

CELENT



This is an authorized reprint document which Vertafore can redistribute. The content reflects Celent's independent opinion. Vertafore did not sponsor this case study.

DUAL GROUP: IMPLEMENTATION OF A FLEXIBLE AND MODERN MGA MANAGEMENT PLATFORM

Winner of the 2024 Celent Model Insurer Award for Legacy and Ecosystem Transformation

Nicolas Michellod

March 21, 2024

CONTENTS

Executive Summary	3
Celent Perspective	5
Potential Agents Tools Suite	5
The Insurer-Led Agent Digitization	6
Detailed Description	8
Introduction	8
Opportunity.....	8
Solution	9
Implementation	10
Results.....	11
Lessons Learned.....	12
Path Forward	13
Monitoring Key Success Factors	13
Expanding the Initiative	13
Leveraging Celent’s Expertise.....	14
Support for Financial Institutions	14
Support for Vendors.....	14
Related Celent Research	15

EXECUTIVE SUMMARY

To help agents sell and serve their customers, they need tools to improve the selling process. These include data integrations to verify application data, and APIs as needed to complete quotes, secure rates, and bind and issue policies. The DUAL Group's implementation of a flexible and modern MGA management system is a perfect example that all insurers can emulate.

Table 1: Case Study at A Glance

Financial Institution	DUAL Group
Initiative	Implementation of a flexible and modern MGA management system to improve productivity and boost revenue
Synopsis	DUAL Group embarked on an initiative to implement a new core online platform to help brokers and underwriters streamline their work and build revenue faster. The advanced configurations of MGA systems empowered the MGA to streamline workflows and improve productivity among employees by speeding up the time it takes to quote, bind, and process insurance.
Timelines	In New Zealand, the team at DUAL Group kicked off the implementation of MGA Systems in August 2019 and went live after around nine months in May 2020. After proving that this implementation worked well in New Zealand, the team started implementing in Australia. DUAL Group kicked off the project to implement MGA Systems in Australia in January 2020 and went live in October 2020.
Key Benefits	<ul style="list-style-type: none"> – Sixty thousand legacy policies migrated into renewals in their system within a few months at Dual Group Australia. – Over 180,000 policies in force with the online platform today. The new system was able to accommodate the peak month in June, which saw over 20,000 independent transactions. – The Australia and New Zealand teams have increased the number of renewals and new business quotes that could be processed without being touched by an

underwriter to 90%–92% (up from 55% previously).

- Today, a broker at DUAL Group can quote new business inquiries in just minutes for up to one thousand different occupations across eight different liability products.
- Drastic productivity improvement as employees are capable of quoting 10 times the amount of business in the same time period.

Key Vendor

Vertafore

Source: DUAL Group

The next section provides the Celent perspective on agent digitization and the how technology can help insurers improve their operations.

CELENT PERSPECTIVE

Technology facilitates relationship building, allowing agents to spend less time on mundane tasks like manual data entry and more time providing advice and support. We think there are specific domains where insurers need to invest to improve agent productivity.

Potential Agents Tools Suite

In recent insights published by Celent, we describe areas where insurers can improve the way they are doing business with MGA or independent agents. The following table provides some examples and recommendations for insurers:

Table 2: Potential Agents Tools Suite

Area	Examples (non-exhaustive)
Data / Analytics	<ul style="list-style-type: none"> – 360-degree customer views. – Customer persona-based insights, improving prospecting and interaction quality. – Need prediction models. – Life-event prediction models. – Next-best-action engine.
Customer Tools	<ul style="list-style-type: none"> – Customer discovery and recommendation tool. – Online quotation tool. – Web-based direct purchasing. – Web callback, one-click contact agent. – Insurance/savings portfolio manager.
Agent Tools	<ul style="list-style-type: none"> – CRM platform / Hubspot Integration. – Next-best-action alerts. – Simplified underwriting engine. – Digital sales tools. – Portals.
Digital Admin and Claims	<ul style="list-style-type: none"> – Process automation tools. – Support Multi-Currency Payments – Claims Administration tools.
Business Steering and Monitoring	<ul style="list-style-type: none"> – Business analytics and dashboards. – Linkage across product actuarial data.

