



Challenges and Opportunities to Improve Communication and Collaboration for Insurance Companies and their Insureds

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Summary

It is not easy for a general insurer to foster close relationships with their customers. Even calling the customer “policyholder” seems to put distance between them. After all, as consumers, insurance is something we buy, but never hope to use. And when we do use it and make a claim, it is in stressful conditions following an incident we hoped would never happen.

Yet change is happening. Driven by the threat and opportunity that recent technologies and changing consumer expectations are creating, insurance companies have opportunities to strengthen the relationship and partner with policyholders. This white paper examines the background to this, and describes how a new approach to high touch customer engagement leverages that change.

Background

Important shifts in technology; along with changes in consumer expectations for customer service are causing insurance providers to make significant new digital investments. According to Accenture, “35 percent of insurers are comprehensively investing in digital technologies as part of their overall business strategy”⁴. Some of this investment is to improve existing business processes, but also about making more transformative changes including extending the customer proposition “beyond offering cover to help customers manage risks and prevent accidents”⁴.

The key technologies making these impacts include “Internet of Things” (IoT), telemetry, and mobile communications. At the same time, customers increasingly expect their providers to offer a level of service always “on”, always accessible and being more than simply reactive to events. Technology exists empowering the consumer to want and demand more.

People – Systems – “Things”

Today, several auto insurers, for example in products tailored to younger drivers, offer policies linked to the use of telematics to monitor vehicle usage (when, how the vehicle is driven). Monitors for home security and personal health are already part of some insurers’ packages. With the capability to create connectivity between people, processes and “things”, insurers can think about new propositions that assist their customers in dealing with unwelcome events at an early stage, or even before they happen, rather than after serious damage has occurred. Like preventative medicine in healthcare, creating a landscape focused on preparedness will reduce costs and stress when and if insurance is triggered.

The question remains, what provides the customer communication network between provider, customer, “things” and other parties, such as brokers, loss adjusters, repairers and suppliers, that are all part of an insurance communication ecosystem? Customers demand personalization, easy accessibility, familiar and easy to use, with privacy and security mandatory. It also needs to be “connect-able” to systems and processes, and needs to easily communicate multiple assets including sharing documents, photos and video, sending messages



and notifications, and managing dialogue; and do all this as efficiently from a mobile device or desktop or laptop.

The “Customer Service Gap”

For insurers, the concept of “customer loyalty” is weaker than in other industries. To gain any customer “stickiness” the focus must be on the entire customer experience. Consumers want to know how quickly and easily they get answers to their questions. They want to know how simply and fairly claims will be handled. Aware of this, Insurers recognize there is a new opportunity to take the insurance customer experience to a new level.

Often, when a policyholder calls a customer service center they reach someone in another country half a world away. Currently, there is a big chasm between customer self-service and the highly engaged and personalized level of service expected of a personal service representative. Mark Sherwin of Accenture argues that the customer service experience needs to be more graduated³. With a new communications approach – virtual, mobile and social – such as represented by Vmoso, the opportunity exists to address the “Customer Service Gap.” Insurers can effectively and cost efficiently implement a personalized, convenient and connected experience for the customer; no matter what they need to communicate with the provider – policy changes, renewals, claims or simple inquiries.

“65 percent of consumers switched at least one of their providers in 2014 due to poor service, according to the Accenture Global Consumer Pulse Survey. This figure has been increasing steadily year by year, up from 49 percent in 2005.”⁴

Opportunity and Competitive Threat?

Insurers have an opportunity to lead in providing a set of highly personalized services rather than provide insurance protection as a commodity. The connectivity of “things” (cars, white goods, homes), and wearable technology create the possibility of offering services which are customized or tailored, and assist the consumer to manage their lives proactively. Here, the insurer transforms into a preemptive service provider helping the policyholder manage their household (a smoke alarm has activated, your washing machine is due for service,

etc.), provide early warnings of potential threats such as flood, promote healthy living, etc. Indeed, advances in automotive technology will force a shift in motor insurance business; McKinsey recently reported that “self-driving vehicles could eliminate 90% of all auto accidents in the U.S., prevent up to \$190 billion in damages and health-costs annually”⁵.

