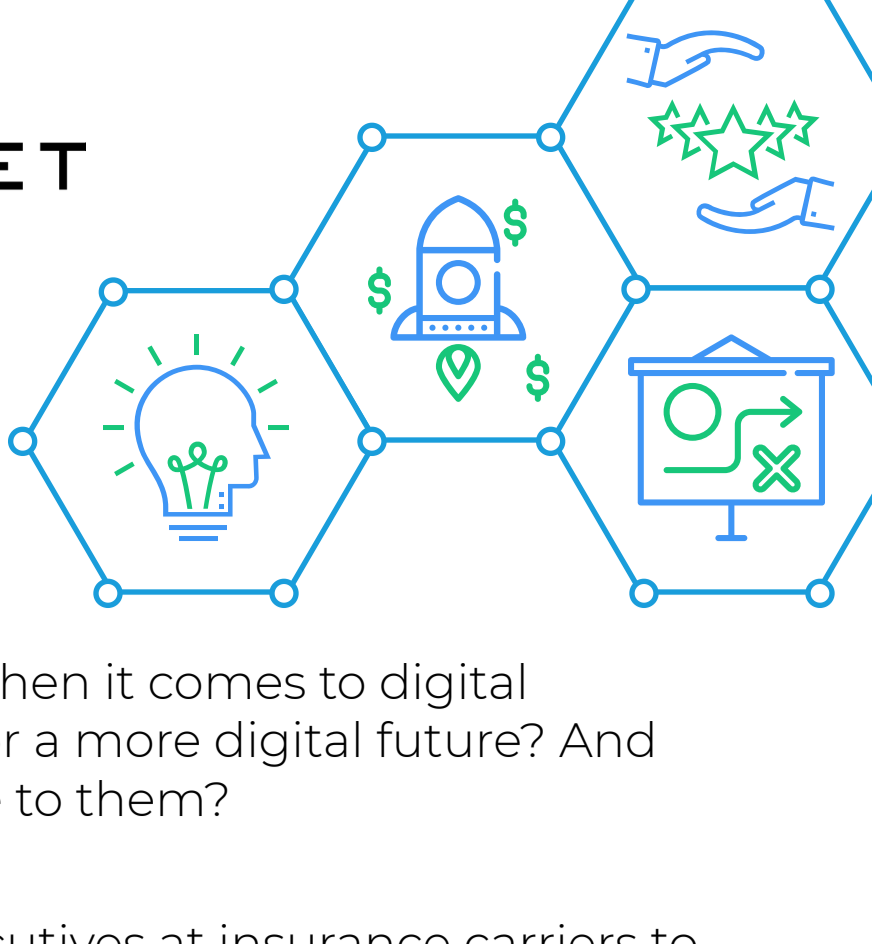


Future of Insurance Software



The Insurance Industry tends to lag behind when it comes to digital innovation, but are insurance carriers ready for a more digital future? And what do they value most in the tools available to them?

Pulse and Waterstreet surveyed 100 tech executives at insurance carriers to find out their predictions about P&C industry growth and market trends, and learn how they see the future of insurance software solutions and products within their own organizations and in the industry as a whole.

