DEFINING THE DATA-LED BUSINESS FRAMEWORK

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Creating value with analytics and intelligent operations in volatile times

Every customer has become a digital customer. As a result of COVID-19, nearly every touch point, interaction, and experience with a company's end customer has shifted online or to digital channels. These customers still expect the same level of convenience, personalization, and customization from online interactions as they would from face-to-face interactions.

Businesses now face an exponentially increasing need for data-powered insights that can drive decisions and improve operations end-to-end to meet customer needs — and respond to market volatility sparked by the pandemic. Now, companies are accelerating their shifts to digital and the cloud, and elevating their focus from merely capturing data to determining how this data can be best applied and embedded into their operating models.

In response, every business now has to become a data-led business. Data now sits at the core of business transformation, whether to power corporate decision making or to extract value from their digital programs.

EXL's vision is to become an indispensable partner for data-led businesses. To deliver superior customer experiences, improve operational resilience, optimize efficiency, and build sustainable growth, businesses need to adopt a new value-creation framework to become data-led businesses.

The Data-Led Business Framework

Our data-led business framework is based around two main aspects. The first is analytics insights, leveraging data to generate actionable information based on data that provides a 360-degree view. The second is to apply intelligence to increasingly digital operations so they are seamless, touchless, and drive better business outcomes.

THE DATA-LED VALUE CREATION FRAMEWORK

Enable Better Business Decisions
(ANALYTICS)

Applying Intelligence in Operations
(DIGITAL)

PREDICT AND RECOMMEND
actions to drive improved outcomes

RE-ARCHITECT
legacy process into digital data flows

ACCELERATE AND ENHANCE
analytics to unlock insights

TRANSFORM
with data/analytics/AI/ML and redesigned UX

MODERNIZE AND ENRICH
the data across enterprise

INTEGRATE
within the workflow using APIs, RPA, etc.
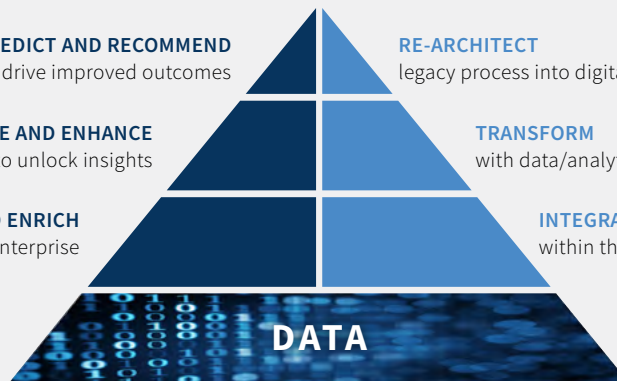
DATA

EXL's Approach to Analytics

At EXL, the analytics aspect of the framework leverages our end-to-end capabilities. This includes our proprietary data assets and methodologies, and, as importantly, our deep pool of global talent, including more than 4,500 data scientists and analysts, who serve as the true foundation of our analytics practice. Orchestrating technology, domain expertise and human ingenuity, these experts design solutions in collaboration with our clients, applying specialized modeling toolkits and accelerators as necessary to help clients reach value, fast.

Our capabilities are broad enough that we're able to provide solutions at scale with speed, flexibility, and efficiency. Additionally, our investments in R&D allow us to bring a practical, value-centric approach to innovation as well as cutting-edge solutions.

Using this framework provides significant impacts for our clients. For every dollar spent, EXL provides a multiple of four-to-ten times the impact on the bottom line. It's also garnered prestigious placements from analysts, such as the Gartner Peer Insights Customers' Choice for Data and Analytics Service Providers 2020 for our exemplary ratings from customers.

Functionally, the framework can be broken down into three key areas.

Modernize and Enrich

Data often is referred to as the new oil. While the saying is often used to indicate the value of data, it's an especially apt metaphor for another reason. Like oil, data is only useful if it's clean, refined, and accessible to become fuel.

The first step of becoming a data-led business is examining whether data is stored correctly and is readily available. Data siloes must be broken down by moving data and processes onto the cloud, enabling access anytime, anywhere.

Most organizations' internal data isn't robust enough to generate the rapid, in-depth insights businesses need today, especially given the ongoing uncertainty and uneven recovery across sectors of the economy. It must be enriched by bringing in third-party data, such as the granular consumer-level data sold by data brokers, or macro-level data provided by many government agencies. By refining and enriching data, organizations can transform it into fuel for growth by understanding, predicting, and influencing consumer behavior.

