Split-Second Response Time Moves UK Insurance Carrier to the Top of Customers' List

"The Actian Data Platform and our BI tools integrate seamlessly and deliver real-time insights with great speed and performance. We're able to make informed, risk-balanced decisions very quickly. When you have a small team, that's crucial to success in a dynamic marketplace like insurance."

August Ludwigs
Pricing Analyst, The AA

Aggressive, high-speed behaviors may not seem appealing when an insurance company is evaluating whether to insure a driver, but an immediate and proactive response to online quote requests is critical for insurers that need to be competitive. That is particularly true in UK insurance markets, where drivers routinely turn to websites like GoCompare.com and Confused.com to find the best available rates. These insurance quote consolidators present driver-supplied data to insurance companies, which then must evaluate that user data and immediately respond with a competitive quote. Response time is so critical that many of the comparison sites will not even list a quote if it is returned more than two seconds after a customer submits their information.

The leader in roadside assistance service in the UK and a recent entrant to the automotive and insurance industry, the AA has developed its insurance underwriting platform to meet this need for speed. Of course, the AA doesn't want to insure just any driver. It wants to target and provide highly competitive insurance rates to customers with the best driving records. To do this, it must be able to go beyond website provided data and create a more complete risk profile of a driver before determining eligibility and rates.

Challenge

Insurance comparison websites in the UK give top billing to insurers who respond fastest to online requests for quotes. The AA needed a solution that would enable it to underwrite a prospective driver and deliver a risk-balanced, competitive insurance quote with sub-second speed.

Solution

The Actian Data Platform deployed on Azure is used to analyze hybrid data sources to provide real-time insurance quotes and provide executives with performance insights on the AA's insurance business.

Outcome

With Actian Data Platform, the AA routinely earns its top position on comparative insurance sites. The AA can analyze applicant-supplied data, review data from public sources and deliver risk-balanced competitive insurance quotes within fractions of a second.

The AA subscribes to multiple services that enable it to validate the information an applicant submits and enrich that information with data the applicant may not have provided (such as the applicant's credit rating, information about a car's accident history, whether the applicant has a history of insurance fraud, and more). It's this combination of data points that the AA models in its underwriting system to calculate the most competitive insurance offers for the most qualified drivers.

While this seems like a lot of data to analyze, using the Actian Data Platform allows the AA to return a risk-balanced, competitive quote in just 400 milliseconds. These results are far faster than the two seconds required by insurance comparison sites, which allows the AA to consistently appear as one of the top three quote results for potential buyers.

The Actian Data Platform Solution

The Actian Data Platform relies on a true column-store database that provides unrivaled capabilities to connect, analyze, and act on big data. It can run in the cloud, on-premises, or — as in the case of the AA — as a hybrid solution. Leveraging the elasticity of the AA's Azure cloud environment with the Actian Data Platform, the AA was confident it had the scale and flexibility to meet the future growth of its insurance business and would be able to continue to leverage the massive amount of data still stored in on-premises data sources.

The AA knew that it would need to accommodate a growing number of pricing analysts and business intelligence users as the insurance business grew. The Actian Data Platform provided the high concurrency capability necessary to accommodate multiple pricing analysts, data scientists, and executive users using BI dashboards for real-time business insights — best of all, the additional users had no impact on the performance of their online quoting system.

The Results

Offering massively-parallel, high-performance data processing and real-time analytics, the Actian Data Platform is capable of processing complex queries entirely in memory and returning actionable insights up to 30 times faster than competing solutions. In just five years, the insurance business has grown to nearly half a million active insurance policies, making it one of the AA's most lucrative business units.

Ultimately, what matters to the AA is the ability to deliver strong services to its members and strong returns to its shareholders. Ensuring that it can make sound decisions about risks and premiums is key to achieving both goals — particularly when converting a potential customer depends on a split- second response.

The processing power unleashed by the Actian Data Platform ensures that the AA can enrich its data, perform a sound analysis, and issue an appropriate response in fractions of a second. The AA's ability to deliver competitive, risk-balanced online quotes has enabled it to become one of the largest home and auto insurers in the UK.

About Actian

Actian makes data easy. We deliver cloud, hybrid cloud, and on-premises data solutions that simplify how people connect, manage, and analyze data. We transform business by enabling customers to make confident, data-driven decisions that accelerate their organization's growth. Our data platform integrates seamlessly, performs reliably, and delivers at industry-leading speeds. Learn more about Actian, a division of HCLSoftware: **www.actian.com.**