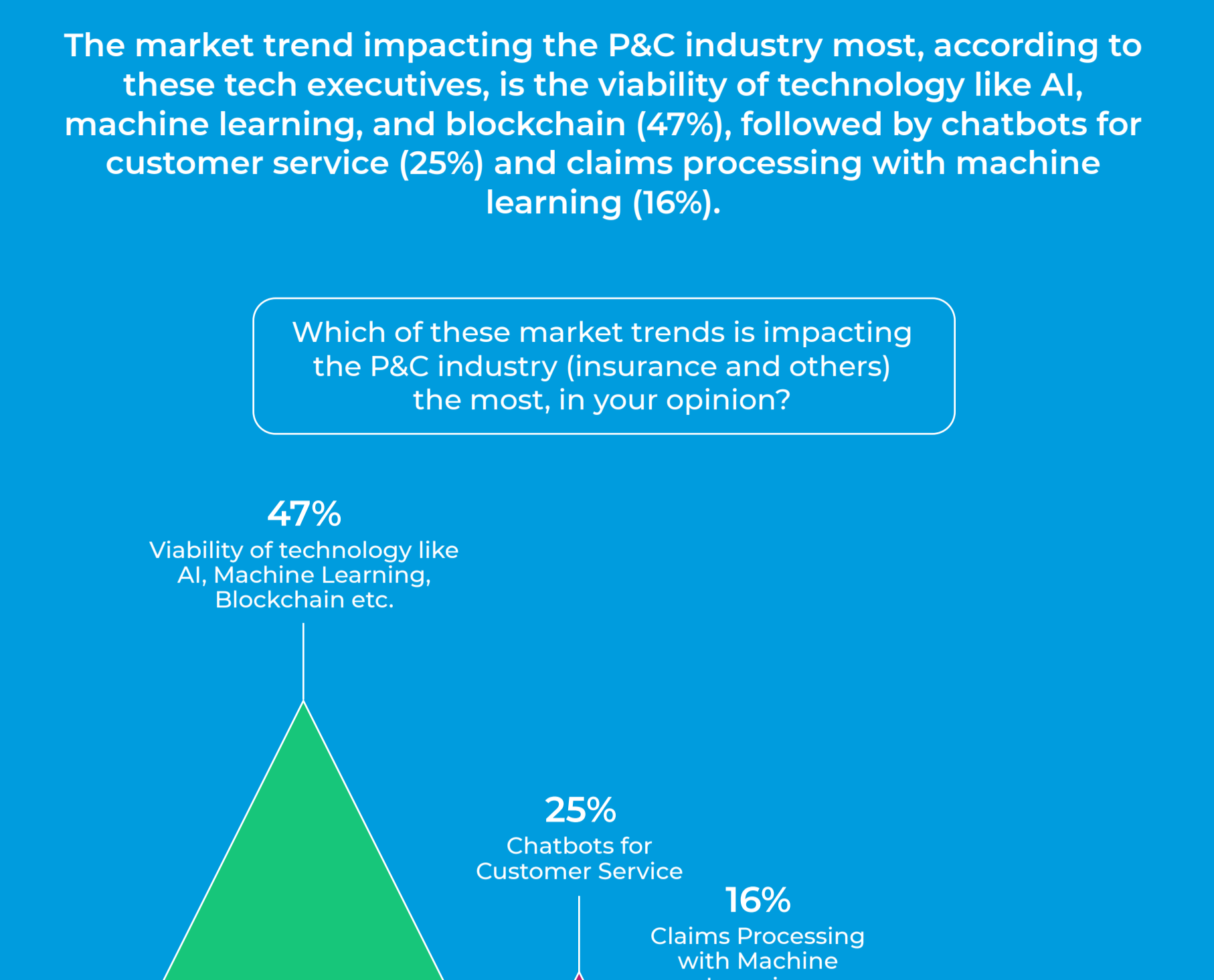
Data collected from March 26 - May 24, 2021

