

The Salesforce logo, consisting of the word "salesforce" in white lowercase letters inside a blue cloud-like shape.

salesforce

A man with short dark hair, wearing a dark blue button-down shirt, is smiling and talking on a black mobile phone. He is sitting at a desk with a laptop and papers. The background is a bright, out-of-focus office setting.

Get personal:
5 WAYS TO CONNECT MORE
DEEPLY WITH POLICYHOLDERS

For insurers, attracting and retaining customers has always been the key to premium growth. Acquisition costs for non-life insurers in the Netherlands remain lower than in any other market around the world. Dutch insurers have become effective at attracting new customers via direct channels and comparison websites - but retaining them is another matter.

Study after study has shown that it is not always easy to simply spend your way to retention. Gains in policy count often prove to be short term, since appealing to customers on price means policyholders are easily poached by competitors.

Instead, insurers are finding they can improve their long-term premium growth by standing out through customer satisfaction. We believe that the insurer that provides the best customer experience will be the ultimate winner. Policyholders that report high levels of satisfaction are worth 3 times more than the average customer in terms of lifetime premiums and referrals¹. Finding ways to encourage loyalty and improve the customer experience is a great way to spur long-term growth and is very effective, especially if your ad budget isn't that big.

Ad spending doesn't always equal premium growth

Last year Dutch health insurers spent €70 million in just 6 weeks, in the battle to win new customers. Yet, in effect, only 6% of the customer base actually switched provider². How sustainable is this level of marketing communication spend if its impact is minimal?

TODAY'S CUSTOMERS WANT THEIR VOICES HEARD

How can you create enthusiastic customers and convert them into ambassadors? It comes down to communication, choice, and control.

Studies show that satisfaction can more than double when policyholders hear from their insurer more often. Delivering quality service on every touch point, at the right time, is the most effective way to build customer loyalty.³

Utilizing tools to collect customer data at every customer interaction, and sharing it along distribution and service chains, are crucial to creating a seamless and impactful customer experience.

Customers will only report high satisfaction when issues are resolved quickly, through a variety of online, mobile and offline channels. They also want to decide which channel to use, and when. This omni-channel experience is reflected in the fact that 83% of the customers use multiple channels to address their needs.⁴

Today's insurers must make sure that interactions with

their distributors leave policyholders with the same positive experience they get from interacting with their insurer directly. If a customer provides information through an application, they don't want to provide it again when they fill out an online form or contact the call center.

Customer experience is strongly associated with the experience of an insurer's brand or label. Any inconsistency that is felt during the interaction with the brand, including the distribution of a product, will reflect in a lower satisfaction with the brand itself.

With that in mind, here are five ways to set yourself apart from the competition by strengthening your relationships with customers and earning all-important loyalty and referrals.

