



EQUINIX

INSURANCE PROVIDERS

DIGITAL EDGE PLAYBOOK

How to grow insurance revenue, reduce risk
and ensure compliance by going digital



ABOUT THIS PLAYBOOK

PURPOSE

This playbook outlines how insurance companies can evolve their business architectures to meet user demand, reduce risk and comply with regulations. Insurers' employees, partners and customers are increasingly interacting at the digital edge, where commerce, population centers and digital ecosystems intersect. A distributed interconnection platform at the digital edge allows insurance companies and ecosystem participants to accelerate their transformation and effectively compete with increasingly nimble challengers.

CHALLENGE

Digital disruption is hitting insurance firms hard. Consumers are demanding secure, transparent digital interactions that they can control. Regulatory complexity and costs are rising in the face of static IT budgets. Traditional architectures inhibit digital adoption while disruptive entrants partner with InsurTech companies to offer innovative digital solutions and challenge standard revenue and profit models.

NEED








To compete in this environment, insurance companies must offer personalized digital insurance solutions and an exceptional customer experience. Re-architecting IT infrastructure on a distributed interconnection platform gives insurers a strategic global presence with access to a rich ecosystem of cloud providers, partners and participants. As a result, insurers can differentiate the customer experience with real-time offerings delivered via an array of channels; reduce business risk by standardizing governance and compliance; and scale as needed. Follow the three-step strategy in this playbook to get started.

TABLE OF CONTENTS

2	About
3	Executive Summary
4	Market Trends
5	Interconnection Insights
6	Current-State Constraints
7	Future-State Capabilities
8	Strategy
9	Roadmap
10	Platform
11	Getting Started

EXECUTIVE SUMMARY

Insurance companies need digital-ready architectures to deliver personalized, real-time digital insurance

TRENDS AND INSIGHTS		CONSTRAINTS AND CAPABILITIES		PLAYBOOK		
TRENDS	INSIGHTS	CONSTRAINTS	CAPABILITIES	STRATEGY	ROADMAP	PLATFORM
						
New technologies and customer requirements are forcing insurance leaders to adopt a distributed architecture to meet the demand for personalized, real-time digital insurance.	Interconnection Bandwidth growth is compounding, creating an opportunity for insurance companies to deliver innovative digital insurance to customers by integrating ecosystems with cloud and analytic capabilities.	Traditional insurance processes and centralized infrastructure inhibit collaboration, innovation and real-time customer insights while increasing compliance costs and business risks.	A distributed interconnection platform streamlines digital engagement processes and enables the integration of InsurTech partners, ecosystems and customer data for tailored, real-time digital insurance offerings.	Insurance companies are distributing business exchange points adjacent to users to deliver tailored offerings, standardize governance, and gain timely insights to customers, partners and participants.	The roadmap offers a step-by-step approach to transforming infrastructures for digital business by interconnecting partners, ecosystems and customers using best practices from an Interconnection Oriented Architecture (IOA®).	Achieving these digital transformation goals requires a platform that can support three critical elements provided by Platform Equinix®.

MARKET TRENDS

Digitally enabled competitors are pressuring traditional insurance revenue streams...



IBM Institute for Business Value

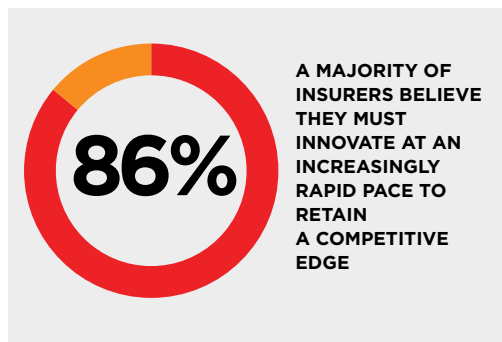
Implications

- Emerging partner ecosystems enable new value chains and business models (e.g., self-insurance, peer-to-peer, sharing) for greater competitive advantage.
- More accessible digital channels are required to drive greater revenue and profitability.