Respondents: 100 tech executives at insurance carriers

TECH EXECUTIVES AT INSURANCE CARRIERS SEE A DIGITAL FUTURE FOR INSURANCE

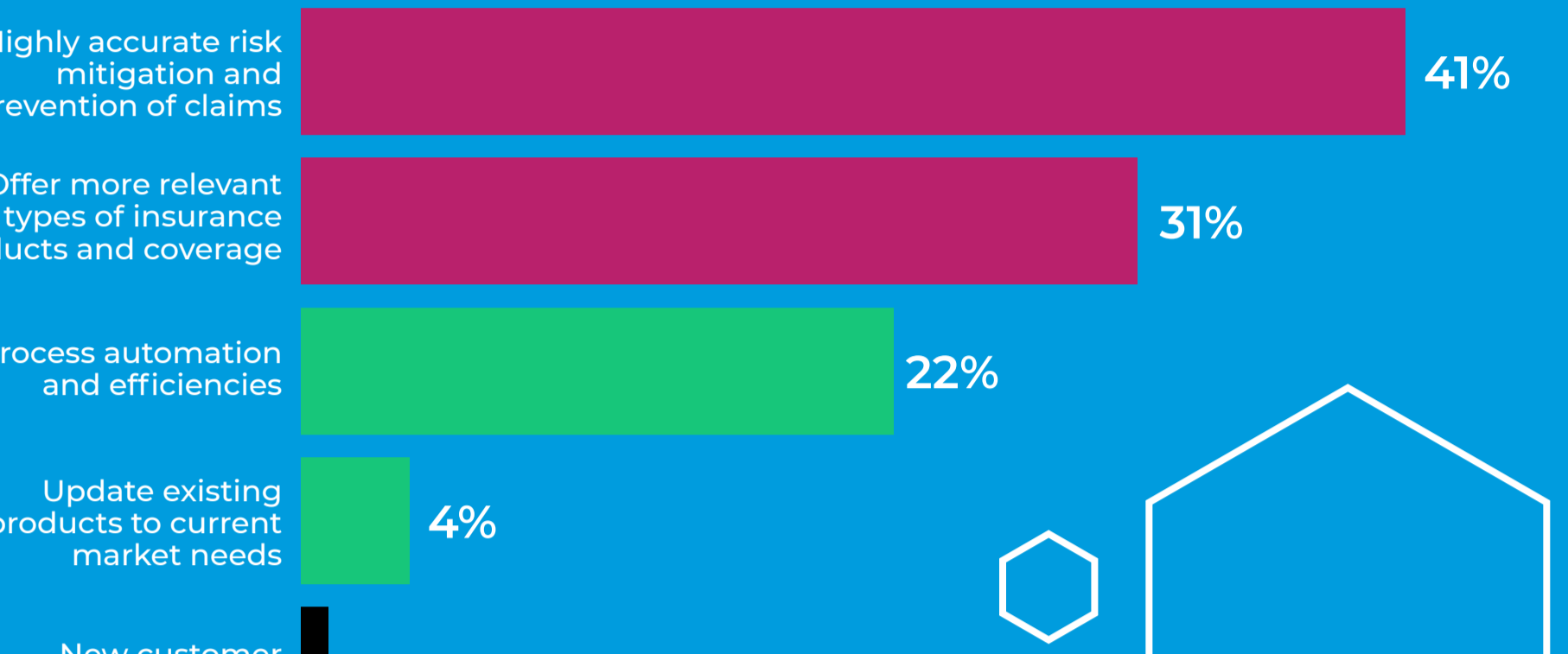
More than half of tech executives at insurance carriers (59%) believe emerging startups and insurtechs will be most responsible for leading the growth of the insurance industry.

In your opinion, which companies do you think will be most responsible for leading the growth of the insurance industry?



