CELENT

OLIVER WYMAN

XCELENT Awards 2014

DOCUMENT AUTOMATION FOR INSURERS

2014 ABCD Vendor View

Nicolas Michellod
June 16, 2014

OLIVER WYMAN

CONTENTS

PITNEY BOWES: ENGAGEONE COMMUNICATION SUITE

COMPANY AND PRODUCT BACKGROUND

Pitney Bowes is a publicly traded IT vendor founded in 1920 and headquartered in Stamford, Connecticut. Pitney Bowes's target market includes life, health, property and casualty and general insurance carriers around the globe. In addition to insurance, its clients represent financial services, public sector, telecommunications, utilities, and retail organizations.

Table 1: Vendor Snapshot

COMPANY INFORMATION	
COMPANY SIZE	28,000 corporate employees, 150 of who provide professional services/client support for solution Staff average 8 years of experience
HEADQUARTERS LOCATION	Stamford, Connecticut, US
SOLUTION	
SYSTEM NAME	EngageOne Communication Suite
LAUNCH DATE	1993
LAST MAJOR RELEASE	6.0 for the design, composition engine, and archive and 3.0 for the server supporting batch, interactive, and on-demand communication generation Enhanced version control, greater control over user roles and access rights, full designer auditing, an enhanced chart engine, rotation of single objects or grouped content within a container using one degree increments, improved user experience for interactive correspondence for claims and call center users, improvements in automated form updates for insurance carriers, along with tighter integration with our analytics solutions.
DEPLOYMENT OFFERINGS	
SAAS OFFERING	Yes
PROPORTION OF CLIENTS USING THE SYSTEM ON A SAAS BASIS	Less than 5%
MULTITENANT ARCHITECTURE	No

Source: Vendor RFI

SUMMARY

Pitney Bowes is an international vendor with strong foot print in the insurance industry in all continents. The company has been improving its document automation and customer communication management system for more than three decades to become a leader in that space.

EngageOne is a highly configurable document automation system combining modern technology and robust features in all aspect of the document lifecycle. In addition, the company's expertise in the data and analytics area adds value to the global vendor offering. The Enterprise Designer module proposes an advanced graphical design that makes the design of communication processes easy to create and manage.

Pitney Bowes is definitely one of the international leaders in the document automation and customer communication management space. The company has managed to get a presence in terms of insurance clients in all continents, and we think that with EngageOne they have a valuable tool to continue on this growth path.

CUSTOMER BASE

The following table provides information about EngageOne insurance customer base.

Table 2: EngageOne Customer Base

|	NORTH AMERICA	EUROPE MIDDLE EAST AND AFRICA	ASIA-PACIFIC	LATIN AMERICA
INSURANCE CLIENTS USING THE SYSTEM	47	38	4	11
INSURANCE CLIENTS IN DEVELOPMENT / IMPLEMENTATION	11	13	5	7
NEW INSURANCE CLIENTS SINCE JAN. 1, 2012	6	7	4	5
COUNTRIES WHERE THE SYSTEM IS IMPLEMENTED	US, Canada	Belgium, Austria, Ireland, UK, Germany, France, Russia, Finland, Switzerland, Netherlands	Singapore, New Zealand, Philippines, China, Australia	Brazil, Venezuela, Argentina, Mexico, Chile
MARQUEE CLIENTS GLOBALLY	Blue Cross Blue Shield SC, Irish Life, Lloyd's, BGL			

Source: Vendor RFI

CUSTOMER FEEDBACK

Two Pitney Bowes insurance references, who have been using EngageOne for more than three years have shared their opinion about the vendor and the system.

The following chart shows the average rating provided by the vendor insurance reference clients for each of the four main domains of our questionnaire.

