

INSURANCE



SUTHERLAND

**Meet New Expectations  
and Win the Loyalty of the  
Insurance Digital Customer**

## Meet New Expectations and Win the Loyalty of the Insurance Digital Customer

With more and more purchases made online, insurance carriers cannot afford to ignore the expectations of today's demanding and more informed consumers. Many market advantages are to be gained by the carriers most able to quickly adapt to newly emerging agent, prospect, and policy owner expectations. Now is the time to embrace digital transformation in today's fast-paced, consumer-driven landscape.

Insurance customers, whether individual or commercial, expect many, if not all of the following from interactions with their current or prospective carrier:

- Ease of access, including "anytime," 24/7 access to information and assistance
- Choice of contact channel, providing the convenience of "anywhere" interaction through direct mail, fax, live voice, interactive voice response, e-mail, chat, web, mobile apps, short message service/text (SMS), and even social media posts. Many of these channels fit better with the multi-tasking behavior of the millennial population segment
- Detailed, visual, and easy-to-use self-service functionality
- Quality, consistency, predictability, and timeliness of each interaction
- Efficiency of "once and done" inquiry or requested servicing
- Personalized prospect or policy owner information and relationship-building service

### Proactive Measures Produce Solid Results

Insurance carrier operations executives are often saddled with legacy processes and underlying technology that increasingly interferes with their ability to grow the business and to meet profitability targets.

Recognizing these limitations, many companies are partnering with process transformation providers to accelerate implementing more automated processes and innovative technologies that can help them keep up with the rate of change in the market.

The following examples of innovative thinking show how meeting customer expectations led to increased policy sales, improved policy persistence, enhanced brand image, and strategic competitive advantage in both old and new markets.

#### 1. Timeliness of Service Boosts Newly Written Premiums by 100%

The largest provider of supplemental life insurance in the US sought to streamline its cumbersome, multi-step, new-business demand chain. The company's goals were to speed responsiveness to inquiries, prevent lost leads, and enhance their overall brand image in the marketplace. The carrier partnered with Sutherland, their preferred process transformation partner, to architect and implement a direct acquisition strategy for potential customers. The solution offered visitors of the carrier's website with access to easy-to-use, self-service tools they were accustomed to, backed by a "click-to-call" button for instant access to live, personalized voice support. This same high-quality service is also available through a "schedule a call back" function.

Meeting customer expectations led to increased policy sales, improved policy persistence, enhanced brand image, and strategic, competitive advantage.

Either voice support option provides prospects with the responsiveness and professionalism of a dedicated call center customized to their schedule.

The result? The carrier's lead volume has tripled. In one year alone, the company increased newly written premiums by more than 100% to \$22 million, resulting in outstanding client satisfaction.

Plans for this engagement include live agent integration which will allow website visitors to get help using a chat window, further expanding contact channel choices. The carrier is also greatly interested in leveraging Sutherland's capabilities in predictive modeling and sales analytics, which use a combination of demographic, product, and interaction data to identify strong correlations to buying behavior.

These models are aimed at delivering insights that would result in new worksite product features, modifications to pricing, or other ways to tailor products and their surrounding services to better satisfy the future needs and expectations of insurance digital customers.

## 2. Anytime, Anywhere Access Speeds Entry into New Market

A well-funded insurance innovator leveraged Sutherland's insurance process knowledge and proprietary, integrated technology to help achieve its goal of quickly establishing market share within a new geography. The strategy included a direct sales model using a "high-touch" contact center combined with the convenience of a web-based, self-service tool accessible anytime from anywhere, including smartphones. On the company's newly developed web portal, prospective policy owners can initiate the process for new policy quotes, make changes in coverage, adjust payment methods, perform other policy management updates, and even initiate claims. The resulting, highly effective operating model delivers an impressive 65-75% conversion rate for agent-assisted quotes. It enabled this carrier to more than double its annual new premiums in each of the last three years.

The program's success has spurred the carrier to consider aggressive expansions in ease-of-use, convenience, and personalized services to further address the ever-evolving expectations of its policy owner base. For example:

- Information gathered from web-based forms will be digitized into computer-readable data for downstream robotic process automation geared towards improved speed or response and accuracy for service to agents, prospects, and policy owners
- Creation of sales, product line, and financial data marts of this newly gathered data will enable predictive and prescriptive analytics driving new business insights and strategies

Direct sales and progressive servicing models of this sort will be increasingly popular for insurance carriers with a need for rapid new product rollout plans and limited operations infrastructure.

