



Inamon

Enterprise Insurance Application

The Only Online Customer Self-Service Insurance Package

The Internet Banking Model for Insurance

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1 Introduction

Inamon can help you:

- **Increase customer retention**
- **Increase customer acquisition**
- **Improve customer satisfaction**
- **Reduce operational cost**

Overview

Inamon is a web based insurance system designed with a customer self-service model in mind. It takes full advantage of the opportunities the internet offers for letting the customer have full control over when and how their insurance should be managed.

The UK, and increasingly the global, direct insurance market is highly competitive with commoditised products and service propositions. Consumer interaction is generally via call centres or the internet for quotes and new business, with subsequent servicing or claims almost exclusively managed by phone.

Inamon offers a completely new approach designed from day one to meet the needs of web based sales and servicing, while at the same time exploiting the significantly reduced cost dynamics of this channel. There is significant and real potential for growth as the internet becomes the norm for financial service provision, and Inamon is the ideal tool to help companies exploit that potential.

Integration

To be able to sell insurance online, many insurance companies have, often at great risk and expense, developed a web front-end to interact with their existing back-end systems. This generally works for quotes and initial sale of the policy, but it proves very hard to enable the full amendment capabilities.

Because Inamon is designed with that capability in mind, it offers a real integrated system, and not a front-end and a back-end system. Only by having an integrated solution can you have seamless online New Business, Mid Term Amendments and Renewals processing.

Full Functionality

Inamon is a substantial system in every aspect, covering all expected insurance functionality including Party (Customer), Account, Quotation, Policy, Claims, Reinsurance, Product Configuration, GL interface, Document handling, User control etc. From the outset it has been designed with full multi currency and multi language capabilities.

Although modular in its design, Inamon is fully integrated, and benefits from up-to-date information across all modules. In a modern system, a given piece of data should only be held in one place, and references to that data should be made from where it is needed. In that way, there should never be a need to enter the same information twice or maybe more importantly, a need to maintain it in more than one place.

Inamon Is...

- a fully integrated enterprise insurance application
- a comprehensive system covering all insurance functionality requirements
- suitable for any sales channel
- applicable for any general insurance product, private or commercial
- a multi product platform capable of holding all product types simultaneously
- customer centric, giving insurance companies and their customer an easy view of all their policy details and correspondence history
- a self-service application where the customer can get a quote, take out a policy, make amendments, accept renewals, notify claims and much more, all online without having to talk to a call centre at any time
- an online repository for your customers to see all current and past policies and access all insurance documents
- an extensible system allowing easy plug-in of external functionality, e.g. address systems, payment systems etc
- easily customisable via plug-ins and extensions
- fully multi-lingual including across all pages, messages, reference data, products etc
- fully multi-currency including within individual policies, individual claim items, reinsurance etc
- capable of sending all documents electronically, saving on print and fulfilment costs, and at the same time facilitating a green profile

2 Challenges in the Insurance Market

There are two significant challenges facing the insurance market today:

- *Cost management*
- *Customer service*

Talkonce: "...customer continues to purchase insurance cover at the lowest rates possible by the easiest methods ever presented to them."

Cost management

The insurance market is becoming increasingly transparent, and in the UK a majority of customers (*Datamonitor: UK 76.2%*) renewing their motor insurance policies, are visiting a price comparison site. This means that price is having a major effect on the insurance provider's ability to sell insurance, and no provider wants to be at the bottom of the price comparison list.

To be price competitive it is paramount to be cost effective, and there are two factors in cost; underwriting expenses (expense ratio) and claims losses (loss ratio), making up the combined ratio.

Underwriting Expenses

To achieve a low expense ratio, selling via the internet is an obvious choice, but much more can be done. A truly self-service model, where the customer themselves are able to do midterm adjustments, renewal time adjustments etc, can help reduce cost even further. Customers love their internet banking, where they can do it all themselves, and many dislike call centres.

Fulfilment cost, i.e. sending out documents via the post is a costly activity, and hardly one appreciated by the customers. The obvious choice is to send out all documents via email, and/or let the customer have an online repository of their documents.

Claims Cost

The claims cost is the actual cost of production, and the better the actuaries are at calculating the risk, the better the loss ratio becomes. In addition, insurance providers can buy cover for products, or segments of products, where they are not competitive. Many insurance providers supplement their core products with products they buy in from third parties. This is often seen for products such as Legal Expenses, Travel, Road side assistance etc

Other industries have made much more use of buying in components to make up their products. We only have to look at PCs, Cars etc. They have realised that others are specialised and more cost effective in producing tyres, radios, light bulbs etc.

One of the obstacles for the insurance industry has been the management of the components, i.e. who covers what when; what premium is due to who; who should pay for a claim for a given policy. It should also be easy to change the

component manufactures over time, to ensure the best value at all times. With the right technology, this can be automated to work seamlessly.

Customer service

The price comparison sites have proved to be very powerful, and easy to use, tools for the consumers to get an overview of price in the market place. They fulfil the two important factors of ease and price, but there is much more to be done.

Karen Pauli, senior analyst TowerGroup:

- *Consumers want self-service capabilities like those that they have with their banks, credit card companies, and investment organisations*
- *The demand for 24/7/365 service will continue to grow as the Generation X and younger individuals become a greater proportion of the marketplace*
- *Carriers will have to utilize technology to meet consumers' expectations and demands for frictionless service such as they get from other industries. Carriers that fail to recognize this new imperative will fall behind in the competitive race for differentiation*

From this analysis, we can see that there is still much to do to improve customer service, and today's insurance providers offer very limited self-service, if any at all. We are used to handling our banking business online, and most people prefer to do it themselves, instead of talking to someone in a call centre, or going to the branch in person.

The problem for the insurance industry is that although most sales now happen online, most subsequent servicing happens via call centres.

