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**FOR IMMEDIATE RELEASE****Insurer IT Investments Increasing to Fuel Growth***SMA Research Reveals that One-Third are in a State of Transformation*

**Boston, Massachusetts, Jan. 23, 2014** – Strategy Meets Action (SMA), a leading insurance strategic advisory firm, has just released a new research report, [2014 Insurance Ecosystem: Insurer Technology Spending, Drivers, and Projects](#). The report covers the P&C (property and casualty) and L&A (life and annuity) segments in North America and reveals the business drivers for technology spending, how IT budgets are changing, and the top initiatives and projects planned for 2014 and the next three years.

“Our research highlights an unmistakable trend in the insurance industry – IT initiatives are having a broader impact on companies than ever before. Five years ago, only 13% of insurers told us that their companies were in transformation mode. Now 32% say they are transforming, largely enabled by major IT initiatives,” said Deb Smallwood, SMA Founder.

The findings, based on a survey of 100 insurance executives in 4Q13, show a growing optimism among industry participants and a steadily increasing trend toward higher IT investment. The findings include the following:

- IT budgets are increasing by an average of 3% in 2014, with plans for continued increases in 2015-2017.
- The customer/agent experience is driving significant change and IT spending.
- Analytics and mobile are the highest priority technologies for insurers.
- Core replacement/modernization projects are a top strategic initiative, and a vital enabler for other transformation initiatives. P&C commercial lines insurers are especially focused on core systems, with 36% planning to replace their policy systems in 2014 and another 36% planning major enhancements.

According to Smallwood, “Many insurers are continuing to transform core capabilities to better position their businesses for growth, while others are leading with innovation. Some of the most forward thinking organizations are now mapping out a longer-term journey to sharpen their competitive position, to enhance their differentiation, and to win in the marketplace.”

For insurers, associations, solution providers, and other industry influencers that are interested in learning more, contact Deb Smallwood at [dsmallwood@strategymeetsaction.com](mailto:dsmallwood@strategymeetsaction.com) or 603.770.9090.

**More information about SMA is available via the following options:**

- [About SMA](#)
- [Offerings for Insurers](#)
- [SMA Published Research](#)

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**About Strategy Meets Action**

Exclusively serving the insurance industry, Strategy Meets Action ([SMA](#)) is a strategic advisory firm offering a unique blend of research, advisory, and consulting services to insurers and IT solution providers. By leveraging best practices from both the management consulting and research advisory disciplines, SMA's services are actionable, business-driven, and research-based – where strategy meets action.