

Turning Data into Strategic Insights - Harnessing the Commercial Value of Actuarial Data

CHALLENGE

Our client, a South African financial services company operating across multiple African countries, sought to develop a rewards programme for their retail business. Their goals were to enhance customer loyalty, minimise policy lapses, reduce operational costs and increase brand exposure.

MBE's team was initially engaged to create a proof of concept rewards programme for one product line, with the ultimate aim of implementing it across their entire product range. This extended to become a deep and extensive investigation of their data.

We identified that there was a need to gain a full understanding of the client's data. However, our team was initially faced with the challenge of acquiring, consolidating and analysing diverse datasets to determine their suitability for modelling.

APPROACH

The team identified ten key experience factors that were influencing policyholder behaviours and product profitability. These factors were assessed for their statistical and financial significance on business outcomes.

Collaboration with the clients Actuarial, Business Intelligence and IT teams helped us to understand the available data sources. Actuarial models and assumptions were sourced and rationalised, and the data viability was assessed.

The next stage involved a comprehensive statistical analysis of each factor's impact on the actuarial assumptions and profitability determinants.

RESULTS

- Data was prepared, cleansed and transformed ready for analysis.
- Business intelligence dashboards were developed to consolidate modelling outcomes and facilitate sensitivity testing.
- An economic model was designed to project profitability based on changes in the experience factors.

In conclusion, this project revealed the value of data-driven decision-making, enabling customer-centric initiatives and tangible outcomes for the client.

AT A GLANCE

Challenges

- Sourcing and consolidating numerous and large datasets.
- Absence of a comprehensive data overview necessitated an extensive exploration of the datasets.

Outcomes

- Provided a foundation for designing a rewards programme.
- Provided opportunities for risk management and policyholder engagement improvement.
- Highlighted the value of data-driven decision-making.



MBE Consulting's data-driven approach unlocked hidden opportunities in our business. Their insights led to the opportunity of designing a rewards programme that will boost loyalty, cut costs and exposed new avenues for growth.



Head of Actuarial