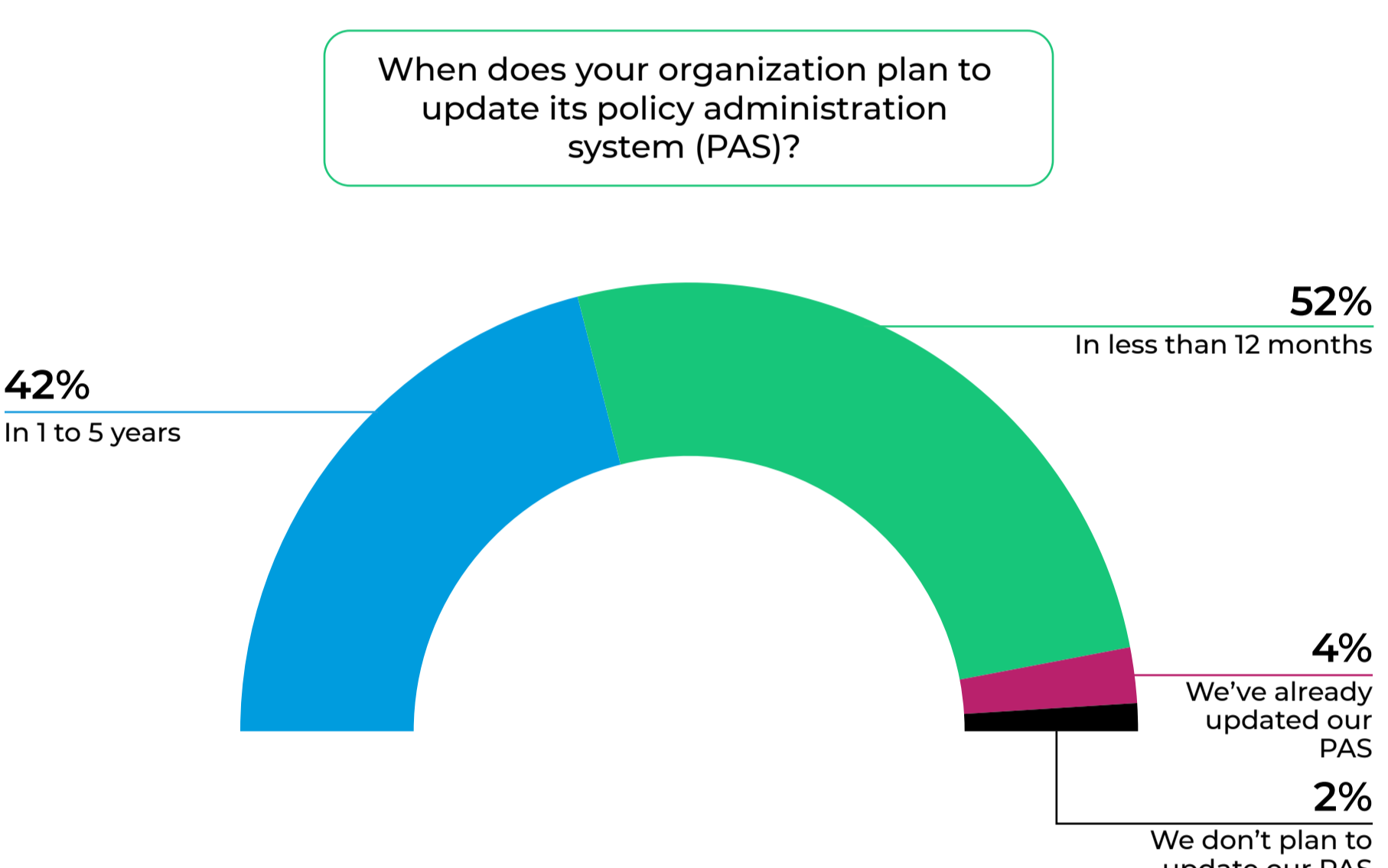
The market trend impacting the P&C industry most, according to these tech executives, is the viability of technology like AI, machine learning, and blockchain (47%), followed by chatbots for customer service (25%) and claims processing with machine learning (16%).

Which of these market trends is impacting the P&C industry (insurance and others) the most, in your opinion?



Plus, process automation and efficiencies (22%) are seen as one of the top three most likely profitable growth drivers for insurance businesses, alongside highly accurate risk mitigation and prevention of claims (41%), and offering more relevant types of insurance products and coverage (31%).

