



Taking the Insurance Customer Experience to the Next Level

Managing the Omni-Channel Insurance Customer

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Executive Summary

Insurance providers must manage a number of journeys across time and channels throughout the customer lifecycle, such as insurer selection, coverage application, policy administration, risk control, claims processing, and coverage renewal. There are a number of significant challenges across these journeys, including growing competition and declining market demand (especially in developed markets), customers shifting from using agents and brokers to direct sales and service, a drive to reduce costs of customer acquisition and service, lack of customer loyalty and trust due to issues over claims handling and payments, and stricter regulation and compliance requirements. The overarching dilemma for insurers today is how to deliver a customer experience that is:

- Appealing to customers
- Effective at differentiating from the competition
- Efficient to operationally deliver
- Compliant with regulations

In 2013, research by Capgemini found that globally only 32% of insurance customers reported a positive customer experience from their insurer and that 70% of customers were at risk of switching insurance providers. Yet those customers who had a positive experience were twice as likely to refer their friends or buy additional products. Capgemini also found that insurers with a strong digital presence and customer focus were 26% more profitable than average. They predicted that, "within 5 years more than 30% of insurer business will occur digitally." (*World Insurance Report 2013*, Capgemini)

Genesys enables your insurance business to improve customer experience by:

- Providing the channels that customers want to use: voice, digital, mobile, social and white mail
- Applying customer interaction context consistently across all channels
- Engaging proactively with customers both online and via mobile
- Communicating proactively with customers through their preferred channels (voice, voice message, text message and email) for sales, service, education, and customer surveys

“70% of customers at risk of switching insurance providers.”

Capgemini

- Managing efficiently a highly specialized insurance workforce so the desired customer experience is delivered by a suitably skilled resource
- Prioritizing both real-time and offline work items and managing workload distribution and resource allocation across a virtualized pool – e.g. multi-site, in-house, outsourced, front and back office, branches, and remote staff
- Providing insights, both real-time and historically, to better understand the customer experience and drive continuous improvement

Increasing Insurance Sales

Sales conversions are important to every insurer

Your company may spend a great deal of money and resources on advertising, leads, blogging, and other methods to drive traffic to your website – with the goal of converting this traffic to sales.

More and more consumers shop online for insurance products

In a May 22, 2013 press release, JD Power and Associates noted, “More than one-half of all insurance shoppers today use the Web to scout their options and many further seek to obtain quotes online.”

“Since Policy shopping frequently includes the tasks of finding policy information and requesting a quote, it is understandable that customers who did not find those tasks easy tended to abandon one brand in favor of others...” (JD Power Press Release, May 22, 2013)

Shoppers have many options online and spend little time with each

Today, many of your prospects use search engines or insurance comparison sites to find insurers based on the type of coverage they are seeking. They then visit the site(s) of one or more of these companies to comparison shop and to determine the details of the coverage and price, or they request a quote.

Via the Internet, shoppers have many readily accessible choices available to them and tend to spend little time with each option.



Insurance products are complex and difficult to select without guidance

Despite the fact that many online shoppers quickly scan sites, spending little time on each website to do product research before moving on to the next site, insurance products do not lend themselves to this kind of a one-way interaction.

Policies are complex legal documents that most consumers need assistance to understand. This means potential customers can find your website and competitive websites confusing and not effective at helping them decide on coverage. Often, the only help they are offered is a form for requesting a price quote.

In fact, some regulators, such as the Texas Department of Insurance, have cautioned consumers against online shopping for insurance due to the risk of fraud and the need to have a clear understanding of what they are buying.

Common methods for driving website traffic and converting online leads have limited effectiveness and are not competitive differentiators

If you are using standard methods – blogging, Search Engine Optimization (SEO), social media, etc. – to increase web visits and lead quality, you need to know that these methods have little impact on the prospect's ability to find an insurance policy from you that meets their needs. Even worse, common methods of helping prospects with the selection and purchase sub-journey, such as competitive comparisons and policy selection wizards, are used by most competitors, typically offer one-directional communications, and have limited ability to convert visitors into paying policyholders.

These common methods to drive traffic and convert online leads have become table stakes and offer no true opportunity to stand out from the competition.