Figure 1: Vendor Customer Feedback (1= Very Poor; 5 = Excellent)
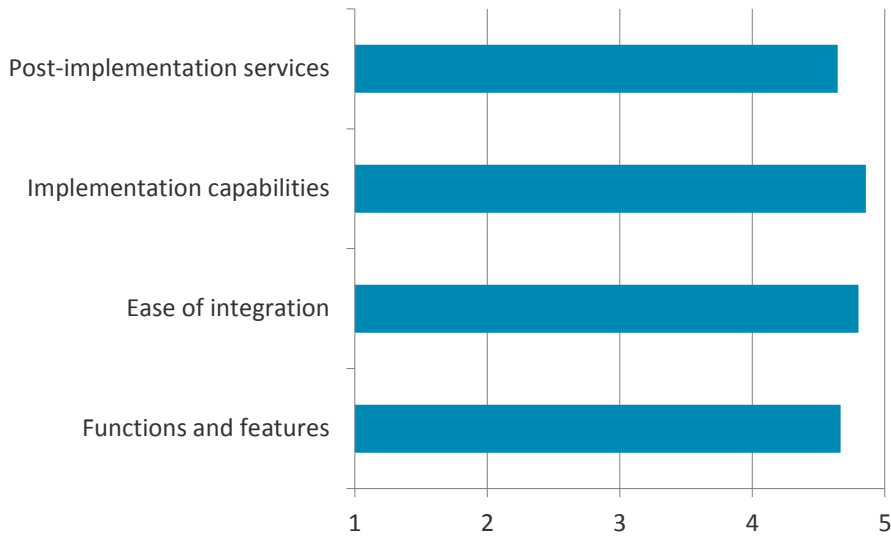
Source: Vendor references

When asked about the training required before a user can be productive with the system, the two references mentioned that moderate training (a few weeks) is required.

In terms of the best things about the system, a reference mentions "speed. It is a speed demon" and its "maintainability" adding "due to the logic tree it is very robust."

References have not mentioned any aspects they would like to see improved.

FUNCTIONS AND FEATURES

The following table lists system's features in relation to creating, assembling, and sending documents.

Table 3: Creation, Assembling and Sending Document Features

DOCUMENT / COMMUNICATION CREATION	AVAILABILITY
AD HOC DOCUMENT GENERATION (E.G., CORRESPONDENCE)	■■
BATCH DOCUMENT GENERATION (HIGH VOLUME, LOW DATA COMPLEXITY, E.G., ANNUAL POLICYHOLDER STATEMENTS)	■
BATCH DOCUMENT GENERATION (HIGH VOLUME, HIGH DATA COMPLEXITY, E.G., POLICY PACKAGES)	■
ABILITY TO EXTRACT CUSTOMER DATA FROM DIFFERENT DATA SOURCES TO FEED DOCUMENT / COMMUNICATION TEMPLATES (STRUCTURED/UNSTRUCTURED DATA)	■■
ANALYTIC TOOL ALLOWING FOR IDENTIFICATION OF CUSTOMER BEHAVIOUR DATA HAVING AN INFLUENCE ON DOCUMENT PROPERTIES (FOR INSTANCE COMMUNICATION CHANNEL TO BE PRIORITIZED)	■■
ASSEMBLING DOCUMENTS AND MIXING COMMUNICATION CONTENTS	AVAILABILITY
AUTOMATE PRINTING AND ASSEMBLY PROCESSES (E.G., JOB CONTROL AND RECONCILIATION TOOLS)	■

