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The Customer Journey of a Lifetime:
Step-by-Step Modernisation to Maximise Retention

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Customer experience is the insurer's latest hot topic. Improving it at existing touchpoints and finding new opportunities to deliver it beyond purchase, renewal and claims dominate discussions. McKinsey found in the B2B sector that improved customer experience lowered churn by 15%, increased win rate from 20% to 40% and lowered costs to serve by up to 50%[1].

But understanding how to deliver great insurance customer experience, whether on mobile, in a contact centre or at a repair shop means far more than finessing an individual point of interaction. How the customer experiences each interaction and how it colours past and future interactions is critical to building a successful customer experience.

In other words, if you don't give your customer the best journey, they'll never arrive at the desired destination.

In this paper we look at the latest research supporting customer journey analysis and speak to three insurance executives who are putting this strategy at the heart of their customer experience and engagement policy. Progress towards the optimal customer journey is examined in the following stages:

1. Proof points for customer journey analysis
2. Embedding effective customer tracking
3. Solid data collection practice
4. Assessing and enhancing the availability of information
5. Upskilling the organisation to manage the journey
6. Discovering and mitigating pain points in the customer journey
7. An atmosphere of continuous improvement

Proof points for customer journey analysis

Customer journey analysis and optimisation is so important because of the multiple channels and external influences involved in the buying process. So much can happen between intent and purchase. No-one is exempt. Google and Ipsos found that 90% of people move between devices in a sequential fashion to accomplish a goal. In online shopping, 61% of internet users and 80% of online millennials start shopping on one device but finish on another."[2]

This is a pretty simplistic view. If we turn to research by user experience research house, GfK, the customer journey looks even more convoluted:

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http://events.insurancenexus.com/icee/

1 https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/
finding-the-right-digital-balance-in-b2b-customer-experience
2 https://www.clickz.com/influencing-the-customer-journey-is-just-as-important-as-understanding-it/111661/

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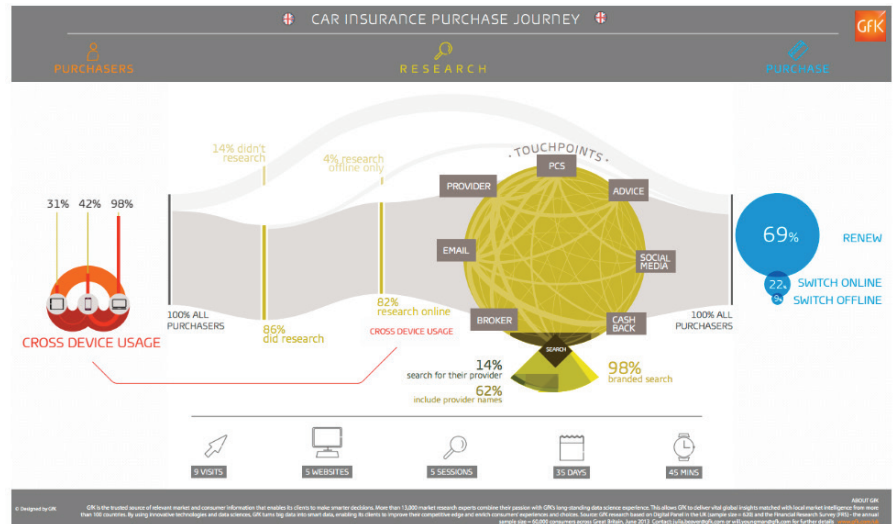
Source: GfK[3]

From this infographic, we note that most insurance customers use branded search but also go across around eight touchpoints including social media and email. Only 14% don't do any research and for those who do, most will research online covering around five different websites. Further research on the insurer journey from GfK found that hardly any purchasers bothered with word of mouth (5%) but price comparison sites (PCS) wield a strong influence (26%).

This diagram only relates to the insurance purchase journey. There are many more influences on customer retention such as claims journey, customer engagement campaigns (increasingly popular under the influence of internet of things (IoT) technology – see recent papers X and X for more information) and renewal.

Customer journey analysis is increasingly the hallmark of market leaders, whatever the sector. In a 2017 Econsultancy[4] survey of over 700 marketing and analytics executives from consumer brands, so-called 'leading organisations' were defined as those who had the most success in achieving their 2016 business goals. 'Mainstream organisations' were those whose success was moderate or underwhelming.

