

A hand holding a vintage compass over a coastal landscape. The hand is holding the compass open, showing the needle pointing towards the top. The background is a blurred view of a coastline with waves and a distant landmass under a blue sky. The hand is wearing a red sleeve.

# Roadmap to a Successful Digital Transformation in Life Insurance & Annuities

Thought Leadership

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# Introduction

Digital transformation is no longer just a trending topic on which all industries have their sights set, instead, it has become a necessity for companies that want to be competitive, modern, and able to generate value for their customers.

The insurance industry has spent years discovering and adapting at the same time on the path of digitalization. However, it was during the year 2020 that due to an unexpected event, the transformation process had to be accelerated to respond to this complex situation.

The Life Insurance & Annuities industry (L&A) was no exception during the pandemic, as it is a complex industry where interactions with customers are overly sensitive, some companies proved to be closer to their customers by understanding and adapting to their needs.

The responsiveness of some savvy companies was impressive, they were able to reinvent themselves very quickly and respond to their clients in new digital channels or by carrying out processes that were previously only face-to-face in a new digital format. The capacity to pivot and go forward to set a new course is key in the transformation of companies.

Times change, customers' needs change, and technology evolves. Technology must be an ally for insurers on their digital path, acting as an enabler for customer experiences to become increasingly smooth and seamless. It will be increasingly key for insurers to meet the challenge of improving efficiency and effectiveness by digitizing and automating some of their current operations.

The organizational structure of some Life & Annuities insurers, coupled with their legacy technology stacks makes digital transformation an initiative difficult to address.

Optimizing data usage has probably the greatest potential for the insurance industry and ensures that innovation is promoted within the industry. (For more information on this topic check our document [Data Across the Insurance Value Chain](#)).

Insurers generate enormous amounts of different data daily, data that at some point must be analyzed and made meaningful, allowing companies to have a better understanding of their operations and customers.

Going forward, insurers will evolve to become data-driven companies, where they can know their customers better, and connect intelligently with customer expectations for products and services.

On the road to transformation, Life & Annuities insurers can either walk alone or with a partner. If they opt for the second option, it is of foremost importance to choose the right partner and ecosystem, as a strategic partner with whom they can reach a win-win scenario in the most appropriate ecosystem will help to generate added value in insurance products and services.