As a result, it can be a struggle to achieve good web lead conversion rates. Capgemini reports that only 10% of personal insurance sales are transacted over the Web. (*World Insurance Report 2013*, Capgemini)

Rapid identification of leads and proactive human assistance

Sales studies consistently show that anywhere from 35% to 50% of all sales go to the agent who makes first contact. (InsideSales, *Sales 2.0 – Psychology, Self-Selection, and "Getting There First"*)

As shoppers move quickly from site to site in their search to purchase an insurance policy, the first company to engage with them will have the opportunity to educate and inform the consumer. Proactive engagement, having an agent contact the lead by offering them a chat, voice call or video session as they review the site instead of waiting for the customer to request a quote, information or contact, lets you quickly create a dialog based on the need of the lead. If you are the first company to connect, you have the advantage of having the consumer's attention. Proactive engagement is not a static 'contact us' link in the corner of the web page, but rather a dynamic 'pop-up' invitation to interact, based on business rules, customer online activity, and skilled resource availability.

If you attempt phone contact within five minutes after a shopper submits an inquiry on your website, the odds that the lead is contacted are 100 times greater than if it is 30 minutes after submission. (Forbes, *Dreamforce 2013 Lead Management Research Calls Out Internet Marketers Who Still Miss The Boat*)

Insurance shoppers must often buy insurance in a narrow window of time. When purchasing a car or home, the insurance purchase is required by financing companies and/or by law.

Your company must rapidly identify an interested shopper (lead) on your website and engage with them before they move on to another website. Once you are engaged with an interested lead, you can rapidly determine if they are sales ready or if they will need further nurturing.

Switching from one-way to two-way communication

Presenting customers with a dynamic "would you like to talk with us" button that is highly visible will allow leads to engage with one of your sales agents more readily than filling out a form for later contact. Offering both may be good, but sales are often about opportunity in the moment. The quicker the response to a lead's request, the higher the conversion rate.

"35% to 50% of all sales go to the agent who makes first contact."

InsideSales

"Contact within five minutes ... odds that the lead is contacted are 100 times greater than if it is 30 minutes after submission."

Forbes

You can use website and other analytics to engage interested shoppers in a more meaningful conversation. For example, if the lead is searching a landing page on auto insurance, talk to them about auto insurance. If they are a known customer (previous or existing) use that information to help speed along the conversation by offering them products that best fit their profile.

Consistent customer journey is critical to sales process

Insurance sales may not lend themselves to self-service due to the need to fully qualify the risk and then determine the premium based on many factors. If a well-trained sales agent engages with customers, you can address their concerns, help them better understand their options, and provide them with a product that meets their needs in a clear and direct manner.

However, because of the complex nature of insurance products, even if a human agent has assisted the prospect, it may still not be possible to close the sale on the first contact. In these cases, it is important to arm agents who interact with qualified leads downstream of the initial contact with all the appropriate contextual information about prospects and their interests in your insurance products. Or, if the same agent is available, route the next interaction with that customer back to that original agent.

Web conversion best practices

Your business can use a well-designed website and the ability to present potential customers with real sales agents to create a dialog and increase sales. These are the activities that will help you create a consistent customer journey and improve conversion rates once visitors are on your website:

- Rapidly identify leads that may be interested in a product by where they are on the site and how they got there
- Proactively offer the lead an opportunity to easily communicate to a sales agent via pop-ups or buttons on the website
- Quickly respond to the lead's desire to talk to an insurance sales agent. Rapid response is essential
- Route the lead to a sales agent who is best equipped to convert this sale (language, skills, product background, regional regulations, etc.)
- Determine if the lead is sales ready and close
- Determine if the lead is not sales ready and then follow up and nurture it to sales ready

Genesys is key to increasing sales

Genesys solutions enable your company to improve lead conversion rates and reduce customer effort by engineering the customer experience along the entire sales journey, from first website visit to policy approval.

With the Genesys Customer Experience Platform, you can engage prospects across all touchpoints and channels – including the website, contact center, mobile applications, and face-to-face meetings – in a consistent and effective manner. For cross-journey consistency, Genesys retains the context of a potential customer across all touchpoints, regardless of the channel (e.g. phone, chat, SMS, email) and the number of times the customer may switch between channels. Genesys gives you the ability to use a wide range of information, such as website analytics and prospect profile information, to enable sales agents to best close leads with consumers who are on the website and sales ready.

The Genesys Digital Channels solution provides various capabilities to help you quickly identify and engage interested web leads with qualified and effective sales agents:

- Chat provides prospects an opportunity to quickly engage with an experienced insurance sales agent while still using your website to research products.
- Callback allows web leads to immediately engage an agent via phone, or alternatively set a convenient time for a sales agent to call them.
- Co-browsing enables the sales agent, when communicating with the prospect via chat or phone, to more seamlessly guide the online navigation or transaction, resulting in a richer and more effective engagement.