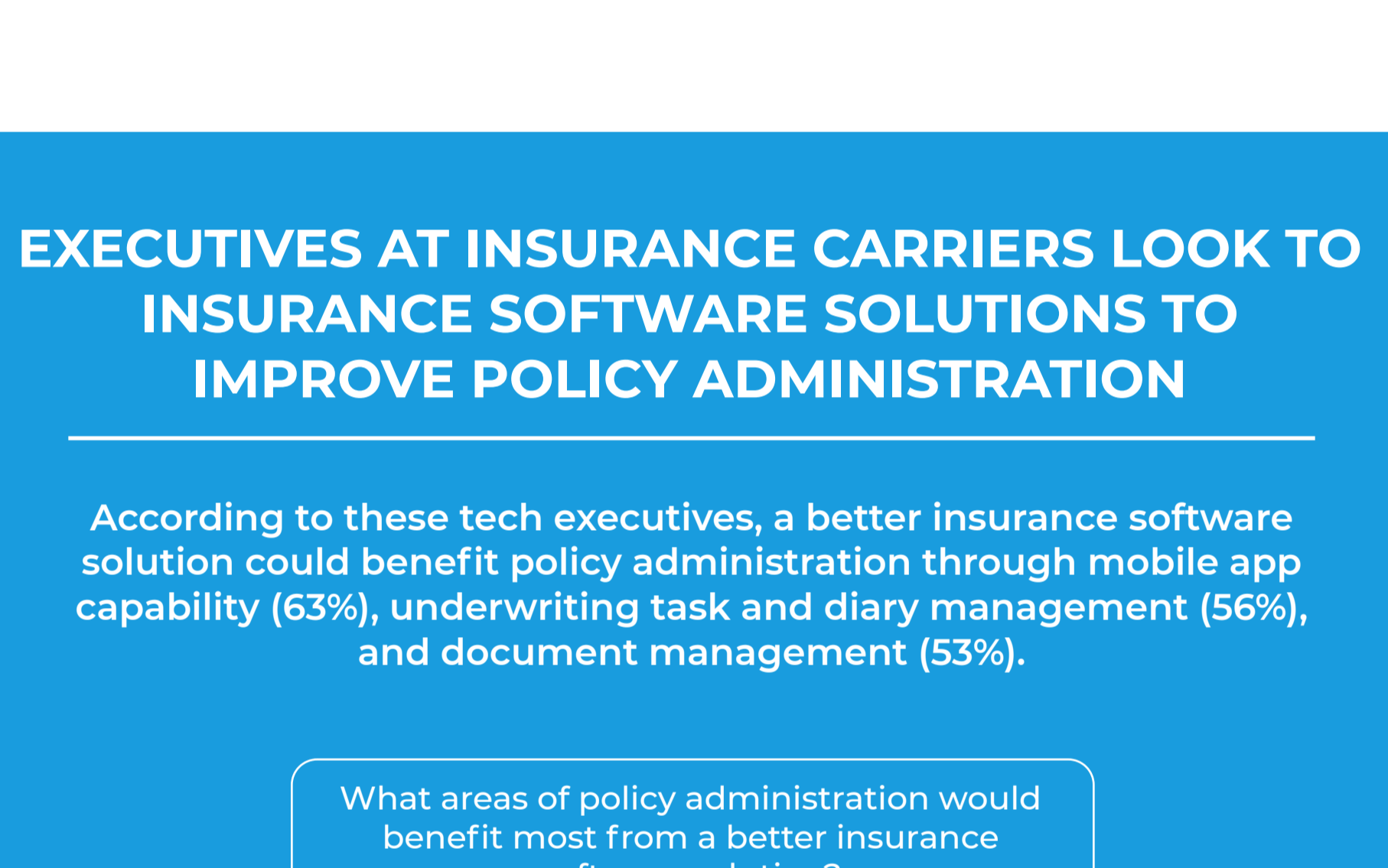
Which of these is the most likely profitable growth driver for an insurance business?



MOST TECH EXECUTIVES LOOKING AT CHANGING THEIR POLICY ADMINISTRATION SYSTEM, BUT PREDICTIONS ON HOW THESE WILL BE MANAGED ARE SPLIT

Most tech executives at insurance carriers say their organization plans to update its policy administration system (PAS) in less than 12 months (52%).

When does your organization plan to update its policy administration system (PAS)?



In predictions about how P&C policy administration systems will be managed in the next 10 years, Internal IT teams (43%) narrowly beat third-party consultants and system integrators (40%).

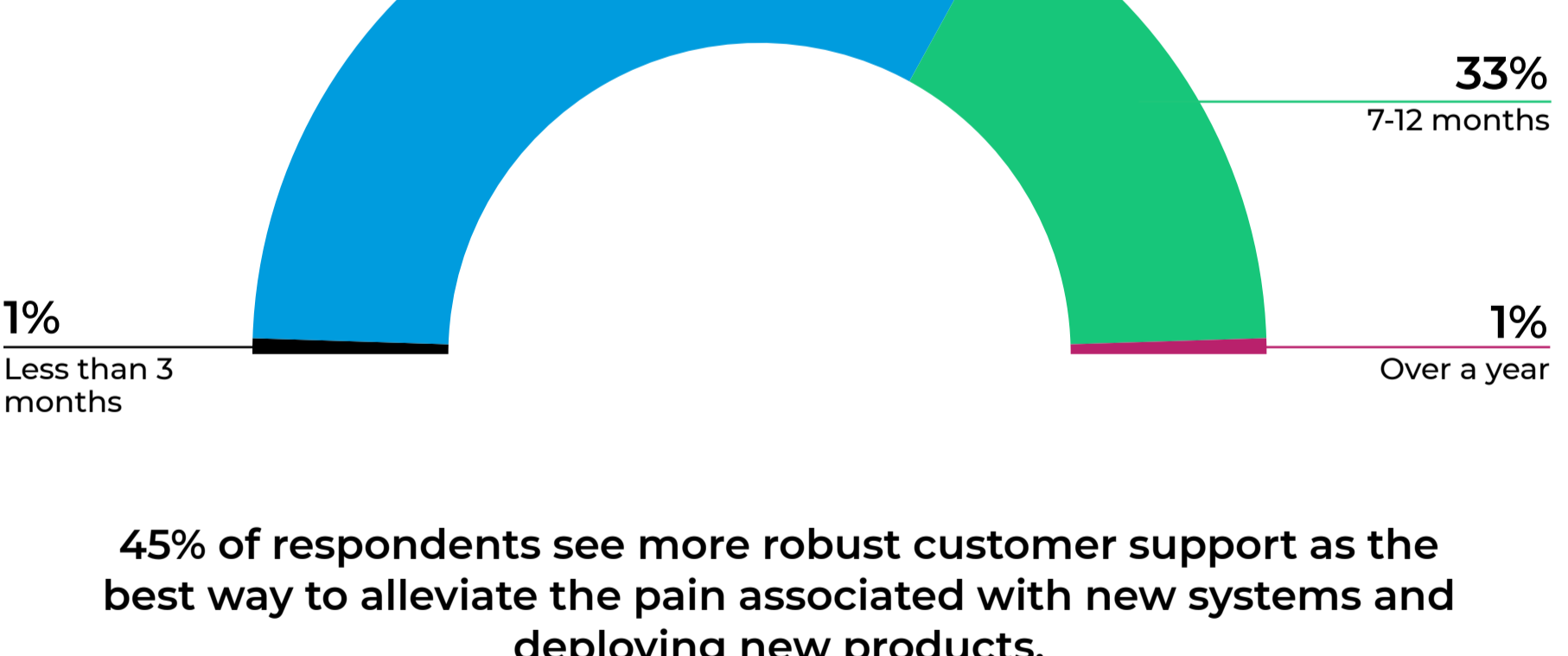
In your opinion, how will P&C policy administration systems be managed in the next 10 years?



EXECUTIVES AT INSURANCE CARRIERS LOOK TO IMPROVE POLICY ADMINISTRATION SOFTWARE SOLUTIONS TO IMPROVE POLICY ADMINISTRATION

According to these tech executives, a better insurance software solution could benefit policy administration through mobile app capability (63%), underwriting task and diary management (56%), and document management (53%).

What areas of policy administration would benefit most from a better insurance software solution?



The top three characteristics tech leaders at insurance carriers look for when evaluating a new insurance software solution are 1) intuitive user interface design, 2) easy ongoing maintenance and system management, and 3) speed to market.

When evaluating a new insurance software solution, what are the top 3 characteristics you look for?