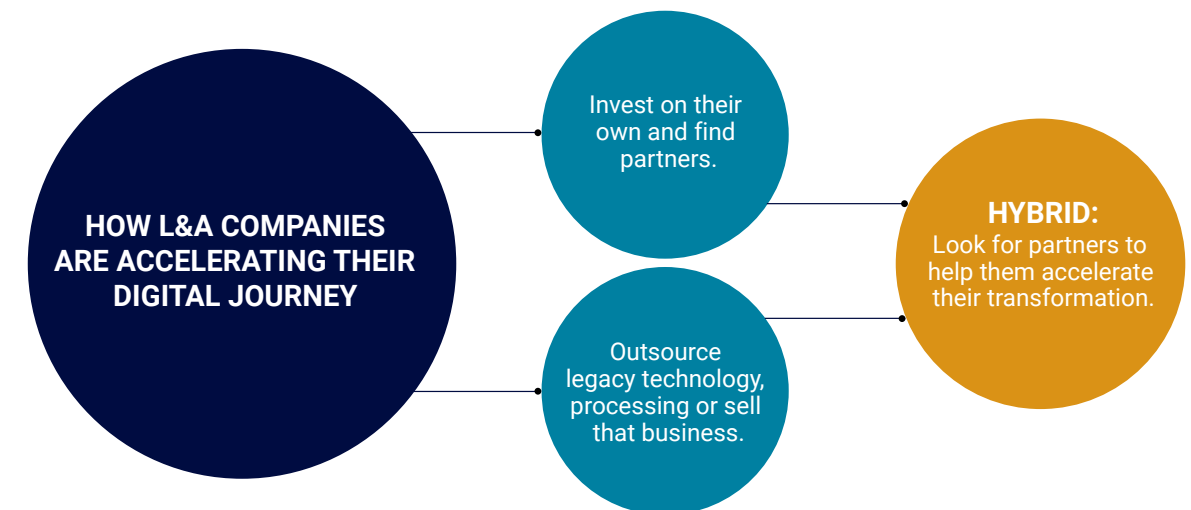
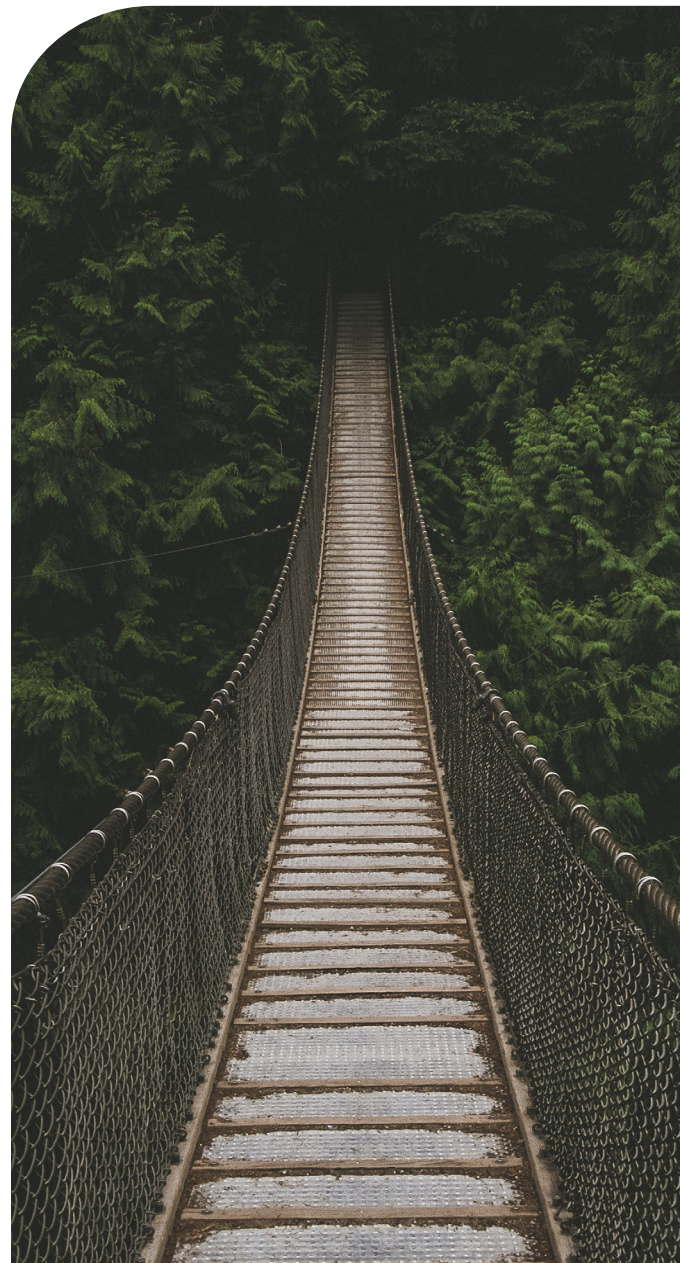
## Embarking on the Transformation Journey

Like other industries, the insurance industry is in a process of constant change, by looking for the best feasible way to adapt to the new environment where evolution is a requirement to be competitive and at the same time a major strategy to generate value for customers.

The Life & Annuities industry is at a turning point where it has realized that the time to transform is here and now. The great challenges that Life & Annuities companies are facing lie in the fact that they inherit a legacy IT landscape with obsolete technology platforms and face high IT and operational costs on these legacy platforms, all this, coupled with the organizational structure that is common in the industry, makes the digital journey complex to tackle. On the other hand, there are high IT and operation costs and with all this, there is another important challenge that is to face the inefficiency in the processes.

But how can companies transform themselves? By providing differential experiences to customers, creating innovative new products, and by launching new products and services in an agile and rapid manner. All the points mentioned above are areas that the insurance industry is struggling with right now.

It is also important to mention that there are barriers that hinder the transformation of the industry. One of them has to do with the technology debts, where organizations are burdened by having legacy environments with systems that are not as open as they need to be. This causes insurers to decide to either invest in transitioning those legacy environments to a new solution, or else they will outsource the legacy environments and start a new release of a new system for the introduction of new products.



As we look at the Life & Annuities industry, we see there are three main ways in how Life & Annuities companies can accelerate their digital journey and transformation:

- **A** Invest on their own and find partners to help them transform their legacy environments.
- **B** Decide to outsource legacy technology, processing or sell that business.
- **C** Decide to make a hybrid between the two options mentioned above, which is, to look for partners to help them accelerate their transformation.

### What is happening in the Life & Annuities industry today?

There is a recent use case in the Life & Annuities industry that illustrates a real-world example of how one insurer addressed these issues.

Last year, the insurance company The Allstate Corporation completed the sale of Allstate Life Insurance Company (ALIC) and certain subsidiaries to entities managed by the private equity investment giant Blackstone.

