



Insurance All Channel Experience An Introduction

Digital Insurance



Introduction



The concept of customer experience has been around for quite some time, but recent research has reinforced its significance, showing a strong link between customer experience and customer loyalty.

Why? Because rapid escalation in the adoption of digital and social media has created a dramatic shift in the balance of power between customers and the organisations who serve them.

Now, thanks to digital media, it is possible to develop a close, individual relationship with each customer. This also means that it's no longer enough just to provide a great product or service.

Organisations need to think about what constitutes a positive and memorable customer experience throughout an end-to-end customer journey, delighting customers from the moment they come into contact with the company or your product information, all the way through product selection, use of the product, and their interactions with other existing or potential customers.

At a fundamental level, customers expect:

- Useful products and services that they understand
- Offerings that meet their specific requirements
- Fast answers to their questions; and
- Trustworthy businesses, as validated by a customer's peers.

And we now understand that delivering a great customer experience face-to-face is great, but it's not enough.

The challenge being presented now is to deliver that great customer experience in a multi-channel, digital world. The reason for this is simple: customers now expect sales and service when they choose, from where they choose, using the device they choose.

They expect a seamless customer experience across all communication and service channels.

They expect an **"ALL CHANNEL EXPERIENCE"**.

These expectations of great customer experience have been recognised and acted on by leading retail organisations, travel companies, entertainment businesses and publishers.

And yet, interestingly, it seems that Insurers have not been as quick to capitalise on this powerful opportunity to respond to clients' demands and develop these relationships.

In fact, a recent study² shows that online customer experience provided by UK insurers has deteriorated over the last year – with Insurers responding successfully to just 30% of emails from prospects and customers.

And a recent Capgemini survey¹ showed that two thirds of all customers are at risk of taking their custom elsewhere, due to poor customer experiences. That's a worryingly high number, if better alternatives are available.

“Customers now expect sales and service when they choose, from where they choose, using the device they choose.”

Source: 1) Capgemini World Insurance Report 2013

2) Eptica (software) Multi-channel customer experience study: <http://www.eptica.com/Insurance-Multichannel-Experience.html>



It's not just about revenue assurance enhancement. Insurers who deliver an excellent All Channel Experience can also make significant reductions to their cost base.



So what's in it for your organisation?

Statistics around customer experience show a clear opportunity for insurers. And with more than 80% of consumers looking for information on insurance online², opportunities to attract new customers has never been so good.

Conversely, it's also clear that a failure to provide the right information and customer experience will drive potential customers away - to competitors who do.

But it's not just about revenue assurance enhancement. Insurers who deliver an excellent All Channel Experience can also make significant reductions to their cost base:

- They can find new business opportunities more cheaply, by exploiting social media and understanding customers better

- They can lead the customer from first contact through to the sale more cost-effectively, by making better use of engagement technologies
- They can price more accurately, using fewer actuaries
- They can drive down operational costs by creating straight-through processes and cutting out paper; and
- They can reduce the costs of fraudulent claims by employing stronger analytics, earlier in the relationship with the customer

Done well, the Insurance All Channel Experience delivers both revenue and cost benefits – and also reduces the Insurer's risks.

Take action to improve customer experience across all channels

For Insurers to be successful over the next few years they must provide their customers and intermediaries with an All Channel Experience, in much the same way as leading retailers and other digitally-adaptive organisations have done, meeting the customer on their terms. They can't adopt retailers' All Channel Experience techniques indiscriminately, however. They must recognise and account for the differences in the Insurance business model, creating an All Channel Experience tailored to the needs of customers when dealing with Insurers.

For this reason Capgemini's Insurance All Channel Experience framework is specifically tailored to frame the changes required for the Insurance industry - helping Insurers to benefit from putting customers at the heart of their business.

Tangible benefits of delivering what your customers demand of you

The Capgemini All Channel Experience framework enables Insurers to engage cost-effectively with their customers at every stage of the Quote and Buy, Service, and Claims journeys. It supports this across all of their channels, providing customers with personalised interactions and offerings, whenever and wherever the information is needed. As a result, Insurers deliver a better customer experience, with better results for the Insurer, including:

- Increased, more relevant traffic across the Insurer's digital real estate
- Improved conversion rates
- Increased cross-sell, up-sell and retention rates
- Better claims experiences, with reduced claims leakage; and
- Improved customer retention



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What does the Insurance All Channel Experience entail?

The All Channel Experience involves many individual elements, pathways and tactics, all of which have to be integrated to create a holistic experience for both end-customers and intermediaries.

Examples of such tactics include:

