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Supercharging P&C Insurance Sales with the Digital Customer Experience



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Technologies

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Supercharging P&C Insurance Sales with the Digital Customer Experience

Introduction

The Property and Casualty (P&C) insurance industry is being dramatically transformed by digital technologies that are shifting the customer relationship back to the carriers. Beyond working through third-party agents or brokers to purchase insurance policies, more customers are going directly to insurance carriers via their website and other digital channels. Driven by the convenience of online shopping, insurance companies are now expected to provide information that helps customers learn about policies, compare options and even complete an application from virtually any connected device, 24/7.

While there are significant challenges in providing direct-to-customer sales processes, this also presents a tremendous opportunity for carriers to accelerate the sales cycle, build loyalty and grow market share. In fact, the digital customer experience is emerging as a top business differentiator in an increasingly competitive landscape.

At the same time, insurtech vendors are providing sophisticated Quote-to-Bind solutions for insurance agents in the field to submit applications online. These applications allow independent agents or brokers to choose the best policy options for their customers, and submit to multiple carriers. The increased sophistication of quoting solutions, however, brings increased complexity to agents, particularly those newer to the insurance space. Agents often struggle with the myriad of options offered and need support and guidance to use these applications effectively.

The average abandonment rate for online sales processes for insurers is around 75%.

You Can Take A Horse To Water But...

Insurance is not an item you go online and shop for on a whim like checking out the latest in summer jackets or backpacks for the kids. When you go to a carrier site and open the quote form, you're in serious buying mode.

Carriers may spend millions—or in some cases billions—of dollars in advertising to get consumers to their websites encouraging them to spend “just 15 minutes” to generate great savings on their current policies. However, getting people to your website or mobile app is still not enough.

According to DialogTech's 2021 study of the insurance industry, the online conversion rate is around 5.1%, consistent with many other industries. Digital engagement solutions can significantly impact this statistic as we'll discuss later, but for now just imagine the impact of increasing this to 20%.

The average abandonment rate for online sales processes for insurers is around 75% (SalesCycle 2020 Ecommerce Stats Report). The abandonment rate is calculated for people who started an online application process and left the form before completing it. This statistic will vary by product, and the type of device being used so it's not unreasonable to assume the rate could be 90% or more for some products.

Consider the value in additional annual gross premiums if the abandonment rate could be reduced by 10% or even 20%. Making the process simple and helping potential buyers get through high friction points in an online application can have a huge impact - we'll tell you how shortly.

Customer "Abandonment Issues"

A lot of online shoppers may think they are in "browsing mode" but typically, they will stop and buy when they can find what they're looking for if the value proposition is strong enough. With insurance customers it is generally a policy from a reputable organization that offers the coverage they think they need, at a reasonable price (so perceived value is high) and the buying process is simple.

They will also abandon the shopping experience for a number of reasons. According to CRM provider SuperOffice (www.superoffice.com) consumers abandon online buying processes for reasons including:

- Lack of payment options (are you offering PayPal, Apple Pay, etc.)
- Being forced to open an account before accessing the application.
- Unexpected costs that were not explained clearly.
- Complexity of the application or process.

Lack of support during the process is another key reason customers abandon an application process. Recent studies report 60%-70% of customers expect a Live Chat function on a website and over 80% of smartphone users expect it on a mobile site - and these numbers are growing.

Key takeaways for insurers:

- Allow your customers to get a quote and complete an application without having to create an account first.
- Make sure costs are clearly identified and as accurate as possible.
- Have a simple application process with more payment options.
- Provide real-time customer support during the buyer journey. We will explore this last point in more detail.

Digital-First vs Traditional Telephony Approach

With prospective customers and agents moving to the digital space at an unprecedented rate, it is somewhat surprising to see that customer and agent support remains largely on the telephone when digital options are readily available.

“Digital-First” means that, while you are on a website, customer portal, or mobile application, you can connect with a customer support representative (CSR) via digital channels including chat, text messaging, digital voice and even video with no need to make a traditional telephone call. With a true Digital-First approach, phone numbers can be removed from most pages of your site, replaced by a “Contact Us” button that offers chat or digital voice (just like a phone call but clearer).

With a Digital-First approach carriers transition from a traditional telephony support model to a primarily “digital” customer experience with phone as a backup channel. The solution is not a “rip & replace” strategy; it’s a strategic introduction of digital capabilities in high-value areas like policy sales, then expanding digital adoption to policy servicing, claims and billing. In most cases the digital engagement solution will be integrated with the core telephony solution (Genesys, Avaya, Cisco etc.) so the voice component of any interaction can still be passed over the current telephone handsets or headsets.

How Does a “Digital-First” Approach Impact Online Sales

Digital engagement with customers during complex processes like completing an application form can result in 2x to 4x the number of completed applications.

