Guidewire Software Announces Billing Market Survey Results

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Statistics show property/casualty carriers still struggle to create new bill plans and provide one bill for multiple policies – impacting customer service

Grapevine, Texas, June 7, 2010:

At the Insurance and Accounting Systems Association (IASA) conference, Guidewire Software®, a leading provider of flexible core systems to property/casualty insurers, today announced the results of its latest *Billing Market Survey*. A follow-up to Guidewire's July 2008 *Billing Marketing Survey*, these latest results find that property/casualty carriers surveyed overwhelmingly believe that billing impacts customer retention. A majority of respondents have difficulty creating new bill plans and more than a third cannot bill multiples policies on a single invoice which impacts their ability to serve their customers. The survey statistics also confirm the shift towards direct bill away from the traditional agency bill method.

Analyzing survey responses from more than 40 P&C carriers in North America, survey highlights include:

- The majority of carriers surveyed believe that billing impacts customer satisfaction and 88% believe that billing impacts customer retention.
- Carriers report that the ability to offer flexible payment options to customers is critical, but 60% of respondents have difficulty creating new bill plans.
- 35% of carriers polled are still unable to provide a single invoice for multiple policies.
- 41% of insurers reported they are not confident their current billing systems will meet future needs.
- Carriers continue to shift from agency bill to direct bill. 53% of carriers support agency bill today. 19% of the 53% planning to increase agency billing in the next three years, while 34% plan to decrease agency billing in this same period.
- 34% of carriers surveyed still house billing in their policy administration system which is contributing to the difficulty creating new bill plans. 58% of this group plan to separate billing from policy in the future. The carriers that plan to keep billing in their policy administration system tend to be the smaller carriers.

"We have seen a significant increase in the number of new billing system decisions and successful replacement projects in the past several years," said Mike Fitzgerald, senior analyst, Insurance Practice, Celent. "Guidewire has certainly emerged as one of the leaders in this area."

"We would like to thank the carriers who took part in our survey to measure the pulse of the industry relative to billing," said Kimberly Morton, product marketing, Guidewire. "Today, most carriers recognize the impact billing can have on customer satisfaction and retention. Yet, a large percentage of carriers agree that their current billing system is too inflexible and limited in the functionality needed to support new customer and market demands."

About the Guidewire Billing Market Survey Results

Guidewire Software surveyed a broad range of property/casualty (P&C) insurers in North America about the current state of their billing operations, how well current systems support their needs, and how they see their billing operations evolving in the future. The survey was conducted via email and participants were asked to complete an online survey. Business and IT executives and staff members from 40 carriers participated in the survey, each receiving a copy of this report.

To download the complete survey results, visit: http://www.guidewire.com/.

About Guidewire Software

Guidewire Software is a provider of core system software to the global Property/Casualty (general) insurance industry. Designed to be flexible and scalable, Guidewire solutions give insurers the capability to deliver excellent service, increase market share and lower operating costs. Guidewire InsuranceSuite™, consisting of Guidewire PolicyCenter®, Guidewire ClaimCenter® and Guidewire BillingCenter® spans the key functional areas in insurance – underwriting and policy administration, claims management, and billing. Guidewire is headquartered in San Mateo, California, with offices in Beijing, Dublin, Hong Kong, London, Munich, Paris, Sydney, Tokyo, and Toronto. For more information, please visit www.guidewire.com.