Of this group, 67% of leaders defined and measured the touchpoints in their customer journeys, compared to 50% of mainstream companies. Leaders were 34% more likely to track and optimise journeys. On top of this, the leading companies showed their commitment to by investing in journey analysis technologies that were central to their whole data strategy, rather than leaving it on the periphery. As can be seen by the chart below, there was a consistent gap in attitude and capability between leaders and mainstream companies.

3   https://blog.gfk.com/2014/08/how-people-buy-car-insurance-part-1-the-research-phase/
4   The Customer Experience is Written in Data report, Econsultancy, June 2017

Not surprisingly, comparing respondent companies by their level of technology integration shows a consistent gap in attitude and capability.

Full marketing/advertising stack integration vs. Non-integrated or partially integrated
Figure 5: To what extent do the following apply to your organization today?
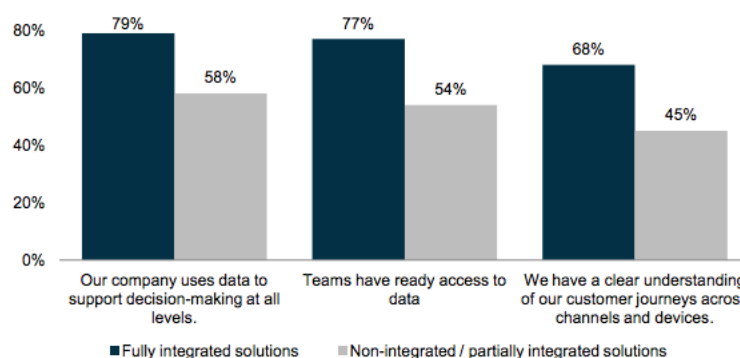
Respondents: 613

Source: Econsultancy, 2017

The evidence is there that customer journey analysis and optimisation has a significant impact on organisations' bottom line. To be successful, it must be viewed as an integrated strategy, not a standalone tactic. The next nine stages will explore areas where insurers are taking the challenge of optimising the customer journey and working to integrate it in their own business models.

Embedding effective customer tracking

The business case for journey analysis established, insurers need to make sure they are tracking all the essential touchpoints.

ERGO Group AG's Head of Customer and Sales Service Health, Dr. Carsten Rahlf explains his process: "If a phone number is saved in the database we can see the customer's profile upon calling, their historic interaction points, so we know where he is in the process. If he went to the doctor, paid him and wants to be reimbursed, also we can see when and how he submitted his bills. He may have sent them by post or used the app. He and we can see through the online portal that his request has been accepted and the customer and the agent can then track it to see if it has been executed."

Wesleyan's Group Head of Marketing Robin Gibson is in the middle of bringing CRM data into a Microsoft Dynamics system to improve their single view of the customer – vital to make any sense of customer tracking data. Executives looking to follow his lead should be aware it is a long-term project:

"We spent the last three years on integration, migrating all the data into new CRM systems. The first part is to allow financial consultants and the customer to jointly have a single view of finances. The next part is to allow customers to self-serve on their devices. Next, we need to put marketing plugins into the system to simulate interactions and use the database to find new customers."

He adds that a manageable, clean source of customer information is vital to comply with May 2018's GDPR legislation which requires explicit data consent ongoing.

It's clear that tracking the customer journey means not just focusing on points of customer interaction such as cookies on a website or calls to a call centre but also looking internally to see what processes are helping or hindering that customer journey.

This will never be an exact science. Explaining where tracking begins and ends in *MyCustomer*, SEO expert Martin Calvert admits a degree of arbitrariness is expected "The start and end points of a customer journey are always going to be debatable. Does the journey ultimately start when they see one of your brand's adverts years ago...does it end after they've bought their last product from you in their 80s?" [5]

The learning is to track what you can and hunt out two specific areas: one, where gaps in the customer journey appear and two, where customers appear to experience pain points that are unaccountable – so far. To get reliable pictures of this, insurers need to access as much data as possible.

Solid data collection practice

Collecting data is more than tracking the customer journey. It involves other streams such as sentiment analysis, social behaviours, how far they pursue alternatives (are they viewing competitors, or deciding that IoT home security is an adequate replacement for a contents policy?)

"Lean by measuring as much as you can," insists Dylan Bourguignon, CEO of insurance start-up, so-sure. "We're using many measuring tools to learn and improve the customer journey from first interaction to claim. We also complement quantitative information with qualitative information: we speak to our customers or prospective customers every day. That is how we continuously improve our proposition, our interactions and customer engagement."