ENHANCED DATA GENERATES VALUE

Direct marketing requires reaching consumers with a message tailored specifically for them, playing to a "segment of one" – especially virtual audiences. The need for customized digital customer experiences has only grown as apps and websites have replaced face-to-face interactions as the primary way consumers engage companies.

These hyper-personalized experiences require huge volumes of data. Using a wide network of partnerships with data brokers and vendors as well as priority data across more than a hundred millions of consumers, EXL is able to provide companies with the data access and analysis they need to better direct their marketing messages and spending.

Such capabilities have been leveraged with excellent results. They have enabled a large payments company to better direct over $250M in marketing spend over the second and third quarter of 2020, targeting specific customer segments and geographies. Similarly, we helped a large insurance company better plan and execute $150M of direct marketing using enriched data.

Accelerate and Enhance

Using data to forecast organizational performance, determine risk, or measure customer sentiment is nothing new. What is new is the speed at which companies must develop these insights. Decisions that took weeks or months previously must now be made within days, without comprising on accuracy or reliability.

By bringing in a portfolio of accelerators and improving a business's existing data infrastructure, organizations can create the insights they need to create value quickly. This includes leveraging specialized data models and toolkits created specifically for certain industries to create insights, fast.

Predict and Recommend

The finally step of EXL's analytics framework takes companies from insights to outcomes. Once data has been analyzed, it can be incorporated into decision frameworks to shape strategies, improve operations, and create personalized customer experiences. Reaching this point requires more than just analytics expertise — it takes deep domain experience to correctly interpret the analysis and turn it into practical, usable information to make value-creating decisions.

RECOVERY INDICATORS

As the pandemic took hold in March, businesses around the world locked down. A recession replaced a booming economy. The high degree of market volatility and unprecedented circumstances made traditional variables and metrics for predicting change obsolete. Leading indicators became lagging indicators. Eventually, the economy would recover. However, without knowing the shape of that recovery, companies were unable to adjust products and services to account for rapidly shifting markets.

To understand how and where recovery occurring, EXL quickly designed a set of Recovery Indicators that relied on new, innovative leading indicators. Now, organizations could predict and proactively plan for changes in the market, rather than reactively analyzing past events.

The EXL team took this idea from a concept to a working product within a matter of weeks using its analytics experience, deep domain expertise, and advanced suite of accelerators. It's the same set of tools we apply to help organizations create insights at speed and scale.

GOING FROM INSIGHTS TO RESULTS

Banks and financial services companies entered uncharted waters at the beginning of the COVID-19 pandemic. Aside from having to account for increased risk from spiking unemployment rates and rapidly changing regulations, these organizations also had to determine how the newly introduced Small Business Administration Payment Protection Program (SBA PPP) fit into their strategy.

EXL didn't just help its financial services clients analyze and predict how these events would influence the market – we helped them use these insights to generate value. For a credit card issuer, that meant developing strategies to expand by targeting relatively low risk credit segments to mitigate potential losses, helping the issuer better manage risk for over $10B of consumer debt. For a leading bank, we combined automation and analytics to enable the disbursement of several billion in SBA PPP within the first few days of the program.

EXL's Approach to Intelligent Operations

While the analytics side of the framework focuses on transforming the way companies make decisions, the operational intelligence side transforms how an organization orchestrates those decisions into increasingly digital businesses.

Applying a set of digital technologies such as machine learning, cloud infrastructure, and AI, as well as our proprietary data and process excellence best practices, enables EXL to create outsized impacts for its clients. The end goal of this approach is to deliver a trifecta of impacts: better customer experience, improved business outcomes, and enhanced efficiency.

Digital transformation initiatives are collaborative, long-term projects. Though our initial engagement with a client may be small, we gain credibility by producing a three-to-five time return on what a client spends. As we gain the client's trust and expand the scope of services we provide, we move our levers up- and downstream throughout business processes to generate larger impacts on cost challenges, revenue, and end-customer experiences. It's a strategy that's been validated by the value we create for our clients, such as growing an $8.6M client relationship into a potentially $35M one over the course of six years. It's also gained us analyst placements, such as being named a Leader in The Forrester Wave™: Insights-Driven Business Process Outsourcing, Q4 2020.

Like the analytics side of the framework, our approach to apply intelligence into operations is split into three areas.

Re-Architect

Every business operation has process maps charting tasks from beginning to end. These maps are often used to determine whether any unnecessary steps can be pruned away for greater efficiency, what rule-based areas are suitable candidates for automation, and what handoffs could be optimized or eliminated. These complicated legacy maps often lend themselves to Band-Aid digital interventions, such as applying RPA for incremental efficiency improvements.