Furthermore, after the initial contact with a web lead, the Genesys Digital Channels solution continues to provide multi-channel and cross-channel communication capabilities to nurture active leads.

The Genesys Proactive Communication solution utilizes multiple channels including email, text messages and interactive voice messages to give you the ability to quickly message interested leads and provide information that will move them from interested to sales ready, based on their contact preferences. Applicants can also be kept fully informed of the status of their applications.

Improving the Insurance Claims Experience

In addition to improving the sales experience, it is equally important to ensure the lifetime experience for your customers, especially when they have an event that requires them to make a claim.

Policyholders perceive insurance companies as slow to pay

Policyholders (beneficiaries) expect that they will be quickly compensated for losses covered by their insurance policy. From the company perspective, risk management and expense control processes mandate loss verification and root-cause analysis, which can slow down the claims process. Unfortunately, this has created the perception with the public that many insurance companies are happy to take their premium but reluctant to pay their claim.

Policyholders find filing claims stressful

Policyholders only contact you when they need to apply for insurance, file a claim, or renew, modify or cancel a policy. Years may go by between the purchase of a policy and any effective communication. Traditionally consumers purchased their insurance through an agent and relied on their personal relationship with the agent for the accuracy of their coverage and support when they had a claim. Today, consumers have transitioned from agent-based sales and communication channels to direct communication models through contact centers and the Internet.

Without the support of an agent relationship, your policyholders can find the process of making a claim highly stressful, and even more so if they have been in an accident, lost their home or experienced the death of a loved one. They can perceive the claims process as very difficult, as it requires them to prove their loss, and you to verify the loss and confirm that the loss is covered before any claim can be paid.

It is important that you recognize the client's situation and work with him or her to minimize stress.

Other challenges that aggravate the policyholder's frustration when filing a claim may include:

- They do not understand their coverage and the exclusions within the policy
- They do not have appropriate proof of the loss
- They do not understand the process and timing of claim settlement
- They are waiting for appointments with a claims adjuster to verify the loss

Operational inefficiencies exacerbate claimant frustration

Your company may be one of the many that service claim requests via the contact center. Policyholders who reach out to the contact center to submit their claims or check in on an existing claim often face the following problems:

- No agent available (contact center only open during business hours, not 24x7)
- Long wait time to speak with a live agent
- Agent not familiar with their policy
- Having to repeat their story to multiple parties
- Wait times for callbacks on denied claims

If the policyholder has been acquired through an affinity group or third-party partnership, you may have to meet Service Level Agreements (SLAs) in processing their claim, or be subject to financial penalties.

Moreover, according to Ernst & Young, policyholders with a bad claim-related experience are more likely to change insurers. Over 50% of surveyed European respondents who reported poor claims experiences say they would not renew with their current provider. (*Voice of the Customer Time for Insurers to Rethink Their Relationships*, Ernst & Young, 2012)

“Black swan” events have disastrous impact on customer experience

Most commonly, future staffing requirements are based on historic call volume patterns. While this approach works when call volume patterns are within the expected range, even something as mundane as a TV advertisement can suddenly increase call volumes. Volumes can be driven up even further whenever a “black swan” outlier event happens, such as a natural or man-made disaster that lies outside the realm of regular expectations.

If policyholders already believe insurance companies have a reputation of being hard to deal with when they make claims, in a disaster situation this perception can be amplified from bad to worse. A black swan event puts your company in the difficult position of having to handle high volumes of claims in short periods while avoiding the policyholder complaints and media reports that can damage your reputation.

“Over 50% of surveyed European respondents who reported poor claims experiences say they would not renew with their current provider.”

Ernst&Young

Fraudulent claims have large impact on expenses

In the U.S. alone, fraud losses for property and casualty companies are estimated at \$32 billion a year. (Insurance Fraud Update, Insurance Information Institute 2013)

Given this, you and your risk management team need to be able to quickly identify claims that may be fraudulent and refer them to specialists for handling and investigation, while rapidly handling and paying legitimate claims.

Claims handling is major source of complaints to regulatory agencies

Policyholder complaints to regulators may trigger audits and investigations that, at best, increase your costs and reduce profitability, and at worst lead to fines or other enforcement actions that negatively impact your bottom line and reputation.

