Property, Casualty and Life Insurance

The Personalization Revolution: Policyholder Acquisition and Retention in a Digital World
Your customers see insurance as a necessity, a legal requirement, and a price-driven commodity. Adding to your challenges is an always-on, multichannel digital world. The impact on customer acquisition and retention is particularly hard felt. You’re facing:

- Strong competitive pricing that further commoditizes property, casualty and life products
- Limited economic growth in developed countries that increases the pressure to retain policyholders at all costs
- Complex customer segmentation that renders pointless one-size-fits-all approaches to customer service and marketing
- Constantly connected consumers who, empowered by the rise of online and digital channels, can share bad experiences and reputation-damaging reviews by the click of a mouse

Customer Experience: The Fundamental Differentiator
It’s a battlefield out there. Winning the war to acquire and retain customers requires a consumer-centric strategy executed with high-tech tactics. TeleTech can help you deliver a game-changing customer experience that addresses alarming trends like these:

- Trust in financial services is the lowest of all industries
- Only 30 percent of consumers report having positive experiences with their insurers
- 40 percent of consumers are likely to switch to another automobile or home insurance provider
- 35 percent are likely to take out a new contract with a new provider
- 25 percent are likely to cancel an existing contract*


** Policyholder Acquisition Challenges
Acquisition is challenging in the insurance industry because advertising encourages consumers to shop around. Online channels make it easier than ever. Insurance advertising has become ubiquitous, with up to 55 percent of current marketing budgets being spent on new customer acquisition**, as each company works to become top-of-mind when a consumer is looking to buy. The key is to capture the moment when an individual’s need arises, and introduce the right offering at the right time.

TeleTech’s Six Pillars of Policyholder Acquisition
TeleTech has over 30 years of experience helping clients in the insurance industry successfully acquire new policyholders. Our proven approach involves delivering an integrated, personalized experience across six key pillars. While each pillar can deliver a differentiated policyholder experience, the whole is greater than the sum of its parts.

01 Personalized Search Experience
Personalize the critical initial contact during online search:
- Customized ads
- Unique landing pages
- Early customer segmentation

02 Attribute-Based Routing
Turn prospects into policyholders by making sure they speak with the right person with the right skills:
- Intelligently connect insurance teams that most closely match the customer profile for sales discussions
- Temporal 800 numbers are unique to a specific policyholder online search history

03 Customer Call Scripting
Align specific inquiries and search history:
- Build customer scripts for inbound calls
- Match agent’s call scripts to customer’s online search history
- Develop content for targeted outbound calls

04 Integrated Technology Platform
Manage channels used to search for and purchase new policies:
- Integrated platform remembers policyholders and their preferences
- Connect policyholder search and claim histories to the call to manage the experience

05 Policyholder Outreach
Targeted, relevant and proactive outreach delivers results:
- Care Services team proactively onboard policyholders
- Care Services manages outbound communications to policyholders who have submitted claims or inquired about new policies or offers

06 Analytics Platform
Gain a deep understanding of targeted policyholder segments that drive acquisition:
- Know when and what to communicate
- Predict when a customer might churn
- Optimize offers based on search history
- Identify when shoppers are ready for outbound calls

Policyholder Retention Challenges

It can cost up to 10 times more to acquire a new customer than to retain an existing one. That makes retention of the right policyholders critical in today’s market. There is lots of choice in insurers, and 89 percent of consumers say they have stopped doing business with a company because of a poor customer service experience***. When you realize that even a small increase in retention rates can add millions of dollars to your premium revenues, that statistic should be a wake-up call.

TeleTech’s Five Pillars of Policyholder Retention

TeleTech’s integrated Five Pillars solution can significantly mitigate the risk that your policyholders will switch providers. It’s the integrated, personalized approach you need to retain your policyholders, reduce churn, and increase revenue.

80 percent of the policyholder’s decision to switch is determined by lack of personalized services.

- Moments of Truth Journey map – know the key event that drives the need for personalized touch points:
  - First Notice of Loss
  - Price increase
  - Claims renewal notification
  - Product inquiry and offer up-self/cross-sell
- Know the customer persona (e.g., sales and communications preferences)
- Keep in touch with customer life events and episodes

Almost 62 percent of policyholders are more likely to renew when they receive proactive outreach.

- Predictive Analytics
  - Identify policyholder’s value and purchase propensity
  - Churn model
  - Response likelihood (propensity and channel)
- Offer optimization (LTV)
- Lean process design
- Triggering communication in key processes (FNOL, claims, renewals, price increases)
- Send tailored life event messages
- Post-interaction customer care surveys

42 percent of policyholders switch when claims are handled unfairly.

- First contact resolution
- Technology to power outcomes
- Attribute routing
- Associate empowerment
- Segment-based associate training
- Provide intelligent web-based self help

Communicate based on policyholder personas

- Optimize offers based on customer LTV and sensitivity (winback and loyalty programs)
- Technology-driven personalized treatment plan
- Intelligent routing connections
- Customer engagement scripts
- Retargeting ads to reengage customer in renewal process
- Single data environment

Policyholders who feel valued by their insurance providers are less likely to switch.

- Associates as advisors/advocates vs. product salespeople
- Act in the customer’s best interest
- Professional treatment and recognition
- Loyalty programs
- Proactive decisions to make it right
- Intelligently connect customers to the right resource the first time
- Make contact and engagement easy

ABOUT TELETECH'S INSURANCE SOLUTIONS

We help financial services firms achieve growth through the design and delivery of exceptional customer experiences. Across phases of the life cycle, channels and banking and insurance functions, we combine industry acumen with customer experience best practices to create sustainable competitive advantage for leading institutions across the globe. Our practices include Consumer Banking, Insurance, and Investment and Brokerage.

ABOUT TELETECH

TeleTech, founded in 1982, is a leading global provider of analytics-driven, technology-enabled services that puts customer engagement at the core of business success. The Company offers an integrated platform that combines analytics, strategy, process, systems integration, technology and operations to simplify the delivery of the customer experience for Global 1000 clients and their customers. This holistic multichannel approach improves customer satisfaction, increases customer loyalty and drives long-term profitability and growth. From strategic consulting to operational execution, TeleTech’s over 40,000 employees speaking over 50 languages deliver results for clients in the automotive, communications and media, financial services, government, healthcare, technology, transportation and retail industries.

LET'S GET STARTED

Engaging and delighting customers is the key to differentiating your company and driving growth. TeleTech is the go-to partner for Global 1000 leaders because we understand how to create an exceptional customer experience. Let us help you grow revenue, reduce costs, and create lifelong customers.

For more information, please contact us at 303.397.8100 or visit teletech.com.

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