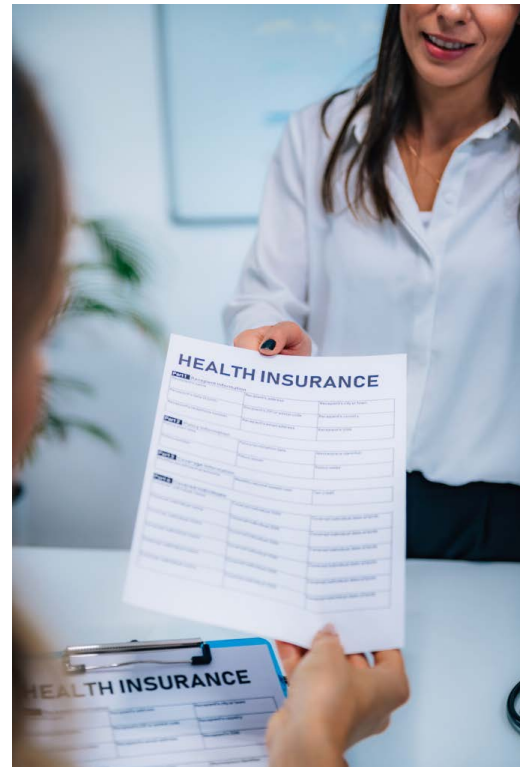
FTE' weigjted percent of technically automatable activities by industry, %



Utilities		43
Real estate / rental and leasing		42
Information		41
Manufacturing		40
Administrative / support / waste management		38
Arts, entertainment, and recreation		38
professional, scientific, and technical services		37
Management of companies and enterprises		35
Health care / social assistance		35
Educational services		32

Source: McKinsey

This shift, referred to as the paperless system, will benefit the industry in multiple ways. The enhancement featured by this transition is what will be discussed in this document. Introducing paperless systems has been quite beneficial in various ways, where companies, in general, have taken the authority of saving time and cost by improvising every important document as digital. With no use of paper in the insurance industry, insurers can cast out an essential element. The fight for the customer has changed, brought up by the provision of making paper digital.



02

How to Guide Yourself Into Becoming Successful Insurers in the Current Environment?

What exactly can guide an insurer into explicit supremacy in the market? The environment set and perceived by the industry has turned out to be quite detrimental for insurance companies. To counter it, an insurer should and must resolve some main questions to feature among the industry winners. Let's find out what and how this can be done in the industry's current state.

Demarcating the Boundaries for Enhancing Shareholder Value



Insurance companies operate under a different model compared to any other industry in the market. When it comes to increasing and improving shareholder value creation, the requirement directly involves the profit gained across operations. To manage profits and increase its number, the price of every unit or service needs to be processed again. Although this is the most straightforward direction one can take, increasing the unit price needs to be appropriately assessed and caressed by the insurer. While tackling all obstacles of market competitiveness and customer retention, increasing the cost of the service by a small percentage can be quite beneficial in the longer term.

Another direction that an insurer can take is to inculcate the concept of lowered service prices, leading to an increased customer rate. This will help them sell their services at a higher rate and grab a more significant market share with tactical management of the overall service costs. Another study has referred to the intrinsic increase in shareholder value with the help of mergers and acquisitions as the basic strategy of setting up control in the industry as an insurer.



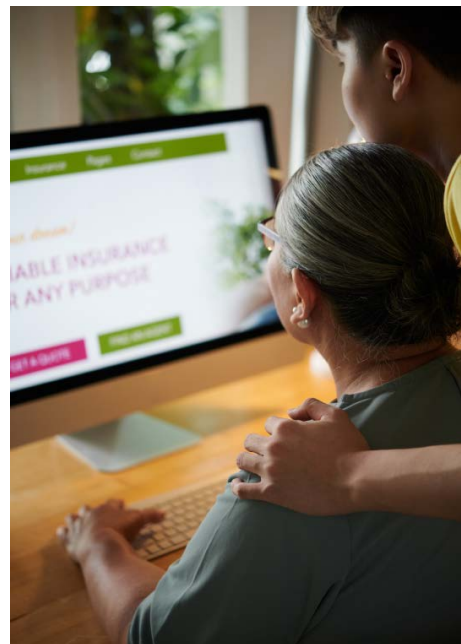
■ Providing Better and Enhanced Customer Experience in the Insurance Sector

Improving customer experience is one of the finest techniques for bringing value to your work across any industry. Talking about insurance companies, these services are majorly based on the customer experience that is reported to the market. The only particular and appropriate way to succeed in the market is to ensure a perfect customer experience, which can be adequately influenced with the help of digital elements.