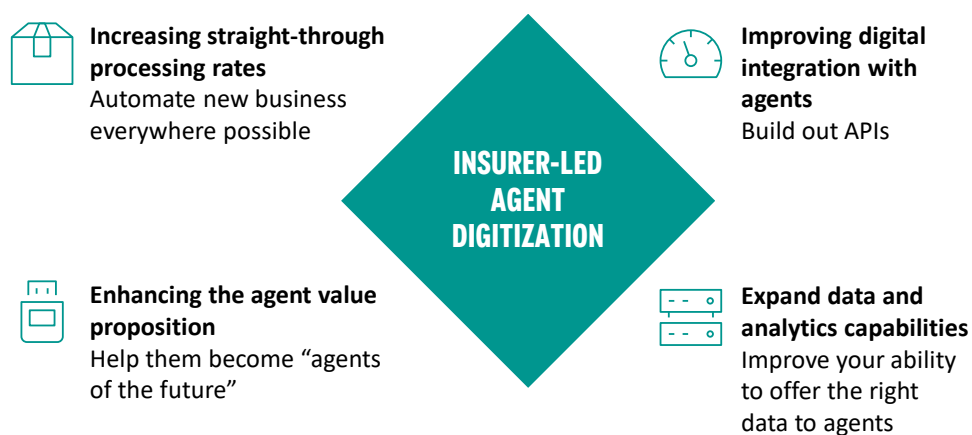
Source: *Digitizing the Agent: How Property & Casualty Insurers View Their Current And Future State*, Celent

Like DUAL Group through the implementation of its flexible and modern MGA management platform, we recommend insurers to invest in four technology domains.

The Insurer-Led Agent Digitization

Investing in the right technology has a positive impact on the agent and customer, increases efficiencies in front and back offices, and strengthens relationships across the value chain. We think four domains are particularly crucial to enable digital agents:

Figure 1: The Insurer-Led Agent Digitization



Source: Celent

The following four digitization components identified by Celent generate value to insurers when they are combined together and carefully implemented.

1. Insurers should aim at automating new business, notably via straight-through processing rates:
 - Increase quoting capabilities by leveraging comparative raters, digital marketplaces, and other platforms that bring digital business to agents.
 - Set high targets for straight-through processing rates for as many lines of business as possible.
 - Expand the use of automated rating systems.
 - Increase ability to offer digital customer-ready proposals and online policy issuance.
2. Integration also plays an important role to enable digitization of agents, and we think insurers need to think about creating a viable ecosystem:
 - Develop APIs to enable agents to provide digital experiences for policyholders, including expanded portal capabilities.
 - Extend these integrations to third party data providers, internal systems like policy administration and distribution management, and data for reporting.

- Focus on agent-requested integrations and the use of external public data to help prefill applications.
3. Technology and digitization efforts should help agents enhance their value proposition:
- Strengthen digital capabilities that support agent sales and advisory capabilities, including adding more digital marketing tools, quoting tools, and collaboration tools.
 - Listen to the agents and work with them to identify the information and tools that will expand their sales and agent capabilities.
4. Expanding capabilities with focus on data and analytics is a must today:
- Offer more analytical tools to satisfy the new generation of technically literate agents, including tools to identify leads.
 - Plan to offer more advanced analytics and models to agents such as predictive models to provide “next best action,” helping agents find the right product for the applicant.
 - Find potential use cases for GenAI, because if you do not, someone else will.

We think the DUAL Group initiative to implement a new core online platform to help brokers and underwriters streamline their work and build revenue faster is a great example of how insurers can take advantage of modern technology to improve agents’ productivity within an integrated and simplified ecosystem.

The next section of this report provides a detailed description of DUAL Group’s initiative.

DETAILED DESCRIPTION

Introduction

DUAL is part of Howden Group Holdings, an international insurance group. Howden Group Holdings was founded in 1994 and operates in 50 territories and employs over 16,000 people.

