Southern Cross
Travel Insurance

Southern Cross Travel Insurance (SCTI) speeds up towards growth

Background

Southern Cross Travel Insurance (SCTI) is a leading travel insurance provider, part of the Southern Cross group of brands. SCTI has been active in New Zealand for more than 40 years, and Australia for more than 15 years, holding separate licences and being governed by regulators in each country.

SCTI issues 300,000 to 350,000 policies annually, covering around 600,000 insured travellers. With 30,000 to 40,000 claims each year, this is a highly transactional, high-touch business.

Primarily a direct-to-customer insurer, SCTI acts as both insurance underwriter and retailer. However, a strategic growth area is to become the underwriter for other retail businesses, especially in Australia, where a handful of underwriters serve hundreds of retailers.

The company is also building fresh partnerships in New Zealand, for example, with Gallagher Insurance as a retail partner, and underwriting bespoke policies for Kiwi Holiday Insurance.

Like many businesses, SCTI had legacy systems that were designed for internal use, however a new strategy with new partners required the ability to securely manage policies and claims externally.

From a technology perspective, SCTI's 'old' systems could not support their plans for the future.

Change was needed.

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Problem

Implementing this growth strategy required an entirely new IT capability. Rapid growth in Australia could only be achieved with advanced, automated systems that didn't require manual intervention.

SCTI's core technical challenge was that its legacy policy and claims administration systems were difficult to extend in this way. They were designed as fully integrated, back-office solutions and reliant on SCTI staff to perform some key functions.

These systems needed to be fully transformed, replacing policy administration, claims systems and both front-end and agent portals. Other impacted systems included communications, financial transaction applications, product logic layers and integrations.

SCTI also wanted to rebuild its DevOps platforms, so they could use Terraform, containerise applications and allow the team to implement mature development pipelines.

The project was complicated because SCTI had limited in-house solution architecture capability. It needed a broader enterprise architecture perspective to guide the change, and ways to upskill their team of 15 people who would work on this project and continue development and support after the new systems and platforms were deployed.

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The Equinox team brought additional scale and capability that we needed to successfully deliver our transformation. They are a part of the SCTI team and a great example of what partnership should be."

Alex Smart, CTO Southern Cross

Work

Equinox IT complemented and augmented SCTI's skills, providing enterprise architecture, DevOps transformation and front-end development expertise.

Working collaboratively, the team created an overarching enterprise architecture view, guiding the transformation and ensuring alignment with SCTI's strategic goals.

The design required the team to rebuild the New Zealand and Australian front-end business portals, the agent portal and the My SCTI customer portal. For this work, the team used Azure Active Directory B2C, which allowed them to implement a secure and scalable customer identity and access management solution.

A robust financial transaction application was built and a new product logic layer created, for flexible product and pricing configuration. Equinox IT experts helped SCTI strengthen and modernise its DevOps platform, transitioning to Terraform and containerised applications, improving the development pipeline.

Finally, the team oversaw the deployment of a new data warehouse platform, powered by Snowflake.

Outcomes

The transformation project was delivered on time (10 months), on budget ($4 million) and within scope, with a core team of just 15 people and additional contract resources. Key outcomes included:

- **Future-ready architecture:** SCTI is well positioned to reach their growth goals. Applying modern enterprise architecture blueprints allowed the team to create systems built for scale, allowing easier partner integrations and deep linking into aggregator sites.

- **Improved customer experiences:** SCTI's new claims platform now automates customer communications and task allocation for claims assessors, significantly improving processing speed and customer service. SCTI has automated claims payments with robust controls that have allowed 35% of claims being able to be safely processed automatically. The company plans to further leverage AI, with a cautious approach to ensure customer benefit.

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- **Improved partner experiences:** In the quarter immediately following the transformation go live, SCTI built and released a new fully integrated partnership – Kiwi Holiday Insurance – and a new aggregator – Canstar – with an integrated pricing engine and deep-linking capability. New partnerships are a key focus, and without the changes to core platforms, would not have been possible. SCTI continues to build new partnerships into their systems, at pace.

- **Agility and control:** SCTI gained full control over product configuration, pricing, integrations and experience portals. Changes that previously took up to 18 months and required system changes, can now be made rapidly, enabling faster innovation and responsiveness to customer feedback.

- **Delivery efficiency:** The new DevOps maturity allows SCTI to instantly rebuild environments using Terraform, dramatically speeding up deployment and release cycles.

- **Improved capability and intellectual property:** Ongoing collaboration ensured the upskilling of SCTI's team. This knowledge transfer enabled SCTI to build its intellectual property, ensuring operational independence, with new capabilities internally available for upcoming projects.

The project has set SCTI up for future growth, efficiency and innovation. By modernising its core systems and investing in automation, DevOps and data, SCTI is now ready to deliver superior experiences, respond rapidly to market shifts and drive sustainable growth in both New Zealand and Australia.

Get in touch

Find out how we can help you create more value from your cloud investment.

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