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INSURANCE IMPERATIVES

CMO Strategies for Effortless
Policyholder and Agent Experiences

salesforce



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A Note to Insurance Company CMOs

You've seen that the convenience and connectedness of products outside your industry (such as Facebook and Uber) have led to a change in your audience's expectations of you. Policyholders, agents, and employees – particularly the increasing percentage who are Millennials – are going to choose insurers based on how well they deliver the 1-to-1 multichannel interactions they prefer. This, plus a greater number of options, will deeply impact insurance companies across all lines – including yours.

In the pages ahead you will find a series of customer experience strategies designed to help you and your team emerge as a winner in the future of policyholder and agent relationships. We hope you'll find this asset useful as a conversation starter and a first step to results-driven decisions and growth.

Hear from a Customer Trailblazer transforming the travel insurance industry. See Salesforce for Marketing solutions in action in a practical video demonstration.

Watch at: sfdc.co/webinar-effortless-policyholder-experience



INTRODUCTION

The Five Insurance Imperatives

Leading insurers across product lines are experiencing a shift in the expectations of their policyholders and agents. Digital disrupters outside of the insurance industry -- such as Uber, Google, Facebook -- have created user expectations of effortless omni-channel experiences no matter who users do business with. This has disrupted every industry, including insurance.

Policyholders, agents, and employees – particularly the increasing numbers of Millennials – are using a pragmatic approach when selecting which insurers they want to work with. The rise in expectations matched with a greater number of options will affect insurance companies across all lines, including property and casualty, life and annuities, specialty and travel.

As a result, insurers need to adopt five strategic imperatives in order to stay competitive:

- 1. Dynamic omni-channel:** Create seamless experiences via the policyholder's preferred communication path across the journey of engagement, sale, service, and renewal.
- 2. Personalized service-at-scale:** Allow agents to form cost-effective 1-to-1 relationships with policyholders, even as the agent's book of business grows.
- 3. Collaborative engagement:** Enable collaboration between employees and policyholders on service and sales opportunities through B2C and B2B communities. Many individuals are adopting a mobile-first approach to this.
- 4. Actionable insights:** Provide actionable insights from key moments of truth at strategic engagement moments that could benefit the policyholder's purchase or service experience. These insights include customer and household information, enriched with core system info.
- 5. Culture of Innovation and Agility:** Create a culture of innovation and agility on platforms that allow rapid development of "sticky" apps, leveraging a common 360-degree view of policyholder.

This e-book will explore how insurance companies can execute on these five strategic initiatives and share examples from industry leaders.



DYNAMIC OMNI-CHANNEL

Proactive Service Relevant to Life Events

A life event (such as a home purchase, relocation to a new state, or having a baby) is an incredible opportunity for meaningful customer engagement. For example, if a policyholder moves to a new address, perhaps to a more affluent area, how would that affect her risk exposure? Or if an insurer could detect from a policyholder's Fitbit (with his permission, of course) that he has adopted a healthier exercise routine, how would that affect his premiums?

With dynamic omni-channel service, reps and agents have access to intelligent insights across all channels – including social, email, web, and phone – all integrated directly in their CRM system. This empowers insurers with the ability to prioritize tasks based on urgency and identify opportunities for policyholder engagement.



Self-Directed Service

A critical element to a dynamic omni-channel approach is a strong web self-service presence. This helps your customers find answers quickly and reliably to address their service issues. While most companies have invested in some form of web self-service, the way customers today connect with insurers and consume information has evolved, and web self-service must evolve with it. That means insurers need to invest in policyholder and agent communities.

Communities enable policyholders and agents to easily navigate and search for answers from a desktop or mobile device. Better yet, an open community allows customers to answer related questions, creating an open dialogue and greater credibility in community responses (responses should always be reviewed and curated by community managers for accuracy).

Key discovery documents such as FAQs, how-tos, and knowledge articles are relevant assets to include in your community.

Mobile-First Experience

More and more customers today begin their service journey on their smartphone. But if your mobile service site is inadequate or not correctly formatted for a mobile device, the customer will get frustrated and call your contact center, increasing customer effort and your costs. If you've provided customers with a mobile app, such as for online banking or ecommerce, it is critical to provide them with service from within the app. If not, customers have to leave your app, call an agent, and then log back in and find the spot at which they left off, creating a high degree of customer effort.