Introducing a paperless environment and saving the customer's time can be pretty helpful in unlocking the demand and improving their experience. While you help them save their trip to the insurer at every instant by including digital products for managing all the paperwork, this would turn out to be quite beneficial and exponentially profitable in the long run. As far as the image of the insurer is concerned, digitizing the services can also provide the customer with the opportunity of avoiding the physical inclusion of documentation for creating insurance documents.

Simplifying and personalizing the experience can be one effective way to improve customer experience. Providing transparency in the insuring procedure can also be quite helpful for the customers. Where frauds are widespread, introducing such digitized and controlled systems would offer customers a clear picture of every detail and provision involved in the insurance. Such an investment is fruitful and explicable, which is a clear win-win for all stakeholders involved in the process.



■ Stunted Growth - Building An Answer to Guide Better Productivity



There are multiple cases, possibilities, and instances where you lack productivity and fail to bring something new to the market. This essentially stagnates your entire profitability and makes everything mainstream for you. With no innovation, insurers do not find something that can help them create a great position in the market. Overcoming stagnant productivity can only be encountered by improvising innovation.

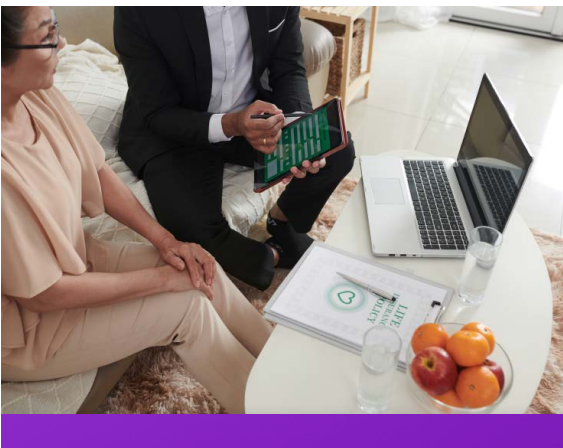
Using digital influence can excessively benefit a platform in improving productivity. While they save time and cost with such systems, they can embed more services and give time to more clients in the same environment. With the help of such opportunities, it is entirely possible to overcome the problem of stagnant procedures.

■ Retaining Employees Under the Talent Proposition - A COVID-19 Repercussion

COVID-19 has brought changes in all departments, including the employees heavily influenced by the pandemic. The accessibility to work became so complex, which made people directed into new divisions and ventures. This led to a lacking talent across the industry, which needs to be addressed. The path to breaking the odds and becoming a leading venture across the industry requires manpower that is effective and beneficial to the system.

The need for talent rose; however, the availability of talent was leading to an all-time low. The need to shift the system towards a digitized process became a necessity which can help influence employees to find an opportunity to grow in the insurance industry.

While the paperwork is influenced by a digital trend with the help of tools, the use of tools in managing every important department of the company was also set as a requirement. A company's growth is entirely based on the talent they hold, which is why insurers are looking to employ people who rightfully understand how to digitize the procedures and make them beneficial for the customers.



■ Influencing the Society to Adopt the Changing Trends of Insurance Companies

Insurance is majorly based on benefiting people in times of need and urgency.

Although any insurance's end product and result remain the same, the method of providing access to the customer holds importance. To frame the purpose properly, the industry needs to understand the need of the hour.

Customers and users are heavily influenced to use digital items to remain known of the daily news. Insurers need to realize the need to shift their focus onto accessing customers through digital means. Rather than focusing on papered advertising, they can shift to paperless advertisements targeting more users. Using such techniques, they can frame the purpose of the industry in a better way and engage with society through better techniques.

03

Comparative Analysis Between Paper-Based and Paperless Insurance Companies

Why is the paperless system better across the insurance industry? Using a digital methodology to improve insurance methods is an excellent initiative that a company can take. However, one might need to know why they should go for a paperless system instead of a paper-based process. This part will provide a comparative analysis between both models and guide companies into a proper adoption.



■ Saving the Needed Space

Paper-based systems always take up more space. Saving up documents and organizing them requires an area where they can be contained. This increases the cost of the occupied land and requires investing more in resources to cover all needs. Diversifying paper-based physical documents with a system that requires a single hard drive to contain all data is exceptional. Insurers will be able to have more space to accommodate clients and employees, which is a win-win.

