

F R O S T  S U L L I V A N

SHIFT TECHNOLOGY

2022 ENABLING TECHNOLOGY LEADER

*GLOBAL ADVANCED CLAIMS SOLUTIONS
FOR INSURANCE INDUSTRY*

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Shift Technology excels in many of the criteria in the advanced claims solutions for the insurance space.

AWARD CRITERIA	
Technology Leverage	Customer Impact
Commitment to Innovation	Price/Performance Value
Commitment to Creativity	Customer Purchase Experience
Stage Gate Efficiency	Customer Ownership Experience
Commercialization Success	Customer Service Experience
Application Diversity	Brand Equity

A Trailblazer’s Path

Shift Technology was founded in 2014 by three innovators who identified a market gap in insurance fraud detection while working in the insurance industry. Today, this Boston-and-Paris-headquartered company

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- Clare Walker,
Industry Principal: Business and Financial Services

offers an advanced software-as-a-service product portfolio that helps insurers to increase claims-handling efficiency, reduce costs, and deliver superb customer experiences in the global insurance space. With a footprint in Tokyo, London, Madrid, Zurich, Singapore, Toronto, Sao Paulo, and Hong Kong, Shift Technology serves a diverse client base in 25 countries across a range of use cases, including claims fraud, claims decisions, underwriting, subrogation detection, and financial crime detection.

In 2020, Frost & Sullivan recognized the company for its innovative cloud-based solutions, which leverage artificial intelligence (AI) and machine learning (ML) to help fraud handlers manage processes efficiently while

minimizing false positive rates and streamlining claims resolution, and remains impressed with Shift Technology's continuous innovation and sustained leadership.

Shift Technology designs industry-leading technology that organizations in the insurance segment utilize to optimize decisions across the policy and claims lifecycle with a high degree of accuracy and improve the claims and policy-handling workflow and customer experience. The company's clients use its technology for various applications, including property and casualty, health, life, and travel insurance.

Shift Technology recognizes industry challenges and unmet customer needs. For example, insurance providers are often considered slow to react to the digital era's demands (and possibilities), such as comprehensive coverage and a seamless and positive customer experience. Customer satisfaction depends on how intelligently insurance professionals deal with policy-related queries and the empathy and efficiency with which claim handlers engage throughout the conversation, from the first interaction

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**- Riana Barnard,
Best Practices Research Analyst**

to claim resolution. Disrupted by the COVID-19 pandemic that resulted in profit pool deterioration, the highly-regulated competitive landscape makes it challenging to compete only on price. Shift Technology responds by leveraging its AI-enabled platform across the claim and policy lifecycles to evolve from a single product fraud detection company into a decision-making enabler. By supporting claims and policy professionals with real-time data-driven insights (such as fraud indicators and suggested next steps), insurers can manage customer conversations proactively and ensure resolution in the shortest time possible. Thus,

Shift Technology's innovative decision automation and optimization solutions put the customer-insurer relationship first. Because it replaces business rules-based systems (which often return high false-positive rates, delay the claims process, increase operational expenses, and negatively impact customer experiences), Shift Technology's competitive advantage encapsulates its proven capability to facilitate customer retention and acquisition.

Shift Technology's research and development (R&D) team follows a partner-build-scale process. The company collaborates closely with a specific customer to develop a solution that meets the desired need. When significant return on investment (ROI) is validated and the solution is implemented cost-efficiently, the team investigates how to apply it to other use cases and, over time, adds it to its portfolio. For instance, a client asked Shift Technology to leverage the fraud detection solution to track down subrogation opportunities. After exploring and developing the concept, Shift Technology added the product to its solution suite and successfully scaled the full-featured set. Hence, the company's commitment to innovation and creativity enables it to develop new technologies that meet client needs and market demands. It invests about 30% to 35% of its revenue back into R&D. The goal is more than the continued innovation of existing products; Shift Technology also reviews the complete policy and claims lifecycle to see if they can bring new solutions to the market. This culture of collaboration (i.e., building a close relationship with customers and combining the effort of its sales, implementation, deployment, and product development teams) allows Shift Technology to stay ahead of the competition by quickly launching new solutions in response to customer demand.

To this end, the company's recent venture into healthcare improper payment detection is significant. With its insurance-trained AI capabilities, integrating internal and external data sources, it provides a holistic view that drives increased accuracy and efficiency to deliver better patient outcomes and optimized provider performance while maintaining compliance.

Frost & Sullivan commends Shift Technology's cutting-edge insurance decisioning platform, enabling a comprehensive solution portfolio that purposefully addresses the requirements of various insurance sectors through its claims fraud detection, claims intake decisions, claims document decisions, underwriting risk detection, subrogation decisions, and financial crime detection offering.