ABILITY TO PERFORM TRANS-PROMOTIONAL COMMUNICATION	■■
ABILITY TO PRIORITIZE INFORMATION FLOWS BETWEEN DIFFERENT SYSTEMS FEEDING THE DOCUMENT COMPOSITION ENGINE	■
SENDING / PRINTING DOCUMENTS AND COMMUNICATIONS	**AVAILABILITY**
SEND DOCUMENTS VIA FAX	■■
SEND DOCUMENTS VIA WEB MESSAGE CENTER (HTML OR PDF)	■■
SEND DOCUMENTS VIA EMAIL (PDF)	■■
SENDING COMMUNICATION VIA SOCIAL MEDIA COMMUNICATION VEHICLES (FACEBOOK, TWITTER, LINKEDIN, XING, VIADEO, ETC.)	■■
SENDING COMMUNICATION VIA SMS	■■
SENDING COMMUNICATION VIA WEB PORTAL	■
INTEGRATION OR SENDING COMMUNICATION USING AN INSURER'S MOBILE DEVICE APPLICATION (SMARTPHONE, TABLETS, ETC.)	■
CREATION OF MULTIPLE PRINT STREAMS	■■
ABILITY TO PRIORITIZE DIFFERENT DOCUMENTS COMING FROM DIFFERENT PRINT STREAMS (CRM SYSTEM, CLAIMS SYSTEM, ETC.) TO ASSEMBLE IN A SAME SHIPMENT (FOR INSTANCE A CLAIMS STATEMENT WITH AN INSURANCE PRODUCT PROMOTION)	■
DELIVERY OPTIMIZATION TOOL (SORT AND COLLATE CONTENT TO MINIMIZE COSTS)	■
Legend: ■■ = configurable; ■ = need scripting; ● = programming required; □ = available through separate component (ISV); - = Not available	

Source: Vendor RFI

The following table lists the system's features for document management and storage as well as interactive documents.

Table 4: Document Management, Storage, and Interactive Document Features

DOCUMENT / COMMUNICATION MANAGEMENT AND STORAGE	AVAILABILITY
CREATE TEMPLATES TO AUTOMATE DOCUMENT CREATION	■■
STORE DOCUMENTS IN ARCHIVE FOR FUTURE RETRIEVAL	■■
PROVIDE DOCUMENT COLLABORATION TOOLS (E.G., CHECK IN / CHECK OUT FUNCTIONALITY)	■■
"REVIEW AND RELEASE" FUNCTIONALITY FOR CUSTOMER CORRESPONDENCE DOCUMENTS	■■
CREATE AND MANAGE RULE-BASED WORKFLOWS FOR DOCUMENTS (E.G., INTELLIGENT ROUTING, WORKFLOW QUEUES, ETC.)	■■
MODEL-DRIVEN WORKFLOW CONFIGURATION (FLOWCHART PARAMETERIZATION)	■■
ROLE-BASED AND NAME-BASED WORKFLOW SUPPORT	■■
SEARCH/RETRIEVE CAPABILITIES FOR DOCUMENTS IN ARCHIVE	■■

SEARCH/RETRIEVE CAPABILITIES FOR TEMPLATES IN REPOSITORY	■■
SCAN CREATED DOCUMENTS TO IMAGE AND APPLY INDEXING VALUES	☐
SCAN IN AND MANAGE DOCUMENTS RECEIVED FROM OUTSIDE THE ENTERPRISE (NOT CREATED DOCUMENTS)	☐
ABILITY TO CREATE/CHANGE THE INTERNAL BUSINESS USER INTERFACE TO ALLOW FOR EASY CREATION OF DOCUMENTS SUPPORTING MULTIPLE CHANNELS: PRINT, EMAIL, FAX, WEB, SMS, SOCIAL NETWORKS	●
UNDELIVERED DOCUMENT / COMMUNICATION TRACKING AND MANAGEMENT TOOL	■■
DASHBOARD SHOWING INDICATORS AND INFORMATION ABOUT COMMUNICATION AND DOCUMENT LIFECYCLE (TRACKING MEASURES, COMMUNICATION STATUS, CHANNELS USED, RESPONSE RATES, ETC.)	■
INTERACTIVE DOCUMENTS	AVAILABILITY
ABILITY TO CREATE DOCUMENT USING TEMPLATE/STANDARD TEXT SECTIONS, IMAGES, LOGOS, VIDEOS, ETC.	■■
ABILITY TO ADD SPECIFIC SMART IDENTIFICATION ELEMENTS TO A DOCUMENT FOR INSTANCE BAR CODES, ETC.	■■
CREATION OF DOCUMENTS AND FORMS INCLUDING SMART FUNCTIONS ALLOWING RECIPIENTS TO FILL IN AN RETURN THE DOCUMENT IN AN ELECTRONIC FORMAT TO AN INSURER'S BACK END SYSTEM FOR FURTHER TREATMENT (E.G., NEW BUSINESS SUBMISSION, MEDICAL QUESTIONNAIRE, ETC.)	☐
ABILITY TO OFFER SECURED/ENCRYPTED ACCESS TO CONSUMER DATA AND INFORMATION THROUGH IDENTIFICATION FROM AN ELECTRONIC DOCUMENT (ACCESS TO INFORMATION ABOUT PREMIUMS PENDING, ETC.)	■■
DIGITAL SIGNATURE SUPPORT (E-SIGNATURE)	☐