Instead of using legacy process maps, EXL leverages innovative data flows to implement cutting-edge digital improvements at scale. By looking at where data is generated, how it's stored, and what is being done with it, we deliver superior outcomes.

EXLERATOR.AI

Digital transformation requires data – data that many organizations don't even realize has value. This "dark data" is often unstructured, untracked, and siloed. With the EXLerator.AI tool, organizations can take this raw data and turn it into superior outcomes.

Using AI, and machine learning, EXLerator.AI finds and extracts unstructured data and turns it into structured data. Data management techniques are used to create data lakes from this data, followed by leveraging analytics to turn these data lakes into usable insights. Finally, these insights are applied to improve any automation which is applied to the process and enhance user experiences.

KEY SOLUTIONS
KEY ACCELERATORS & COMPONENTS
DATA
INTEGRATION & HOSTING
EXPERTISE

Transform

Once a process has been mapped using data flows, it can then be transformed. EXL has built a proprietary stack of digital transformation levers such as analytics, AI, and machine learning solutions that can be quickly applied for multiple clients without requiring a lengthy customization or implementation process.

Augmenting these levers is an integrated partner ecosystem that includes leading cloud, data, and information architecture providers.

Integrate

Solutions can't work in a vacuum. They must be integrated into existing workflows through APIs, RPA, and other parts of the process environment.

The high degree of fine-tuning risks delaying transformation initiatives. However, EXL's domain expertise, proprietary data, and partnerships have enabled industry-specific solutions that can be more rapidly deployed, such as machine learning algorithms with ontologies contextualized for industry-specific domains, enabling them to learn faster than non-specialized algorithms.

TRANSFORMED CONTENT EXTRACTION

A leading insurer needed to shorten the time it took to review attending physician statements, which can be over 100 pages long, in its underwriting and mortality models.

Using its EXL Xtrakto.AI™ natural language processing (NLP) cloud-based solution, EXL was able to extract useful content from attending physician statements without human intervention, increasing underwriter efficiency, reducing operating costs 30% operating cost reduction, and improving customer experience metrics 10%.

M.I.A.

Optimizing customer journeys requires first understanding what roadblocks and challenges a customer might face when interacting with the company. EXL's MIA solution leverages RPA, advanced analytics, and data visualization tools to identify and solve these roadblocks.

This solution has been used by clients to achieve a $10M operating cost reduction, increase NPS scores by 100 points and generate a $25M business impact in different instances.

Applying the Data-Led Business Framework

EXL's framework for the data-led business is the result of our learnings from hundreds of client engagements and transformation initiatives.

To better illustrate what the framework looks in practice, consider how it is being applied to two industries that had been increasing the use data and digital prior to the pandemic, but have now exponentially increased the use of data in response to Covid-19.

The Data-Led Insurance Business

The insurance industry was already in the midst of significant disruption even before the pandemic. Customer expectations for rapid claims resolutions, an excellent omnichannel customer experience, and products customized to meet their unique situations were all forcing insurers to become data-led businesses in early 2020 — a need that has only increased with time.

Our application of the data-led business framework helps insurers answer these customer demands, as well as increase back-office efficiency and reduce costs.

As an insurance industry leader, EXL provides its clients in this space with end-to-end transformation capabilities that have been led to leader and star performer recognitions in both the Everest Group P&C and L&P Insurance BPO Service Provider Landscape PEAK Matrix® Assessment for 2020. The data-led business framework has been an important part of our success in this area.

FROM QUOTE TO POLICY IN MINUTES

In the UK life and protection market, speed is key for success. It's essential to issue policies rapidly, as the longer a customer is waiting for a policy, the higher the chance that they may choose a competitor instead of following through with their purchase. Rapidly issuing new products can take months — an unacceptable amount of time when conditions can change from one week to the next.

By partnering with EXL and using the policy administration system LifePRO™, EXL's client Guardian was able to avoid both of these issues. EXL used this transformative solution to accelerate time-to-market for new products to days instead of weeks, and enabled customers to be underwritten within minutes.

We apply the analytics side of the framework to digitally disrupt how insurers use data.

Modernizing and Enriching data enables insurers to better govern, consolidate, and integrate the flow of data within the organization in order to leverage deep analytics insights.

In the Accelerate and Enhance stage, we use end-to-end marketing analytics to enable lead prioritization, hyper-personalized product recommendations, and other improvements.

Finally, the Predict and Recommend stage uses conversational AI and other solutions to deliver a superior, frictionless customer experience across all channels.