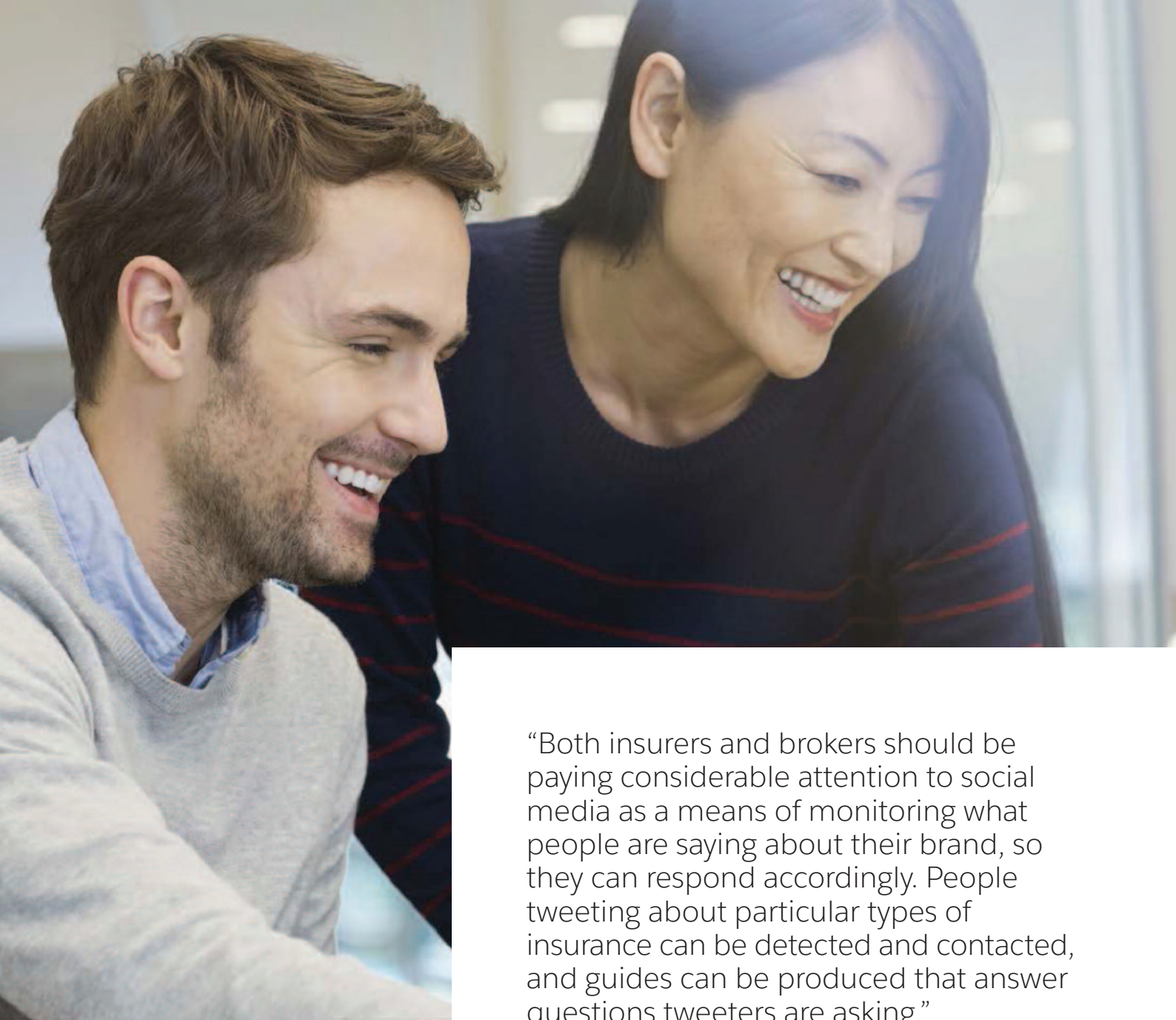
Step 1 Get to know them over time

Being aware of your customers' needs is the best way to keep them happy. But that no longer means spending time with them in person or on the phone. In fact, the number of customers that deal with their insurer most often on digital channels is expected to double in the next 3-5 years.⁵

Just as importantly, today's consumer expects a personalized experience from the moment of first contact until they are loyal, lifetime policyholders. So engagement starts with building a presence on social networks, where 86% of the Dutch population spends at least one hour per day.⁶ By using social listening tools, insurers can gain insights on customer pain points and hone in on areas where the customer experience can be improved. It's basically a continuous, low cost focus group.

After that, insurers should be gathering and assessing data at every customer interaction, and sharing all that information efficiently with distribution and support partners.

Without a doubt, the biggest revolution in insurance the coming years will be the internet of things. Sensors of all kind will collect data from bodies and devices and everything will be connected. Actionable insight derived from this big data will determine risk and pricing in the future. In the Dutch market, Fairzekering⁷ uses sensors placed in the car to determine the driving behavior and, ultimately, their premium. This is reflected in their tag-line "drive save, safe money".



“Both insurers and brokers should be paying considerable attention to social media as a means of monitoring what people are saying about their brand, so they can respond accordingly. People tweeting about particular types of insurance can be detected and contacted, and guides can be produced that answer questions tweeters are asking.”

“Advertising: Getting the Word out” - Post

Step 2 Cater to their specific needs

The right mix of products is the single most important factor in building customer loyalty.⁸ Part of providing a personal touch is matching customers with products that are most suited to their needs.

This is where customer data gathered at each touchpoint can be put to good use. A robust database of customer information, available throughout the company and to distributors, allows insurers to make insights on behaviors and tie those insights to customer characteristics. Targeted insights on the customer pool, or micro-

segmentation, can give insurers vital information to help market to particular customer groups or anticipate their needs.