Claims handling is costly and often inefficient

What percentage of your total expenses are represented by claims handling, and is there any way to reduce that? Per BBIC Ltd, claims expenditure accounts for approximately 80% of insurers' total costs, and it is generally considered that insurers could reduce their overall claims cost by up to 20% through operational improvements. (Claims Management White Paper, BBIC Ltd.)

The claims process may contain many contact points involving person-to-person interactions over the phone or even face-to-face. Inefficient processes increase your costs when:

- Manual processes create delays and backlogs
- Claims agents take long or repeat calls with policyholders who have to restate who they are and wait while the agent finds their information in multiple systems
- Expensive claims adjusters need to be dispatched
- Policyholders need to download forms, manually complete them, and fax them back to the claims group

Every point where a human touches a claim is an opportunity to reduce costs by making that interaction more efficient or by eliminating it with the use of self-service.

Reduce customer effort by engineering customer experience along entire claim journey from filing to claim resolution

Even the most minor claim can be a critical event for your policyholders. If you can handle claims well, you will develop a positive reputation and a competitive advantage in your market.

One key to doing this is to make easy-to-use claims tools available across all touchpoints with your policyholders. Another key is maintaining the consistency of the customer claims journey by sharing the context of the policyholder's claim across all touchpoints and channels.

Minimize policyholder calls by keeping them fully aware of the status of their claim via proactive messaging. Once a claim has been approved, payment should be prompt and if possible, electronic to speed up reimbursement, as delayed payments on approved claims can be a source of policyholder dissatisfaction.



Intelligent context-based routing of claim inquiries

Use profile and segment information to quickly route policyholders to resources that align with their portfolio of products and their policyholder value. Low value, single policy holders should be routed to self-service tools first before going to an agent, while high-value multi-policy holders can be routed to agents specialized in handling a wide range of potential issues.

Other contextual information can also be used to improve routing of an inquiry. For example, if a policyholder with home insurance is calling from an area just hit with a hurricane, it is likely that they are calling to make a claim on their home. This would be a great opportunity to present the policyholder with the appropriate self-service decision tree or an agent with skills based on disaster claims and home policies.

Mobile tools streamline claim filing

Mobile applications are a great opportunity to provide policyholders with easy-to-use tools for contacting you or filing claims. If your mobile application supports the claim process with First Notice of Loss (FNOL) tools it gives policyholders the ability to capture pictures of damage and guides them through the steps necessary for rapid claim filing, and is a valuable asset and competitive selling point. Using tools that fully track the claim process, from FNOL through to payment or repair, allows policyholders to be seamlessly and fully informed at any point in the claim lifecycle over any touchpoint. When human interaction is needed, your mobile application can also be used to support real-time chat, voice or video.

Mobile tools streamline claim handling for field representatives

Your field personnel and external appraisers, adjustors, repair shops, contractors and other third parties can use mobile tools to update claims, verify repairs, and send payments. This information can be added automatically to a unified data repository from which you can generate alerts to share useful information and updates with the policyholders.

Self-service containment can help manage peaks in claim-related call volumes

If policyholders do not have a smart phone, they can engage with you through other touchpoints. For example, they can call the contact center to speak with an agent or interact with a self-service Interactive Voice Response (IVR) system. Well-designed and thoughtfully configured self-service claims tools can be very effective in reducing policyholder stress especially during a black swan event when contact centers can be overwhelmed with call volumes. Also, containing claim-related inquiries within self-service touchpoints helps you manage call volumes within the capacity bounds of the contact center. When a policyholder does opt to leave the IVR system in favor of speaking with an agent, use the data collected by the IVR system to route the call to the most appropriate agent with the right skills to handle the call. You should also give the same data to the agent prior to the call so that the policyholder does not have to repeat information. As a result, calls are handled more efficiently, and effort and frustration are minimized, which again reduces the workload in your contact center.





“The Genesys Upgrade Project has been a great success in setting us up for the future. The business, as a whole, benefits from the ability to better understand customers and their diverse needs, and by empowering our workforce to proactively support customers with the best experience possible.”

Jinger Jutla, Senior Manager for Enterprise Solutions at ICBC

Combine auto-generated field data from insured properties with internal customer data and apply analytics

More and more devices are connected. This “Internet of things” phenomenon has opened up many new opportunities for your company. For example, intelligent sensors in vehicles can notify you that a policyholder has been in an accident and send details about the accident. New devices coming into the market will soon provide you with information on other insured properties, such as homes, boats, and other physical items. Having access to this data allows you to quickly verify the loss and prepare a payment to the policyholder.

