DM REVIEW

Winterthur Insurance (a Credit Suisse Company) Leverages ADVIZOR Visualization for Faster Analysis and Easier Results Sharing

PRODUCT MANUFACTURER: ADVIZOR Solutions, Inc.

PRODUCT NAME: ADVIZOR Analyst Workbench

REVIEWER: Andrew Harper, Operations Research Analyst, Winterthur Insurance.

BACKGROUND: Winterthur Group is a leading Swiss insurance company with head office in Winterthur, Switzerland. As an international company, Winterthur Group ranks among the top providers of insurance in Europe. The Group's products include a broad range of property and liability insurance products, as well as insurance solutions in life and pensions that are tailored to the individual needs of private and corporate clients. Approximately 21,000 people work for Winterthur Group. Of these, 70% are employed outside Switzerland (2003 figures). In 1997 Winterthur became part of Credit Suisse Group, a leading international provider of financial services based in Zurich.

HARDWARE PLATFORMS: Windows 2000 accessing data from an IBM DB2 database running on AIX.

PROBLEM SOLVED: At Winterthur, we regularly analyze various forms of customer, policy, and marketing data. Prior tools (generally pivot tables) made it difficult to explore our data and communicate results. ADVIZOR Analyst Workbench solves this problem through a user-friendly visual interface that allows our analysts to jump in and immediately begin exploring important characteristics of our business such as variances between groups of customers, or policies. ADVIZOR allows us to: (1) intuitively explore our data in order to discover anomalies, find key trends, and draw conclusions; and (2) communicate and collaborate on results. ADVIZOR enables results to be easily understood by non-analysts, especially management. We could not accomplish this with pivot tables or the inadequate visualisation tools in data mining software.

PRODUCT FUNCTIONALITY: Within Operations Research we use the product to get a feel for the data we are working with, especially if it is data that we have not used before. For example, we look at how the amount paid for a claim varies according to when the claim was registered and when it was completed, across different insurance products. In addition to rapid analysis, we also leverage ADVIZOR to gauge data quality. For example, we look at how the time between the sale of an insurance policy and its import into the database varies per product and over time. The product also serves as common ground between analysts and management to help in the understanding of an issue. All parties can discuss the issue whilst looking at (and interacting with) a series of ADVIZOR plots, a significant improvement over looking at pivot tables. Pivot tables are much drier (not visually appealing) and less interactive. Primary benefits include the ability to extract and explain critical information faster, and discover high-value nuggets of information that would otherwise go unnoticed.

STRENGTHS: ADVIZOR Analyst Workbench is easy to use and is perfect for export to presentations (allowing a quick overview of, for example, purchase behaviour of different customer segments to be shown). Further, it is very effective for conveying and collaborating on results (in particular, the financial benefits to be derived from models built by Operations Research, such as doubling of purchase rate through more targeted customer selection).

WEAKNESSES: ADVIZOR Analyst Workbench could make it more obvious how it treats missing values. For example, having a built-in indicator reflecting the number of rows with a particular missing value would be useful.

SELECTION CRITERIA: ADVIZOR Analyst Workbench was recommended to us by a third party consultant familiar with ADVIZOR and other products on the marketplace. The recommendation was based on the powerful yet intuitive nature of the product which matched up well with our need.

DELIVERABLES: The primary deliverables for us include interactive scatter plots linked to other interactive graphs (e.g., bar charts) to examine various relationships across many different segments/dimensions, such as: how customer value compares with the likelihood to purchase a new product or cancel an existing product; how the predicted value of young motor customers increases with time as they age and the claims-premium ratio drops; results of direct marketing campaigns, e.g., which policies were extended and for how long as a result of the campaign; 'cuts' of customers for selection that fulfill certain criteria, e.g., total premium x, number of claims at most y. Experience has shown that, gradually, the plots that ADVIZOR can produce are accepted by management, and can be used well in presentations.

VENDOR SUPPORT: To date we have not required any assistance from ADVIZOR Solutions.

DOCUMENTATION: The product is easy enough to understand without any documentation, but the documentation is adequate for our needs.