For example, many health insurance companies let customers customize their coverage to make it personal and specific. In some cases policyholders can temporarily “switch off” certain cover if they don’t use it e.g. exclude travel insurance modules when they don’t travel. In this way customers feel that they never pay for coverage they don’t need.

Step 3

Be available at the moment of truth

Filing and getting payment on a claim are two touchpoints likely to drive customer enthusiasm, but insurers still need to pay close attention to non-claim issues as well. Getting accurate product information and quotes on demand, and having questions answered to the policyholder's satisfaction, are not far behind in the customer's estimation. In fact, being left in limbo on policy status and having questions unresolved are two of the top pain points for policyholders.⁹ Customers

want to know that their insurer is there to help any time they need it, not just when something has gone wrong.

To deliver on the entire customer experience insurers must keep in better contact with customers. Customers do not understand why an insurer should hide their telephone number on a website. They do not care that the insurer would prefer them to contact via mail or email simply to reduce costs.

Independer.nl with an excellent customer experience

Independer was founded in 1999 as one of the first comparison sites in the Netherlands. Today it has evolved into a community enabling policyholders, advisors and suppliers to interact on financial matters. Customers can post forum reviews not only about their claim experience but also their experience with healthcare professionals. This modern eco-system for insurance and banking products gives the customer the tools to make calculations, select the right product at the right price and make decisions based on informative reviews.

When a policy renewal date approaches they are proactive: they send an email out two weeks before expiration. It provides information on comparable policies alongside prices, conditions and user reviews. One mouse click and the customer can switch policies. It's a great example of delivering a customer experience that drives satisfaction as well as revenue.