Following its acquisition by Blackstone, ALIC'S business was renamed Everlake Life Insurance (Everlake) under its new ownership by Blackstone-managed entities.

Allstate has a clear strategy of increasing personal profit liability market share and expanding protection solutions. With this deal, the company strengthened its strategic position in the independent agent distribution channel.



# The True Meaning of Becoming a Digital Company

Being digital is a concept that we have quite internalized in daily life. However, when we see that the industry talks about issues related to this concept, we see that the meaning of digital is not the same for everyone and especially when it is related to the Life & Annuities industry.

It is significant to emphasize that digital transformation does not only mean having a new transactional portal or launching a mobile application on the market. Digital transformation means truly providing and transforming. By providing digital experiences to agents, policyholders, and beneficiaries and allowing them to do business with the insurance company the way they want to do business, we are transforming and helping both internal and external-facing processes improve with the help of technology.

With the customer in mind, in recent years initiatives have already begun to be implemented, that helps generate customer-focused products and services that go beyond designing an unbeatable user experience in the digital field.

Having a customer strategy first has to do with providing customer satisfaction in their overall experience. This must be measured to be improved. As we look at how the Life & Annuities industry is transforming, what matters is how the data collected and the technology used to do so are merged. However, there are several complexities, one of which has to do with the underlying technology and the design of customer interactions toward a more holistic view.

It is not just a portal, nor a contact center, nor a mobile application, or a chatbot... We are not talking about independent entities. The key is to bring them all together and use the data

appropriately to understand how a particular customer wants to interact with the insurance company at any given moment.

Regarding the customer journey, insurers need to start to understand what each of the different customers wants when interacting with their solutions. The power of data and artificial intelligence are undoubtedly great allies in the process of understanding customer needs.

Our experience is through looking at who we have worked with, we have learned that for transformation to be successful, it must start not with defining the technology to be used but with the business outcome to be achieved and then ensuring that the product or service design and set up is the best fit for the outcome.

Transformation can be understood as a change of behaviors of the organization, new ways how to interact with the clients, and because of that, technology enables all that change. Although technology is a powerful enabler in the transformation of organizations, it is of foremost importance to recognize that companies do not always utilize have the latest technology. Many times, companies have a technology that is simply the most suitable for them and with it, they manage to reach their goals in digital transformation.

Therefore, mapping out the current state to the future state of the organization is essential, so that you have a road map to align what is being delivered with the desired outcomes.

When it comes to technology and the legacy environments that insurance companies have, questions can arise arrive on how to achieve transformation when an insurer has different administrative systems. The good news is that there is a technology today that can deliver a

modern solution. The challenge shows up when the company thinks about how to bring that technology together and how to architect it in a way to achieve the needed outcomes.

At NTT DATA, we have defined a clear strategy for our Insurance Third-Party Administration (TPA). We have modernized our systems to allow the TPA to efficiently and effectively be converted to a single platform.

Insurance companies must be able to have an ecosystem that surrounds the legacy environment and allows them to achieve their business objectives, specifically through using internal and third-party data to optimize internally and externally facing processes and knowing more about the customers' preferences, habits, and future needs. It is no longer about managing just the policy data, it is the use of social and other third-party data sources that allows an insurance company to understand the client, and when a client needs assistance, the insurer can be able to have enough intelligence to have a smart answer to solve the client's particular need. This allows insurers to upsell more naturally by using data proactively and leaving behind the old practice of treating data as a passive asset. Data is an active asset that can enhance the customer's experience, optimize processes, reduces risk, and increases revenue.

What is the end game of business process automation? Sometimes when clients interact with insurers, they can get burdened by the complexities in the background. But the rules and the technology are there to give that customer a once-and-done experience without understanding all the moving parts involved and to deliver a business process may take two or three different partners in a way that is transparent to the customer.



## Finding the Best Fit Partner and Ecosystem

The Life Insurance & Annuities industry is experiencing an era of interconnected companies, where partnering company-to-company is the new normal. In general, the Insurance industry and specifically the Life Insurance & Annuities industry is only going to innovate and accelerate by partnering and bringing the right partners in creating an ecosystem of partners that allows them to deliver and accelerate.

In our experience, we see that for an insurer to be successful in their transformation, they need to partner in an ecosystem to deliver. Partnering in ecosystems as an initiative that should be taken lightly, on the contrary, it should be a priority for insurers. It takes time to create a partnering strategy that allows each of the partners a path to profitability for all. As mentioned above, in the era of interconnected companies where there is an abundance of potential partners, insurers are required to learn how to create partnerships that generate wins for everyone.

