WHITEPAPER

Driving Commercial Lines Success With Guidewire SBT

Table of Contents

Executive Summary

The commercial insurance market is poised to grow at a compound annual rate of 10.1%, reaching $221 billion by 2027, offering significant opportunities for business expansion, profitability, customer growth, and risk portfolio diversification for insurers.

However, capitalizing on this opportunity presents challenges, especially when launching or adapting insurance products for new states, given the need to conform to state-specific regulations and the complexity of developing foundational insurance statistics, forms, rules, and loss costs.

For Guidewire PolicyCenter customers, the Standards Based Templates (SBT) for insurance products can significantly reduce product development and ongoing maintenance time and cost. Guidewire SBT aids risk management and thereby can accelerate business expansion. It also offers a more efficient way to roll out product changes, reducing configuration effort and fostering product innovation and growth.

Given the vast complexities associated with commercial lines rollout and updates, and the disparities across Guidewire implementations, releases, and platforms, it is critical for insurers to adopt or develop a streamlined, scalable process to optimize resources and reduce the risk of regulatory non-compliance, underwriting errors, and coverage gaps.

For insurers looking to expand into commercial lines, this whitepaper offers an overview of the opportunities and challenges ahead as well as providing a how-to guide to deriving the most value from Guidewire SBT.

Learn how to:

- Create and update commercial lines products with Guidewire SBT
- Analyze and triage changes to rates, rules, and forms to assess impact and guide adoption
- Upgrade SBTs for existing products
- Streamline new state rollouts for commercial lines products

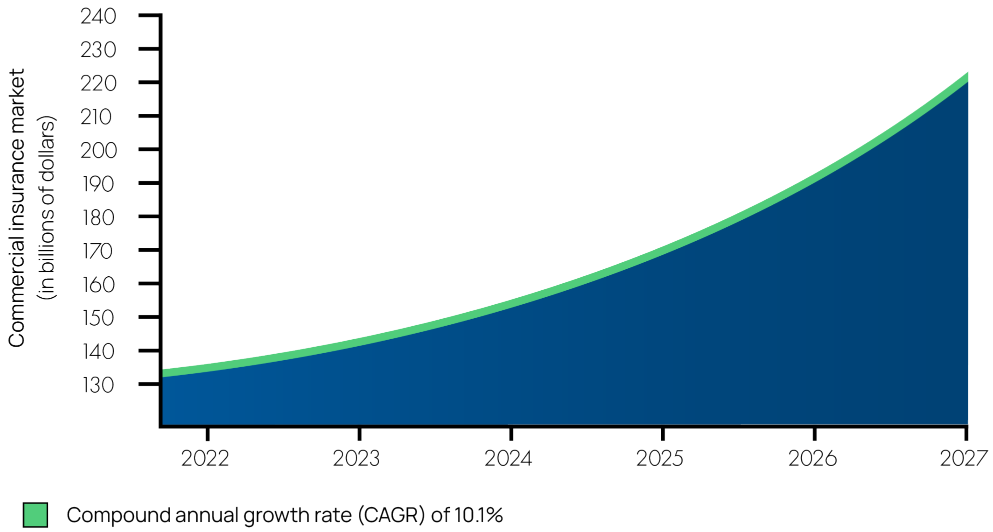
Whether you're just beginning your commercial lines expansion and don't know how to start or have started using Guidewire SBT for new product rollout and faced obstacles, this guide provides how-to instructions for commercial lines business expansion success with Guidewire SBT.

Commercial Lines Offer Attractive Growth Opportunities

For insurers looking to grow their business — whether it's to roll out new products or adapt existing ones for new geographies — commercial lines insurance products can offer access to additional clients and geographies, as well as opportunities to increase profitability and diversify risk portfolios.

Current economic conditions, combined with a steady rise in entrepreneurship in recent years, have led to an increased demand for commercial insurance products. As a result, the commercial insurance market is predicted to grow at a compound annual rate of 10.1% to reach $221 billion by 2027, up from an estimated $136.6 billion in 2022.[1]

Predicted Growth of Commercial Insurance Market



Insurers aiming to capitalize on these opportunities, however, are confronted with a series of challenges. As with personal lines products, they need the foundational insurance statistics, forms, rules, and loss costs for each product they will create, for each state they will sell them in, and to comply with state-specific regulations.

[1] "US Commercial Insurance Market (2022-2027) by Type, Distribution Channel, Enterprise, Industry Vertical, Competitive Analysis and the Impact of Covid-19 with Ansoff Analysis," Research and Markets, Sept. 12, 2022