

## POINT OF VIEW

# **Sutherland calls on insurers to place AI-driven CX at the core of their transformation**

### **Author:**

Sam Duncan , Practice Leader

Embedding customer experience (CX) at every stage of the transformation journey is essential for building lasting impact and competitive differentiation. Insurers have long aspired for this, and [our research](#) proves they finally found a path to realizing it—leveraging generative AI (Gen AI) and agentic AI solutions to address the critical first and last-mile challenges.

But it's not so simple—traditional people, process, and technology challenges persist, which is why insurers should choose a strategic partner with the necessary expertise and capabilities to address these challenges and leverage AI-driven CX throughout their transformation journey.

Sutherland exemplifies this approach. We connected with its insurance leadership to understand exactly how they made this a reality for two longstanding insurance clients. Insurance leaders should take note of their success and emulate it in their own organization to achieve their CX ambitions.

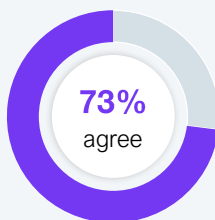
## Insurers recognize the importance of CX—but people, process, and technology challenges hold them back

Insurers have long lagged in driving digital adoption across their organizations, constrained by legacy systems, macroeconomic headwinds, and harsh regulatory environments. However, that is set to change on the realization that decades of technical and process debt have impeded their ability to remain relevant in an increasingly digital market.

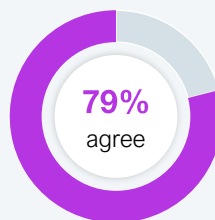
As part of our survey, 57% of executives admitted that CX was not historically a priority for the industry, whereas 47% identified it as among the top three business objectives moving forward. However, placing CX at the core of transformation efforts is easier said than done, as our research finds that traditional people, process, and technology challenges still inhibit CX transformation (see Exhibit 1).

### Exhibit 1: People, process, and technology challenges remain a roadblock for insurers' CX transformation

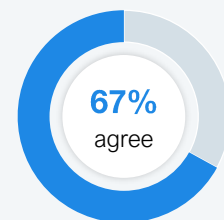
To what extent do you agree or disagree with the following statements?  
(Percentage of respondents)



**People**  
A skills gap is inhibiting the design and execution of CX strategies.



**Process**  
Creating digital experiences has shone a light on patched or broken processes that need a complete redesign.



**Technology**  
Technology limitations inhibit delivering best-in-class CX.

Sample : 400 leading insurance executives  
Source: HFS Research, 2025

Service providers are increasingly addressing such CX roadblocks, as elaborated here:

- **People:** Service providers are equipped to deliver upskilling and reskilling programs for clients' workforces, arming them with the latest tools and capabilities to enhance CX. A handful of them have their own talent services offerings to improve insurers' access to a skilled talent pool.
- **Process:** Providers typically have process design expertise, along with tools such as automation to optimize claims processing, underwriting, and other core functions. These process transformations enable faster and improved customer interactions, boosting CX.
- **Technology:** Providers can help insurers build cloud foundations by migrating some systems to the cloud and incrementally deploying new capabilities to drive efficiency and improve customer response times. Technologies such as GenAI can also enhance omnichannel interactions and self-service capabilities.

Sutherland is one such service provider that helps enterprises tackle people, process, and technology challenges to drive insurance transformation—and it places CX at the core.

### Helped an L&A client adopt a digital-first, AI-enabled operating model

This US-based L&A insurer has an acquisition-rich history, leaving it with a complex systems landscape. Throughout their decade-long partnership, Sutherland was focused on streamlining the operations; however, ongoing technical and process debt led to inefficiencies and poor CX, compelling the insurer to build a digital-first operating model.

To make this vision a reality, Sutherland evolved into an end-to-end partner that tackles every

aspect of the insurer's business. It migrated more than 400,000 policies from a legacy policy administration system to a digital-first platform, leveraging automation, AI, and integrated global teams across operations and technology. It also reimaged processes to deliver a 20% productivity boost, cut product launch times by 50%, and leveraged its nearshore delivery center in Jamaica for integrated voice operations—all accomplished through 100% outcome-based contractual commitments and a skin-in-the-game approach.

The insurer's digital infrastructure drove significant CX improvements, notably better response time and accuracy. Additionally, it worked with Sutherland to implement Help Tree, a GenAI tool that gives call center agents accurate information quickly, alongside the CX360 platform that assesses whether the service delivered was satisfactory. This helped improve client retention and increase cross-sell opportunities.

### Designed and implemented a greenfield D2C channel for a supplemental benefits provider

A US-based supplemental benefits provider, historically strong in group markets, wanted to expand its direct-to-consumer (D2C) sales to unlock new growth opportunities but lacked the infrastructure needed to engage consumers directly. To achieve this, it partnered with Sutherland to design and implement a greenfield D2C channel with a strong focus on CX and operational efficiency.

Sutherland also established a dedicated captive sales team, ensuring its agents focused solely on this insurer's brand and products. Leveraging its experience with human-centric design, the provider put together empathic and jargon-free sales scripts to simplify the offerings and enable smoother CX.

While the channel was initially launched with three core products, it has since expanded to more than ten supplemental insurance products.

Committed to continuous improvement, Sutherland made further enhancements since the launch. First, it implemented conversational AI to automate lead qualification, cutting the pre-qualification time to under a minute. Second, its

AI-based CX360 solution helped analyze agent performance and optimize agent effectiveness. These improvements led to a 30% increase in close rates and an 80% reduction in sales cycle time. While this had the expected impact on insurers' top and bottom lines, it also transformed their customer interactions, delivering faster resolutions and increasingly personalized conversations.

## **The Bottom Line: Treat CX as your core business objective, not an afterthought.**

Insurers must tackle people, process, and technology challenges to drive transformation with CX at the core. Sutherland's client examples show the impact of a strategic partner armed with the expertise and tools needed to embed CX into every stage of their transformation, driving lasting impact and competitive advantage.

## HFS Research author



Sam Duncan is a practice leader for HFS Research, based in Cambridge, UK. He graduated from Bournemouth University with a degree in economics. His interest in macroeconomics focuses on how the evolution of technology accelerated globalization. He also studied law, accounting, and investment management.

Since joining HFS, Sam has developed his understanding of blockchain and continues exploring the latest applications of the technology across various industries.

## About HFS

- **INNOVATIVE**
- **INTREPID**
- **BOLD**

HFS Research is a leading global research and advisory firm helping Fortune 500 companies through IT and business transformation with bold insights and actionable strategies.

With an unmatched platform to reach, advise, and influence Global 2000 executives, we empower organizations to make decisive technology and service choices. Backed by fearless research and an impartial outside perspective, our insights give you the edge to stay ahead.



[www.hfsresearch.com](http://www.hfsresearch.com)



[hfsresearch](https://www.linkedin.com/company/hfsresearch)



[www.horsesforsources.com](http://www.horsesforsources.com)



[www.horsesmouthpodcast.com](http://www.horsesmouthpodcast.com)