■ Protecting Data From Disaster

Having a paper-based system of keeping documents is prone to disasters. With such vulnerabilities, insurers cannot protect their paperwork from getting damaged for several reasons. The need of the hour is to counter all physical threats to the data, leading to a paperless environment. To counter all threats in the paperless model, insurers can keep copies of their data.



■ Find Required Data Through Heaps Easily

Locating something important across a document is a proper task across a paper-based model. Shifting into a paperless document management system can help insurers easily find essential data and details. The search option offered across a digital tool is far more proficient than a room full of directories arranged in alphabetical order.

■ Signing Documents Electronically

Signing documents is a complete feat in the paper-based models of insurance companies. From the completion of the form to its printing, faxing, and signing, it takes a lot of time to expedite one process. Digitizing the process with the help of tools can guide towards a system that avoids all delays in executing a process.



04

How to Influence Digitization in the Insurance Claim Process?

It has been stated that insurance companies can proceed toward digitizing their processes. To provide an insight into how this industry can be influenced by digitizing the system, this part will take up the responsibility of providing a guide on how the insurance claim process, one of the major processes, can be influenced by digitization. There are a few steps in the insurance claim process, which come with long hours of travel, and time waiting for it to be processed.

Adding a digital approach to this process makes it swifter and replenishes the extra expenses. Let's find out how:

Step 1: Once you apply for insurance online, the company gets an estimate of the annual cost or the premium used for a specific purpose. All the provisions for assessing the risks of covering the price of a home, car, or business can be provided across the digital form. Once submitted, the company can look into all the details related to the user with the available data across the database.

Step 2: A premium is set for the applicant that is to be submitted by them on a monthly or annual basis. While the complete answer and the necessary provisions can be provided through digital means, the applicant can submit the premium without even going to the insurer.

Step 3: The insurance company puts all money in a pool and uses it to pay up the losses of the applicant who has put in a claim. All the applications for the claim are processed accordingly through digital means. All important and necessary signs are taken electronically, and the rest of the required provisions are dealt with.

Figure 1: Perceived Areas of Need to Improve Underwriting Performance

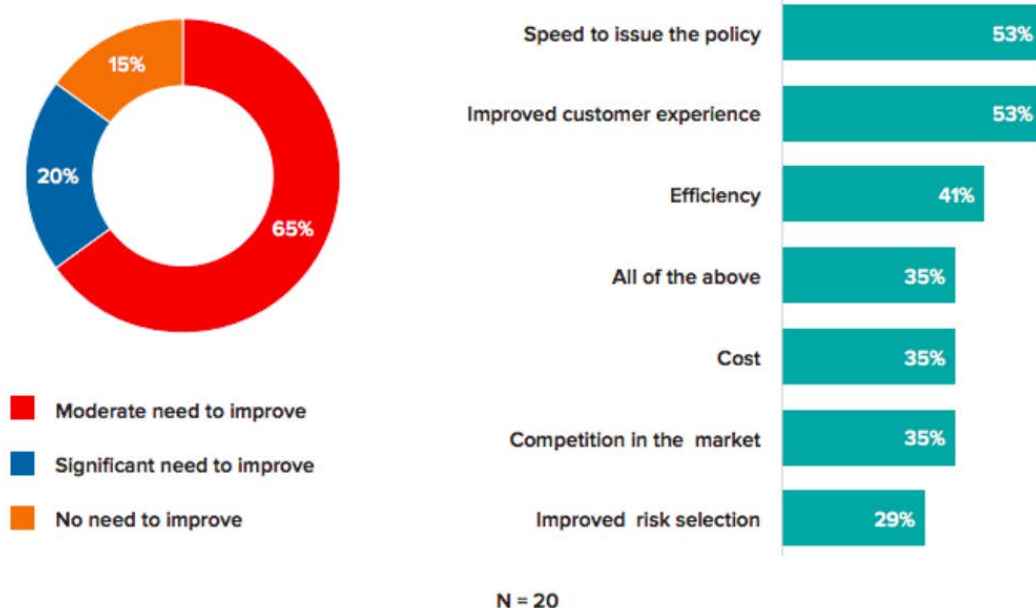
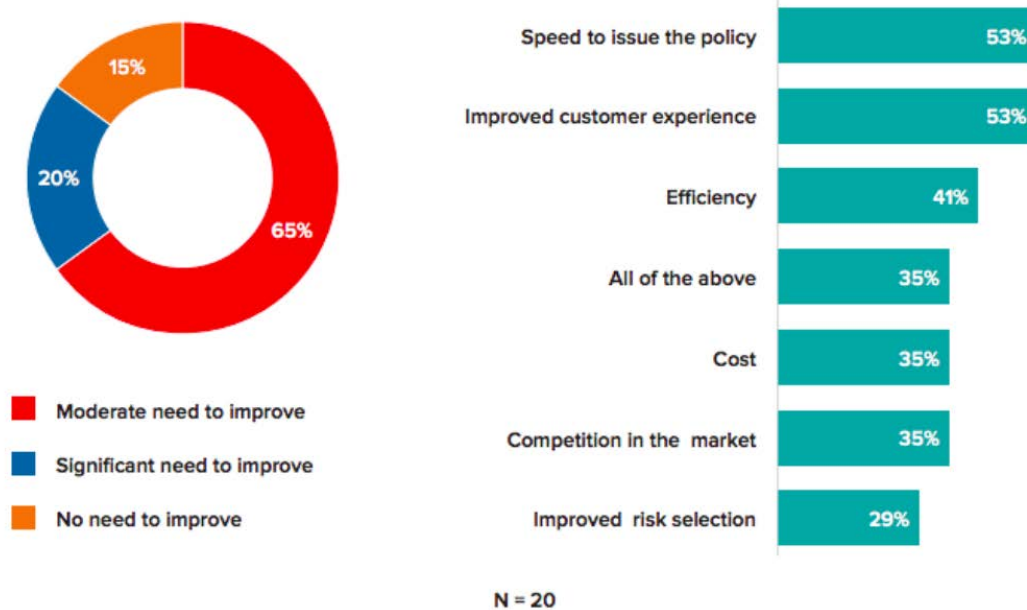