Meeting a Need

A baby was born with one of the rarest forms of dwarfism; she also presented with four heart defects. During open heart surgery, she suffered five strokes. By a simple mistake, an insurance company's adjudication platform denied the patient \$40,000 worth of claims for medication. Although there was no malfeasance, a human error (i.e., how an employee coded the information for a particular payment) caused the unfortunate event due to complicated billing protocols and practices.

Today, the baby's father heads up Shift Technology's Healthcare Value Engineering team in North America. With previous work experience as a paramedic, also investigating white-collar crime in the health sector, he now shares his know-how and insights with data scientists building models at Shift Technology. Advanced technology's capability to predict data errors allows providers to find them before they impact a family. Hence, Shift Technology's AI-enabled solutions not only support insurance companies' profitability goals but also ensure that the right health plan member gets proper care from the designated provider to avoid any such unfortunate occurrence in the future.

Customer Service Excellence: The Rosetta Stone

Shift Technology's approach goes beyond its extensive expertise and best-in-class capabilities, with customer value as a strategic imperative. Through the years, the company has earned a sterling reputation supporting insurance providers' path to increased efficiency and profitability, retaining customers by delivering a seamless and positive customer journey with faster resolution outcomes. Unlike competitors, Shift Technology builds its solutions, collaborating closely with various stakeholders and partners to evolve alongside market needs and trends. For example, the company recently partnered with Legentic, a real-time and historical data provider. Through this agreement, Shift Technology can access a vast amount of high-quality, specialized data to fuel its advanced fraud detection models, allowing investigators to make decisions with increased accuracy, speed, and confidence. Specifically, having access to the best mix of data enables customers to achieve three times the fraud detection hit rate in real-time or scheduled workflows compared to rules-based implementations. Working with core systems providers like Duck Creek, Guidewire, Sapiens, and others, Shift Technology helps insurers apply greater intelligence to the entire claims lifecycle through a single integrated product. The solution provides the required workflows and reports (including real-time fraud alerts and indicators) to increase new efficiencies and enhance the customer experience.

Shift Technology's transparent and frictionless approach and close relationships position it as a preferred vendor.

A Promising Outlook for 2022 and Beyond

In May 2021, Shift Technology announced it raised \$220 million in a Series D funding round led by Advent International via Advent Tech, which it plans to use to accelerate expansion in the property and casualty market and grow its business in the United States market. It also aspires to strengthen its presence in health and travel insurance.

Already handling more than two billion claims from 110 leading global insurers (such as Amica, First Central, Generali France, and Mitsui Sumitomo), the company continues to feed its ML algorithms, providing insurers with the technology solutions they need to thrive. In addition, Shift Technology also helps older companies to improve their margins and compete against newer market players by offering cutting-edge decisioning tools and services that transform time-consuming claims processes safely, quickly, and effectively.

Serving as a testament to the company's high client satisfaction rate, Shift Technology acquires many of its customers through word-of-mouth accolades, fueled by its exceptional customer-centric design and technological performance.

Conclusion

Technology integration is a critical success factor for advanced claims and underwriting solutions in the insurance industry. Yet, with many options available, market stakeholders need to leverage the most appropriate and best technology-based solutions to optimize their market impact. With its industry-leading insurance decisioning platform and innovative decision automation and optimization solutions, Shift Technology helps insurers to increase claims and policy-handling efficiency, reduce costs, and deliver superb customer experiences. By providing an artificial intelligence (AI)-enabled decisioning layer, which reviews the complete policy and claims lifecycle, insurance professionals get a holistic view of the use case, enabling them to make decisions with more accuracy, speed, and confidence. Shift Technology stands out from competitors based on its commitment to innovation, creativity, and ability to launch new solutions with far-reaching impact and application. For instance, its healthcare improper payment detection solution, which incorporates insurance-trained AI capabilities, integrates internal and external data sources to drive increased accuracy and efficiency, resulting in better patient outcomes and optimized provider performance while maintaining compliance. The company pairs its technology focus with customer-centric values, thus earning a solid reputation in the advanced claim solutions for the insurance market.

With its strong overall performance, Shift Technology earns Frost & Sullivan's 2022 Global Enabling Technology Leadership Award in the advanced claims solutions for the insurance industry.

What You Need to Know about the Enabling Technology Leadership Recognition

Frost & Sullivan's Enabling Technology Leadership Award recognizes the company that applies its technology in new ways to improve existing products and services and elevate the customer experience.

Best Practices Award Analysis

For the Enabling Technology Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Technology Leverage

Commitment to Innovation: Continuous emerging technology adoption and creation enables new product development and enhances product performance

Commitment to Creativity: Company leverages technology advancements to push the limits of form and function in the pursuit of white space innovation

Stage Gate Efficiency: Technology adoption enhances the stage gate process for launching new products and solutions

Commercialization Success: Company displays a proven track record of taking new technologies to market with a high success rate

Application Diversity: Company develops and/or integrates technology that serves multiple applications and multiple environments

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