At the same time we see more and more price differentiation in insurance products today, where customers select and pay for only the cover they need. Price is also highly differentiated on customer circumstances, e.g. on security arrangements on a home policy. This in turn leads to a greater need for policy amendments, because with only minor changes in circumstances or possessions, the customer will fall outside of the original policy agreement.

Cross sale / up sale

It is probably not cost effective for an insurance provider to add a specified item to a home insurance policy, because of the time it takes to take the call, make the change and send out the new policy documents.

If the customers were able to do the changes themselves online, and have the policy documents emailed, it would be a different situation. A newsletter can be emailed to the customers, and it could include a reminder about their new purchases that ought to be on the policy. They can click a link in the email to log in and make the change themselves. This is a win/win situation. The customer is covered for the

new possessions, and the insurance provider gets the additional premium at no administration cost.

Customer retention

To increase customer retention is every insurance providers dream. Research shows that having multiple channels to service the customer dramatically increases customer retention and loyalty.

To service customers online means more than selling new products to them, and we can look at internet banking for inspiration. Many people are reluctant to change bank because they know their internet portal. They know that if they change they would have to familiarise themselves with a new internet portal, and they would lose the history of their current accounts.

To create the same portal effect for insurance customers, it means letting them amend their cover, renew their policies, including making amendments at renewal time, cancel policies, amend customer details, amend payment details, view current and historic cover, view, download or print policy documents, invoices etc. They should be able to do everything, and more than, they can do by talking to a call centre.

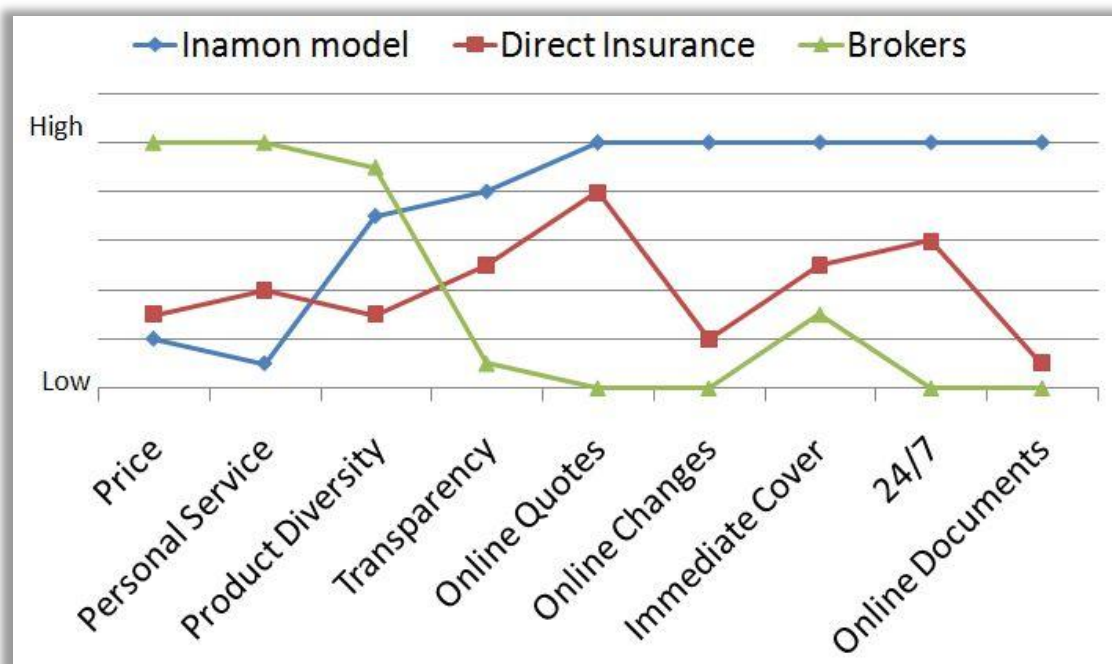
Insurance customers are the same people as bank customers, and it is reasonable to expect the same behaviour.

Conclusion

First movers

The insurance industry is at a crossroad. The customers are more able and more willing than ever, to change from one

Value Proposition



insurance provider to another, and at the same time, very little is tying the customer to the insurance provider.

The price comparison sites have made it easy to change, but the insurance providers have not responded with the services to earn their loyalty.

This means that the first companies to enable true self-service, with full policy history available across multiple products on their portal, can have the best of both worlds. They can easily attract new customers as long as they are cost effective, and therefore price competitive, and at the same time, they are much more likely to earn their customers loyalty and hold onto them.

The role of Inamon

The Inamon self-service solution can:

- Increase customer retention with the portal effect; all in one place
- Increase revenue and profitability by easy up-sale and cross-sale, and at the same time enables the customer to add protection for required property
- Increase customer satisfaction by letting the customer self serve
- Increase customer satisfaction by providing a central repository for all documents
- Increase customer satisfaction by eliminating lost documents sent in the post
- Increase product diversity without the need to train entire call centres
- Reduce cost by reducing call centre volumes
- Reduce cost by eliminating printing and mailing costs
- Facilitate a green profile by eliminating printed documents

3 Risk, Agility and Functionality

There are two solution models available when selecting a new insurance application:

- Insurance Backend / Web frontend / Integration layer (Legacy model)
- One solution (Inamon model)

Here we will look at differences between the two models.

Remove Risk

The implementation of a new insurance application, or enhancements to an existing application, is considered to carry some risk, and rightly so. The question is where the risk lies and how it can be mitigated.

A scenario could be like this: Our old legacy system is no longer up to the job, and while we are upgrading, we have decided to enhance our online capabilities.

An option often chosen is to buy an insurance backend application, and then develop a new web frontend and the integration layer in between. In other words, the backend is something known and the frontend and integration layer doesn't exist.

This is not a risk free option, and several web frontend projects have ended in tears and dispute, because it generally is a lengthy, complex and costly development.

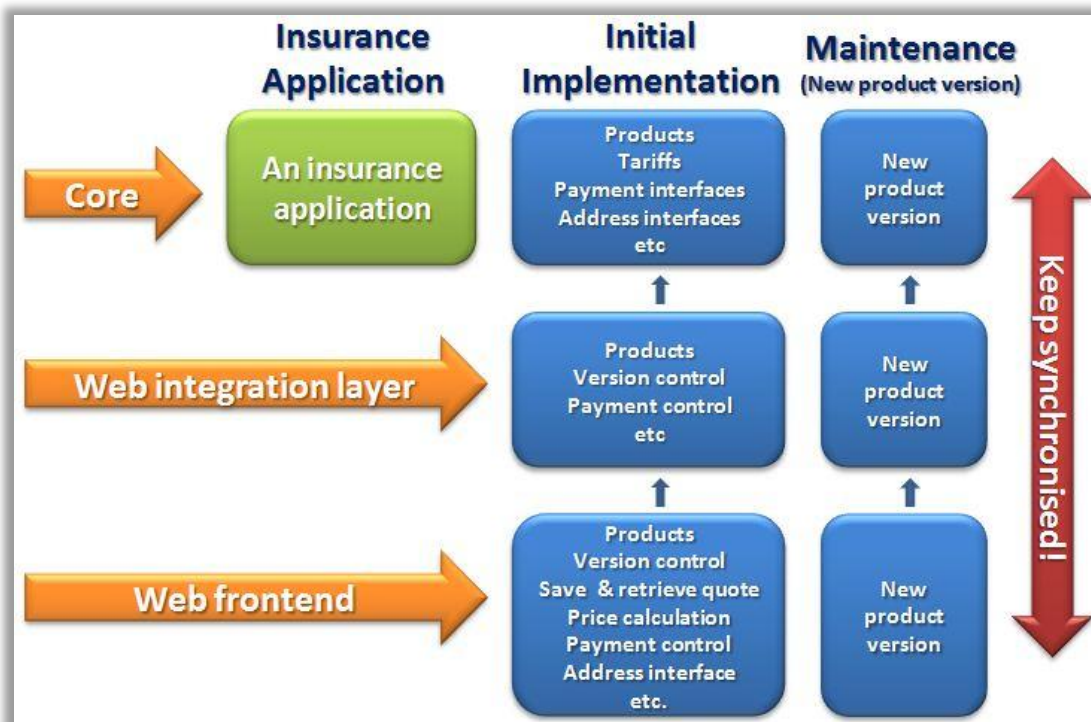
Inamon doesn't have a frontend and a backend, but is one integrated solution. And it is all there today. Before any decision is taken to implement, Inamon can be tested and tried, both on backend functionality and frontend functionality. This is by far the most risk free option available.

Maintain Agility

Business agility is crucial in today's environment. Insurance companies must be able to change their systems and product definitions quickly to respond to demand, competition, demographic changes, environmental changes etc.

Many insurance companies are already struggling to implement simple changes to the product definitions in their backend systems. E.g. adding a few more questions, or enable a Home product to capture multiple bicycles details, can cause headaches for many.

The Legacy implementation



The Inamon implementation



With the “Legacy model” these problems are being compounded by the layered approach. To change product definitions require changes to all areas, and these changes then needs to be kept synchronised.

Some companies didn’t see these problems when they first implemented a frontend, but are now feeling the pain of change.

Because Inamon is one application, it only needs to be maintained in one place. Furthermore, it is based on modern tools which facilitate rapid changes.

Enable Functionality

The two models also offer considerably different functionality levels when we are talking online self-service.

Most insurance companies who are taking the “Legacy model” approach only ever implement initial Quote and Buy functionality. This is because their frontend and backend only has a one way communication between them. No Legacy model approach has an elegant implementation of two way communication, and this excludes proper midterm adjustments, renewals etc.

When selecting a new solution these limitations are not always clear to the decision makers, but it is important to acknowledge them to ensure the investment can satisfy the long term ambitions.

Inamon does not have a frontend and a backend, and because of that have none of these limitations, and all functionality can easily be made available to the customers, offering them a proper self-service platform.

What is the difference?	Legacy approach	Inamon
Web functionality achieved		
• Quote & buy	✓	✓
• Mid term adjustments (MTA)		✓
• Renewal		✓
• Save & retrieve quote on new business	✓	✓
• Save & retrieve quote on MTAs		✓
• Save & retrieve quote on renewal		✓
Risks and Challenges		
Initial implementation	Major new development Major implementation	Standard functionality
Maintenance	Must be implemented in all layers	Only one place Simple
Version control synchronisation	Challenge to maintain across layers. Risk.	Non existing issue
Agility	Complexity across layers reduce agility	High agility due to simple maintenance

4 Price Differentiation

In this chapter we will show why Inamon is so important for the insurance company as well as the end customer, when we look at price differentiation.

What is it?

Price differentiation is where you look at the risk you are taking and setting the price accordingly. It is not a new thing, as without it, the price would be the same for all cars and drivers, and we all know that this is not the case.

Price differentiation rates on a large number of criteria divided into two groups:

- Profile of the insured person and object, e.g. type of car, age of driver, immobiliser, post code etc.
- Cover required, e.g. Comprehensive or Third party fire and theft, Legal protection, Break down, Courtesy car etc.

A more granular example is a home policy where a customer may have an option to be covered for Freezer Content. Those without a freezer don't need that cover, and even if they do have a freezer, they may not want the

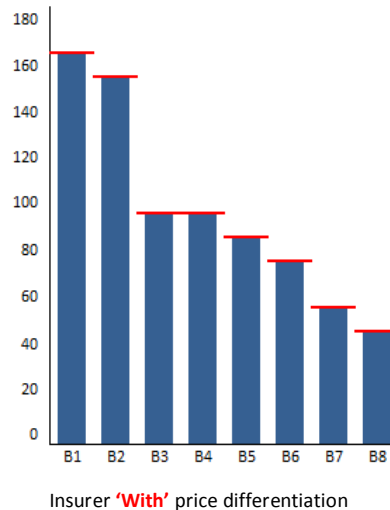
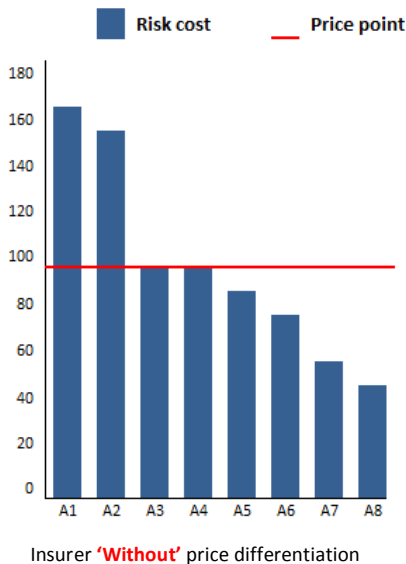
cover. The customer may want the cover, but may want to decide how much it should cover. If you fill your freezer with lobsters and fillet steaks, you need more cover than if you just keep a few pizzas. You get the gist!

Many insurance companies offer free included cover of some kind. It isn't free and often just a sign that they can't price differentiate in their IT-systems.

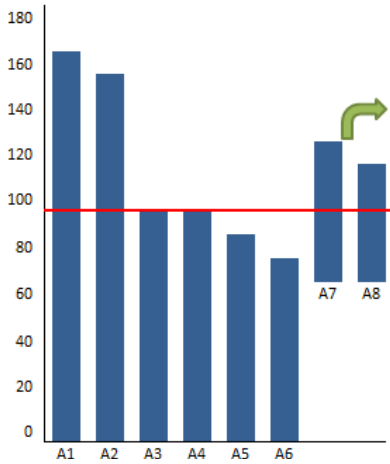
Price differentiation can be seen in other industries such as airlines, where some carriers charge for what you get, e.g. bags in hull, food on board, priority boarding etc. Previously you would pay for a service whether you wanted it or needed it.

The internet has created new opportunities for micro level unbundling with computer based price calculations and where the customer has the option of selecting exactly what is required, not buying a "one size fits all" product.

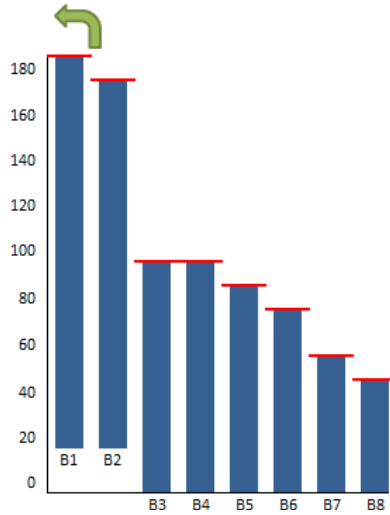
Below is an illustration of the impact on the insurance company when using price differentiation and just as importantly when not using it.



- Two insurance companies starts with the same portfolio mix
- One company charge the same price for all policies
- The other company charge according to the calculated risk
- We call them 'With' and 'Without'

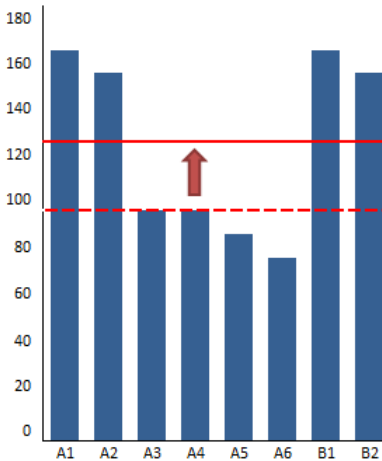


Insurer 'Without' price differentiation

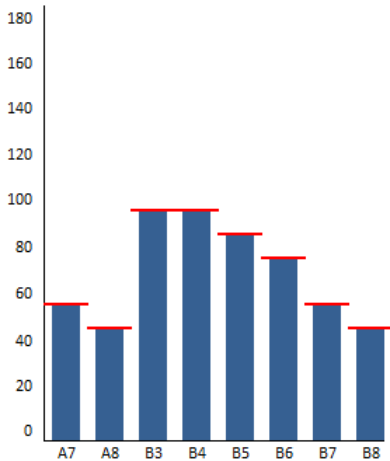


Insurer 'With' price differentiation

- Customers with policy A5, A6, A7 and A8 can get a better price with 'With'
- Customers with policy B1 and B2 can get a better price with 'Without'
- A7, A8, B1 and B2 moves to the cheaper company

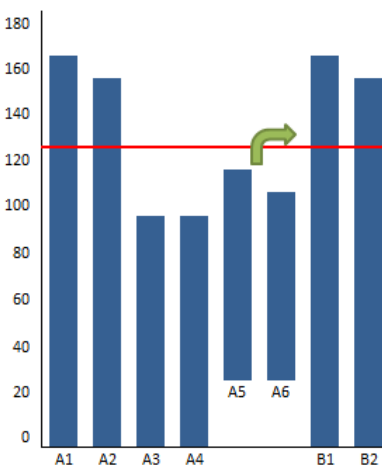


Insurer 'Without' price differentiation

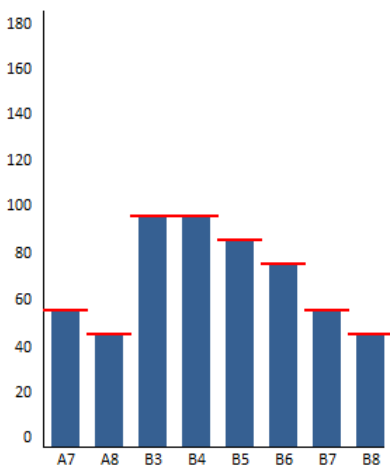


Insurer 'With' price differentiation

- 'Without' now have to increase the price to remain profitable
- 'With' has lost some revenue

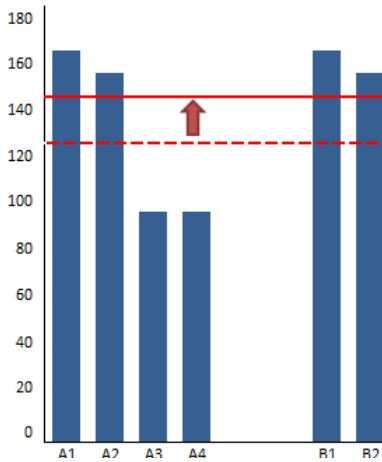


Insurer 'Without' price differentiation

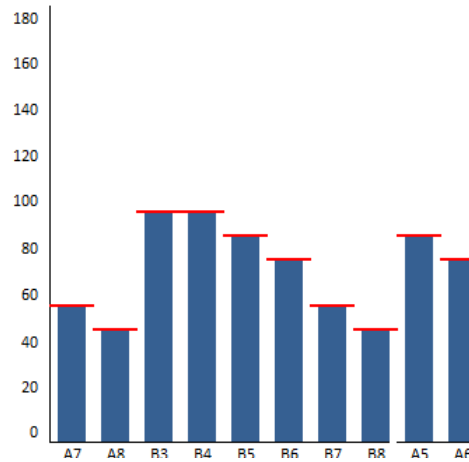


Insurer 'With' price differentiation

- Because of the price rise, more customers have had enough and will move from 'Without' to 'With'
- No one wants to move to 'Without' anymore



Insurer 'Without' price differentiation



Insurer 'With' price differentiation

- 'Without' now has to increase the price again causing even more customers to leave
- 'With' ends up with higher revenue as well as higher profitability

From the illustration above we can draw the following conclusions:

- Customers will migrate to the company with the lowest price
- Customers with a **low** risk will move to insurance companies with **high** price differentiation
- Customers with a **high** risk will move to insurance companies with **low** price differentiation
- Insurance companies with **high** price differentiation will attract the **good** risks
- Insurance companies with **low** price differentiation will attract the **bad** risks
- Insurance companies with low price differentiation will be threatened in the long run, as they continue to increase prices to cover their highest risks.
- Insurance companies with high price differentiation will have better profitability and can continue to win business.
- **In other words, use price differentiation and prosper or don't use it and get punished.**

How Inamon can help

At initial sale it is of course important that the customer can buy exactly the required cover, and Inamon is perfectly geared to that. The more the customer can visualise of the selected cover, e.g. via slide-selection, the quicker the customer will understand the available cover range and remember what the policy covers in the end.

To actively select the cover levels makes it much more transparent than having to find the limits in the terms and conditions.

If the customer is buying a "one size fits all" product, it is not likely that any changes to circumstances will require changes to the policy, but if the customer buys

a tailor made product, it is very likely that changes to circumstances will require changes to the policy.

This is where the self-service facilities of Inamon are so important. The more price differentiation is used for a product, the more changes to the cover is required when circumstances changes. The more changes to the policy required, the more sense it makes for the insurance company and the customer to use self-service.

Amendments via call centres are costly, but self-service is free and a win/win situation for customers and insurance companies.

An example of a change is when the customer buys a specified item on holiday, e.g. a watch, and may only be covered when the item is registered on the policy. The customer will have access to the account and can update the policy accordingly, there and then.

Conclusion

There is an accelerating trend towards more precise pricing for risk, based on increasingly detailed personal information and where the customer is only charged according to the risk they represent.

Price has always been an important differentiator in the mass market, but the rise of aggregators has made comprehensive price comparison easy.

With margins under severe pressure, accurate pricing for risk represents the principal strategy whereby insurers can hold onto market share without seeing their profitability diminish to a low level.

IT systems are essential in this process and must satisfy the business goals of enabling granular rating as well as easy adjustment of cover and circumstances.

Inamon does this better than any other solution.

5 Inamon Features

Inamon is a complete enterprise insurance application with an abundance of functionality. It is separated into modules which then integrate to enable seamless operation across business functions. This chapter highlights features within the individual modules.

Party / Client

- Inamon is completely client centric; the term 'Party' being the broader definition of clients, customers and any other individuals or entities such as loss adjusters, witnesses, insurance companies
- Each party can have multiple addresses associated with their account, such as main addresses, mailing addresses, insured addresses, etc. It can also record multiple contact points, such as telephone numbers and email addresses
- Inamon records a journal of all correspondence with customers
- The system can easily be extended with country specific address systems to enhance data quality and reduce customer input requirements. Javision currently partners with QAS in the UK
- Discount rules can be created in the 'Party' module, with multiple criteria linked to other modules, e.g. a discount could be for all products, a specific product or a specific product line
- The 'Party' module has 'Affinity' functionality, and customers can be linked to one or more 'Affinity' groups
- Discounts can be linked to individual customers or affinity groups, and rules used to manage maximum discounts, priorities, combination discounts, transaction criteria etc

Policy & Quotation

- The policy system is designed to enable the end-customer to perform all transaction types, including quotation, buy, amendments, renewals, cancellation and reinstatements.
- Quotes can be saved for later purchase and this can be controlled by the quote guarantee period
- Inamon offers implementation flexibility enabling a company to decide whether the customer details or the quote details should be entered first
- It is possible to create multiple quotes for a midterm adjustments and the company can set a limit on the number of midterm adjustments quotes per policy
- Inamon automatically handles 'out of sequence' midterm adjustments, even across policy periods. This is when a change to a policy needs to have effect before the effective date of a previous change
- Short term cover can be added to a policy in one transaction. This can be useful if cover should be added

for a trip to another country, or over the Christmas period, for example

- Flat premium can be charged regardless of cover period. This can be useful when the cover is for a given event, e.g. a flight across the Atlantic, where the "window of opportunity" may be affected by the weather
- Inamon can automatically charge fees for all transaction types, i.e. new business, midterm adjustments, renewals or cancellations
- Price calculation can be done by the powerful internal rating functionality or by calling an external rating engine
- Renewals can be performed with automatic renewal or with an invitation process, and the customer can be enabled to choose the method for individual policies. The invitation process includes a reminder process and eventual cancellation, should the customer not react
- The customer can view current and past cover online. This includes cancelled and lapsed policies
- Pre-Trans Amendments (PTA) can be created to take effect at the next policy transaction, e.g. a loading of a policy at renewal or inclusion of a new clause at the next mid-term adjustment following a claim
- Referral rules can be defined, so that a quotation will be put on hold until a cover decision has been made by an underwriter, for example. Different actions may be required to release the quote, such as additional premium, special clauses etc. Decisions and premiums can filter down to the reinsurer(s) automatically

Claims Management

- Multi level claims case structure; the claims structure can be individually set up for different products, to enable targeted details to be entered. There is no limit to the depth of the structure
- Multi currency means easy payment and proper recording of claims and bills from other countries
- Multiple items, including different cases / sub-cases, can be paid in one transaction and one amount to the receiver
- Payment authorisation with multiple levels depending on operators authorisation level
- For major events individual claims can be linked via association rules, to enable better tracking, for example, for reinsurance purposes
- Claims involving one or more customers can be linked to give the best customer service under the given circumstances
- Third parties can be set up for claims and can be handled in much the same way as the insurance company's own customers
- Other parties can be linked and information relevant to their involvement can be recorded and acted upon. Payment to those parties can also be made from within the claims system, and associated to the relevant cost

- Multiple codes are structured to enable high quality analysis of data, and to ease input of claims data

Reinsurance

- The reinsurance system is integrated with the product setup and the claims system, enabling the handling of all reinsurance types, including:
 - Facultative; Proportional and Non-proportional.
 - Treaty; Proportional and Non-proportional.
- The reinsurance system has ultimate flexibility for setting up premium calculations and claim cover, including:
 - Multiple reinsurance programs which can cover one risk or multiple risks
 - Reinsurance programs can be covered by multiple contracts
 - Each contract can cover multiple blocks, i.e. limited both vertically and horizontally
 - Contracts can be with multiple reinsurers and can cover multiple reinsurance programs
 - The reinsurance premium calculation can be integrated with the policy premium calculation and calculated in real time
 - Reinsurance premium can be pushed to the policy premium calculation to form the basis for the policy premium, or it can be pulled from the premium calculation and be based on the policy premium
 - The reinsurance system is also an ideal vehicle for agents and brokers undertaking full policy administration to manage insurer premium and claims exposure

Accounts & Billing

- Inamon has a comprehensive debtor and creditor account system integrated with the other modules
- Each Party can have multiple accounts, e.g. separating policy postings from claims postings
- Via the 'Workbook' facility, all relevant postings can be made to the accounts, e.g. payments, refunds, transfers, write offs etc
- Outgoing payments are controlled via a multi level authorisation facility. Outgoing payments can originate in other modules, such as refunds from the policy system and payments from the claim system
- Account items can be grouped into single payment items
- 'Instalment payments' is an account facility available for use by any of the modules, and it has a very flexible setup, including payment frequency, minimum amount criteria, customer chosen 'due day', deposits, mta premium reduction rules, new/mta/renewal variation etc. Easy extension of payment method selection and payment detail capture facilities, to enable highly customised pages

- Payment channels are implemented as plug-ins to cater for payment systems around the world, and to enable ultimate choice within the given country. These plug-ins work as extensions to the core Inamon functionality
- Account reminders can be executed at various levels and include multiple settings such as minimum reminder amount, minimum account amount, step trigger method, grace days between steps, reminder fees etc. Each cycle can have an unlimited number of steps which can execute an unlimited number of actions, e.g. send out an email, cancel a policy etc

General Ledger Interface

- The general ledger interface extracts all data from the system, and prepares them for posting to an external general ledger system
- All amounts posted in the system are able to be picked up by the general ledger interface, depending on the setup
- The postings include incoming payments, written premium, due premium, unearned premium, claims estimates, claims payments, reinsurance premiums and many more
- Postings can be split by implementation dependent criteria, including transaction types, product types, risk types, claim types etc

Commission

- Commission can be allocated to individuals, organisations or organisational hierarchies; collectively called commission partners
- Portfolio Management controls the assignment of assets to partners, e.g. policies. As individuals join or leave the company, or move to other departments, reassignment of policies to new partners is important to maintain the customer service
- Assets can be manually assigned to partners or automatically, e.g. at time of policy creation. Many partners can be assigned to the same policy or parts of the policy, enabling the distribution of commission for complex policies
- The system handles ceded commission where there are many partners assigned to a policy, and the commission is ceded from one partner to another. This optional facility allows involved partners to share commission and at the same time enables full control over the maximum commission
- Policy commission can be fixed amounts as well as percentages. It can be calculated with individual rules on premiums and fees
- General rules can be defined for commission partners depending on the type of partner, e.g. individual agents, teams etc.
- Specific conditions may require specific rules, e.g. for certain products, product lines or where a partner has negotiated a better contract. Commission amounts can

also be overridden for individual partners on specific assets.