Summary

Leading insurance companies are embracing digital transformation to defend their market share and innovate new value chains and business models. Consumers expect personalized, real-time insurance offerings that are easily accessible. To meet these goals, insurance companies need dynamic, new IT infrastructures that can quickly and simply integrate emerging technologies and leverage the global interconnection of partners, clouds and customers for mutual benefit.

...while consumer demand forces insurers to innovate at a more rapid pace...

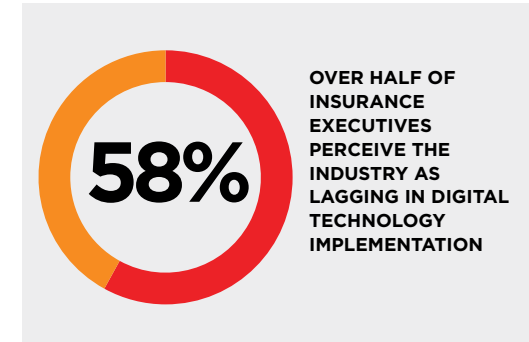


Accenture, The Rise of InsurTech

Implications

- Traditional architectures can't keep pace with demands for tailored, real-time customer offerings. Digital is needed.
- Slow digital adoption by incumbents is allowing InsurTech entrants and other business ecosystems to meet customer demands with more competitive insurance solutions.

...which requires re-architecting for digital to meet real-time demands.



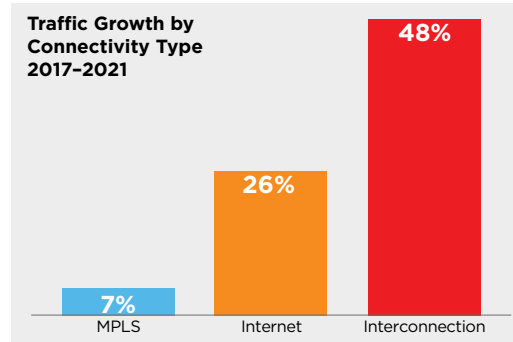
IBM Institute for Business Value

Implications

- Insurance capabilities that are personalized and responsive require proximity to customers, partners and participants at the digital edge.
- Interconnection to a thriving ecosystem of partners and technology providers enables insurers to deliver digital insurance capabilities and experiences.

INTERCONNECTION INSIGHTS

Interconnection Bandwidth* is projected to outpace growth of internet traffic...



Equinix, The Global Interconnection Index

Opportunity

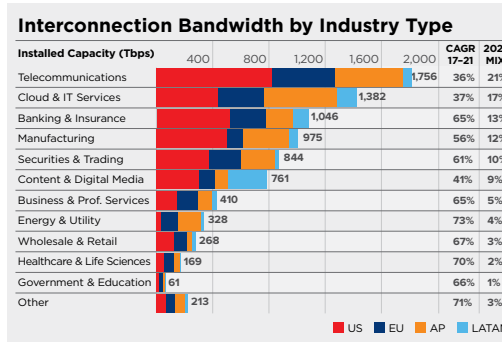
Interconnection, or the private exchange of data between businesses, is becoming the standard for digital businesses to scale. Banking and insurance companies are taking advantage of this by establishing traffic exchange and control points near population centers and network and cloud providers.

Summary

Global Interconnection Bandwidth is expected to grow at 2x the rate of internet traffic as enterprises adopt interconnection for direct, secure business exchange. Compounding Interconnection Bandwidth growth creates an opportunity for insurers to establish business exchange points on a distributed interconnection platform. The resulting proximity to customers, partners and ecosystems enables insurers to create innovative digital insurance solutions, customize them accordingly and deliver them rapidly via an array of digital channels.

*Interconnection Bandwidth is the total capacity provisioned to privately and directly exchange traffic with a diverse set of counterparties and providers at distributed IT exchange points.

...with banking and insurance Interconnection Bandwidth growing 65% year-over-year...

