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# Illustrations Systems Market Overview

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The illustrations systems market is maturing and changing, and it can be difficult for actuaries, distribution executives, and technologists to have a clear picture of the relative positions and attributes of the providers in the marketplace.

While many insurers still use disconnected or stand-alone homegrown illustration solutions, market demands are increasingly moving towards integrated solutions that are seamlessly linked to an agent portal and electronic application submission capability on the front-end and a policy issuance and administration system on the back end.


Integrated illustrations systems (whether parts of a suite or stand-alone packages that share data and logic effectively with other systems) can offer significant advantages in time-to-market for new products and time-to-issue for applications that can flow straight through in electronic form.

In addition, the old code-based model of integration systems where product logic and calculations were instantiated deep in computer code is giving way to a more rules-based model where product logic is managed through a rules-engine-like interface, which allows actuaries and product modelers to make, and more importantly to test, changes without burdening IT.

The illustrations software market has been relatively quiet compared to other sectors of insurance IT. The two biggest changes in recent years have been in 2006 when

Accenture acquired Navisys and AdminServer launched IllustrationServer (Oracle announced its intention to acquire AdminServer earlier this month). At present, the market is mixed between solutions that are components of broader underwriting and policy administration suites and those that are stand-alone, illustrations-only or illustrations-and-agent-portal components. More than half the market by number of companies is still made up of smaller, independent firms.

In order to help its members understand this space better and how newer solutions can improve time-to-market and distributor satisfaction levels, the Society of Actuaries technology section worked with research and advisory firm Novarica to facilitate a report that makes sense of this marketplace. The report, *Novarica Market Navigator: US Life/Annuity Illustrations Systems 2008Q2*, was published at the end of May, and is available at a special discount rate of \$975 (35 percent off regular price) to Society members. A summary of the report is online at [http://www.novarica.com/report\\_illustrations\\_nmn.shtml](http://www.novarica.com/report_illustrations_nmn.shtml)

The report will be discussed in a special webinar open to SOA members only, which will be held on Monday, July 14<sup>th</sup> at 2 p.m. EDT. SOA members may register at <https://www1.gotomeeting.com/register/372663748> 



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