

## Customer contact

### **Business gurus maintain that keeping existing customers is easier than winning new ones. In tough times, Guy Tweedale outlines the reasons why a consumer focus is vital and how relations can be improved**

It is not an easy time to be an insurance company. Cultural, operational and general market challenges are converging, shifting the overall market landscape and forcing insurers to re-examine how they conduct business.

Given that the top priorities for today's insurers are to increase customer retention, loyalty and company growth, insurers must prioritise the task of improving customer experience across all channels, and particularly in the contact centre.

Heightened competition from many of the newer, internet-driven insurance providers is driving several of the older, well-established 'bricks and mortar' insurance companies towards a direct-to-consumer business model. This brings with it ownership of and control over customer relationships and marketing activities, access to customer data and cost reduction.

As, traditionally, insurers grow through their core competency of underwriting risk - not mastering customer relationships - this will require a radical change of mindset and totally different skills, not least of which is the ability to provide a personal service through impersonal channels (email, internet and so on) and provide a consistent customer experience across all channels.

### **Great expectations**

Consumers, more market-aware than ever before, have heightened expectations when it comes to customer service; they want to do business with their insurance provider where, when and how it suits them. If they want to get a car insurance quote online at 11:00pm, it should be an option. And consumers now perceive the risk mitigation that insurance companies sell as a commodity. They no longer compare the fine print. Instead, they make selections based on price and service.

In order to provide a consistently positive customer experience, insurance companies must rebuild their organisations and their contact centres around the customer. They need to become customer-centric rather than policy-centric; instead of seeing three separate policies for car, life and home, they need to see 'Guy Tweedale, multiple policy holder'.

In order to accomplish this, insurers will need to break some bad habits in the contact centre.

Operational issues in the contact centre plague many large organisations, and insurers are no different - with many plagued by departmental silos and inefficiency.

Inflexible systems remain a problem. Insurers are dealing with old, monolithic systems and are hesitant to replace them because they have 100 years worth of data. Yet they need flexibility across systems and product lines in order to be able to sell more integrated products.

Human resources are an issue - particularly customer service representative turnover. Insurance providers already experience a very high CSR churn rate in their call centres, resulting in significant training and recruitment expenses to the company, and this can negatively impact customer experience.

One of the most crucial issues to address is desktop complexity in the insurance contact centre, where some companies have more than 20 applications and tools on the desktop. As a result, CSRs, who are supposed to provide quality and timely service to customers on each call, end up spending most of their time - and attention - navigating through dozens of non-integrated applications.

These business applications were all implemented to satisfy the needs of other departments such as finance, claims and marketing. The poor CSR who takes the customer's call needs to access the data in all of those systems. This is why it can take several months just to get new insurance CSRs up to speed, let alone fully productive. In addition, these chaotic systems are a major contributor to the very high churn rate that insurance contact centres experience.

The message is that eliminating desktop complexity will ultimately improve customer retention. No one really wants to call an insurance company and, in many cases, customers are already frustrated and emotional before they call. They do not want to have to provide their policy number eight times or wait while the CSR explains: "I'm so sorry, my computer is slow today, it'll just be another minute or two."

### **Quality counts**

How can insurers' CSRs focus on providing a quality customer experience when they are navigating through dozens of applications and screens? A unified desktop solution is one answer. This should integrate all of those disparate applications and present one easy-to-navigate desktop for the CSR. For example, when a policy enquiry call comes in, the CSR's screen will show the relevant process flow, data, applications and knowledge base for the call.

If the next call that comes in is related to a claim, the desktop would change to show only the process flow, data, applications and knowledge base that the CSR needs to support claims queries. The leading unified desktop solutions should be based on the current applications, so it is not necessary to tear out existing applications or infrastructure.

Given the realities of today's economic climate, in addition to the already tense competition between insurance providers, now is the time to increase customer retention and reduce operating expenses. The companies who successfully do so will not only navigate the choppy waters we are in now, but will emerge stronger and as market leaders.

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