



Comprehensive analytics deliver a competitive edge.

LexisNexis® Optimal Decisions Toolkit integrates innovative analytics and proven software into a complete price optimization toolkit that helps insurers confidently design the right marketing, sales and pricing actions.

LexisNexis® Optimal Decisions Toolkit components are grouped in three main categories:

- Predictions (Rater, Modeler and Rapid Modeler)
- Decisions (Simulator and Optimizer)
- Data (LexisNexis® Optimal Decisions Toolkit data packs)

These products may all be used in combination to mutually enhance usability and benefits. They provide applications to help insurers answer the question: What happens when you change prices? In addition, the LexisNexis® Insurance Solutions Analytics staff has the deep expertise necessary to help you get the most out of the toolkit.

Predictions

Rater

The Rater is a flexible environment for encoding and evaluating your rate structure. Its flexibility, ease of use and speed allow you to quickly:

- Inspect price disruption on your entire book
- Compare rated policies and quotes under legacy, current or proposed factors, or even alternate rating structures
- Trial book migration strategies

Users may enter rate structures through an easy-to-use graphical user interface (GUI) or Microsoft® Excel, or by using automated tools to integrate with your production systems. You also have the ability to export aggregated or granular rated premiums to a pivot table or database and inspect results in a side-by-side analysis. The Rater integrates with the other Optimal Decision tools for direct optimization of your rate structure.



Modeler

How will your book respond to price changes? How does segment-wise variation in your competitive position drive variation in price sensitivity? How will such variation cause shifts in the composition of your portfolio at the next rate change?

The Modeler provides you with the tools to diagnose your data, examine candidate variables, and train GLMs or non-linear elasticity models to predict conversion and retention. Combine elasticity models with the Rater for a more sophisticated dislocation analysis.

Rapid Modeler

The Rapid Modeler solution allows insurers to create accurate models and enables them to set-up environments to explore pricing options in days to weeks rather than months to years, and with less ongoing effort compared to traditional approaches. Additional tools that help you diagnose and fix data issues further reduce the time it takes to get accurate results.

Decisions

Simulator

The Simulator allows you to explore the ramifications of price changes on the multi-period value of your portfolio by combining elasticity models with accurate pure premium, expense and marketing information. The Simulator allows you to:

- Track the impact of price changes on evolving cohorts
- Input new prices through a flexible interface
- Inspect the results in charts, pivot tables or a custom reporting tool
- Refine your configuration as new information becomes available

Optimizer

The Optimizer determines the optimal changes to your current rating structure given your book's current competitive position, price sensitivity and expected costs. You specify your business objective, constraints and any subset of the levers in your rating order you would like to consider, and the Optimizer generates the optimal rates. Use intuitive diagnostics to identify "low hanging fruit" and inspect the shape of the optimization surface. Compare the results of optimized pricing scenarios side by side with your best guess.

Data

LexisNexis® Optimal Decisions Toolkit data packs & models better segment your analysis by enriching your data using a variety of LexisNexis data assets. Start with the tools already pre-loaded and with your quote and policy data already transformed into the right format, with competitor prices scored by LexisNexis® InsurQuoteSM. Optionally start with elasticity models based on this data to gain insights sooner.

For more information:

Call 800.227.4908 or email
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About LexisNexis® Risk Solutions

LexisNexis Risk Solutions (www.lexisnexis.com/risk) is a leader in providing essential information that helps customers across all industries and government predict, assess and manage risk. Combining cutting-edge technology, unique data and advanced scoring analytics, we provide products and services that address evolving client needs in the risk sector while upholding the highest standards of security and privacy. LexisNexis Risk Solutions is part of Reed Elsevier, a leading publisher and information provider that serves customers in more than 100 countries with more than 30,000 employees worldwide.

Our insurance solutions assist insurers with automating and improving the performance of critical workflow processes to reduce expenses, improve service and position customers for growth.



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