Legend: ■■ = configurable; ■ = need scripting; ● = programming required; ☐ = available through separate component (ISV); - = Not available

TECHNOLOGY

An overview of the technology options is provided in the following table.

Table 5: Technology Options

CODE BASE	
FEATURES/FUNCTIONS/SCREENS FOR EVERYDAY BUSINESS USERS	Java (65%), .NET (30%), C++ (5%)
CONFIGURATION AND DEVELOPMENT	Java (65%), .NET (30%), C++ (5%)
PLATFORM	
OPERATING SYSTEMS AND SERVERS	Preferred option: None
	Additional options: OS/390 or z/OS, IBM i-series (OS/400), Unix, Linux for Z (IBM), Linux, Windows
USER INTERFACES	
INTERNAL BUSINESS USER	Primary interface: 100% browser-based (HTML with

	Ajax/Web 2.0), 100% browser-based (HTML with Flash, Silverlight or similar), Local .Net application
	Secondary interface: None
CONFIGURATION AND DEVELOPMENT	Primary interface: 100% browser-based (HTML with Ajax/Web 2.0), 100% browser-based (HTML with Flash, Silverlight or similar), Local .Net application
	Secondary interface: None
DATABASES	
PREFERRED OPTIONS	Preferred Option: Microsoft SQL Server and Oracle
	Secondary Option: None
APPLICATION SERVERS	
PREFERRED OPTIONS	None
ADDITIONAL OPTIONS	Windows Server/.NET, JBoss (Red Hat), WebSphere (IBM)
INTEGRATION METHODS	
PREFERRED OPTIONS	None
ADDITIONAL OPTIONS	SOA/Web Services, Other XML, Custom API

Source: Vendor RFI

In terms of core document engine, EngageOne does not use an OEM document engine. Instead, EngageOne uses a proprietary editor providing more robust multi-channel WYSIWYG layout capabilities and a high-speed composition engine eliminating the need for other software.

IMPLEMENTATION AND PRICING

The average time from contract signing to get the system up and running is four to six months. A typical development and installation team comprises 4 to 10 members, including one project manager, one trainer, one business analyst, one architect, and 2 to 8 technical staff. A typical project team is composed of 60% EngageOne staff and 40% insurer employees. EngageOne does work with system integrators.

The main cost in the first year comes from the software license, which accounts for about 50% of the cost. The remainder is split between initial installation and customization (30%) and annual maintenance (20%). In terms of license, revenue, and delivery model, a standard model with perpetual license, and a standard model with term license are both options, as well as DWP or number of customers. EngageOne can host a system as SaaS (system hosting and maintenance and usage-based license).

LEVERAGING CELENT'S EXPERTISE

If you found this report valuable, you might consider engaging with Celent for custom analysis and research. Our collective experience and the knowledge we gained while working on this report can help you streamline the creation, refinement, or execution of your strategies.