Bourguignon's company is digitally native and so digital interactions with customers come naturally. For legacy insurers it is more of a brave new world but one they have to bite the bullet and get to grips with.

"A weakness that will become a strength is lead generation via digital and social. Starting with SEO and the clever bits that find and target people and bring them to our content. Using video on Facebook for example, helps potential customers find out more about pensions as they click through for the online seminar. We're working towards that approach rather than sending out material to read," explains Gibson.

Insurance marketers have sometimes baulked at the potential uses of anonymised data. But they don't need to be passive about tracking anonymous customers. There are ways of drawing unknown customers into the brand and across the personal data Rubicon.

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5   https://www.mycustomer.com/marketing/strategy/how-to-align-customer-journey-improvements-with-your-ppc-strategy

Gibson adds that content marketing is a great way of building a relationship with existing and new customers, bringing them into the Wesleyan ecosystem.

Ultimately, our model is to be face to face with the customer. Consultants can get a full financial view of the customer and use their specialty knowledge to fulfil their financial needs. This becomes the start of a relationship, both physically and digitally. Gibson explains. "We're not looking to change our business model. We're looking to target them in a more modern way."

"In terms of getting rich data onto the database you still want contact details. Our model is that you still want to get face to face with the customer. Consultants can get a full financial history so then you have a very rich data pool to build on," Gibson explains. "We're not looking to change our business model. We're looking to target them in a more modern way."

Assessing and enhancing the availability of information

Organising the data from tracking and onboarding activities is as important as the gathering process. Customers are increasingly aware, these days, of how and when their data is captured. They are also aware of how it is used and its potential to improve their experience. When there is a disconnect between their expectations and reality, this can create more damage than if customer journey data had been collected at only the most basic level.

Rahlf outlines the glitches that can occur in his process, particularly when it comes to using a broker network: "Where we have issues at the moment is when the customer is in contact with an agent. We're not necessarily asking for their information right away. It's down to the way the process is structured. Agents are attached to the company but it is up to them to share the data with us. We don't have access to their complete internal database and need to define incentives within an agreement to share data to get the full picture."

He notes that this currently isn't making life too difficult as customers don't realistically need to go direct to the company shortly after talking to an agent. He does recognise however that this is a wrinkle that has the potential to cause issues further down the line.

Writing in *The Drum* Yanina Mowat, a data and analytics expert with performance marketing agency, DAC Group, proposes that the availability of customer journey data to the organisation is the final, critical step of a three step process:

"Stage one: Connecting the data from different data sources on a customer journey into a single customer view. Stage two: Analysing how new knowledge about customer behaviour is going to make a difference to your business. And finally: Visualising single customer view on dashboards to ensure the insights are equally available to all your team members.

"It is not enough to create a single customer view – the data is usually too difficult or too complex to access for non-analysts. But what if you could build a simple and visual dashboard that everybody in the team can access?"[6]

6   http://www.thedrum.com/opinion/2017/10/06/talk-data-me-understanding-the-customer-journey-mobile-first-world

ClickZ reports[7] on one approach insurers can take to give the whole organisation usable information from customer journey data. It suggests using customer journey mapping tools such as IBM's Journey Designer. It presents customer journeys in "a visual, story-friendly format".

The report quotes an explanation of journey maps from Siddharth Gaikwad, digital experience expert at systems integration firm NTT DATA, thus: "A journey map is an illustrated representation of a customer's expectations, experiences and reflections as it unfolds over time across multiple stages and touchpoints while using a product or consuming a service."

Progress is underway on this point. Rahlf explains: "We are building an MDM – a master data management system. It means that all the information that sits in silos in decentralised databases is brought into the cloud so that relevant touchpoint units have better access to data that might normally sits with a sales agent or a specific department. It eliminates customer pain points."

Discovering and mitigating pain points in the customer journey

It is easy to theorise best practice when all the moving parts behave exactly as expected. The insurance ecosystem in reality is a much messier environment. Even with growing cloud use, APIs that allow formerly technologically incompatible organisations to share data and customer management, there are still roadblocks to overcome.

"Customer journey technologies don't always interact perfectly. We know vaguely what people do on our website, how often they visit broker pages or comparison sites. We also know how often they click something on their phone. But then the conversion to offline interaction is a bit of a black box," Rahlf admits.

The interaction between insurers' systems may not be perfect but monitoring customer interactions and controlling the flow of information is simpler when it happens within the confines of a single insurer.