Insurers have a great challenge ahead in assessing where they are, defining what type of partners they need to accelerate their journey, and looking at the fastest way to get there.

Celent in their report "Integrated Insurance Ecosystem – The Next Generation Insurer"<sup>\*</sup>, mentions that the insurer of tomorrow will be a technology-focused enterprise, augmenting current experiences with digital tools and automation, and with collaborations with partners for success.

<sup>\*</sup> Celent. 2020. Integrated Insurance Ecosystem the Next Generation Insurer.  
<https://www.celent.com/insights/642461103>

Looking at the industry and the technology solution providers available, there is a wide variety of opportunities for insurers to decide how they want to leverage their ecosystem and work with a partner who can facilitate collaboration to accelerate digital transformation to enhance the customer experience.

## Redirecting and Refocusing the Vision

As we look at transformation and the success of a strategy, often failures are neither because of technology, nor a lack of vision, nor because of a failure to achieve results. Failures come because the methodology and the approach that is being used to deliver on that transformation in the organization needs to be put in place. Setting key points of evaluation of progress and outcomes is crucial when sometimes companies have initiatives with technologies involved. It is important to keep in mind that technology becomes just an underlying tool in the transformation process.

The elements that surely drive a company to the right transformation are to ensure that they bring together the right people, the right process, and the right technology to deliver on the vision and create agility in the delivery by setting checkpoints along the way. In the process changes or adaptation can be required and that is not a problem at all if it is possible to redirect and refocus the vision.

Being agile and having agile methodologies are heard very often. While no large transformational program can be said to be agile, certainly what is important in a large transformational program is that the company has full knowledge of where it is right now, where it wants to go and from there it can build the right roadmap to reach the defined destination.

## Defining an approach and roadmap for a total end-to-end transformation

In our experience, the end-to-end transformation of a Life Insurance & Annuities company must be executed through a unique human-centered design approach for digital assets, understood equally by all the people who interact with our brand, regardless of how much control the insurer has over that interaction with customers, employees, partners, and ecosystems.

There are key aspects that the organization must consider before starting to define this type of strategy:

- Homogenize and consolidate operations using more standardized digital assets (e.g., the same portal in all regions), reducing dependence on specialization by asset, product, or region.

- Automate at scale, through single assets, with a shared data structure, APIs, and RPA, enabling the development of automation and AI at a global level.

- Agile development of shared modules across multiple assets to improve product time to market and compress development cycles.

In addition, all layers of the operation must be aligned to enable a digital asset that has a real impact, creating a seamless, differentiated, and profitable experience by:

- Managing expectations and unmet needs through a segmented journey with an omnichannel vision.

- Establishing a relationship model between channels and the customer, through automation, self-management, and digital onboarding.

- Improving the employee experience to generate a better customer experience.

- Structuring operations with end-to-end management capabilities.

- Ensuring the creation of process SLAs with an end-to-end vision to facilitate subsequent monitoring and maintenance.

Furthermore, in defining the strategy for the creation of digital assets, there are four major stages. The design strategy starts



with an exploration exercise, followed by the definition of the experience and brand strategy to be created. The prototypes created serve to validate and visualize the concepts defined, serving as input and inspiration for the complete digital asset. Design thinking techniques are key to addressing these activities and generating tangible results that serve as a reference for the organization. It is relevant to design from the vision of the value to be provided to the end customer.

As a first step in the design of the asset, it is necessary to delimit its scope, identifying the journeys, processes, channels, customers, and products for which it is going to be designed (always under a multi-asset perspective to maximize the reuse of components between assets for all layers). Through an assessment of the current situation (business, processes, and systems), the aspirational model can be arrived at by defining the experience and processes as well as the architecture that enables it. By defining the functional blocks of each digital asset as well as the shared components, it will be possible to define the execution roadmap that will serve as a working guide for the development phases.

Every digital asset will start with a Minimum Viable Product (MVP) with which it can begin to operate in minimum time. Defining the launch strategy and model, the communication plan (internal and external), the training plan and the customer support model are key to ensuring the success of the implementation.

The growth stage will allow a gradual increase in the functionalities of the digital asset, always prioritized from the business area and under an agile methodology.

From the MVP and throughout the development, the flexibility of the team is key, both to re-prioritize and re-plan the work order, and to iterate on the aspirational model as the low-level design (user story) approaches. Defining and having multidisciplinary teams will be essential to integrate the knowledge and skills to ensure their autonomy and self-sufficiency.

In addition, the creation of centers of excellence (at the functional, architecture, security, and infrastructure levels), across all initiatives, will enable day-to-day efficiency and ensure the traceability/quality of the transformation program.

Converting the organization into agile is a challenge, demanding not only a change of performance/roles but also a remarkably high availability during all phases and detailed knowledge of the different axes involved (process, product, architecture, and data), with the business area being involved in the end to end of the initiative.

## Accelerating New Digital Business for Life & Annuities Companies

### Introducing NTT DATA's Global Insurance Digital Platform (GIDP)

In our interaction with our clients in the insurance industry, we have been able to see that there is a clear interest in increasing digitalization and getting closer to modern technologies.

Insurers want to improve self-service and be able to develop a user kind of technology, but for this to happen insurers are forced to decide for themselves as to which technology is the best option. For this to happen, it is necessary to have adequate resources in technology. In addition, it is essential to know that the future is unknown on how many technologies have existed, even if the insurer has made the best selection on the available choices now, within five years the company is not confronted with something that has become legacy.

The appearance of new technology can be a weakness for an insurer that is not able to follow things like that. Indeed, a company opting for this old-style approach is taking lots of risks, because it can be confronted with a quite important investment that does not deliver up to expectation.

From this understanding of the real needs of the market, NTT DATA developed the Global Insurance Digital Platform (GIDP). NTT DATA is a major BPO player that manages already over 7,000,000 policies. To manage this activity, it was necessary to have a platform that has been evolving into a set of loosely coupled IT assets which we also provide an As-A-Service offering.

The advantage of this is that GIDP is an ecosystem of IT Assets coming from leading technology providers. We understand that companies cannot excel at everything, therefore



it is important to make available the best possible technology as affordable as possible and implemented as smoothly as possible.

GIDP means enabling our clients to rapidly deploy leading technology knowing that is the technology we use ourselves, so it is proven, and it is future proof because as a BPO provider, we are highly incented in having technology that gives us the lowest cost so our processes must be efficient and productive.

From our approach, GIDP is a philosophy of not wanting to do a do-it-yourself approach, but to mutualize the effort and to be able to be up and running a proven and future-proof platform that contains capabilities for self-service.

# ABOUT NTT DATA's Global Insurance Digital Platform (GIDP)

NTT DATA's Global Insurance Digital Platform, a modular and extensible API-driven platform with a set of domain functional modules built on a modern architecture, and a pre-integrated partner ecosystem. Our value proposition is to enable an accelerated creation and launch of new Digital Business and Core Modernization facilitating the best-in-class customer experience.

## NTT DATA's GIDP is an Accelerator for your New Digital Business



### Modern architecture

- Event-driven, cloud-native, microservices...
- Reliable, flexible, API-first, available, scalable, secure...

### Flexible set of domain functional modules

Digital Onboarding, Customer Service, Claims Management...

### Extensible partner ecosystem

### Accelerates and reduces Time-to-Market

### Enables an Agile approach

To create a new venture

### Ready for the next wave of digital solutions

### Local and Global

Address your local needs and expand your business globally

### Continuous business evolution

DevSecOps enabled to support

[More about Global Insurance Digital Platform \(GIDP\)](#)

NTT DATA's Global Insurance Digital Platform can support insurers through the following use cases:

- Accelerating the time-to-market for a rapid introduction of new business/new products
- Providing an enhanced customer experience thanks to its approach to digitalization
- Allowing a quick integration with your systems that requires a limited up-front investment
- Shifting to an agile operating model
- Giving you access to an enhanced partner ecosystem
- Easily launching your greenfield approach
- Simplifying your legacy technology landscape

## In the Eyes of the Expert: The Keys for Life & Annuities Companies to Transform

### JUAN MAZZINI

Head of Insurance Practice  
EMEA, APAC & LATAM at Celent



[More about Juan Mazzini and Celent](#)

In this interview, we will discover what are the keys for Life & Annuities companies in their transformation path, from the point of view of expert **Juan Mazzini** from **Celent**.

**The last few years have been key for the insurance industry to pick up speed in many aspects. Focusing on the Life Insurance & Annuities industry, how do you see their acceleration in the industry in general?**

In short, I see the Life Insurance & Annuities industry as uneven in terms of evolving its value proposition. However, at Celent we do recognize leading cases that could represent a sense of the direction where the industry is heading, but certainly, the speeds vary. In particular, most efforts are seen toward digital transformation.

Our view is that leading-class digital insurance offerings are achieved by those who focus their entire platform on the delivery of value enabled through digital services and compelling experiences. This definition certainly sets a high bar—but we wanted to go beyond the typical “single-point use case” as it were to try to get an enterprise-level and strategic view (and frankly, today’s customers demand more). Moreover, the industry is at an inflection point reverberating through the battle between incumbents and new entrants armed with new digital platforms and advanced analytics.

While an organization’s overarching approach might align well with the leading-class definition above, we see different paths for delivering value propositions which, in turn, drive varying business model choices and focus areas. These differences are a clear response to their market dynamics and acquisition models reflecting the type of insurance they write and their market’s volume and cost dictates.

As a result, we have bifurcated our findings—specifically, between those organizations that face low-volume, high-premium customer relationships (e.g., variable life insurance) versus those with high volume but lower premiums (and margins) per policy (e.g., term life insurance). Consequently, two models of customer-centric value have emerged:

- Low-touch, pure-digital insurance services enabled through low-cost platforms for highly rate-sensitive customers, providing value through competitive premiums and a fast, automated digital experience.
- High-touch, digitally enhanced (or adjunct) services supporting differentiated offerings designed to support personal interactions to create deeper relationships for a potentially higher premium.

**What do you consider to be the great challenges that the industry will face in the future?**

From a value proposition perspective, an aging population comes with challenges and opportunities. Advances in medicine are increasing life expectancy and hence the view of customers regarding how to protect from risks of death, injury, health, or investment protection and accumulation. The so-called silver economy opens a new segment for insurers, like the one that opened with millennials and newer generations, but with the first having more wealth available and disposable.

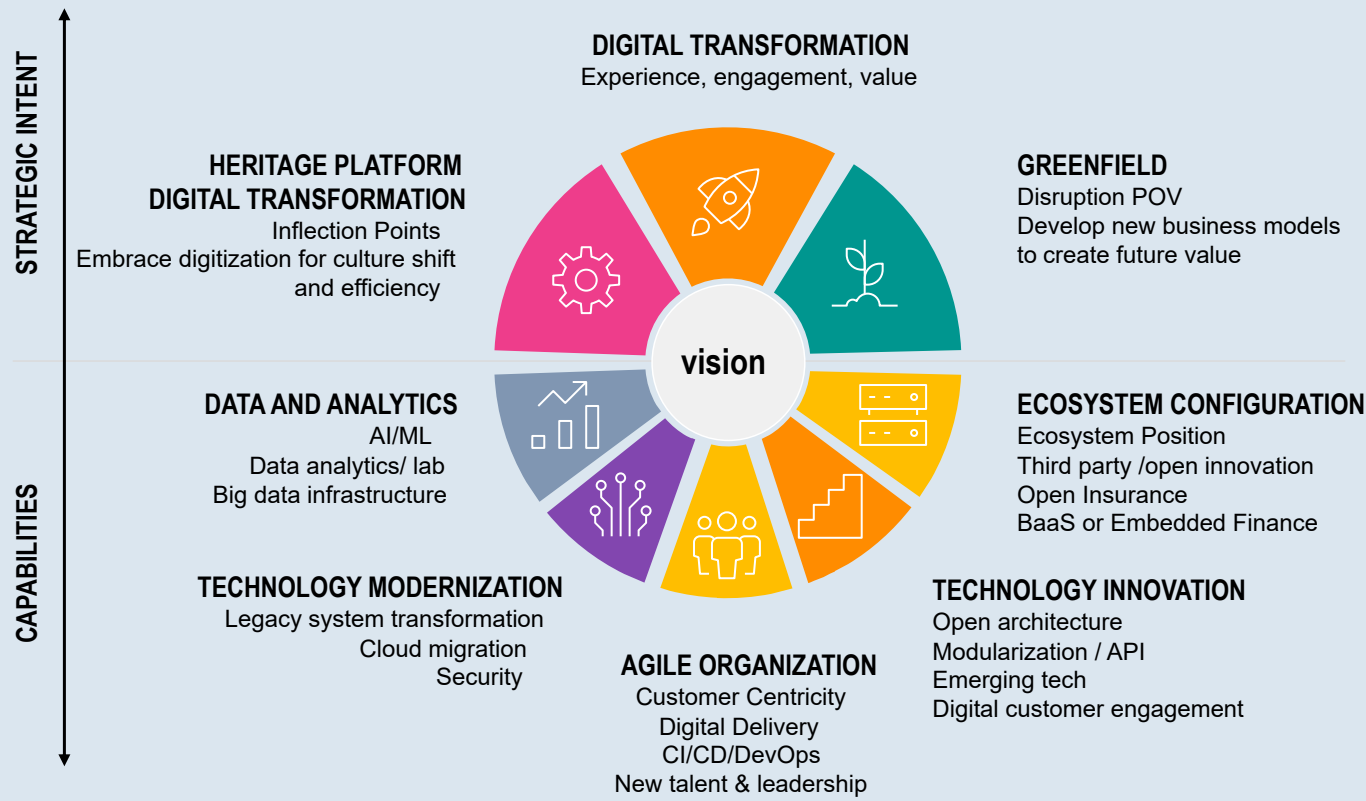


From a technology perspective, we have now multiple data sources and at a significantly lower cost to procure, that can help insurers perfect their underwriting decisions, risk prevention, risk mitigation, and improve customer experience in areas such as purchase and claims. To a certain extent, what regulators and customers are willing to allow, or share, will create opportunities or pose challenges.