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### 3. Improved Consistency of Claims Interactions Reduces Costs by 40%

A \$7 billion international specialty P&C carrier recently made changes to improve the consistency and quality of the commercial policyholder claims experience. The company joined with Sutherland, its process transformation provider, to implement a centralized and automated shared services center for claims processing. The solution leverages skilled specialists and eliminates frustrating variations in process and servicing quality that policyholders formerly encountered in dealing with local carrier offices.

Results have been significant, including:

- Increased customer satisfaction, as policy owners are pleased with the enhanced service and responsiveness
- Shorter claims set-up and handling times, which have dropped an average of 20% with improved quality and faster average turnaround times
- Lowered costs, improved capacity planning, and reduced labor costs, enabling the carrier to realize an approximate savings of 40% below their prior claims processing costs

Plans for this program include:

- Web-based claims reporting and self-service functionality, which will result in digitized data and automated claims processing
- Highly specialized software routines, paired with automated claims processing, driving down average cost per claim
- Experienced staff focused on more complex claims where their keen assessment and judgement skills are better utilized
- As a result of the innovation above, claims processing cost reduction of over 50% is expected, along with incremental accuracy, timeliness, and compliance benefits

Sutherland expects this operating model to have a revolutionary impact on simple product, low face-value, and other large, “closed block” claims operations at other carriers in the near future.

## The Advantages of Process Transformation

Adaptations to core business processes are not for the faint of heart, and a holistic approach typically brings increased complexity. As described in the examples, such transformations may require a solution design that orchestrates new technology, refined business processes, enhanced manpower allocation, and perhaps new skill requirements within insurance operations. A smart and relevant process transformation partner can assist the carrier in designing and implementing plans for adapting processes and operations that better address the expectations of the new digital customer. Engaging such a partner in this redesign brings benefits such as:

- **Speed:** Meticulous and flexible process transformation providers already possess the needed resources and capabilities
- **Reduced risk:** The right partner will have successfully completed similar “renovations” in the recent past and can bring best in class and current methodologies and lessons learned to benefit the less experienced carrier
- **Improved cost structure:** Solution providers can focus their business on maximizing operational efficiency. Leading process transformation providers will leverage domain expertise and automation driven by operational best practices to control costs for their clients
- **Incentive via aligned compensation:** Market-leading providers are measured by the metrics that matter most to the carrier and put fees at risk based on their achievement of performance metrics

### Benefits of Process Transformation

- **Speed**
- **Reduced risk**
- **Improved cost structure**
- **Incentive via aligned compensation**
- **Joint investments**

- **Joint investments:** The proven value of collaboration, proactive, long-term planning, and a more strategic relationship often result in shared investments that lead to additional process innovation and transformation

With new and automated processes and technologies in place like those described above, carriers should also implement an external communications plan to ensure that agents, prospects, and policyholders are all aware of and using their new enhanced capabilities. This will help the carriers maximize the benefits of addressing the new digital customer's expectations.

## As Customers Change, so Must Carriers

The most tech-savvy and fickle modern customers can still be won over with exemplary attention to their needs and expectations. Carriers must quickly adapt to those expectations to retain and grow market share. As shown, progressive insurance companies who have moved aggressively are reaping significant, measurable economic value. When an experienced partner with mature solutions is involved to anticipate and address policyholder needs, insurance carriers can not only leverage new technology and more quickly shift to new operating models, they can also optimize the effectiveness of these changes, reduce their costs, and accelerate their realization of benefits.

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For more information on how we can help you transform your processes, visit us at [www.sutherlandglobal.com](http://www.sutherlandglobal.com), email us at [sales@sutherlandglobal.com](mailto:sales@sutherlandglobal.com) or call 1-800-388-4557 ext. 6123.

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As a process transformation company, Sutherland rethinks and rebuilds processes for the digital age by combining the speed and insight of design thinking with the scale and accuracy of data analytics. We have been helping customers across industries from financial services to healthcare, achieve greater agility through transformed and automated customer experiences for over 30 years. Headquartered in Rochester, N.Y., Sutherland employs thousands of professionals spanning 19 countries around the world.