Figure 1: Perceived Areas of Need to Improve Underwriting Performance



Source: RGA

05

Prominent Trends in Insurance Industry - Towards a Digitized World

The data provided previously has shown the proactiveness that is evident across the insurance industry in terms of the digital adoption of technology. Several trends across the insurance industry have risen, intended to bring profitability across all central departments. The rise of these trends depicts how the insurance industry is directing itself to the digital procession.

■ Artificial Intelligence and Automation to Manage Claims

The need to have brokers and paperwork has been heavily dismissed by the involvement of artificial intelligence in the claiming process. AI algorithms use behavioral economics to set up messages and automate the process. Users can easily sign in for insurance claims across online systems powered by AI. These assist greatly in covering the major conversation to cover the insurance queries.



■ Adopting Blockchain Across Mainstream Databases

Blockchain technology has been a great innovation that has started to gain traction in the professional market. Its ability to save and secure data presented a direct opportunity for insurance companies to hold their client data. The data management and security offered across the system, along with the ability to cater to the transfers of data, presents a unique chance for insurance companies to adopt blockchain technology and make their insurance procedures, transactions, and applications a part of a technology that represents immutable data.

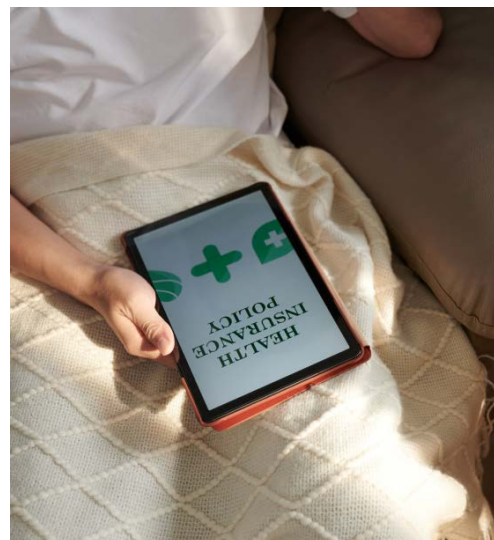


Predicting Customer Behavior with Analysis

Predictive analytics for understanding customer behavior is an excellent step toward enhancing and improving customer interaction. Insurance companies are looking forward to adopting and normalizing predictive analysis for reviewing customer behavior. As the risks of cancellation are frequently highlighted through this analysis, insurers will be able to target and tackle all prevailing threats that exist for consumers. The ability to properly anticipate threats and different claims is an encouraging step towards automation in the insurance industry.

