

**BUDGETS, BENCHMARKS, AND BUSINESS PRIORITIES
FOR INSURER CIOs 2008:
US Property/Casualty Edition**
Research Report
June 2008

produced in association with



SUMMARY

This report is based on a survey of 35 US P/C insurer CIOs conducted by Novarica in the first half of 2008 in alliance with IASA. Respondents ranged across all lines of business and company sizes.

Among the key findings of the survey:

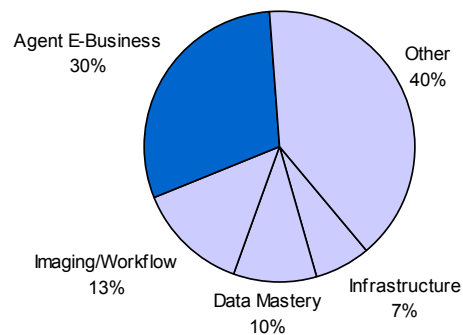
- Overall IT budgets are holding steady at 3% of premium. External spending was a little over half of the average budget.
- Agent e-business was the across-the-board winner for system that delivered the best ROI over the past 18 months.
- 71% of respondents shared five top priorities: policy administration system (PAS) replacement, e-business, PAS enhancement, underwriting, or supporting a new LOB.
- Predictive analytics across multiple areas was the most common area that insurers reported as “under evaluation.”

The survey results confirm Novarica’s observations that the challenge of the past (e-business) has largely been addressed, yielding center stage to that of the present (policy administration systems). The next challenge (predictive analytics) is still hovering in the wings.

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Best ROI in the Last 18 months



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