

INSURANCE CUSTOMER EXPERIENCE: MEETING THE EXPECTATIONS OF TODAY'S CUSTOMERS (PART 1)

CUSTOMER EXPERIENCE GUIDING PRINCIPLES FOR DIGITAL

The service landscape evolved over the last two decades. New service delivery frontiers have emerged in response to significant socio-economic changes e.g., advancements in digital, the rise of start-ups etc.

New consumer personas and technologies - The widespread proliferation of new consumer technologies across industries has created new needs for and expectations of insurance service providers. Millennials and Gen Z are also changing the outlook of the retail space.

Customers now expect personalized insurance solutions and the "One size fit all" approach simply does not suffice anymore. Service providers now have to account for the complex demands of these new personas.

The Rise of Startups - The technology barriers to entry have been lowered as evidenced by increasingly easy access to open-source frameworks, scaled cloud computing, development on-demand etc. The crop of new players (start-ups) who are more nimble and able to innovate quickly, are leveraging the opportunity to fill the gaps that incumbents have not.

Fast-paced innovation - Prior to now, incremental innovation helped insurers meet most new customer expectations. But, with the demands of the shared economy, usage-based models, internet-of-things (IoT), autonomous cars, and wearables, there are increased opportunities to explore more unconventional/radical business models.

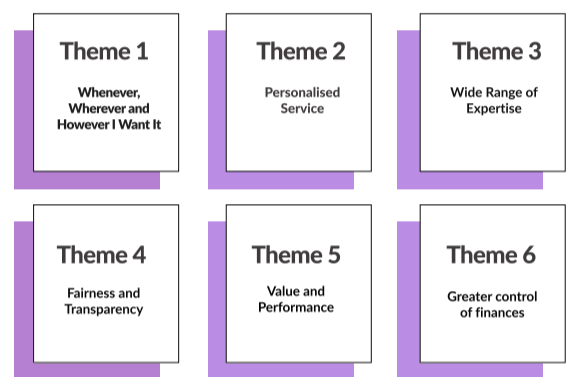
In this context, customers have a need for new insurance solutions, and insurers have an opportunity to provide tailored products and services for different segments.

The Covid-19 pandemic - Covid-19 and its attendant impact on businesses, literally forced the world to leapfrog into a 'new-normal' that many Insurers had hitherto been hesitant to embrace. In the space of a few months, Insurers had to embrace creative ways to serve customers, leveraging new interaction models and delivery channels.

Insurance Customer of the future

Consumer demands are changing and becoming more complex.

They can be grouped into the following themes :



Theme 1: Whenever, Wherever and However I Want It - Customers want to engage with providers on their own terms, whenever and however they want. They want direct-access channels through which they can reach service providers at any time.

Theme 2: Personalised Service - Customers want service providers to use information we have about them to personalise the relationship, understand their financial picture and anticipate their needs.

Theme 3: Wide Range of Expertise - Customers want service providers to offer a range of expertise to help meet their financial goals – from trusted information to specialised advice about the products and services they need.

Theme 4: Fairness and Transparency - Customers want to see that we have their best interests at heart, to be treated with respect and for us to deliver as promised.

Theme 5: Value and Performance - Customers are increasingly conscious of performance and fees and will move their business to get better value for money.

Theme 6: Greater control of finances - Customers want greater control over their finances; where everything with us is in one place and we use language that is simple to understand.

Customer preferences are now more skewed towards actual experiences and personalized offerings. Servicing the Insurance Customer of the future will require strategic focus on 4 critical priorities: