In$urance
CIO
Outlook
TOP 10
INSURTECH
COMPANIES
IN EUROPE - 2018

addactis
Automating the Insuretech Back Office

Markus Bernhart

With the advent of insuretech, the insurance industry witnessed a massive transformation right from accelerating customer on-boarding to automation of underwriting. The entire front office side of insurance has been significantly influenced by digitalization. On the contrary, not much of this disruption has impacted the back office functions and specifically the actuarial side of the insurance space. This gap, however, has established a consequential need for the modern insuretech to bring coherent applications that enable actuaries to be at par with front office even under changing market circumstances. addactis stands successful in bridging this gap through its robust set of insurance software solutions covering a wide range of (re)insurance needs such as pricing, reserving, reporting, and modeling. Markus Bernhart, Director of Business Development, addactis, says, "We have developed an insurance product that deals with all the operations associated with fluctuating parameters such as profitability and regulation while ensuring a tight blend of insuretech and regulation tech."

Deemed to be relatively mature in the insuretech demography, the European insurance back office endures a tough choice between business-driven automation and IT-driven automation. In IT-driven automation, the actuaries need constant assistance from IT teams to go about their automation endeavors like performing data preparation. addactis addresses this challenge through its addactis workflow tool that determinately follows a business-driven automation model and helps actuaries with data preparation, data transformation, and channelization, eliminating actuaries' dependency on IT for automation related functions.

The addactis software also interfaces with existing systems of the client through a myriad of import and export functions along with specific user interfaces. "The addactis software bridges the gap between old legacy insurance systems and modern web-based tools in order to ease critical business systems and functions executed with utmost independence while being embedded into the existing context of applications," explains Javier Aparicio Hurlot, CEO of addactis Latina based in Bogota.

Addactis offers insurers with a product to boost profitability on the non-life (property & casualty) side encompassing various actuary pricing methods. Addactis Pricing also integrates a basic data science module, machine learning and price simulation modules along with a feedback functionality. The product requires minimal training and goes up and running across the client's system in two days.

My Policy from the UK has been a longtime user: "We needed actuarial software that is quick and easy to use, so that we can be agile with our pricing in the crowded motor insurance market. addactis Pricing has a user-friendly interface and a simple data import function, allowing us to spend more time on creating and fitting the best models. The output is easy to interpret, making it easy for us to deploy them at a rapid speed in order to generate the most value out of our data."

> ## The addactis software bridges the gap between old legacy insurance systems and the modern web-based tools

addactis also provides a modeling platform including a model library of standard models as well as software for reserving, called IBNRS, and reporting, called One. All of the components work together and can be customized to deliver solutions ranging from IFRS 17 to reinsurance optimization. Bernhart cites a case study of a multi-national European conglomerate. addactis' solutions, despite strict regulatory demography of the diverse locations that this company operates in, stood instrumental in adapting to the regulatory needs of the customers and delivered a robust insuretech offering.

Currently, with a strong presence in Europe, addactis has marked its eminence by establishing addactis hubs in the markets of Latin America (Bogotá) and Asia (Singapore). addactis plans to expand to Africa next year while adding more distribution partners worldwide such as actuarial consultancies, software vendors and IT integrators. The company aims to extend its business across each time zone, catering not just to the local but the multi-national insuretech world. **IO**