SUPPORT FOR FINANCIAL INSTITUTIONS

Typical projects we support related to document automation include:

Vendor short listing and selection. We perform discovery specific to you and your business to better understand your unique needs. We then create and administer a custom RFI to selected vendors to assist you in making rapid and accurate vendor choices.

Business practice evaluations. We spend time evaluating your business processes, particularly in document automation. Based on our knowledge of the market, we identify potential process or technology constraints and provide clear insights that will help you implement industry best practices.

IT and business strategy creation. We collect perspectives from your executive team, your front line business and IT staff, and your customers. We then analyze your current position, institutional capabilities, and technology against your goals. If necessary, we help you reformulate your technology and business plans to address short-term and long-term needs.

SUPPORT FOR VENDORS

We provide services that help you refine your product and service offerings. Examples include:

Product and service strategy evaluation. We help you assess your market position in terms of functionality, technology, and services. Our strategy workshops will help you target the right customers and map your offerings to their needs.

Market messaging and collateral review. Based on our extensive experience with your potential clients, we assess your marketing and sales materials—including your website and any collateral.

RELATED CELENT RESEARCH

Document Automation: Solution Vendors for Insurers 2011
June 2011

Rethinking Document Management: Three Principles
December 2010

The Market Dynamics of Document Management
September 2010

Copyright Notice

Prepared by

Celent, a division of Oliver Wyman, Inc.

For more information please contact info@celent.com or:

Nicolas Michellod   nmichellod@celent.com

AMERICAS

USA

200 Clarendon Street, 12th Floor
Boston, MA 02116

Tel.: +1.617.262.3120
Fax: +1.617.262.3121

USA

1166 Avenue of the Americas
New York, NY 10036

Tel.: +1.212.541.8100
Fax: +1.212.541.8957

USA

Four Embarcadero Center, Suite 1100
San Francisco, CA 94111

Tel.: +1.415.743.7900
Fax: +1.415.743.7950

Brazil

Av. Das Nações Unidas, 12901
Torre Norte - 33° Andar
São Paulo SP 04578-903

Tel.: +55.11.5501.1100
Fax: +55.11.5501.1110

Canada

1981 McGill College Avenue
Montréal, Québec H3A 3T5

Tel.: +1.514.499.0461

EUROPE

France

28, avenue Victor Hugo
Paris Cedex 16
75783

Tel.: +33.1.73.04.46.20
Fax: +33.1.45.02.30.01

United Kingdom

55 Baker Street
London W1U 8EW

Tel.: +44.20.7333.8333
Fax: +44.20.7333.8334

Italy

Galleria San Babila 4B
Milan 20122

Tel.: +39.02.305.771
Fax: +39.02.303.040.44

Spain

Paseo de la Castellana 216
Pl. 13
Madrid 28046

Tel.: +34.91.531.79.00
Fax: +34.91.531.79.09

Switzerland

Tessinerplatz 5
Zurich 8027

Tel.: +41.44.5533.333

ASIA

Japan

The Imperial Hotel Tower, 13th Floor
1-1-1 Uchisaiwai-cho
Chiyoda-ku, Tokyo 100-0011

Tel: +81.3.3500.3023
Fax: +81.3.3500.3059

China

Beijing Kerry Centre
South Tower, 15th Floor
1 Guanghua Road
Chaoyang, Beijing 100022

Tel: +86.10.8520.0350
Fax: +86.10.8520.0349

China

Central Plaza, Level 26
18 Harbour Road, Wanchai
Hong Kong

Tel.: +852.2982.1971
Fax: +852.2511.7540

Singapore

8 Marina View #09-07
Asia Square Tower 1
Singapore 018960

Tel.: +65.9168.3998
Fax: +65.6327.5406

South Korea

Youngpoong Building, 22nd Floor
33 Seorin-dong, Jongno-gu
Seoul 110-752

Tel.: +82.10.3019.1417
Fax: +82.2.399.5534