- Using social listening to spot new sales opportunities visible on Facebook, Twitter or other social media
- Responding automatically to those opportunities and using techniques such as gamification to build

engagement with the potential customer

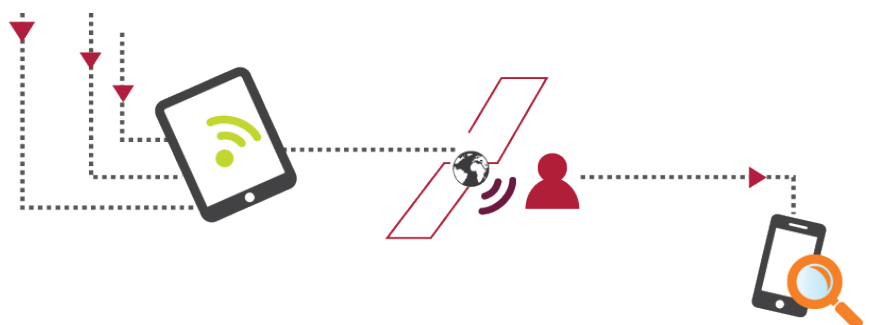
- Providing mobile apps to help customers to tailor their insurance, view the formal offer from the Insurer, and conclude the purchase remotely
- Building and maintaining an engaging ongoing relationship with the customer
- Having a complete picture of the customer to be able to meet their needs more fully
- Providing unasked-for value-adds to enhance the relationship further
- Using new technologies to develop a greater understanding of customer behaviours and to develop new customer propositions
- Ensuring the customer receives rapid, seamless service across multiple distribution and service channels
- Using digital capabilities to enhance intermediaries' relationships with their customers

- Ensuring that fraudsters are stopped in their tracks and fraudulent claims are prevented; and
- Settling claims more efficiently, while keeping the customer informed and engaged throughout

In Capgemini's view, no Insurer currently does all of the above well – yet these capabilities are what customers now expect, based on their experiences of other industries.

Perhaps it's stating the obvious, but as customers we remain the same individuals, no matter what we are buying. As a result, in the new digital landscape, customer expectations of good experience are industry-agnostic, and not based on the type of organisation with which they happen to be dealing with at any given moment.

Using our knowledge of customer social psychology and the Capgemini All Channel Experience, your organisation can comfortably navigate a course to improved customer experience and enhanced levels of customer retention, with an attendant positive impact on revenue.



How do Insurers deliver a comprehensive All Channel Experience in practice?

Delivering the Insurance All Channel Experience requires technology support in several key areas. These include:

- *A presence across all channels:* Cutting edge web, mobile internet and mobile app delivery
- *Top notch analytics:* Enabling monitoring and analysis of behaviours and outcomes in the spheres of marketing, pricing, “next best actions” and fraud
- *Knowing your customer:* Comprehensive CRM capabilities providing a single view of the customer and their history with the Insurer
- *Telematics:* Supporting enhanced customer understanding, risk-based underwriting and usage-based pricing (for motor, home, health, and life protection)
- *Slick back-end functionality:* Robust policy, claims and billing systems, which facilitate straight-through processing; and
- *Efficient utilisation of assets and content,* supported by appropriate document and digital asset management solutions

But it's not enough just to know which technologies support the improvement in Customer Experience.

The Insurer (or its advisers) must also know how to integrate the technologies above, whether they are Cloud-based or local, taking into account an Insurer's existing infrastructure and current or proposed architecture.

All of these elements must be skilfully matched, integrated and orchestrated to help the Insurer to provide an effective and holistic end-to-end All Channel Experience for each customer.

Seeing is believing: making the All Channel Experience a reality for Insurers

Too difficult? Capgemini doesn't think so. Indeed, Capgemini and its market-leading partners have already designed and built a real prototype, showcasing all of the technology capabilities above, using real software and services already orchestrated in the Cloud.

All of this is supported by a comprehensive Capability Maturity Model for the Insurance All Channel Experience, enabling Insurers to benchmark where they are today and to decide where to invest for the future.

There is now nothing to prevent the forward looking Insurer from delivering the All Channel Experience its customers are looking for - and reaping the financial rewards from doing so.

How Capgemini can help Insurers with the Insurance All Channel Experience?

Capgemini's Insurance All Channel Experience solutions can take your Insurance company from the initial strategic roadmap all the way through to the underlying technologies you need to deliver the future-proof, integrated, multiple-channel customer experience your customers need – and provide you with a competitive edge.

With the All Channel Experience, a best-in-class customer experience, with the attendant revenue, cost and risk benefits, is within your reach.

If you'd like to know more about how we can help you create the ideal Insurance All Channel Experience, please contact us.

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Authors

Capgemini Consulting

Alan Walker
Head of Financial Services, UK
alan.walker@capgemini.com
+44 7774 210 510

Fatima Roels
Senior Consultant
fatima.roels@capgemini.com
+44 870 238 2688

Dan Truman
Principal
dan.truman@capgemini.com
+44 870 366 1846

Lee Brooke-Pearce
Principal
lee.brooke-pearce@capgemini.com
+44 870 906 7440

FSGBU

Nigel Walsh
Vice President
nigel.walsh@capgemini.com
+44 758 410 0633

Contacts

For more information about ACE Insurance please contact:

Global
Jean Coumaros
jean.coumaros@capgemini.com

Alan Walker
alan.walker@capgemini.com

Italy
Roberto Manini
roberto.manini@capgemini.com

China
Bertrand Dimont
bertrand.dimont@capgemini.com

Netherlands
Marien van Riessen
marien.van.riessen@capgemini.com

UK
Alan Walker
alan.walker@capgemini.com

Sweden
Krister Rydmark
krister.rydmark@capgemini.com

US
Scott Clarke
scott.clarke@capgemini.com

France
Xavier Cangardel
xavier.cangardel@capgemini.com

Spain
Christophe Mario
christophe.mario@capgemini.com

Belgium
Roberto van der Eijk
roberto.van.der.eijk@capgemini.com

DACH
Volker Gerlach
volker.gerlach@capgemini.com



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