According to a recent report, 90% of mobile apps today have insufficient support. Customer service organizations must invest in delivering a best-in-class and effortless mobile service experience if they are to win and retain customers over the next five years.¹

¹ Red Hat Mobility Survey: <https://arc.applause.com/2016/01/18/mobile-app-investment-in-2016/>

Why Omni-Channel Service Matters in Insurance: CEB Customer Study

Using research based on more than 125,000 customer interviews and more than 5,000 customer service reps across more than 100 companies, CEB has found that companies that provide omni-channel customer service experiences are 31% more likely to win repeat business, and 88% of them are able to increase their share of wallet. Contrast this with companies that create high-effort customer experiences where a staggering 96% of customers become disloyal after such an experience.²

² Stats from CEB, a best-practice and technology company.



Customer Experience Effortless versus High-Effort

125,000+ Customer Interviews

5,000+ CSRs

100+ Companies

↑ Effortless Customer Experience

31%

More Likely to Win Repeat Business

88%

Increase Their Share of Wallet

↓ High-Effort Customer Experience

96%

Disloyal After Such Experience

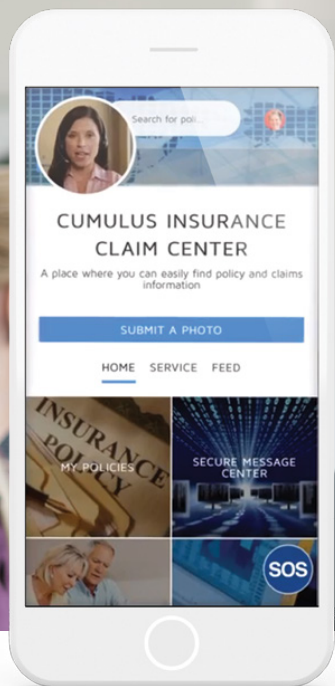
Source: CEB

PERSONALIZED SERVICE-AT-SCALE

As insurers make the shift from product-centricity to customer-centricity, they are seeking to fulfill three customer needs, regardless of whether that customer is a commercial client, individual policyholder, or independent agent.

- Know me (or know my business)
- Guide me
- Make it easy

When customers search for an answer online – for questions such as, “Should my small business have business income insurance?” – chances are the answer to that question will already exist online (or in a community). Business today is inherently social, be it how customers discover new products, purchase them, or receive service for them. Insurers have realized their loyal customers can be just as knowledgeable as front-line agents and are often more credible. Harnessing that knowledge can help you not only increase first-time self-service resolutions but also increase positive word of mouth – a key driver of loyalty.



The Concierge Experience

Service requests and sales opportunities may evolve over time and become more complex. For example, a commercial client's risk exposure may have increased or an individual investor's retirement goals may have changed. Understanding these changes and providing customers with access to specialists and step-by-step guidance to the right solution greatly increase the odds of a successful cross-sell or issue resolution. With white-glove, concierge-like service the entire way – especially for your premium customers – you increase the chance that they will stay in-channel.

Personalized and Immediate SOS Service

Insurance contact centers can now deliver more personalized and interactive service. This is important because policyholders expect immediate resolution, action, or access to help no matter what channel they are in.

Salesforce SOS is an always-available help button located directly inside any mobile app. This innovative vision has inspired new technology allowing companies to embed an SOS button into their own mobile apps. By pushing the SOS button, users are able to enter a video chat with a service rep, and that rep is able to provide them with on-screen guided assistance to walk them through their issue. Additionally, service reps can annotate or draw on customer's screens to guide them to the right answer. This reduces tremendously the effort required of customers to solve the issue themselves and significantly reduces the likelihood of an escalation.

CASE STUDY

BERKSHIRE HATHAWAY TRAVEL PROTECTION (BHTP)

Preferred Channels

BHTP uses the Salesforce system to keep track of each customer's preferred channel. If a customer prefers to talk rather than text, BHTP reps will call her. If she prefers Twitter, they will tweet her. This company's personalization strategy spans the spectrum from traditional phone calls to social to online web chat.

