What is Business Intelligence?

Business intelligence (BI) refers to the process of analyzing and interpreting data in order to derive valuable insights that inform key business decisions. BI software gathers business information and makes detailed data visualization of basic business cycles and activities. Viewing data in visual format empowers business pioneers to utilize this data to make strategic decisions.

Business intelligence is often confused with business analytics; While they are something very similar, they are not the equivalent. Business analytics does likewise work as Business Intelligence regarding analyzing data and identifying patterns and forecasts the potential outcome of certain actions and behaviors. For example, an underwriter who works for an auto insurance company could use business analytics to perform a risk appraisal for a specific driver based on their driving history. This information would then be used to calculate the gross and net premium and to issue a policy to that driver.

4 Ways Business Intelligence Can Benefit Your Insurance Company

Data is apparently the most important cash of the digital age, and insurance agencies are perched on a genuine goldmine. Insurance agencies experience near-constant influx of data — actuarial information, market information, claims information, client information, etc. While numerous organizations in different enterprises are yet sorting out some way to get value from data, the insurance industry has found that business intelligence is the key to realizing its potential.

The insurance industry is the pioneer in business intelligence adoption. Insurance agencies focus on the following:

- Dashboards
- Reporting
- End user self-service
- Data warehousing
- Data discovery
- Data mining

Considering that, we should discuss business insight — explicitly, that how insurance companies can benefit by it.

Advantages of Insurance Business Intelligence

Fight Fraud

Fraud is increasing in the insurance industry. Obviously, this is a grim certainty, but it is a reality and insurance agencies must find ways to mitigate potential fraud.
An Estimate from the Coalition Against Insurance Fraud that fraud steal $ 80 billion each year in the US alone. And fraud not only effect the Insurance companies, but it takes a toll on insurance payer as well. The cost of fraud can be exponential: As insurance companies lose revenue due to fraud, they often increase premium and fees to cover the cost, creating a negative encounter for consumers.

Fortunately, insurance business can use business intelligence software to handle a wide variety of pitfalls, from inflating actual claims to falsifying information on application forms. Effective fraud prevention requires early detection, and business intelligence uses predictive analytics that consolidates machine learning, data mining, and predictive modeling — to identify fraudulent claims earlier in the claims cycle. By entering data into simple insights, end customers can identify pattern that demonstrate false movements and configure scheduled alarms based on these patterns.

Incorporate Efficiency into Claims Management

There is nothing more frustrating to an insurance customer than a long, drawn-out claims process. The reason is simple: For most customers, that claim represents much-needed compensation for what could be a traumatic event, such as a car crash, property damage, or surgical procedure. An efficient claims process is key to success of any insurance company because it increases customer satisfaction and minimizes loss. An optimized claims process also enables agents to resolve open claims that much faster, so they can dedicate their attention to a larger number of customers.

By integrating business intelligence software into a customer relationship management (CRM) system, insurance provider can also give their claims handlers access to detailed customer profiles. Handler can use this feature to investigate advanced customer cases and other important data, provide a more useful type of assistance, as well as provide a highly personalized customer experience.

Identify Lucrative Opportunities

Like some other business, insurance agencies need to search for approaches to boost their earnings. To do this, executives need to be able to view all parts of the business from a centralized location and in a convenient format.

As referenced before, Business Intelligence software utilizes data analytics to make nitty gritty representations that can give valuable insight to clients. As well as identifying fraud,

insurance companies can use this capability to monitor market trends to make more strategic business decisions. These visualizations also make it possible for companies to monitor the performance of the other agencies that they partner with, as well as products within their own catalog and determine where spending a little extra time and attention could lead to increased profit.

Improve The Efficiency of Your Sales Team

To reliably meet and surpass the quarterly objectives, Sales supervisors are needed to intently screen the performance of every salesman, product, and region to decide Whether they are meeting the expectation.

Insurance Business Intelligence Solutions give real-time reporting and generate detailed visualizations depicting individual product and agency performance, so Sales Manager and representative can see which area of their business are good performer and which one need attention. As well as recognize potential development openings.

Conclusion

In Insurance industry Business Intelligence play a big role in modern era like **Fraud Detection**, **Claim Management, Profitability of Products, Sales Performance, Forecast & Planning**.

And all the above-mentioned requisites can be achieved by using Qlik BI Tool, where we have QlikView and QlikSense for analysis and Qlik Nprinting for distribution of reports (PDF, XLS, PPT) via email.