- Sliding scale commissions can be handled in unlimited steps. This is where the commission changes over time, e.g. the initial sale attract a certain commission, the first and second renewal a little less, and forever thereafter a smaller amount again.
- Commission can be automatically clawed back, e.g. in case of policy cancellation. Rules define extent of claw back, e.g. full, proportional or percentage and whether the claw back claim should expire after a given period
- Disbursement can happen via different channels, e.g. the payable/receivable system, the pay role, extracts to other system etc

Task Management

- Inamon has a comprehensive general task management framework, ensuring all jobs and tasks are performed at the appropriate time
- Tasks can be triggered from anywhere within the system, for example; predefined tasks for specific claims types, claim case types, claimed item types, from the accounts reminder system for manual intervention or from the policy renewal system for review and customer contact etc
- Task templates can be created for automatic creation holding specific task information
- Tasks are allocated to individual people or departments / work groups
- Managers can allocate due tasks to individual employees within the managers department, or as authorisation has been specified
- Managers can transfer authorisation to other individuals in case of holidays etc
- Backup managers can be specified to cover for illness etc

Document Management

- The document system handles all document production, i.e. policy schedules, certificates, claims letters etc
- A document can be delivered via email or ordinary mail
- A journal is kept of all communications with all parties and it is automatically recorded for any document sent from the system
- Documents are automatically linked to relevant Parties, Quotes, Policies, Claims etc
- Document templates can be created in a variety of formats, including Word, HTML, Text etc
- Output for attachments and archive can be created in various formats such as PDF, XPS, HTML etc
- Static documents, such as a policy booklet can be created in e.g. PDF and attached to emails

User Management

- Inamon has a comprehensive authorisation system, managing the different levels of access depending on the user roles
- Access authorisation enables access to modules and individual pages and programs according to roles granted to individuals
- Inamon includes an advanced functional authorisation module, enabling access and authorisation to functions within system areas according to the roles granted to individuals
- Additional programs and pages for the individual implementation can easily be managed by the menu and authorisation functions
- Internal users are those employed by the insurance company, and access can be granted according to their roles and individual access needs
- External users are those using the insurance company's website and they are categorised into visitors, members (those who have a login but are not a customer) and customers
- Customer can invite other members to manage their policies. This can be useful for families or companies where more people need to be able to amend the policies. The advantage of this facility is that multiple people do not use the same login, enabling a complete audit trail and, of course, that enhanced general security is achieved by not sharing user logins
- Group users are those belonging to brokers, agents etc, and access is granted to the individual groups (brokers), and within the groups their managers can administer access for their employees
- The group users will have access to the assets (e.g. customers and policies) belonging to the group to view and perform transactions

Product Configuration

- Any general insurance product, private or commercial, can be implemented in Inamon
- The product design is allowed ultimate freedom in look and feel, screen flow and access method (normal browser, mobile browser, mobile apps etc.)
- Customer facing pages can be written using the latest tools incl. AJAX, Flash, Silverlight, Apps etc, enabling keeping up with rapidly changing demands of the consumers
- The Product Configuration holds all the components of the insurance products and links them together
- Each product component can be used in multiple products for maximum reuse
- The product components define all the rules and behaviours
- Cover length can be defined to be fixed, e.g. one year, or within an allowed range, e.g. within one month and 3 years
- External tariff tables can be linked in, such as postcode tables etc

- Tariff tables can be easily imported from external spreadsheets
- Standard clauses can be defined in multiple languages and contain parameters to be manually or automatically added. There are rules for how and when manual or automatic clauses can be used
- Referral rules can be defined and linked to individual risks and individual insurers / reinsurers
- Renewal rules can be defined with unlimited steps, including automatic renewal, invitation email/letter, reminders, tasks, automatic lapse, automatic declinature etc
- The price can be calculated by Inamon's rating engine or a call can be made to an external rating engine

Technology

Development Platform

- Inamon is built on Microsoft's .NET platform, using C#, ASP.NET, Ajax etc.