Using analytics to flag claims for additional handling can speed up claims management. Analyses can take into account many variables including auto-generated field data as well as policyholder history, location, event type, coverage type, language in the claim, etc. This combination of external event data and internal customer data can be very powerful. By leveraging analytics, you can reduce policyholder frustration, lower costs for appropriate claims, and focus resources on claims needing investigation.

Genesys is key to improving insurance claims experience

Your insurance company can reduce policyholder frustration and lower claims handling costs by leveraging Genesys solutions in many areas. Genesys offers the following capabilities:

- Omni-channel routing of claims inquiries with full context
- Full mobile application integration to enable inbound inquiries, proactive customer communications, and self-service data collection
- Unified data repository to store policyholder contact and other associated data
- Analysis of event and customer data to optimize the customer experience
- Voice self-service applications to help contain and manage unexpected peak contact volumes
- Comprehensive customer experience journey insights that leverage the data from a unified omni-channel data repository
- Better management of contact center workload and resource management to reduce claimant waiting times
- Automated proactive multi-channel communications to policyholders for claims status updates
- Back office workload optimization to speed claim approvals and claim payments, and identify claims for additional investigation

Educating Insurance Customers

Cost of not knowing what could have prevented loss

Many customers are not aware of what they could do to reduce their risks. Too often they say after they’ve made a claim, “if only I had thought about that I would have been more prepared.” Disaster preparedness, loss prevention tips, ‘Good Driver’ / low-risk discounts and ‘Wellness’ programs are all areas where proactive action can help you reap rewards in reduced claim costs and increased customer loyalty.

Educating customers may be costly, but the alternatives could be higher

Communicating with customers by sending out traditional printed material is costly and is often left unread. Online communications do not fare much better; many of your policyholders are already tired of the constant bombardment of emails from vendors, both those with whom they do business and those who have managed to get their address and now think they have a right to contact them.

It's all about the content and timing of communications

You need to understand what drives policyholders to make claims. By analyzing policyholder contacts, you can identify the key drivers, and from this create appropriate educational content.

Most customers are very happy to receive communications from their insurers, as long as it is:

- Relevant – something that they want/need to know about
- Timely – at a moment that is appropriate for that communication

So proactively communicating with policyholders – with appropriate content based on business rules and delivered through voice messages, text messages, email, web chat and callbacks – can help to increase customer satisfaction and reduce costs.

Genesys is key to educating insurance customers

Leveraging Genesys solutions to educate and inform customers can help you reduce claims and increase the impact of your communications.

Use Genesys Speech and Text Analytics to analyze communications from customers across all touchpoints, to gain insight into what is driving claims behavior, and to recognize fraudulent claims as well. With these insights, you can develop the appropriate educational material.

Getting the message out is the next important step. Mass mailing has a low impact and policyholders rarely go to the website, so your approach needs to be more targeted – less scattergun and more rifle. The Genesys Proactive Communication solution utilizes multiple channels including email, text messages and interactive voice messages to give you the ability to target the information to the most appropriate policyholders using their preferred communications channel. And this same solution can also be used to deliver proactive, timely customer surveys, to gather customer satisfaction ratings (e.g. Net Promoter Score (NPS)) and feedback on the customer experience.

Conclusion

Managing the insurance customer lifecycle has never been more challenging. Genesys enables you to deliver a better customer experience more efficiently, and so differentiate your business in the marketplace with:

- Omni-channel routing with full context, voice, web, mobile, social and white mail
- World-class voice self-service
- Full mobile application integration to provide context-aware access to assisted service through: voice, text messages, email or callback



- Proactive customer communications through voice, voice messages, emails and text messages, based on customer permissions and preferences
- Unified data repository for prospect and policyholder contact and associated data
- Text and speech analytics and customer surveys to drive customer experience optimization
- Comprehensive customer experience journey insights that leverage omni-channel data
- Optimized contact center workload and resource management
- Improved back office and offline workload and resource management

The power of Genesys takes your customer experience to the next level by delivering personalized and dependable customer journeys; engaging consistently and seamlessly across all channels and interactions; and consequently maximizing service and loyalty.

Some Genesys Insurance Customers



About Genesys

Genesys, the world's #1 Customer Experience Platform, empowers companies to create exceptional omnichannel experiences, journeys and relationships. For over 25 years, we have put the customer at the center of all we do, and we passionately believe that great customer engagement drives great business outcomes. Genesys is trusted by over 4,700 customers in 120 countries, to orchestrate over 24 billion contact center interactions per year in the cloud and on premises. For more information www.genesys.com.



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