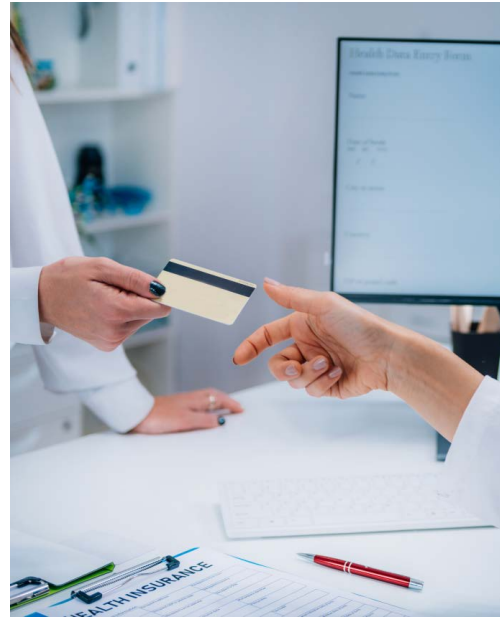
Personalization of the Insurance Procedure

Implementing digital trends across the insurance industry is bringing up new models in the system. The current system of paper-based insurance comes up with a considerable distribution cost. To counter this cost, the adoption of digital models is evident. With the ability to personalize every procedure with digital innovation, these trends would turn out to be a significant change in the dynamics of insurance companies in the long run.



■ New and Quick Partnerships

Previous partnerships between insurance firms and other stakeholders came with detailed meetings. The complete process and evaluation of the partnership were done there, which took up more time and cost for the parties involved. To counter this, using digital methods to take in signatures electronically saved insurance companies a fortune.



■ Contacting Through Social Media

Social media has turned out to be a great source of communication for people around the world. The adoption of contacting through social media by insurance companies has been a great decision. Where users are more involved and interested in social media, targeting the right market through different marketing techniques is the plan that insurance companies have adopted.



06

How Can UPDF Help Insurers Unlock Their Digital Strength?

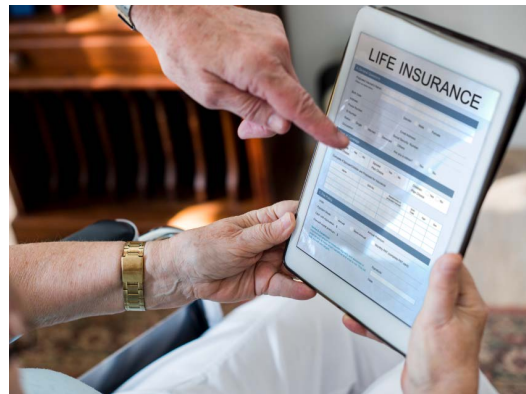
While selecting the tool that can help adapt the paperless system, insurance companies have been inclined towards adopting UPDF. This PDF editor features itself as one of the best PDF management software with various features. While UPDF is a feature-rich option in the digital market, it can provide insurance companies with exceptional ease. To convince how insurance companies are unlocking their digital strength through UPDF, go through some helpful points as provided below:

- Insurance documents, including claims, agreements, and policies, are quickly signed with the feature offered by UPDF. Signing PDFs across the PDF editor is exceptionally easy. Use the keyboard, mouse, or trackpad to write or draw your favorite signatures. The signatures can be legally binding, providing insurance companies with an intuitive option of signing documents without having them printed.





- While documents are kept digital, editing them across UPDF is easy. The personal information and other details relevant to the insurance document can be easily written across it with the help of PDF editing tools. UPDF offers the ease of assessing customer information and changing it accordingly without disrupting the document's formatting.
- Paper documents can also be made paperless with the OCR feature offered by UPDF. This allows you to scan and turn the document into a PDF which can then be easily edited with the help of the right tools. PDFs are not only editable but can also be searched easily. UPDF makes documents interactive, which is a great sign.
- Customers can easily discuss insurance plans across online meeting platforms. While discussing a specific plan, annotating the document must explain different provisions. Use UPDF to annotate the PDF to explain customer conditions and details.
- Insurance companies have a heap of paperwork to deal with. Using UPDF to archive these documents in PDF/A format is helpful. Paper and digital documents can be stored, sorted, and kept safe. PDF/A format makes the content static and allows users to keep their records secure and protected. All threats of losing the data are lost after formatting it in PDF/A.



Being an insurer, you might feel quite confident in digitizing your insurance procedure by now. Although COVID-19 has been a significant threat to the survival of the insurance industry, it has been realized that digitizing the process and the industrial procedures is essential. With an overview of how you can effectively guide yourselves into becoming a successful insurer in the market, it has been displayed how digitizing the system would catalyze the whole process. Following the comparative analysis of the industry in the paperless and paper-based nature, different prevailing digital trends have been discussed within the insurance industry. An overview of UPDF as a savior to this process has been provided to guide you into executing it completely. This surely would help you set your procedures straight across the industrial process.

Have any questions, please let us know at
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