



## Achieved 120% increase in policy count in 18 months

“With Cloudera Enterprise and SAS Analytics, we have the best-in-breed in big data analytics and Hadoop technology to drive growth. Our investment has already delivered gains and we believe that we are well-positioned to innovate further as our business needs evolve.”

— Dan Fiehn, Group Head of IT (CIO), Markerstudy

### Overview

Markerstudy Group, a leading UK-based general insurance company, serves over 1.75 million customers. The fast-growing company with a strong culture for innovation was established in 2001 to provide insurance solutions, primarily through a network of over 3,000 brokers and intermediaries. Generating annual revenues of over £1.4 billion, the company specializes in commercial and personal auto including niche sectors such as young drivers, high performance cars, taxis, and fleet insurance.

Key to Markerstudy's success in a highly competitive market was its use of a big data analytics platform which allowed the company to provide better service at the point of quote, achieve cost savings, and inform pricing and product development decisions with greater ease and speed.

### Business Drivers

The growth of cloud-based solutions, digital, and Internet of Things (IoT) requires a new approach to accessing and analyzing data of all types, age, and volume. Markerstudy Group realized early on that to differentiate and sustain its trajectory for growth, it must adopt a big data analytics strategy.

The primary business driver for Markerstudy when opting for a modern data architecture was to enhance the performance of its Insurer-Hosted-Rating Hub (IHR) – a solution that centralizes rating into a common portal for intermediaries. IHR was generating increasing volumes of data and close to 25 million quotes per day. Storing and accessing that data became both costly and cumbersome over time. Capacity, storage, and traffic restrictions meant that older records had to be deleted. Moreover, data was managed and analyzed using separate platforms by different teams. Only subsets of data were available at any given time for analysis, preventing actuaries and underwriters from obtaining full visibility into the trends and patterns impacting the business.

### Solution

Markerstudy embarked on a big data analytics project in 2014. The insurer went through a rigorous evaluation process and ultimately selected Cloudera Enterprise. Its selection criteria included the need for a best-in-breed Apache Hadoop and big data analytics platform offering:

- Data security and governance
- Ease of integration
- Support
- Integration with SAS Analytics



## Key Highlights

### Industries

- Insurance

### Location

- Headquarters: Kent, United Kingdom

### Business Application Supported

- 360-degree customer insights
- Risk and underwriting
- Real-time claims fraud detection and prevention

### Impact

- Reduced claim costs by £5 million through real-time fraud detection
- Increased policy count by 120 percent in 18 months
- 20 percent annual cost savings on updating rates which previously had to be done on 15 different systems
- Recipient of prestigious industry awards: 2015 Celent Model Carrier Award; 2015 Data Impact Award

### Technologies in Use

- Hadoop Platform: Cloudera Enterprise, Data Hub Edition
- Hadoop Components: Apache Spark, Cloudera Manager, Impala
- High-Performance Analytics: SAS

### Big Data Scale

- 10-node Hadoop cluster

With Cloudera Enterprise and SAS Analytics, Markerstudy can more efficiently harness the power of big data. Cloudera Enterprise enables the insurer to aggregate, store, correlate, and analyze terabytes (TB) of data cost-effectively while tapping into new data sources that were previously unavailable. The insurer is using Apache Spark and Impala – both key components of Cloudera Enterprise – to perform ad hoc queries and for machine learning. The data is then made available for analysis and visualization with greater ease and speed. Actuaries, underwriters, and other key business stakeholders can gain granular insights across markets and customers.

While the initial focus was to enhance the performance and capabilities of IHR, Markerstudy quickly expanded the use of its big data analytics platform, tapping into new data sources to benefit other areas of operations including risk and underwriting, pricing, claims fraud, and customer insight (gaining a 360-degree view).

Today, it is analyzing data from 12 different internal and external sources including policy and claim systems, adjuster notes, social feeds, weather data, traffic patterns, and third party data such as Experian. For instance, to gain deeper customer insights, Markerstudy is analyzing differences between groups of customers against external factors including profiles, lifestyles, and customer behavior. It is also detecting fraudulent patterns with greater accuracy and in real time.

### Impact: Performance Gains

With Cloudera Enterprise, the insurer is able to process 100 percent of the company's quote data, making it available for analysis, reporting, and visualization within seconds; in the previous environment, only five percent of sample quote data was available for analysis in a seven hour window. Access to 95 percent more quote data allows the insurer to build an accurate picture and spot emerging trends and patterns.

Moreover, Markerstudy can ingest over 20,000 messages per second – more than 50 times the volume that was previously possible, and with more than enough capacity to support projected growth rates.

### Impact: ROI within 5 Months

- Reduced claims frequency and loss ratio savings of five percent on IHR business. This translates to approximately £5 million reduction in claims costs through better fraud detection and prevention at point of quote.
- 120 percent increase in policy count (500,000 to 1.1 million policies in 18 months) and 20 percent annual operational cost savings on rate updates, which previously had to be done on 15 different systems.
- 60 percent reduction in fraudulent applications and an improved understanding of customers at an individual level to provide more accurate pricing.
- 50 percent reduction in customer cancellation rates and increased customer retention at renewal.

“With Cloudera Enterprise and SAS Analytics, we have the best-in-breed in big data analytics and Hadoop technology to drive growth. Our investment has already delivered gains and we believe that we are well-positioned to innovate further as our business needs evolve,” said Dan Fiehn, group head of IT (CIO) at Markerstudy.

## About Cloudera

Cloudera delivers the modern platform for data management and analytics. The world's leading organizations trust Cloudera to help solve their most challenging business problems with Cloudera Enterprise, the fastest, easiest, and most secure data platform built on Apache Hadoop.

[cloudera.com](http://cloudera.com)

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