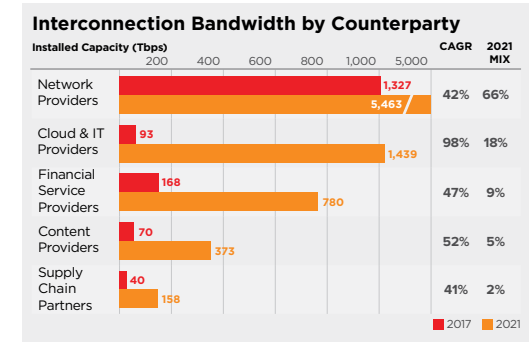


Equinix, The Global Interconnection Index

Opportunity

Interconnection in globally distributed colocation facilities enables insurance companies to quickly meet a variety of customer needs with tailored, real-time digital experiences, while accelerating the integration of crucial digital technologies into IT infrastructures.

...as the rate enterprises connect to cloud and IT providers increases at a 98% CAGR.



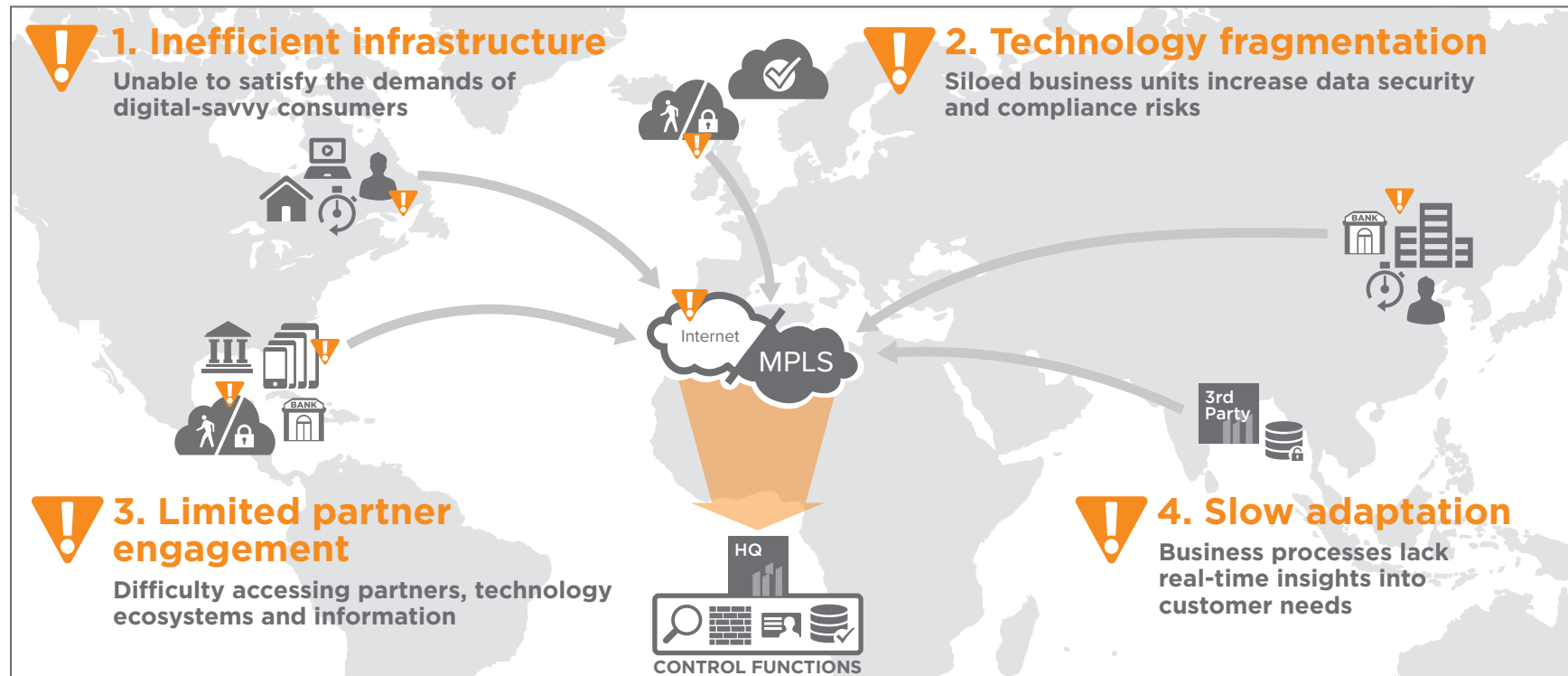
Equinix, The Global Interconnection Index

Opportunity

Interconnection to cloud and IT providers for enterprises is expected to grow by 98% between 2017-2021. Insurance companies can leverage interconnections to these service providers to speed the delivery of new digital and connected services to customers.

