

Always  
Optimal  
Portfolio  
Innovation

FUJITSU

shaping tomorrow with you

# How can you ensure your product portfolio is Always Optimal?

## Gain business advantage from staying ahead of customer needs – in real-time

Setting the right insurance premiums and putting together the right insurance products for customers with complex requirements is a real challenge for any insurance provider. It always has been. That's why they employ actuaries to crunch the numbers – lots and lots of numbers – to assess both general and specific risk.

It takes time, amazing amounts of human brain power, and a lot of processing capabilities. But, in the end, most outcomes are based on a combination of number-crunching and intuition. There's always the possibility that the calculation of risk is not as good as it could be.

That's why insurance companies have been working hard to apply digital technology across their organizations to improve the balance between risk and product innovation. To do that they need the power to optimize the data which drives their businesses.



They need a way to look at a wide variety of multifaceted interdependencies between data points at speed. That's the key to achieving an innovative – even disruptive – market advantage based on greater agility and flexibility.

It's how you can rapidly unlock insights into how you can truly optimize your data, deliver optimal product portfolios (to one or many clients), and maximize your return whilst mitigating risk.



## Being Always Optimal is critical in a rapidly changing insurance sector. Find out how our Quantum-Inspired Optimization Services get you there and get you ahead of the competition.

### Every customer is a multivariable equation

Take the possible scenario of a shopping and entertainment complex developer that asks an insurer for a portfolio of products to cover every aspect of the construction, operation, and public liability issues related to a major project they're planning close to a shoreline on the outskirts of a major urban center. The insurer sees an opportunity to get ahead of the competition and offers the client an extremely targeted deal. But the executives are worried that it would take too long to respond, and they don't have the ability to provide the precision needed to win the business.

It's a dilemma: If they rushed the calculations, they might misalign the level of risk with both cover and price and end up with a commitment which could have long term effects on the integrity of their business.

Running Monte Carlo Simulations so that the insurer can consider all the variables of the client's construction project as well as the complex operational demands of the finished shopping and entertainment center is a key part of the response to the client's need. It's important to consider environmental, seismic, weather (risk of flooding etc.), and historical data to get a richer picture of how the insurance should be structured and priced. But that takes time and computing power.

### All the variables, most of the answers

Fujitsu's solution is to apply Quantum-Inspired Optimization Services (QIOS) which can select the best variable solution from amongst an enormous number of combinatorial patterns to create a multi-dimensional picture of what could happen. That enables an insurer to understand which variables are the most pertinent to the creation of a portfolio of insurance cover for the developer.

The point is to accurately price each element of the portfolio according to the right level of risk. QIOS uses unparalleled computing power to do that in time scales measured in milliseconds. That's very much faster than a traditional computer. It means the insurer's actuaries can then use their market insights as well as the client's business plan to price each element correctly and set the right parameters for the cover.

### Quantum-inspired optimization enables computers AND humans to do what they're best at

Fujitsu's QIOS frees the insurer's experts to focus on their talents and experience while it instantly processes a myriad product and attribute combinations needed to create an optimal portfolio.

It's all about combinatorial optimization at speed and at scale. That's the promise of quantum technology. Of course, true quantum is still far beyond industrial usage, but the ability to add extra dimensions to the processing of data to achieve a clearer, deeper, and more intuitive outcome from immense amounts of data is possible right now with Fujitsu's QIOS using digital annealing. Quite simply, it's a game-changer.

### Always Optimal, always agile, always moving forward

The insurer's ability to win the business means the client can get the development built. The owner can operate confident that, should the worst happen, they are covered by the right level of insurance. And the insurer can make money from the optimum portfolio, safe in the knowledge that they're protected. The right risk, the right price, the right (ongoing) relationship with the client.

Ensuring that your business is Always Optimal is critical in a rapidly changing financial sector. Contact us now to find out how we can help you achieve Always Optimal at **AskFujitsuHQ@ts.fujitsu.com**

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