On the flip side, there is the potential for other organizations, already very familiar with these technologies and the application of personalization, to develop services that overlap the insurance marketplace. There are after all, many services which are designed to be tailored to, or even

“People no longer want to ring a call centre, they want to buy online easily and perhaps use an app to do the notification of a loss and for automatic processes to begin as a result - if you embed that into how you do your business, then the opportunity is fantastic. If you look at the data that produces, it is far more powerful as you can start to sell the right products, digital and data and the opportunity.”

Darren Price, CIO, Royal Sun Alliance⁶



automatically customize themselves to the customer's preferences or circumstances. This has been labelled the "Internet of Me"⁴ - the music you like, personalized reading recommendations, the news you want, people you might know, etc.

Communications and Mobility and the Customer Relationship

What are the communication options for servicing the customer relationship in an interconnected mobile age, and at a time when consumers are accustomed to personalized services, expect privacy, expect on-demand access to the information they need and expect communication to be easy?

Telephone and Call Center

This has the strength of being highly personalized. Direct human interaction is (usually) preferred by most people. The downside is cost. Operating a call center is prohibitive for the majority of customer communications. It also has the downside of being synchronous – the conversation is now, in real-time, and for the duration of the call. Both parties have to dedicate their time to it. Typically, one call is part of a long running conversation with the call center and requires the customer to explain the situation, set the context, each interaction with a different service agent on each new call.

Email

It is simple, available, universal, efficient and generally productive, but email lacks accountability. It also has no inherent context. Each email in a discussion is different. A document attached to one email is not automatically connected to each subsequent email in the information flow. There are also too many emails – important ones get lost at the bottom of the inbox.

Website chat

The chat box that pops up on a visit to a website ("How may I help you?") is quite engaging, but is usually out of context and disconnected with any previous visit. It also provides no ongoing reference for the customer. And there is no pro-active push mechanism to deliver important messages or notifications to the customer; that has to be handled separately by email or SMS. Communication is fragmented and denies the customer (and the insurer) a single source of information that is accessible in the future for review or to ask questions about similar incidents.

Vmoso High Touch Engagement for Insurance

Vmoso is a multi-functional communication platform connecting and engaging people with other people, systems and "things" (as in the Internet of Things – IoT). It facilitates communication and sharing of information:

- **Vmoso Chat** : Relationship-based private channel for convenient, ongoing and/or persistent communication and conversation.
- **Vmoso Task** : Project/Issue/Case/Event-based private channel for more intensive, accountable workgroup collaboration. Could be system or human generated.



- **Vmoso Post** : Community-based semi-private, semi-public, or public channel for sharing and attaining knowledge.
- **Vmoso Space** : Universal location for grouping, categorizing, sharing of channels about anything with anyone from anywhere on any platform. Spaces could be created for policyholders, brokers, agents, loss adjusters, claims, properties, etc.
- **Interoperability** : Open API interoperates bi-directionally with Email, systems of record and IoT, delivering high-touch engagement across the entire ecosystem of insurer-broker/agent-policyholder-policy-claims-loss adjuster.

The Vmoso High Touch Engagement (HTE) platform for Insurance uses these mechanisms to dynamically link the entire policy-policyholder-broker/agent-insurer ecosystem to provide:

1. A persistent and private B2B2C or B2C insurer-broker-policyholder or insurer-policyholder 2-way channel. It may be used for policy renewal notices, alerts, claims, policyholder enquiries, etc. Links or references to all relevant documents – policies, schedules, claims process, etc.
2. B2B business channels: insurer-broker, insurer-loss adjuster, insurer-supplier partner, etc.
3. B2B service and support channels: insurer-loss adjuster, insurer-supplier partner, insurer- repairers-suppliers, roadside assistance, etc.
4. B2B2C Posts/Spaces for FAQ/Feedback forums: overall and one per each policy type.
5. B2B Posts/Spaces for agreements, procedures, guidelines, etc.
6. B2C Posts/Spaces for policy documents, etc.
7. Personal Spaces for Policyholder's receipts, valuations, etc.