CURRENT-STATE CONSTRAINTS

Traditional architectures prevent insurers from meeting increasing demand for digital insurance solutions

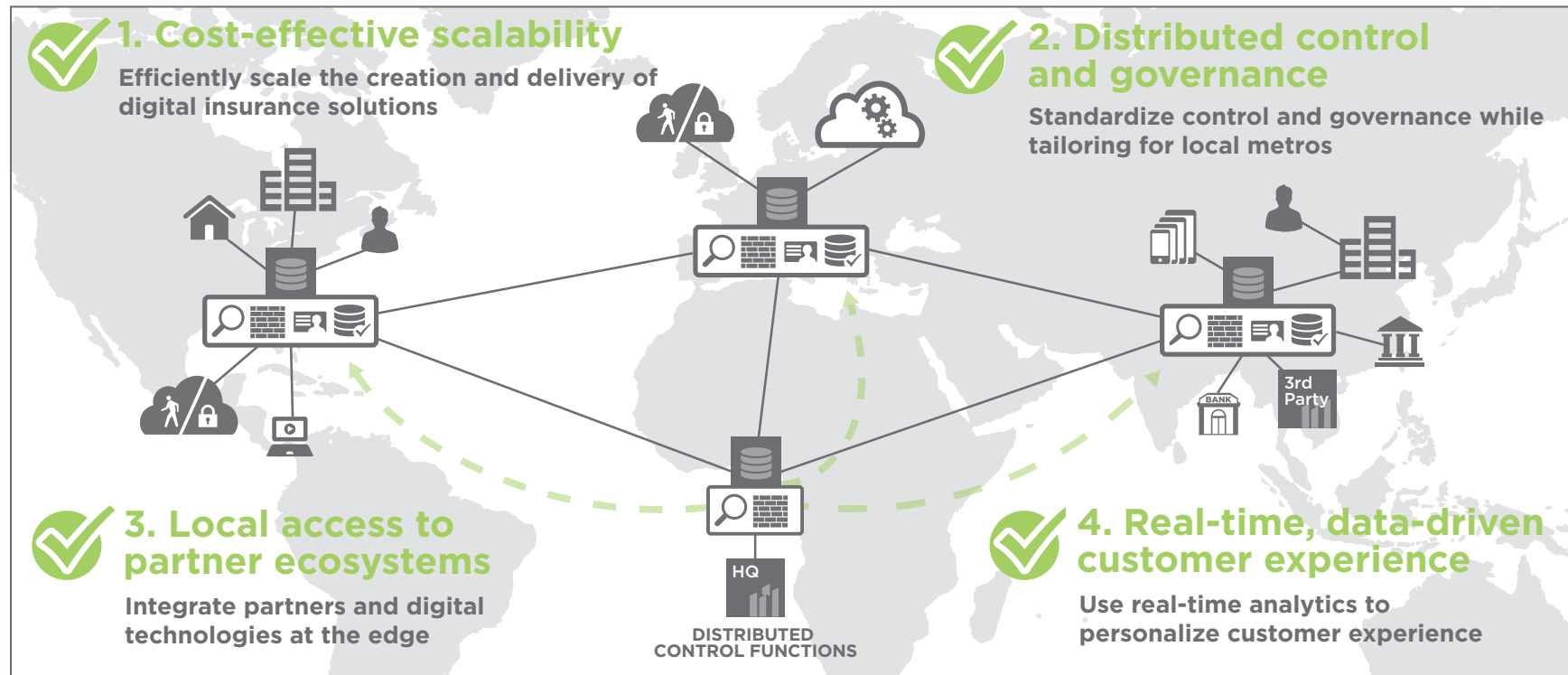


Summary

Insurance companies are struggling to capture the business of new, digital-savvy consumers. Costly, fragmented IT architectures, built for a different time and type of customer, introduce serious data security and compliance risks. Limited access to new technology ecosystem and customer information slows time to market and the generation of real-time data insights into customer requirements. These constraints prevent insurers from delivering effective digital insurance offerings and experiences to customers.