Relevant Messages

BHTP sends targeted emails to travelers that are personalized to their trips. Customers can download mobile apps or interact with BHTP on social media in order to get help with claims or travel assistance. Not only is the customer reached on the channel he or she prefers, but BHTP can also schedule and coordinate the process easily from a single platform. These intelligent interactions reach potential policyholders only when they need to be reached, starting them off with a positive customer experience.

Proactive Service

BHTP only engages with customers when it knows it has a service offer that will address the customer's needs. If someone buys a policy covering a single trip, for example, BHTP will keep them up to date as travel situations develop. This may mean informing policyholders about delays and asking if they need help finding another flight. Proactive 24/7 service reduces effort on the part of the policyholder and increases customer loyalty and retention.

Berkshire Hathaway Travel Protection uses Salesforce to engage policyholders in personalized journeys through every stage of the customer lifecycle.

See how they do it at sfdc.co/webinar-effortless-policyholder-experience.

COLLABORATIVE ENGAGEMENT

A primary reason for delivering a seamless omni-channel experience to insurance customers is to provide for their growing expectation to find help, communicate problems, and to engage with insurers in familiar and meaningful ways.

Let's Look at the Collaboration Data

The “2016 U.S. Insurance Shopping Study” by J.D. Power found that while almost three-quarters (74%) of insurance consumers use an online channel to research their purchase, half of these individuals finish the transaction with a traditional agent. Call centers accounted for 22% of the sales, and only 25% actually closed the deal online. The study surveyed over 17,000 auto insurance consumers over the course of 2015 and 2016.

An important finding from the study is that a collaborative engagement mechanism (via web chat, click-to-talk, and so on) was a key feature in improving quote-to-close for carriers. Conversion improved by 150% when the online insurance consumer used the carrier's online assistance capabilities as opposed to simply using the website.

What this data proves is that insurance agents often need to deliver a final push in order to close a sale or guarantee retention. Being able to engage in an unbroken dialogue while seamlessly switching between channels, say from mobile to online to contact center, is no longer a differentiator. It's an expected must-have requirement.

Policyholders, consumers, and service partners have all expressed frustration about dealing with insurance companies and are not shy about expressing it. Accenture performed a study of insurance customers in 2015 to determine what aspects of dealing with insurance companies led to the highest amounts of frustration. The chart below shows the percentage of respondents who mentioned the listed sentiments:

What insurance interactions create frustration?

74% Multiple contacts for same reason

69% Long resolution times

66% Repeating information multiple times

ACTIONABLE INSIGHTS

The Need for Insight

Service reps suffer from a lack of pertinent information being readily available on the policyholder's profile. Often there is little, if any, customer information that is shared across interactions or across the multiple product siloes that insurance companies maintain. In addition, most insurers have not provided any analysis of the information that is presented to customer service reps. Insurers are not able to make use of the core and transactional data locked in their systems of record. As a result, insurers are not able to address basic questions that would help them improve customer experiences. These basic questions can include:

- How satisfied is the customer?
- What products might the policyholder be interested in at this point in his or her life?
- How do various customer segments compare in regards to the number of products purchased, retention, risk exposure, and premiums paid?

Having insight into basic customer and transactional data can make the difference in providing the high-quality experience that leads to increases in customer satisfaction and retention. Analytical information of this nature becomes actionable when it is easy to access and easy to understand in the context of the calls, texts, or emails that have already been received.





Understand Issues and Their Root Causes

Front-line insurance contact-center agents are your best resource to understand why customers call back. While surveys are important, capturing the agent's feedback immediately after the call while the information is fresh is essential in building an accurate customer profile. This information helps managers and executives understand why certain issues may take multiple steps to resolve and what will potentially prompt a next call.

Agents should be able to leverage reporting tools to understand what solutions were suggested originally and whether these solutions need to be reviewed by the right expert within your company for completeness and accuracy.



Riding the Wave

Salesforce has built-in reporting tools that provide information to the people who need it most. Salesforce unites core system data with customer profile data to create an actionable and accessible 360-degree view of the customer. Salesforce Wave Analytics enables the tailoring of data visualization to the end user's preferences, and surfaces critical information regardless of the data source, whether it's an existing data warehouse, legacy system of record, or native Salesforce. Policyholders, contact-center agents, and managers can see charts and graphs that meet their individual preferences for information display in real time. They can drill down quickly into a chart on any device and determine where and when changes occurred to seize opportunities or to address situations before they become bigger problems.

