



Business Plan 2007 - 2010

Adopted at Board meeting 3 November 2006

Overview



1. Review of current position, July 2006
2. Plans for 2007 – 2010

1. Review



- Assessment of current position
- External influences
- Implications for future direction

Assessment of current position



- products
 - losing relevance for larger insurers
 - limited appeal to smaller insurers
 - limited range of classes
 - users unable to take action based on the statistics produced
- technology
 - low cost platform consistent with members needs
 - input platform provides low cost solution
 - approach means timeliness at risk
 - output platform poor interface with end users
- marketing
 - brand attributes very strong – independence; security; trust; expertise
 - poor track record for gaining new members
- expertise
 - good at doing what we do, but not being well shared with members
 - many members have limited understanding of benefits ISA can provide

External influences



- Increased need for statistics is a positive
 - greater demand for evidence rather than assertion
 - for lobbying governments
 - for communicating industry positions generally
 - consumer education
 - support for industry
 - consumer movements
 - key issues e.g. FSL
- Market consolidation – further mergers would act as a negative for future of ISA
- Increased regulation – mixed
 - Increases demand for evidence e.g. FCR
 - Regulator might decide to collect directly / compulsorily

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Implications for future direction



- Offering needs upgrading
 - meet "differing" needs of small and large insurers and reinsurers
 - Mass-market classes versus heterogeneous classes
 - Micro-level versus broader trend data
 - need to move up value chain
 - Source of benchmarking data for insurers
 - Repository of information for insurance industry
- Seek to broaden activities
 - crop; other classes
 - fraud e.g. IRS
- Operating model
 - is the way we do things most effective approach to meet needs?
 - technology; member interface
 - member fee model needs review
 - Financial (dis)incentives for companies that produce poor data?
 - Funding of future developments

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2. Plans for 2007 – 2010



- Value proposition
- Business strategies
- Functional strategies
- Target clients
- Initiatives for 2007
- Directions for 2008 – 2010

ISA's Value proposition



- Delivering information which makes a difference
 - Scope, relevance, timeliness, accessibility
 - The test: information which is integral to members' decision-making
- Maintaining low cost and effective delivery mechanisms
 - ISA's own cost structure
 - Minimising investment in IT by members
- Retaining a position of "absolute trust"
 - independence
 - security
 - Integrity
 - expertise

Business Strategies



- Products & services
 - Entrench ISA's relevance as pricing support tool
 - Consider expanding product offerings to “move up the value chain”
 - Benchmarking operational KPIs
 - Industry performance
 - Develop position as thought leader on data and analysis applicable to insurers
 - Facilitate Insurance Council thought leadership about emerging industry trends
- Customers & markets
 - Focus on expanding subscriber base of existing syndicates
 - Deliver excellently for Insurance Council
 - Expand range of areas covered by ISA
 - get new syndicates up and running
 - explore taking on other data collection services currently occurring in insurance industry

Functional Strategies



- Technology
 - Modernise access to reports for members
- Operating Model
 - Reaching the decision-makers within members
 - Minimise multiple-handling of data
- Member Interface
 - Improve awareness of ISA product offering among insurers
 - Interaction between ISA and members at appropriate levels
 - Underwriters and product managers
 - Senior management
 - Actuaries
 - Establish stronger working relationship with Insurance Council

Target clients



- Direct insurers
 - 100% renewal of existing members
 - Inclusion of all mass-market operators
- Insurance Council
 - Timely information on emerging and topical issues
- Reinsurers
 - Relevant offerings to encourage rejoining
- Others?
 - Once delivering full value to existing target members
 - Insurance intermediaries
 - Other jurisdictions e.g. New Zealand, Oceania

Initiatives for 2007



- Products and services
 - Survey insurers re what data they (currently) use for pricing and the type of analysis they do with it
 - Provide feedback to members as input on benchmarking / best practice
 - Identify areas where current ISA offerings can be enhanced
 - Identify action-oriented data that insurers will pay for and supply
 - for benchmarking or producing KPIs for senior executives
 - for underwriters in smaller insurers servicing mass markets
 - for underwriters in insurers servicing commercial markets
 - Produce timely comment on trends each quarter
 - Determine input Insurance Council needs for policy making
 - Feasibility studies and consolidation of industry providers
 - Data collection for additional classes per Insurance Council initiative
 - Crop data collection from existing manager
 - Fraud database (IRS) from existing manager
 - Roll out enhanced “macro statistics”

Initiatives for 2007 (continued)



- Customers and markets
 - Campaign to visit senior insurance executives
 - Identify their insurance statistical needs and how they want to handle them
 - Market relevance of ISA data to them
 - Include both non-members and members
 - Update ISA website to provide sample data distribution
 - To general public
 - To non-members
 - Secure links for people within members to contact their ISA coordinator
- Operating model
 - Review and update present processing systems
 - Reduce double-handling of data
 - Revise ISA fee and Finity billing models
 - disincentives for members contributing poor quality data
 - for development of new data sources / reports

Initiatives for 2007 (continued)



- Technology
 - Identify what (technology) senior insurance executives use to monitor their businesses
 - Produce survey identifying “best practice”
 - Identify how ISA can integrate its reporting direct into those platforms
 - Streamline data handling
 - Following review of processing systems
- Member interface
 - Distribute syndicate newsletters more widely within members
 - Create awareness of ISA’s potential usefulness throughout organisations
 - Include interesting high-level data e.g. trend information for Insurance Council
 - Develop training modules / half-day workshops for data users
 - Available to use privately within each member company

Directions for 2008-2010



- Products and services
 - Introduce new syndicates that insurers will support
 - As identified by feasibility studies completed in 2007
- Customers and markets
 - (Re)approach all non-members active in each class covered
 - Quarterly publications to release useable ISA data via insurance industry forums e.g. Insurance Council, ANZIIF
- Technology
 - Identify “best practice” in dissemination of insurance industry statistics outside Australia and, if appropriate, implement here
 - Input from members re own experience with international systems

Directions for 2008-2010 (continued)



- Operating model
 - Streamline report distribution to members
 - secure web site
 - monitor extent of access to data to see what information members really use
- Member interface
 - Develop incentives for senior staff of insurers to become steering committee members
 - Obtain written endorsements of benefits of ISA from members