But increasingly, insurance is an ecosystem. Insurers partner with healthcare providers, maintenance teams, financial advisors – all of whom have an impact on the brand if their adaptation to the overall customer journey is flawed.

"It's about ensuring you deliver on your promise. If you rely on third parties, make sure you select the right ones in the first place. We have come across some who's motivation was the financial opportunity but didn't share our customer obsession. The way we created our solution came from the mindset we have in-house. Every partner has to share that mindset or it doesn't work," Bourguignon warns.

Regulation is the other big sticking point. At the start of this paper, we commented on the impact data regulation such as GDPR might have on insurers' ability to transact data. It isn't the only regulation that slows progress in improving customer experience.

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7   https://www.clickz.com/influencing-the-customer-journey-is-just-as-important-as-understanding-it/111661/
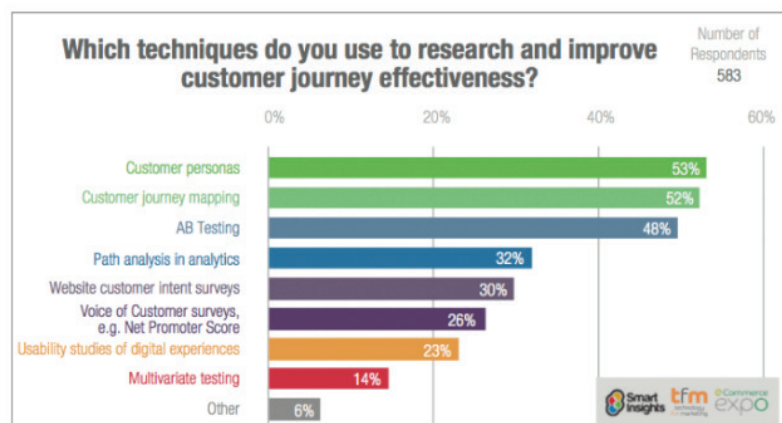
One example where regulation runs counter to customer experience is revealed by Rahlf: "There are certain aspects of your health insurance that you wouldn't want sent out unprotected by your insurer – via unsecured email, for example. As a result, data such as policy numbers have the last three numbers etched out as a rule. But then the customer wants to use the emails as proof of documentation in a visa application. Only they can't, because the vital data has been greyed out. To make the customer journey work properly, the main target has to be that the customer can fulfil his need immediately. We use this as key argument to propose our portal solution where the customer receives the documents in a shared and secured environment."

Sometimes insurers are their own worst enemy. Whether it is from fear of the afore-mentioned regulation or simply force of habit, they can end up torpedoing improvements to their customer journey by wrapping the customer up in yards of red tape.

"Transparency of product is never very clear," Bourguignon complains of the more traditional institutions' approach to product. "You might think that mobile insurance is straight forward but you just need to look at some providers to see how many are hiding behind small print and painful processes. The whole value chain from purchase experience to claim journey needs to be redesigned. That starts with writing the terms and conditions simply in plain English – no legal-speak. There is also no small print to try and trip you up and our claim process is designed to provide genuine customers with a quick and easy experience. We have done so using technology to detect and deter fraud so as to ensure our genuine customers' experience is second to none."

An atmosphere of continuous improvement

Research reveals that insurers shouldn't be looking for some 'secret sauce' to make a leap forward in optimising their customer journeys for the future. In the figure below, it is clear – by some margin - that the top actions for improving effectiveness are understanding customers and mapping their needs. The only similarly performing technique was AB testing which is less about preparing the ground for improvement and more about verifying the resulting hypotheses.

Which techniques do you use to research and improve customer journey effectiveness?

Number of Respondents: 583

Technique	Percentage
Customer personas	53%
Customer journey mapping	52%
AB Testing	48%
Path analysis in analytics	32%
Website customer intent surveys	30%
Voice of Customer surveys, e.g. Net Promoter Score	26%
Usability studies of digital experiences	23%
Multivariate testing	14%
Other	6%

Source: Smart insights[8]

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8   https://www.smartinsights.com/user-experience/customer-experience-management-cxm/best-techniques-improve-customer-journeys/

There is a temptation when looking for incremental gains in experience to latch on to new technologies that excite either the customer or internal stakeholders. Mobile is no longer a new technology but as a platform it's still something of a novelty for managing the ongoing customer experience.

Insurers are at the stage where it isn't quite clear how much of a long term impact any single device might have on the customer journey but it is clear that they have to keep their options open. "The mantra is mobile first but the customer journey needs to be managed cross-device. We must make sure that the interface we are giving the customer is optimised for wherever they are looking," Gibson warns.