For example, if DNA information is available at a low cost but this data is not allowed to be used by insurers, we could be facing the risk of information asymmetry and adverse selection. Customers would have better information than insurers and those with higher risks would look to get insurance while those with lower risks would seek other alternative means to ensure their future or even no protection at all. Even in the case investment options are available to those not so concerned about the risk of death, more alternatives outside the traditional life insurance investment products are available for customers to invest in, including self-serve or Robo-advisors that offer the masses the possibility of building investment portfolios as those offered to high-net-worth customers.

Continuing with the technology challenges, legacy transformation is an area that Life & Annuities insurers try to avoid, many operating with very old systems. In part, they suffer the risk of obsolescence and lack of knowledgeable talent, but there is a huge barrier also around the complexity of data migration and conversion.

At Celent we like to think about ensuring a consistent approach for evaluating an organization's digital transformation intent and capabilities. For this, we refined and used the Digital Transformation Wheel (see figure, right). The top half of the wheel reflects "intent" and illustrates the tradeoffs required to balance short-term value—for an incumbent, represented as a choice between heritage vs. more strategic change represented as greenfield. The bottom half explores the key capabilities required for implementation success. All these represent in my opinion a challenge for insurers to be successful in the future.



Source: Celent report, Best-in-class Digital Insurance.

**There is a lot of talk today about finding the best partners and being in the best ecosystem so that insurers can transform themselves and generate value for the market. What is your position on this?**

Most successful businesses depend on partners. Insurance is not the exception. It is also true that insurance ecosystems have always existed, for example in distribution, underwriting, claims, and capital/reinsurance. What is changing is the digital nature of many of these new ecosystems, and the insurance market is changing rapidly.

We are seeing an increasing reliance on third parties as partners to create connected ecosystems, and many are pursuing affiliated partners—all of whom rely on seamless and rapid technical interoperability. For others, disaggregation of the value chain to plug in participants is a driving requirement. In short, insurers are increasingly open to partners “outside of their four walls”—driving more advanced technologies regarding agility, integration, interoperability, and the security dictated by externally connected systems.

**What stage do you think the Life & Annuities industry is at with respect to becoming data-driven?**

Data is the lifeblood of insurance, but many suffer data silos or the skill challenges to turn data into actionable, testable insights. Insurance companies are undergoing digital modernization efforts to improve key capabilities which are driving the requirements for analytics, artificial intelligence, and machine learning. The goals are digitally automated services, digital customer acquisition, hyper-personalization, and predictive insights.

Think of...

- An organization using its data to create new products and ways to communicate to customers.
- An organization using data to improve products coverage and to implement STP services.
- An organization using data to speed processes and on its way to AI underwriting.

**Geographically speaking, do you think some regions are pushing further down the digital path of the industry?**

The digital transformation sees no boundaries, though aspects such as regulation and mobile usage are key factors to consider. Asia for example was the first region to give birth to super apps, integrating insurance, financial services, along with other industries in a seamless experience for the customers. As new business models emerge, the existence of regulatory sandboxes, regulation around open insurance and/or data protection and sharing, real-time payments, and alternative distribution certainly help take the digital transformation into the realm of digital innovation.

Countries such as Spain, Singapore, and Brazil are good examples of hosting some of these favorable regulations.

## Key elements that help a Life & Annuities insurer to succeed in their digital transformation

Leading-class digital insurance offerings are achieved by those who focus their entire platform—their philosophies, ethos, business model, people, culture, processes, and technologies—on the delivery of value to their customers through digital services and compelling experiences.