All activities (communications about policies, claims, and renewals), people (customer, insurer employees, loss adjuster, broker, and other third-party participants) and content (policy documentation, photos, claim forms, witness statements and so on) can be cross-referenced with each other to create a fully searchable "knowledge web".

Benefits

1. Faster, more accountable, more assured communications – particularly for important alerts, renewals, key policy changes and claim status updates etc.
2. Closer engagement between policyholder and insurer; opportunity for strengthening customer relationships.
3. Always accessible – via mobile devices and/or integration with other apps/systems.



4. Analytics will provide deeper insights into risk, claims, policyholder characteristics, preferences and needs, and help provide a more tailored and engaging service.

Conclusion

Technology and shifts in consumer expectations are leading insurers to look at new ways to engage their customers. This will require greater connectivity not just between the insurer's customer service personnel and customers, but with gadgets that monitor vehicles, households, customers' health, and between all the other parties and systems involved in the insurance process. Vmoso provides that connectivity, and a modern, unified approach that accords with the modern consumer's communications expectations and habits.

References

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⁴"Accenture Technology for Insurance - Digital Insurance Era: Stretch Your Boundaries", Accenture, 2015

⁵"Self Driving Cars Could Cut Down On Accidents, Study Says", Wall Street Journal, March 2015, <http://www.wsj.com/articles/self-driving-cars-could-cut-down-on-accidents-study-says-1425567905>

⁶"RSA Group CIO interview - The right Price at insurance house", CIO, January 2015, <http://www.cio.co.uk/profile/darren-price/28-1-2015/?page=2>





About Vmoso

Vmoso is a cloud application for conducting virtual enterprise communication, mobile workgroup collaboration, and social business engagement. It unifies email, instant messaging, content sharing, workflow, and social networking under a cohesive experience, empowering users and their extended organizations to get more work done in significantly less time and at much lower cost. Visit www.BroadVision.com/Vmoso for more details.

About BroadVision

Driving innovation since 1993, BroadVision (NASDAQ: BVSN) provides e-business solutions that enable the enterprise and its employees, partners, and customers to stay actively engaged, socially connected, and universally organized to achieve greater business results. BroadVision® solutions—including Vmoso for virtual, mobile, and social business collaboration, and Clearvale for enterprise social networking—are available globally in the cloud via the Web and mobile applications. Visit www.BroadVision.com for more details.

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Bio

Bill Porter

Bill's job is to open dialogues with enterprises who seek to improve communication, collaboration and engagement (CCE) both internally among employees, and externally with customers and partners, then go on to help them realize those improvements using the products and services of BroadVision and its partners. He has a long-held fascination about the ways in which businesses work, and how technology can bring about change for the good of its shareholders, its customers, its managers and its employees. Before joining BroadVision in 2011, Bill worked in sales, marketing and consulting all with similar aims for the application of technology in business. He has worked for several start-up companies, as well as large enterprises and has experience in social networks, mobile business, analytics, data warehouse, e-commerce and enterprise search.

Ty Levine

Ty Levine has spent his career believing that "Some men see things that are and say, why, I dream things that never were and say why not." He has taken that George Bernard Shaw quote and applied it to disrupting businesses and changing the way people think and do. No stranger to insurance, Ty knows firsthand the challenges faced when needing to activate insurance coverage. A graduate of Northwestern University, with a degree in Communication Studies, Ty has led marketing and business development efforts across the media and technology landscape. He believes in change, not for change sake, but to improve the way people work.