Enable Better Business Decisions (ANALYTICS)

Applying Intelligence in Operations (DIGITAL)
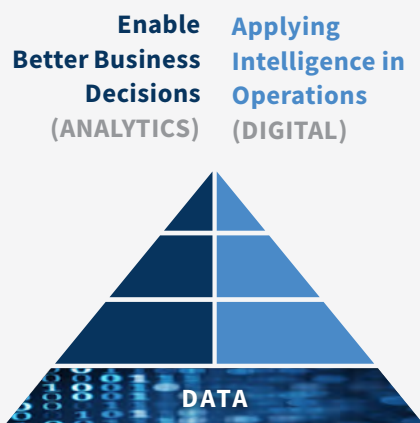
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THE DATA-LED VALUE CREATION FRAMEWORK

The intelligent operations side of the framework transforms insurance processes end-to-end.

Solutions including AI and NLP content extraction tools are applied to overhaul back-end operations during the Re-Architect phase.

Upon reaching the Transform stage, solutions including EXL's LifePRO® Digital Suite are applied to boost customer engagement.

At the Integrate stage, market data can be linked to existing solutions to enable straight-through underwriting.

The Data-Led Healthcare Business

To better serve patients, healthcare organizations must first understand their patients. The data-led business framework helps these organizations gain a 360-degree view of those they serve, including environmental, behavioral, and demographic factors that, while often overlooked, significantly affect health outcomes.

In analytics, we Modernize and Enrich existing data with demographic and sociographic data, as well as a proprietary Commercial Internal Benchmark database to help healthcare companies drive insights on which patients most require and would most benefit from adjusting their treatment or care plan. This is done using rich data assets, enabling healthcare companies to assess the effects lifestyle, income, and other factors may have on patients and customers. Health companies benefit from the Accelerate and Enhance stage, when we use cutting-edge technology to reach insights faster than ever before. This includes innovative digital solutions such as our NLP algorithms made specifically for areas such as care management, which can be implemented in a matter of weeks. Insights are put into action during the Predict and Recommend phase. Real-world examples of the possibilities here include creating dashboards allowing clients to conduct "what-if" analyses, enabling them to measure of key resource metrics for different scenarios. The result is a better understanding of patients and customers, increased flexibility for how and where care is delivered, and better health outcomes.

EXL helps healthcare companies achieve transformative results by applying the intelligent operations side of the framework. During the Re-Architect stage, we identify, map, and make usable the vast amounts of data that must be aggregated and analyzed to improve outcomes. Advanced digital technologies are applied during the Transform stage, producing results such as automating error-prone, labor-intensive fraud, waste, and abuse investigations. These interventions are seamlessly embedded into workflows during the Integrate stage.

By leveraging the data-led business framework, EXL creates exceptional value for our clients. It informs all the business solutions we're building for our clients in areas including payment integrity services, risk adjustment and population health. Our offerings across data and analytics and payment, clinical, and pharmacy services have been recognized by analysts, such as gaining the top ranking in the KLAS Risk Adjustments and Analytics report for 2020, and being named as a Leader in the Clinical and Care Management BPS Services PEAK® Matrix in 2019.

TRUE TRANSFORMATION PARTNER

A large national health plan partnered with EXL over 16 years ago. Since that time, EXL has grown from managing low-complexity processes such as network steerage to becoming a true transformation partner. This includes expanding the services delivered to encompass member engagement and optimizing clinical outcomes.

As a result, the client has seen benefits across its operations. This includes a 96% reduction in allocation time for clinical precertification, a 40% reduction in case handling time for utilization management, and a 39% improvement in gap closure rates for HEDIS management.

Data-Led Growth

It bears restating: Every business is now a data-led business. Only by leveraging the power of data, analytics, and intelligent operations can organizations meet the needs of digital-first customers and respond to a quickly changing market.

It's been inspiring to watch how this change has acted as a catalyst for growth for so many companies. Organizations have been digitally transforming at a speed previously thought impossible — and reaping the rewards for doing so. By leveraging EXL's framework for data-led businesses, these newly-minted data-led businesses can improve resiliency, accelerate growth, and enhance customer experience.

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To find out more, **contact us**

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EXL (NASDAQ: EXLS) is a leading operations management and analytics company that helps our clients build and grow sustainable businesses. By orchestrating our domain expertise, data, analytics and digital technology, we look deeper to design and manage agile, customer-centric operating models to improve global operations, drive profitability, enhance customer satisfaction, increase data-driven insights, and manage risk and compliance. Headquartered in New York, EXL has more than 32,800 professionals in locations throughout the United States, the UK, Europe, India, the Philippines, Colombia, Australia and South Africa. EXL serves multiple industries including insurance, healthcare, banking and financial services, utilities, travel, transportation and logistics, media and retail, among others.

For more information, visit www.exlservice.com