A greenfield approach has typically been chosen by organizations facing low-margin, high-volume markets. Greenfield digital insurance platforms also focus on different digital capabilities. Greenfield participants cite the following as key to their success (in priority ranked order):

1. Ecosystem configuration
2. Data and analytics
3. Agile organizations

Organizations facing low-volume, higher-margin markets have chosen heritage adaption. They prioritize the following as key capabilities:

1. Technology modernization
2. Ecosystem configuration
3. Data and analytics

Using the Digital Transformation Wheel, we explored different organizations stated gaps in key capabilities required for digital insurance. This assessment reveals that ecosystem integration and data and analytics are commonly cited as key capabilities crucial to success, but the latter presents the largest gap from importance to maturity of a key capability. It is expected that market drivers dictate value propositions and therefore digital focus, particularly for incumbents—they must balance market demands against pressing, shorter-term considerations. However, best-in-class organizations started with a clear-eyed understanding of their value proposition given the markets they face (and their cost and margin implications). They distinguish themselves with an unflinching ability to specify, implement, and rapidly test and adjust their value-based hypotheses.

They have also discovered that a good customer experience is good for business. While the intrinsic value of the insurance product is always a focus for customer value, leading organizations recognize that the combination of product and a great experience can result in greater loyalty (mitigating premium sensitivity), greater cross-sell up-sell and lifetime value (LTV) measures.



# New Routes Towards the Evolution of the Industry

Digitalization has brought changes in the way companies connect with their consumers. Today, consumers have a greater affinity for those companies with which they can communicate in an agile, transparent way and that can add value to the products and services offered. With these new consumer expectations, the insurance industry cannot be left behind and must evolve towards hyper-personalization and rapid engagement with its customers.

To do this, in the Life Insurance & Annuities industry, insurers need to be close to technology and keep up with its accelerated pace of change to be able to provide data-based personalized customer experience solutions to their policyholders. And these experiences must be as smooth and seamless as possible so that the client can connect with the insurer towards unbeatable experiences.

Insurers are not alone in this journey, collaborating with a strategic partner can help them accelerate and excel in their delivery. Choosing the right strategic partner is critical for the insurer to be able to manage its' operations with the peace of mind that it has a partner by its side who understands it and provides the necessary support to advance in its digital transformation process.

## Use Case

At NTT DATA, we have recently seen how insurers are demanding a strong collaboration with third-party administration (TPA) and digital services to provide a better service to their policyholders. Using this approach, we supported a project conducted for a client who specialized in Life Insurance & Annuities interested to maintain high-quality service for their clients.

We have more than 30 years as a TPA serving the Life Insurance & Annuities industry, with expertise in individual, group, worksite, voluntary, life, annuities, PRT, and structured settlements products. With this expertise the project implemented for the Life & Annuities insurer company received the following benefits:

- A standardized operating model from due diligence to transition to delivery of services.
- Consistency of methods.
- Integration of new blocks.
  - Leverageable processes and technical platform resulting in reusability and lower risk.
  - Optimized costs for double integrations, conversions, and transitions.
- A consistent governance across all blocks of business driving efficiency, quality, and innovation.
- A partner that represents an extension of your teams, aligned in objectives and culture.
- Policy volume growth drives reduction in operating costs.





## Conclusion

A critical change in the Life Insurance & Annuities industry is the need for highly digitized processes with the flexibility and agility to adapt to changes in customers' needs and the arrival of new competitors. There is also excessive pressure for innovation to meet the needs of customers, external partners, and employees.

And it is important to recognize that when we talk about transformation, we must have a people-first strategy, where all objectives and actions point towards unbeatable experiences. Today's consumers are different from what the industry was accustomed to, their needs, knowledge, and expectations have evolved exponentially. Technology plays a key role in how these consumers relate to these products and services, which leads the industry to be on that digital path to connect and talk to their customers in a new way.

The experiences that consumers want from most of the products and services they consume are holistic in terms of being instantaneous, fast, and rewarding. To this end, some insurers are already on the path to becoming digital and on finding new ways to innovate in the insurance industry.

NTT DATA defines this moment as the era of the connected companies, where the insurance industry must move closer to being a connectable company, able to actively

collaborate with other industries, modernizing its IT landscape, thus delivering engaging experiences.

The possibility for insurers to work with third-party technologies allows them to focus on their sector knowledge and to have a strategic partner to help them in the areas of efficiency and technological modernization.

The ability to face challenges and change course, if necessary, will keep insurers moving forward in their transformation, leaving behind the paradigm of being an old-fashioned industry.

From NTT DATA, we share with our audience different reflections on where the Life & Annuities industry is moving. We have also seen that it is relevant to share our insights on what are the most important points for companies to consider in a transformation process. Although transformation is a process that is not limited to a specific industry, it is key to convey to Life & Annuities insurers which is the best route to take.

We encourage Life Insurance & Annuities executives to consider all the challenges (and our solutions) contained in this white paper to be able to define the best transformation route, for their company: one that allows them to navigate the obstacles that the future will hold and achieve their digital vision.





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