Rahlf adds that ERGO is looking at the potential of home assistants, primarily as channels of interaction: "At the moment we're developing Alexa skills to do something like sales and customer service. We need to work out how we increase Alexa's role in self-service for the agent and from there, how we improve conversion to increase efficiency, growth and customer loyalty."

One area where human and machine can work in tandem is in the burgeoning area of voice recognition. "If a customer 'talks' with a voice recognition system before being passed to an agent there is potential to determine which agent might be the best fit, allowing for a more personalised and satisfying interaction," Rahlf proposes.

He notes that the priority is still to encourage customers through the company's web portal: "We have three-quarters of a million of our customers already on the portal and our employees must approach every customer and try to get them to interact through it to some degree."

A significant ongoing challenge is to understand from the customer journey how to modify the way insurers have traditionally communicated with customers. For everything from frequency, to language to type or platform of communication, insurers need to adapt to customers' changing behaviours and expectations.

"Customers trust insurers less than banks, despite banks causing the financial crisis," Bourguignon claims. "We're doing the hard yard of trying to change that. We believe that you need to be able to rely on your insurance when a misfortune happens. We also believe you should get money back when you don't need to claim. Hence, we have completely re-imagined consumer insurance. Claims are simple and easy: we achieved a claims NPS of 73 last year - to put in perspective, Apple's was 72 and the average claims NPS for insurers is believed to be negative. Meanwhile, last year, our careful and connected customers got between 20 and 71% money back…"

NPS scores are still the common denominator when it comes to measuring customer experience and using it to improve communications in the customer journey seems no exception: "We are audited and certified on customer communications through a service provider called TÜV which grades us on the content and understandability of our written communications. But we also ask for NPS scores on how well the communications are received," Rahlf explains.

There is still a tricky balance to strike between formal information sharing and adapting to the consumer's more 'snackable' needs. "Sometimes we have to send multiple letters and emails on single topics to make them easier to digest. But sending multiple letters or mails has a negative impact on costs and emotions. The alternative, practised by some of our competitors, is to send a single mail with a pdf or link to documents with a link to call in case of questions. But is that the right sort of contact for the insurance community to cross and up-sell via lower-cost channels? I can't answer that. We're working on it via various data analytics projects," Rahlf admits.

However insurers achieve optimal interactions with their customers, there is no longer any argument that strategies have to be based on insights derived from understanding the customer journey. And on top of this, the understanding that it is an ongoing process. "We are reviewing every aspect of our customer journey and seeing how we can improve. It's a process of continuous improvement," Gibson concludes. The work never ends.

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▶ Monika Schulze, Global Chief Marketing Officer, **Zurich**

▶ Steven Zuanella, Group Chief Digital Officer, **RSA**

▶ Robin Gibson, Group Head of Marketing, **Wesleyan**

▶ Alasdair Stewart, Marketing and Communications Director, **AXA Insurance**

▶ Dr. Carsten Rahlf, Head of Customer & Sales Service, **ERGO Group**

▶ Gary Hueting, COO, **Co-Op Insurance**

▶ Dylan Bourguignon, CEO, **So Sure**

▶ Stefan M. Knoll, CEO & Founder, **Deutsche Familienversicherung**

▶ Carlo Nebuloni, Transformation Director, **AXA UK&I**

▶ Al Hadfield, COO, **Cardif Pinnacle**

▶ Philipp End, Digital Content Strategist, **Munich Re**

The Industry's Chosen Themes:

▶ **Seamless Customer Journey - Total Analysis:** Hear from leading EU Insurance Companies on how they see the customer journey. Areas of improvement, technological investment, digitisation and innovation. This is a must see section of the agenda!

▶ **Implement Effective Data Management & Create The Single Customer View** to define your target market and their profiles. Use this data to serve the customer accurately and uniquely, lifting retention rates and building customer loyalty

▶ **Tackle Technological Choice:** Prioritising the 'right' choices for your company will raise internal efficiencies and serve the modern customer more appropriately- Big Data analytics and AI will form focusses

▶ **Company Culture:** Raise customer-centricity within your organisation and stand out from the crowd

▶ **Collaborate & Inspire:** Now is the time not to stand still but collaborate wisely with the game-changers. Inspire the industry around you by serving the modern customer, the modern way

▶ **Case Studies of Practical Engagement Strategies:** Demonstrate effective content that increases and sustains engagement