The following table provides specific information about the DUAL Group:

Table 3: DUAL Group Snapshot

Year Founded	1998
Headquarters	London, UK
Annual Premium	US\$3.2 billion
Geographic Presence	Europe: UK, Austria, Czech Republic, Finland, Germany, Ireland, Italy, Netherlands, Spain, Slovenia, Sweden, Switzerland. Middle East: UAE. North America: the United States. Latin America: Brazil, Mexico. Oceania: Australia and New Zealand.
Employees	1,300
Other Key Metrics	Active in property insurance, financial lines, marine and energy, title insurance including mergers and acquisitions insurance, liability insurance, treaty reinsurance, and other lines such as art, forestry, and cyber, among others.
Relevant Technologies and Vendors	Cloud, APIs, data management technology, DataOps, Vertafore Insurance Management System

Source: DUAL Group

Opportunity

DUAL Group had created an Online Platform and Automation Framework in North America. The executive management team decided to deploy this technology across other regions within DUAL Group. Australia and New Zealand was the first project within the group. Today, DUAL Group is implementing this same technology in DUAL Group LATAM (Brazil and Mexico) with Japan to follow.

DUAL Group performed an assessment of its Australia and New Zealand operations in order to identify opportunities for improvements, including:

- **Need for operational optimization:** With 19 lines of business online and more than 50–60 different product schemes, DUAL Group saw a need for a solution enabling more automation.
- **Reduce system and data complexity:** Because of the niche nature of their MGA business, there was no centralized underwriting system, and it had different rating structures and processes across the system. The online platform DUAL Group was using in Australia and New Zealand did not integrate with the back end of its business, meaning brokers and underwriters had to jump in and out of different systems during their workday, leading to time-consuming processes involving dual data entry.

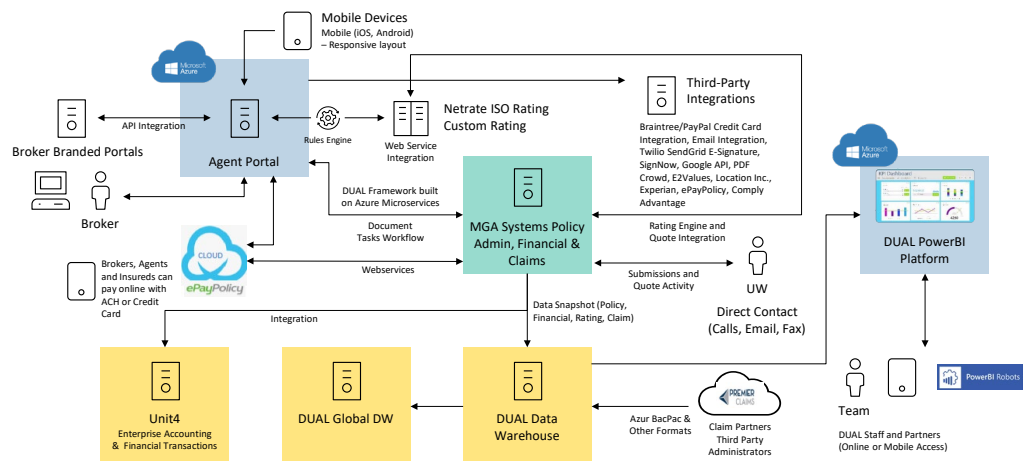
As a result of this assessment, DUAL Group understood they needed a specialized, customizable platform that could cater to its complex underwriting, lines of business, and distribution models.

In summary, DUAL Group saw the opportunity to give brokers and underwriters a leg up in the niche work they do, by empowering them with tools to introduce new products and lines of business in less time so they could build new revenue quickly.

Solution

DUAL Group embarked on a project to implement the Vertafore’s MGA Systems platform. MGA Systems supports various core processes including policy management, financial activities, claims, quoting, binding, and rating. It is a specialized MGA management system that caters to a business’s complex underwriting, lines of business, and distribution models and helps DUAL Group add new products and lines of business quickly so they can start building revenue right away.