FUTURE-STATE CAPABILITIES

An optimized IT infrastructure enables the creation and delivery of tailored, real-time digital insurance solutions



Summary

A distributed, interconnected digital platform allows insurance businesses to optimize and scale solution creation and delivery at lower costs. It provides a more stable, hybrid IT infrastructure that can privately interconnect InsurTech partners and businesses, and integrate digital technologies and real-time data analytics for greater customer insights, more innovative solutions and better user experience. All of this accelerates new digital product and service development, revenue growth and profitability.

STRATEGY

Architecting for digital business requires an interconnection-first approach

Summary

Insurance companies can meet customer demand for personalized digital experiences by adopting a distributed interconnection platform. They can differentiate the customer experience with greater engagement, reduce business risk and optimize processes by standardizing on a single platform, and scale the business by leveraging data-driven insights and diverse ecosystems for innovation.

Network, SaaS, content and other service providers enable new platform capabilities and information exchanges by deploying solutions for insurance companies that support highly scalable, self-service business models.

Hosting and managed service providers help insurance companies transform their businesses by integrating third-party solutions to rapidly deliver tailored, real-time digital insurance offerings to customers.



ROADMAP

Business transformation roadmap for insurance companies based on proven best practices from an Interconnection Oriented Architecture (IOA)



Differentiate the experience

Summary

The business transformation roadmap offers insurance companies guidance for achieving a digital-ready infrastructure that enables them to deliver personalized solutions to customers. Follow the three-step plan to differentiate the experience for customers, partners and employees, reduce business risk, and enable the company to recognize and seize business opportunities through interconnection with rich ecosystems.



PLATFORM

To achieve the benefits of the strategy and the roadmap steps in this playbook, your architecture and platform require three critical elements: global location coverage, private interconnection with rich digital ecosystems and the capability to integrate, standardize and simplify control.

Global Coverage



Digital edge control point locations where you need them, close to...

Customers

Employees

Partners

Things

Reach Everywhere

- Global, metro cities and markets.
- Geographical compliance and sovereignty.
- Business operations and offices.

Interconnection and Ecosystems



Direct and dynamic private exchange of data across...

Networks

Clouds

Payments

Supply Chain

Interconnect Everyone

- Access network and cloud providers.
- Participate in ecosystems exchange.
- Leverage commoditized services.
- Share and exchange data.
- Transact using digital commerce.

Integration and Control



Integrate digital and physical services to control and optimize...

Security

Data

Applications

Business

Integrate Everything

- Marketplace of control functions.
- Cloud and managed services.
- Private data and distribution repositories.
- Globally standard policies.
- Business continuity and control.
- Digital commerce and payments.

GETTING STARTED

Playbook
Companion
Resources

**Request a detailed briefing
or strategy workshop
with our experts.**

Contact your Equinix account
executive and learn more at
equinix.com

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Equinix Vision



See how insurance companies
can leverage a global
interconnection platform to
scale innovative new services.
eqix.it/PlatformEquinixVision

Global Interconnection Index



Learn how growth in
Interconnection Bandwidth
is transforming opportunities
for the insurance industry.
eqix.it/InterconnectionIndex

IOA Playbook and Blueprints



Download proven network
architecture blueprints
and design patterns
based on industry-leading
implementations of IOA.
eqix.it/IOAKB

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Discover an entire world of
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Equinix, Inc. (Nasdaq: EQIX) connects the world's leading businesses to their customers, employees and partners inside the most-interconnected data centers. In 52 markets across five continents, Equinix is where companies come together to realize new opportunities and accelerate their business, IT and cloud strategies. In a digital economy where enterprise business models are increasingly interdependent, interconnection is essential to success. Equinix operates the only global interconnection platform, sparking new opportunities that are only possible when companies come together.

Learn more at equinix.com

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