DIGITAL SMARTER
AA Ireland

Combining Advanced Data Analytics and Complex Event Processing to Optimize Data Value
AA Ireland - A Short History

- **1910**: AA begins service in Ireland
- **1911**: AA signposting of Irish main roads
- **1924**: Service revived in Ireland after ‘troubles’ end
- **1945**: AA handling Int. driving licenses for Irish State
- **1950**: Membership reaches 19.5k
- **1977**: AA Launches Car & Home Insurance
- **1983**: AA launches Home Start – 81k Members
- **1989**: AA Roadwatch service launched
- **1989**: AA launches aaireland.ie & aaroadwatch.ie – 300k customer base
- **2000**: AA turns 100 – 600k customer base
- **2010**: AA launches aaireland.ie & aaroadwatch.ie – 300k customer base
- **2016**: AA Ireland separates from parent company
Software Options – Why TIBCO

**Industry Standard Software**

- Industry standard – comfort & stability
- Already began to build Pricing solution – staff familiar with software
- Safe option – trusted software – process orientated
- Out of the box software – rigid
- Lack of scalability (software) – Pricing solution only

**TIBCO Software**

- Huge opportunity – think it, build it (holistic)
- Very powerful/event based – Predictive MI/Fraud/Segmentation / CRM
- IT Enterprise Service team building on TIBCO – big fans
- TIBCO very supportive
- Control – power for business people
- Resource required to build – project timings
- Hybrid resource (Quant/Pricing/Developer/UAT)
- IT/Pricing/Quant responsibilities & governance
- Ongoing resource requirements
- Uncertainty – what if goes wrong?
Solution Design – Now

- Insurer Schemes
- Policy Administration
- TheAA.ie

Integration Platform (BW6, EMS)

Optimal Pricing
Auto Data Banding

StreamBase/TERR

Datawarehouse

Data Store (Models, Reports)

Spotfire Server
Automation Services

Pricing/Analytics team

Live pricing and automatic model performance report - re-fit once a week

e.g. age “37” becomes “30-39”

“Did the model change?”

“Which customers are affected, and how?”

“37” becomes “30-39”
Solution Design – Optimal Pricing in Detail

ONLINE

Quote with max. Commission

Segment Data (GLM)

Set Base Discount

Randomised Discount Flex

Final Price Output

OFFLINE*

Re-fit Predictive Model and Send Segmented Report

Create Optimal Price Table based on targeted outcomes and limited parameters
- Max. Income (1 yr.)
- Max. Income (3 yr.)
- Max. Sales Volume
  - ...

*On a schedule and manually adjustable via Spotfire
Solution Design – Future

Insurer Schemes
Policy Administration
TheAA.ie

Integration Platform (BW6, EMS)

Streambase/TERR
- Optimal Pricing
- Auto Data Banding
- Embedded Customer Value
- Predictive Capacity
- Fraud
- CRM Models

Datastore
- Datawarehouse
- Data Store (Models, Reports)

Automation Services
Automated Reporting

Spotfire Server

Call Centre
Marketing
Pricing/Analytics team

“When can we expect capacity and which customers should we contact?”
Positive Business Outcomes

• **Optimize Trading Performance**
  - continually analyze for opportunities/risks and automatically report/react

• **Real-Time Predictive Analytics**
  - live business insights – democratize Data/MI/Insight

• **Complex Event Processing Platform**
  - Low code environment, enabling rapid build and deployment
  - Highly responsive and scalable environment