Figure 2: MGA Systems Platform Architecture



Source: DUAL Group

MGA Systems allows easy integrations with online portals, rating platforms, and other third-party applications. The open architecture grants customers access to both data and code in their database if needed, resulting in a better interface for

brokers and underwriters with all the information and data they need in one location.

MGA Systems is also built to help MGAs expand into new regional or global markets with support for international currencies, addresses, and phone numbers. This capability was crucial when implementing the solution in Australia and New Zealand, which had different currencies than their 21 other locations across the world.



Regardless of the product, MGA Systems has consistently proven effective in resolving any challenges we encounter. There hasn't been a situation we couldn't address successfully with MGA Systems.

Steven Cota, DUAL International CIO for Technology Transformation

Implementation

In New Zealand, the team at DUAL Group kicked off the implementation of MGA Systems in August 2019 and went live after around nine months in May 2020. After proving that this implementation worked well in New Zealand, the team started implementing in Australia. DUAL Group kicked off the project to implement MGA Systems in Australia in January 2020 and went live in October 2020.

Internally, the project comprised 25–30 people across various departments within DUAL Group, including accounting, finance, legal, IT, operations, marketing, and various underwriting teams. DUAL Group partnered with the technology provider Vertafore to leverage MGA Systems. DUAL Group's Chief Information Officer for Technology Transformation sponsored the project. DUAL Group project participants and key stakeholders collaborated with a dedicated team from the MGA Systems team to implement and customize the platform.

In total, DUAL Group has 19 different lines of business—including financial lines, management liability, D&O, cyber insurance, accident and health, corporate travel insurance, and group travel—with various customization needed for each in its technology platform. MGA Systems was built specifically to address these complex challenges, and the team has been able to successfully use the system to navigate their ultra-specialized work. Indeed, as an MGA, DUAL Group had to find a solution that was highly configurable and flexible enough to support the specialized work they do. Without a centralized underwriting system in their business, they had different rating structures and processes across the system. For example, a cybersecurity line of business might require a 10% renewal, while an accident line of business might require a 20% renewal. These specialized, customizable needs were one of the main reasons they decided to enlist the help of Vertafore's MGA Systems platform, which was built to support these various configurations.

Another challenge DUAL Group faced was transferring a large volume of legacy data from the previous system to MGA Systems. This process took about three months to transfer since they also needed to carefully assess and clean any existing data and make sure it was suitable to be entered into the new system. The MGA Systems team provided robust integration tools to import the policy and claims data into the new platform.

Integration was also a crucial part of the project’s success, as it required three key integrations:

- DUAL Group needed to integrate the enterprise accounting system—Unit4. MGA Systems serves as the sub-ledger housing all financial transactions, which were subsequently aggregated and transferred into the Unit4 accounting platform.
- The team also established an integration between the online platform and their existing CRM solution, HubSpot. HubSpot actively monitored all online activities, enabling the DUAL Group marketing teams to effectively track web activity and respond to open quotes.
- Lastly, they implemented an integration with ComplyAdvantage to facilitate sanctions checks and meet Office of Foreign Assets Control (OFAC) requirements for policies, claims, and payments.

Results

The following table lists the key benefits along the opportunities identified by DUAL Group:

Table 4: Success Metrics

Benefit	Results
Operational optimization	<ul style="list-style-type: none"> – The Australia and New Zealand teams have increased the number of renewals and new business quotes that could be processed without being touched by an underwriter to 90%–92% (up from 55% previously). – The new system was able to accommodate the peak month in June, which saw over 20,000 independent transactions. More than 500,000 quotes have been completed in the new online rating platform since. – Productivity soars for employees, and they are capable of quoting 10 times the amount of business in the same time period. – Today, a broker at DUAL Group can quote new business inquiries in just minutes for up to a thousand different occupations across eight different liability products. This can all be done in most scenarios with no input needed from an underwriter. This reduced turnaround time has resulted in increased satisfaction among clients.
Reduced complexity	<ul style="list-style-type: none"> – Having DUAL Group under one core system has eliminated many productivity barriers, such as dual data entry and the need to switch in and out of systems.

