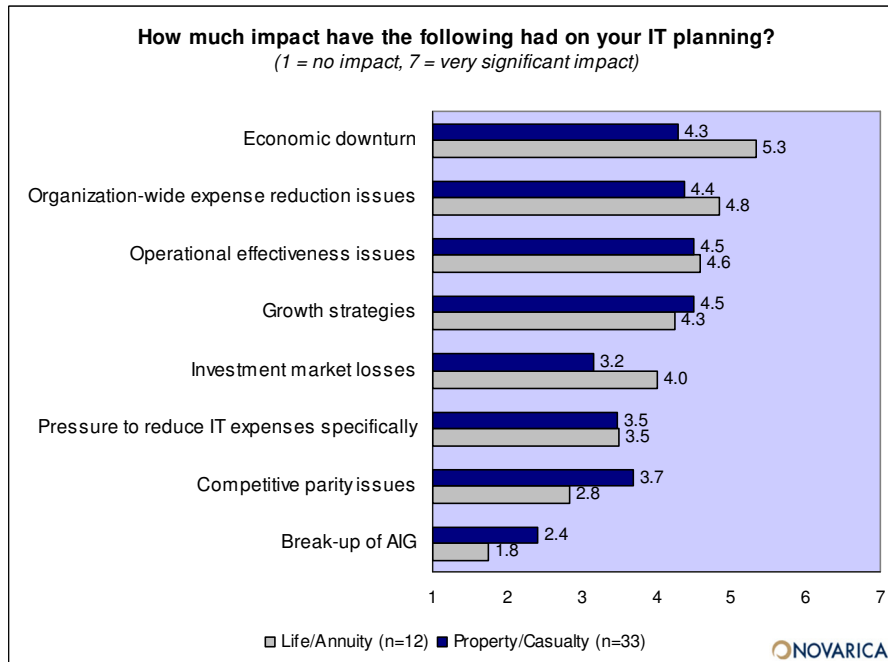


## US Insurers 2009 IT Budgeting and Planning During Crisis April 2009



### SUMMARY

- Amidst the economic crisis, insurers continue to look to IT to be part of the solution. The mandate is not to cut IT but to use IT to improve the business and help it ride out the storm.
- Nonetheless, budgets are under pressure, with two-thirds of life/annuity insurers and one-third of property/casualty insurers surveyed cutting budgets from earlier expectations of 2009 spending.
- Business/IT partnership remains strong at most insurers.
- Policy administration systems, business intelligence, and agent portals remain top priorities, but many life/annuity insurers are delaying major investments due to market conditions.
- Although trust in strategic vendors remains generally high, many insurers are seeking pricing concessions from incumbents.
- Interest in outsourcing, while not surging, is growing slightly.

*This report is based on a survey of 45 insurer executives, conducted during March 2009.*

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