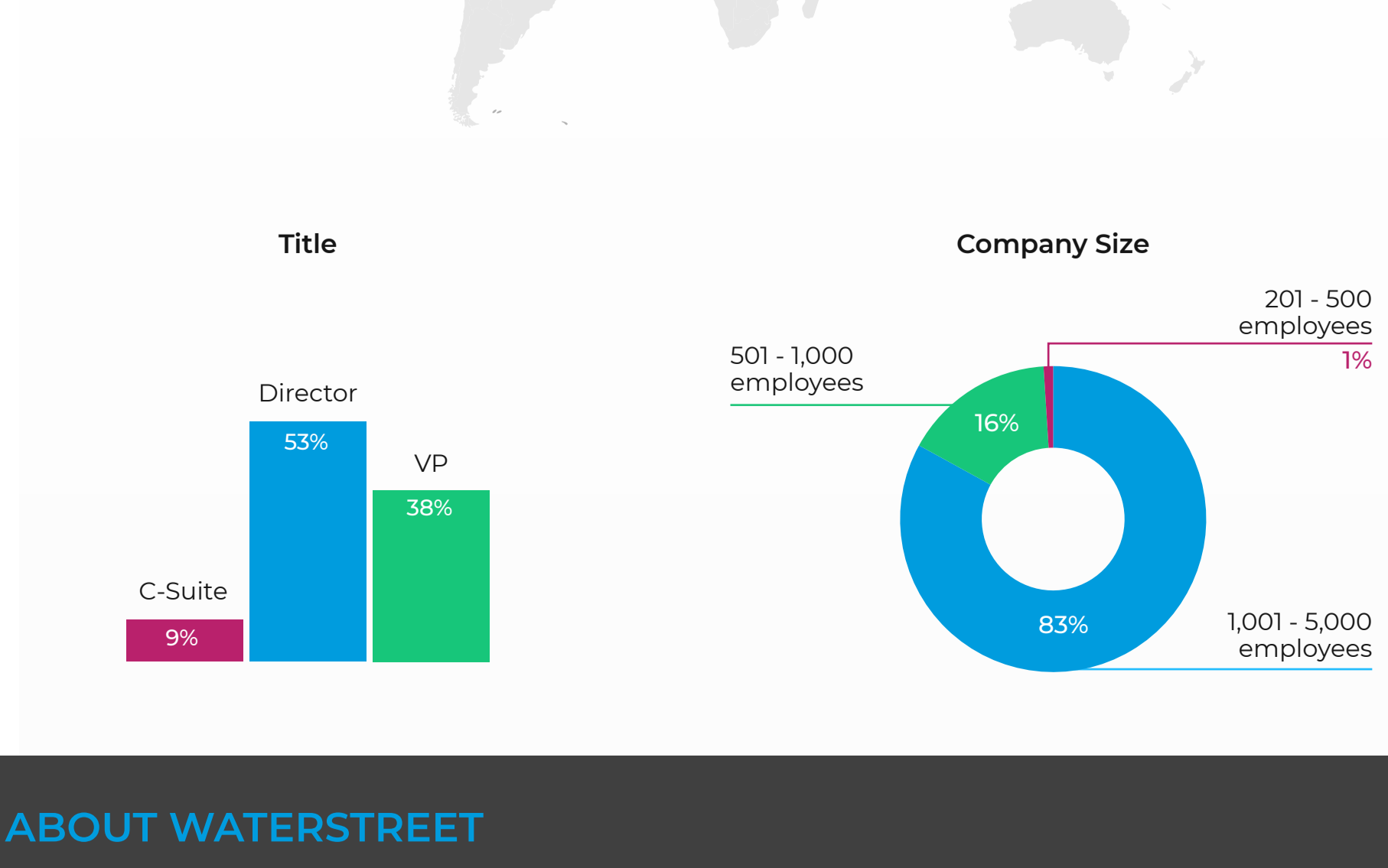


- 4. Automation and integrations
- 5. Configurability
- 6. Cost efficient
- 7. Strong security and privacy

MORE ROBUST CUSTOMER SUPPORT AND DIGITAL PAYMENT SOLUTIONS THE WAY FORWARD FOR NEW SYSTEMS AND INSURANCE PRODUCTS

Most businesses (65%) spend 3-6 months designing, testing and deploying a new insurance product, but one-third (33%) need 7-12 months to complete that process.

How long on average does it take for your business to design, test and deploy a new insurance product?



45% of respondents see more robust customer support as the best way to alleviate the pain associated with new systems and deploying new products.

Looking forward, which of the following would most alleviate the pain associated with new systems or deploying new products?

80% of tech leaders at insurance carriers believe digital payment solutions will be one of the most important third-party integrations and innovations their organization will implement over the next five years. More than half also consider customer portal or phone apps (58%) and fraud detection software (56%) among the most important for the future of their organization.

Over the next five years, what are the most important third-party integrations and innovations your organization will implement?

Respondent Breakdown

ABOUT WATERSTREET

Founded in 2000, WaterStreet is a company of property & casualty insurance industry experts passionate about transforming and optimizing our clients' operations through remarkable customer experience, workflow optimization, and cutting-edge technology to grow with our customers as they achieve success. We offer a cloud-based P&C insurance platform along with a suite of policy administration services to our clients to help them scale and grow their business optimally.

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