



BUSINESS GOALS

- Seize market opportunity
- Personalize for each client
- Support 15,000 agents
- Rejuvenate core systems
- Business/IT empowerment

RESULTS

Cut submission-to-policy-issue process **FROM 14 DAYS TO 14 MINUTES**

DCO: Business owner policy solution live in **29 STATES IN 5 MONTHS**

QUOTES IN 1.5 MINUTES instead of 45 minutes

70% INCREASE in policy umbrella sales

CONSISTENT AGENT & UNDERWRITER EXPERIENCE

"We went from having people in a room talking about what was possible, to having something for our agents to use in 5 months. That's pretty lightning speed in my view..."

Mhayse Samalya
President of Farmers Commercial Business Insurance

VISION

Personalize Processes And Systems To Seize Market Opportunity

Farmers Insurance saw an opportunity in the underserved market for business owners' insurance policies (BOPs), typically sold generically and supported by hard-to-use systems. Little or no attention was paid to the unique needs that different types of businesses might have. Agents had to go back and forth to multiple backend systems and underwriters to get questions answered before they could quote a policy. The process dragged on far too long; customers made to wait would switch carriers and agents.

Farmers' network of community-based agents did a terrific job building relationships and selling personal policies. Why not find some smarter technology that could eliminate the complexity, and automatically tailor policies optimized to the needs of each business owner? Why not train the system to remember to ask about delivery vehicles for the pizza franchise, or the presence of fire sprinklers for the Brazilian open-flame churrascaria? If they could give the customer exactly what they needed it would free the agent to build relationships; Farmers could revolutionize the BOP market.

EXECUTION

Customer Focus, Collaboration, And Continuous Improvement

Farmers found that technology with Pega. Pega put Farmers business people in the driver's seat, enabled them to directly shape, guide, and improve how each BOP went to market. Farmers used Pega to create a common platform of shared processes that could be quickly specialized to new market conditions. They wrapped Pega over the existing infrastructure and effectively renewed the existing systems.

By organizing all the complex rules used to manage different types of risk they transformed an unfriendly transaction system into a customer centric platform. Now thousands of agents could, without training, deliver dynamically tailored policies for each kind of business. Customers did not have to wait anymore and got what they wanted.

OUTCOME

A New Leader Emerges

In five short months, Farmers Insurance went from planning what the new business would look like to having something that agents could use right away. The delay in generating a quote was slashed from two weeks to less than a quarter of an hour. Farmers went from near the bottom to near the top in small commercial lines, doubling their share, and achieving a 70% increase in umbrella policy sales. And in 2009 the analyst firm Celent awarded Farmers its "Model Carrier Award of the Year" for this solution. In short, Farmers' showed how leadership, insight and the right technology that can drive business transformation.

For more information, please visit: pega.com/customers

Farmers Insurance Group of Companies, founded in 1928, a subsidiary of Zurich Insurance, is the third – largest insurer in the USA. Serving more than 15 million customers across 41 states, with over 18,000 employees and agents, generating over \$16 billion in annual sales.