



HONG KANG LIFE

Sparkling Logic SMARTS™ decision management platform helped Hong Kang Life Insurance scale-up in record time

Before Sparkling Logic

Hong Kang had two separate business systems. Decision rules in the two systems were not unified and business data was not synchronized, sometimes resulting in inconsistent decisions and low efficiency. These problems motivated Hong Kang to seek a low-code decision management platform.

Sparkling logic helped Hong Kang to build a unified digital underwriting & claims system, improved the overall decision-making efficiency and consistency, simplified the business process and reduced dependency on IT resources, accelerated new product development and improved customers' overall satisfaction.



The Customer

Founded in 2012, Hong Kang Life Insurance is a national life insurance company approved by the China Insurance Regulatory Commission (CIRC). It has successively won the honors of China's top 500 financial companies, top 50 internet financial enterprises, the most innovative insurance company, and the best internet life insurance company.

Hong Kang is committed to developing good products that meet customers' needs. It focuses on internet insurance, and their e-commerce channel is quite competitive in the industry. Their distributors include Tmall China, JD.COM and other comprehensive e-commerce platforms. Bancassurance has more than 100 sales channels with ICBC, ABC, CCB, Postal Savings Bank of China, etc. In 2019, it achieved 20.8¥ billion yuan premium income.



The Problem

1. Time to market. Before SMARTS, Hong Kang's underwriting and claims rules were hard-coded. Over time, rules have become redundant in the repository, which made it difficult to change and keep them consistent. Moreover, since Hong Kang focuses on Internet insurance, they must adjust their rules more often than traditional businesses. Hard coding the rules has proven to be inefficient and costly.

2. Global rule management. Having two separate business systems has led to different decision logic. Accuracy and efficiency could not be guaranteed because business data was not synchronized. To remedy this, Hong Kang had to seek a decision management platform to improve the overall efficiency and consistency of its decisions.

3. Data access. With the business data synchronized and managed together, Hong Kang was able to calculate the exact cumulative risks of the application. Thus, they needed to get that cumulative risk data while making the underwriting decision.

Benefits

From now on, all the underwriting rules and nearly 70% of the claims' rules are managed by business experts, without calling on the IT department to update the rules. This allowed IT to focus on the reliability and availability of the system. Additionally, updating rules now takes no more than an hour from development to production.

1. Before SMARTS, they had only marketed around 70 insurance products. With SMARTS, they launched 23 products in just six months.

2. Compared to the old system, the new one with SMARTS has shortened the entire development cycle by at least 80%. And by using SMARTS, the overall maintenance cost has been reduced by 70%. Only four business analysts are now needed to manage all the rules.

3. For a single application, the average processing time was drastically reduced from 1.2 seconds to 50 milliseconds. This increased their insurance volume and income.

[Sparkling Logic, Inc.](#) is an AI-driven digital decision management enterprise tools platform. Major enterprise customers like Equifax, Centene, First American, Nike, SwissRE and Enova deploy and integrate Sparkling Logic SMARTS digital decision engine. Sparkling Logic, Inc is based in Sunnyvale, California.

Why SMARTS

Hong Kang chose SMARTS because it was designed for business analysts rather than IT:

- With SMARTS, rules were easier to create, test, change, and deploy.
- It had a clear hierarchy and comprehensive functions, making rule management more user-friendly and business knowledge easier to transfer.
- SMARTS supported rule reuse, thus accelerating decision development.
- It allowed the import of historical data, thus accelerating the start of the project.
- Thanks to its full lifecycle management feature, SMARTS accelerated the deployment of new versions in the product environment.
- Finally, it made it possible to get external data during decision-making.

[Hong Kang Life Insurance](#), is a national life insurance company approved by the China Insurance Regulatory Commission (CIRC). Hong Kang is committed to developing cost-effective products that cover life insurance, serious illness insurance, and accident insurance.