Benefit	Results
	<ul style="list-style-type: none"> – In Australia, DUAL Group migrated 60,000 legacy policies into renewals in their system in the first few months. Today, they have over 180,000 policies in the online platform for Australia and New Zealand. – As a result of the positive experience using MGA Systems and the clear benefits, DUAL Group is using it in other locations such as Brazil, Spain, Singapore, and Mexico. – The team was able to build the system in four to six months, something they believe would have taken up to a year without the help of a core platform like MGA Systems.
Source: DUAL Group	

Lessons Learned

Ambitious technology implementations often if not always allow organizations to learn new things, and DUAL Group is no exception to that rule.

The first thing DUAL Group learned is the importance of starting the integration work with the integration of partners. Indeed, DUAL Group's partners might not progress at the same pace as its team, potentially jeopardizing delivery timelines.

DUAL Group also learned it was preferable to initiate an early assessment of legacy data to gain insights into the resources and time needed for data cleansing. Particularly when collaborating with regions like Australia and New Zealand, it was essential to consistently revisit the project plan and ensure onsite visits in accordance with the project's demands.

Another highlight of this project was the power that it put in the hands of employees to make these needed changes and configurations in the system themselves. For example, a business analyst or underwriter analyst without IT knowledge can go in and make changes, add programs, change rates, and make endorsements in MGA Systems without the help of an IT professional.

The overall target architecture definition was also a crucial step. Indeed, the API architecture of MGA Systems is a key highlight of the project because it has allowed the MGA to add new products and third party applications without any issues. This open API architecture was crucial to helping DUAL Group integrate other products and continues to strengthen its ability to make informed risk and pricing decisions.

What comes next for DUAL Group following the implementation of its modern MGA management platform? The next section looks at key success factors and the path forward.

PATH FORWARD

DUAL Group has identified key success factors and continues to monitor how their new platform can help them achieve higher flexibility and scalability. In addition, DUAL Group plans to deploy the platform in other locations.

Monitoring Key Success Factors

DUAL Group continues to monitor key success factors following the implementation of its MGA systems platform in Australia and New Zealand.

The first is the ability of the system to clean up business processes with consistent, reliable data. With an online platform that streamlines data, they are continuously saving the time it takes to integrate financial transactions up to the enterprise.

The other factor is about scalability. Giving brokers a client-centric view of their book of business empowers them to cross-sell and quote more lines of business faster than ever. The result is better operational efficiency and the ability to scale like never before.

Expanding the Initiative

DUAL Group is leveraging this tool across different locations such as Brazil, Spain, Singapore, UAE, Mexico, and Japan. By successfully implementing MGA Systems in territories such as Australia and New Zealand first, DUAL Group has the framework to confidently build the system in other locations.

LEVERAGING CELENT'S EXPERTISE

If you found this report valuable, you might consider engaging with Celent for custom analysis and research. Our collective experience and the knowledge we gained while working on this report can help you streamline the creation, refinement, or execution of your strategies.

Support for Financial Institutions

Typical projects we support include:

Vendor short listing and selection. We perform discovery specific to you and your business to better understand your unique needs. We then create and administer a custom RFI to selected vendors to assist you in making rapid and accurate vendor choices.

Business practice evaluations. We spend time evaluating your business processes and requirements. Based on our knowledge of the market, we identify potential process or technology constraints and provide clear insights that will help you implement industry best practices.

IT and business strategy creation. We collect perspectives from your executive team, your front line business and IT staff, and your customers. We then analyze your current position, institutional capabilities, and technology against your goals. If necessary, we help you reformulate your technology and business plans to address short-term and long-term needs.

Support for Vendors

We provide services that help you refine your product and service offerings. Examples include:

Product and service strategy evaluation. We help you assess your market position in terms of functionality, technology, and services. Our strategy workshops will help you target the right customers and map your offerings to their needs.

Market messaging and collateral review. Based on our extensive experience with your potential clients, we assess your marketing and sales materials—including your website and any collateral.