Databases Supported

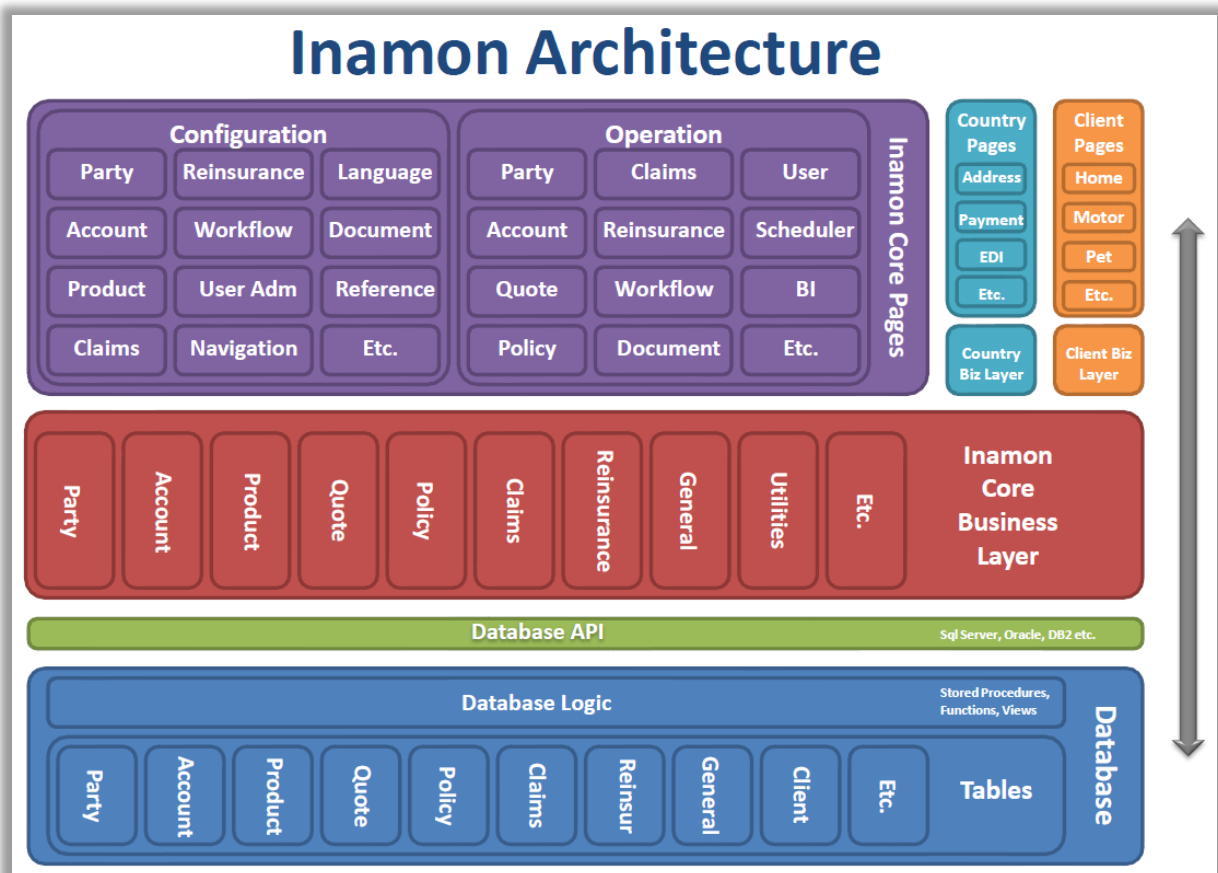
- The database can be SQL Server, Oracle or any other SQL based database. Inamon is developed using SQL Server.

Operating Systems Supported

- Application – Windows Server
- Front-end – Any OS supporting a browser
- Database - Any OS supporting the selected database (see database)

Architecture

- Inamon has an n-tier architecture
- Inamon is designed to be used directly by the end customer, and the presentation layer is therefore crucial to the company to present the corporate image. Because of the need to have the unique look and feel, and to ensure maximum flexibility in the workflow, this is only a very thin layer, and the real functionality lies in the layers below
- The product layer is where the company's insurance products are placed, and it provides the product specific functionality
- The business layer provides the real insurance functionality; enforcing rules, calculating premiums, controlling the policy versions etc
- An API database layer controls the database access, and enables a choice of databases. Inamon is developed using SQL Server, but by changing the database API, another database could be used, such as Oracle
- In the database itself Inamon has a data access layer which provides further functionality and integrity checks
- Plug-ins are used for functionality specific to an installation, such as UK Direct Debit. Plug-ins typically inherit and extend standard core functionality
- For implementation specific functionality, a number of user exits are available, to enable customisation to be developed as an implementation layer. This ensures easy update of core functionality



6 Comments and Trends

This document focuses much on the online capabilities of Inamon, and the importance of this cannot be understated, for the insurance company and customer of the future.

Below are extracts from surveys and reports from some well-respected companies with expertise in the insurance industry.

Gartner

- As customers demand convenience and insurers look to drive down servicing costs and improve customer experiences, self-service sites will become an even bigger priority among life and P&C insurers
- Interactive Web technologies will help to improve the user experience, driving cost savings, attracting online shopping and helping to prevent customer turnover

Accenture

- More than half (53%) of consumers are considering switching to a new insurance provider over the next 12 months and a rapidly growing number plan to buy insurance online
- The most important criteria consumers use when choosing an insurance provider are speed of problem-resolution, transparent pricing and the availability of products that match their needs

IBM

- Younger, newer policyholders tend to be Internet savvy, and expect instantaneous interactions and tailored selections
- Understanding policyholder service priorities and what they value is becoming increasingly important
- Customers who have thoroughly embraced technology usually prefer the convenience and speed of the Internet. Online self-service helps improve efficiency, provides 24/7 availability for transactions, and reduces the time required to handle a transaction.
- Carriers should focus on both improving the service delivery experience and increasing the number of products each policyholder owns

Deloitte

- The Gen Y customer base serves as a leading indicator or lens through which insurers can view the rising expectations of all consumers
- Gen Yers occupy the leading edge of technology and customer experience; they are continuously raising their expectations of underlying technological capabilities that drive insurers' product offerings, marketing and distribution.
- As Gen Y seeks increasingly flexible and customized customer experiences, older generations are quickly following in its footsteps
- Insurers who tune into Gen Y and seize this emerging opportunity to adopt a truly customer-centric business approach can set the stage for improving the quality of the customer experience for everyone

Capgemini

- The average share of wallet for a single insurer is currently just 1.1 to 1.5 policies, though the average mature-market insurance customer holds 5.2 policies
- Research found that customers perceived the internet distribution model as a vastly superior means of delivering the 3 key factors that influenced customers buying decisions, namely price/return, product quality and brand/trust
- As well as satisfying the demands of consumers, insurers also see online insurance as a way of reducing operating costs, growing revenues and improving customer retention rates
- The internet distribution network attracted a higher percentage of high-income customers than other distribution networks, such as tied agents, banks, brokers and telephone sales
- As broadband penetration rates continue to increase globally and all age groups in society become increasingly computer literate, the demand for online insurance is sure to continue to grow strongly
- The rise of internet distribution networks is a trend that leading insurance companies cannot ignore