CASE STUDY

CNA

CNA

CNA (www.cna.com) is one of the largest global commercial insurance companies. It sought a solution to improve the efficiency of its internal work assignment mechanisms. Many insurers' middle offices are the glue between disparate internal and external systems. The processes that define the middle office are often manual, complex, time consuming, and error prone as they work to connect front-office systems (sales, agency and broker management, and so on) to core systems. At CNA, legacy operations relied on human interactions and manual workflows to handle broker input, underwriting workloads, and sales opportunities.

Impact on Business

Customer responsiveness was being greatly limited by long training cycles and process delays. Incorrect or inefficient task assignments meant work was often suboptimal or when submitted to the processing community was at risk of being misrouted or manually handled.

CASE STUDY



Solution

CNA's IT department used Salesforce to provide a common workflow that integrates core system information into the solution. Previous Salesforce deployments at CNA provided the basis for the decision to use Salesforce's flexible and modern development architecture to quickly create a solution to the processing work assignment challenge. CNA's ASPIRE system took a short three months from start to production deployment

using a self-taught internal IT team. Significant improvements have been recorded in task assignment outcomes as well as processor and customer satisfaction. New functionality is being added almost monthly to the Salesforce application due to internal business demand – other business and operational areas are now asking for similar solution help.



CULTURE OF INNOVATION AND AGILITY

Innovation in insurance and the ability to respond to changing customer requirements are often hampered by a perfect storm of inhibitors:

1. Just-good-enough thinking embedded in a culture that is resistant to change
2. Turf wars between product and departmental silos, particularly in organizations that have grown through acquisition
3. Looking at market opportunities through the lens of product rather than customers' interests
4. Rigid systems and processes that have evolved over decades, requiring lengthy and costly regression testing for even the slightest enhancements

Leading insurers who undergo digital transformation realize they must not just build for today, but for tomorrow. They seek to future-proof their businesses.

A Platform for Success

When considering the impact of their investments, both business and technology executives must ask themselves one key question: “Am I putting my resources and talent toward differentiated capabilities that make customers love us?” If insurer executives are spending their resources on paper-driven back-office processes, IT “plumbing” and infrastructure, or ongoing maintenance, then the answer is no.

Agile insurers leverage platforms that enable the rapid development of sticky capabilities that create loyalty among policyholders and agents. They turn to systems of engagement that:

- **Allow business and IT to codesign and implement new customer experiences with quick time-to-market**
- **Lessen the burden on IT from the worries of infrastructure, integration, and testing**
- **Allow new apps to leverage customer and core system data in new ways**
- **Provide an ecosystem of best-of-breed solution providers whose capabilities can be tapped with ease**

The Salesforce Customer Success Platform can share critical business information across its core CRM, service, analytics, and collaboration capabilities while enabling out-of-the-box omni-channel solutions. These foundational elements are further enabled by a unique solution powered by Salesforce App Cloud that is business-user friendly while still powerful enough to support heavy-duty IT needs.

In the context of Salesforce App Cloud, business-user friendly means that nondevelopers can build mobile and desktop apps with a series of clicks within a nonthreatening environment. It is easy to develop and modify apps to adjust to business requirements. At the same time, this mechanism ensures that IT standards for development, testing, deployment, and maintenance are followed. Insurance companies that make use of this capability are providing an important psychological boost by enabling business users to participate in and author solutions that can make a positive impact in their daily lives and in the lives of their customers.

Conclusion

Industries across the board continue to invest in digital commerce activities that create expectations for effortless service interactions. As a result, policyholders and consumers are becoming accustomed to increasingly convenient and uncomplicated transactions as they go about their daily lives. The insurance industry needs to accelerate its efforts to make seamless, omni-channel experiences a foundational aspect of its offerings. Insurance companies that embrace and respond to this consumer expectation shift will be the ones that grow and thrive in this new era of effortless insurance.

Ready to create your omni-channel experience and empower your agents? Learn directly from product experts and the innovators transforming the agent and policyholder experience at Berkshire Hathaway Travel Protection. Discover firsthand knowledge with an in-depth solution demo in “How Salesforce for Marketing Powers Effortless Policyholder Experience.”

Watch it at sfdc.co/webinar-effortless-policyholder-experience.





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