RELATED CELENT RESEARCH

[Digitizing the Agent: How Life and Annuity Insurers View Their Current And Future State](#)

October 2023

[Digitizing the Agent: How Property & Casualty Insurers View Their Current And Future State](#)

October 2023

COPYRIGHT NOTICE

Copyright 2024 Celent, a division of Oliver Wyman, Inc., which is a wholly owned subsidiary of Marsh & McLennan Companies [NYSE: MMC]. All rights reserved. This report may not be reproduced, copied or redistributed, in whole or in part, in any form or by any means, without the written permission of Celent, a division of Oliver Wyman ("Celent") and Celent accepts no liability whatsoever for the actions of third parties in this respect. Celent and any third party content providers whose content is included in this report are the sole copyright owners of the content in this report. Any third party content in this report has been included by Celent with the permission of the relevant content owner. Any use of this report by any third party is strictly prohibited without a license expressly granted by Celent. Any use of third party content included in this report is strictly prohibited without the express permission of the relevant content owner. This report is not intended for general circulation, nor is it to be used, reproduced, copied, quoted or distributed by third parties for any purpose other than those that may be set forth herein without the prior written permission of Celent. Neither all nor any part of the contents of this report, or any opinions expressed herein, shall be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other public means of communications, without the prior written consent of Celent. Any violation of Celent's rights in this report will be enforced to the fullest extent of the law, including the pursuit of monetary damages and injunctive relief in the event of any breach of the foregoing restrictions.

This report is not a substitute for tailored professional advice on how a specific financial institution should execute its strategy. This report is not investment advice and should not be relied on for such advice or as a substitute for consultation with professional accountants, tax, legal or financial advisers. Celent has made every effort to use reliable, up to date, and comprehensive information and analysis, but all information is provided without warranty of any kind, express or implied. Information furnished by others, upon which all or portions of this report are based, is believed to be reliable but has not been verified, and no warranty is given as to the accuracy of such information. Public information and industry and statistical data are from sources we deem to be reliable; however, we make no representation as to the accuracy or completeness of such information and have accepted the information without further verification.

Celent disclaims any responsibility to update the information or conclusions in this report. Celent accepts no liability for any loss arising from any action taken or refrained from as a result of information contained in this report or any reports or sources of information referred to herein, or for any consequential, special or similar damages even if advised of the possibility of such damages.

There are no third party beneficiaries with respect to this report, and we accept no liability to any third party. The opinions expressed herein are valid only for the purpose stated herein and as of the date of this report.

No responsibility is taken for changes in market conditions or laws or regulations, and no obligation is assumed to revise this report to reflect changes, events, or conditions which occur subsequent to the date hereof.

Nicolas Michellod

nmichellod@celent.com

Americas

USA

99 High Street, 32nd Floor
Boston, MA 02110-2320

[+1.617.424.3200](tel:+16174243200)

USA

1166 Avenue of the Americas
New York, NY 10036

[+1.212.345.8000](tel:+12123458000)

USA

Four Embarcadero Center
Suite 1100
San Francisco, CA 94111

[+1.415.743.7800](tel:+14157437800)

Brazil

Rua Arquiteto Olavo Redig
de Campos, 105
Edifício EZ Tower – Torre B – 26^º andar
04711-904 – São Paulo

[+55 11 3878 2000](tel:+551138782000)

EMEA

Switzerland

Tessinerplatz 5
Zurich 8027

[+41.44.5533.333](tel:+41445533333)

France

1 Rue Euler
Paris 75008

[+33 1 45 02 30 00](tel:+33145023000)

Italy

Galleria San Babila 4B
Milan 20122

[+39.02.305.771](tel:+3902305771)

United Kingdom

55 Baker Street
London W1U 8EW

[+44.20.7333.8333](tel:+442073338333)

Asia-Pacific

Japan

Midtown Tower 16F
9-7-1, Akasaka
Minato-ku, Tokyo 107-6216

[+81.3.6871.7008](tel:+81368717008)

Hong Kong

Unit 04, 9th Floor
Central Plaza
18 Harbour Road
Wanchai

[+852 2301 7500](tel:+85223017500)

Singapore

138 Market Street
#07-01 CapitaGreen
Singapore 048946

[+65 6510 9700](tel:+6565109700)