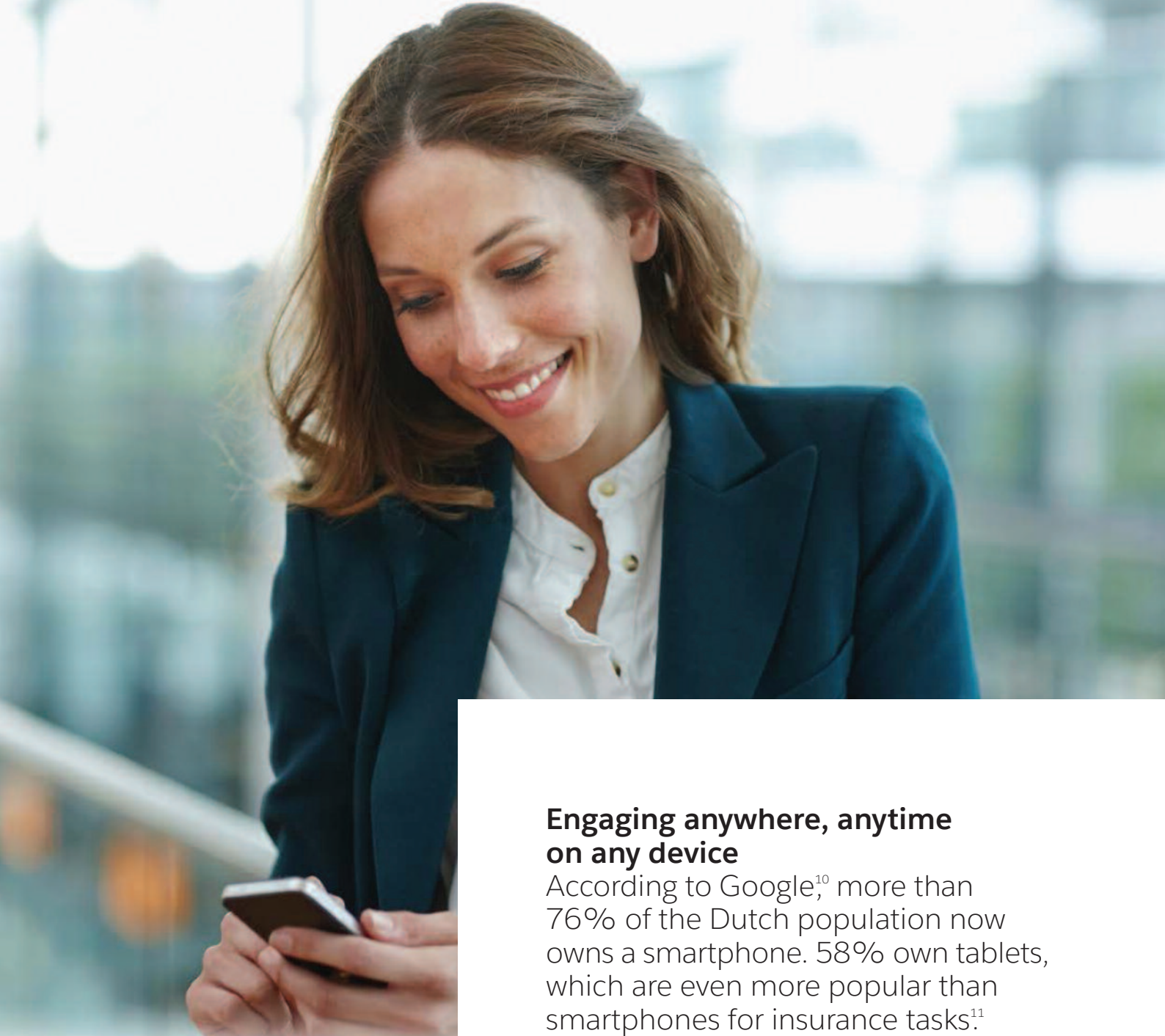
Step 4

Empower your customers

Though policyholders no longer rely completely on their agent for policy and claim information, that doesn't mean insurers are off the hook. Customers are asking insurers to provide them with easy access to resources that will allow them to handle issues themselves, whether it's online policy information, customer forums, mobile apps, or resources available on other channels.

Since today's consumers conduct more and more of their businesses online and on mobile devices, providing a personalized experience from quote through to claim resolution means enabling customers to interact with you on whatever channel they choose.

This multi-channel experience should be delivered with a personal touch. Tablets are very useful sales tools - they enable calculations to be delivered through applications and can make the sales process more intuitive and personal. Collaborative digital advice will be a key development in many insurance markets where policyholders like to perform certain insurance tasks themselves before they interact with an advisor. This is especially true when they need to pay advisors by the hour regarding certain complex products. Today's customers can have the convenience of interacting on the channel they choose, controlling their costs, and interacting with their broker in their own living room.



Engaging anywhere, anytime on any device

According to Google,¹⁰ more than 76% of the Dutch population now owns a smartphone. 58% own tablets, which are even more popular than smartphones for insurance tasks.¹¹

Step 5

Show them you've been paying attention and care

It's not enough to provide policyholders a choice of channels through which to resolve their issues. Since they're using multiple channels to resolve issues, insurers must make sure that information is shared effectively and efficiently across those channels.

Not only will customers not have to provide the same information twice, but insurers can use shared customer data to bring different teams and distributors into larger strategy discussions.

Insurer FBTO created a community, called Onderling.nl, within which customers can discuss policy conditions and claim processes. A customer whose claim has been rejected can submit their case to the community and, if 60% of members feel it should be paid, the insurer will do so. This is a nice example of creating positive and transparent engagement with policyholders using a community platform.

Conclusion

Insurers are making a push to empower customers – and getting promising results. When customers get a consistent, personalized and seamless experience they are more likely to remain loyal to their insurer.

As ad spending levels off, and price wars lead to disappearing margins, improvements in the customer experience will pay even greater dividends. Policyholders want to feel cared for, even when they don't have a claim to resolve. Brands that deliver on this can both create buzz and build a lasting reputation. That's advertising that billions of Euros can't buy.

About Salesforce & Service Cloud

Salesforce.com is the enterprise cloud-computing leader. Our social and mobile cloud technologies – including our flagship sales and CRM applications – help companies connect with customers, partners, and employees in entirely new ways. Salesforce Service Cloud is the world's #1 customer service app. Built on the Salesforce1 Platform, Salesforce Service Cloud enables insurers and their distribution partners to reach customers in new ways while making information from policyholders more accessible. By using the cloud to provide real-time data integration, collaboration, and streamlined operations, Salesforce helps strengthen the bond between insurer and policyholder.

See how Salesforce Service Cloud can help you.

[VIEW DEMO >>](#)

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1 Bain & Company, Insights
2 Marketingfacts, February 2015
3 Bain & Company, Insights
4 Ibid

5 Ibid
6 Marketingfacts, January 2014
7 Fairzekering
8 Bain & Company, Insights

9 Bain & Company, Insights
10 Consumer Barometer with Google
11 Forrester