When you find something difficult or hard to understand and really need help, you want it instantly. You don't want to abandon what you were doing to phone a company for help where you're greeted by an IVR system. You're asked to “press 1 for this and 2 for that,” and when you finally get to a CSR, go through multiple questions identifying who you are, and what you were trying to do. It's such a waste of your time and company resources.

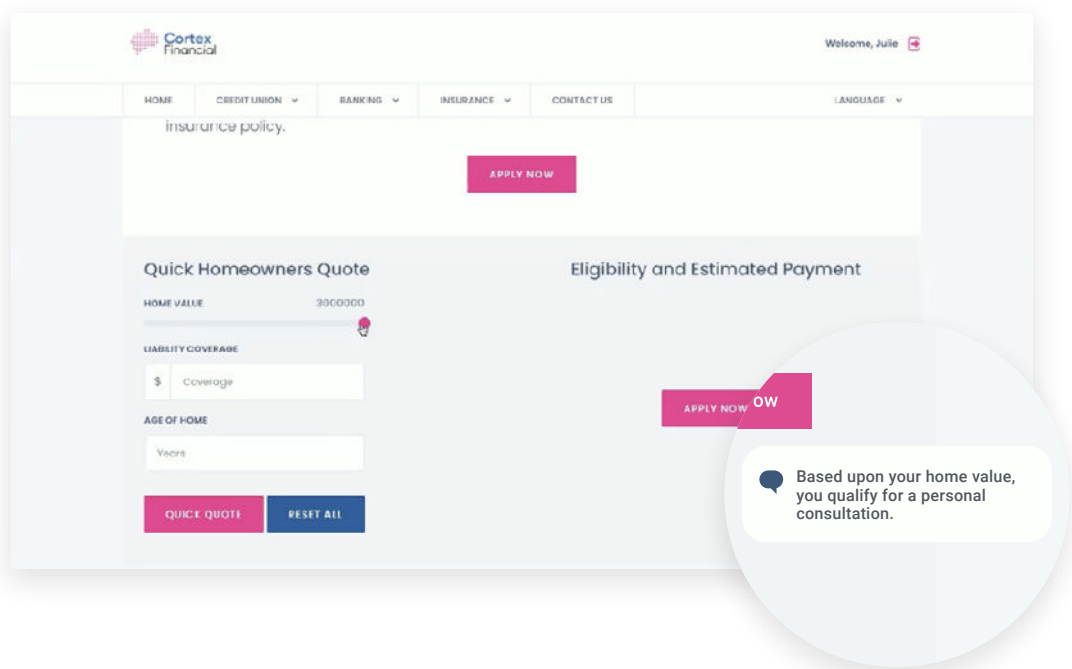
Leading providers of Digital Customer Service (DCS) solutions incorporate business logic that can detect where customers are on your digital properties—your websites, customer and agent portals, and mobile applications—and what they are doing, then can pass this to CSR's the moment they connect. Business logic enables proactive as well as reactive engagement.

Proactive Engagement

Imagine a solution that detects when a potential customer on a carrier website has just opened a quote or application form. The system can offer proactive messaging changing the “Need Help” message on the site to “If you need some help with your application a live representative is ready to assist.”

The DCS solution can also understand the value of the customer interaction. For example, a high value imported motor vehicle garaged in New York, might prompt a “VIP

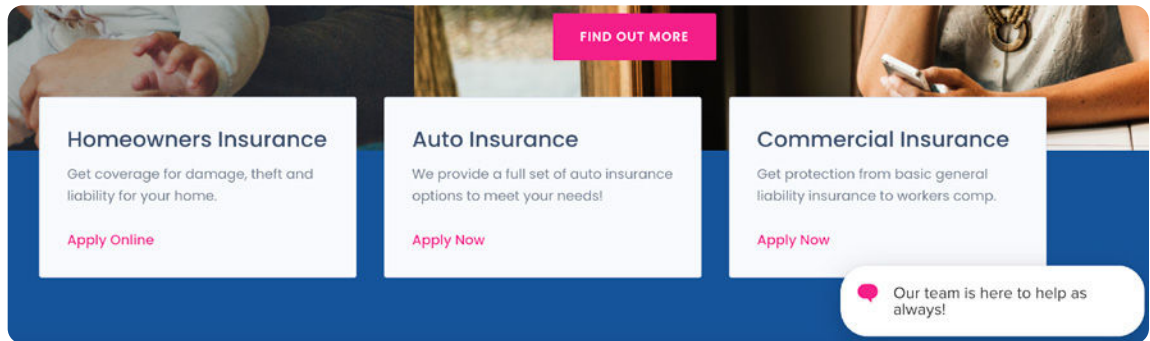
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customer service is available to assist you,” or maybe you want a similar message to pop during a high value property homeowners quote or application.

The system can also detect if the customer pauses for more than a reasonable time on a data element of an application form prompting a “This can be a difficult question to answer - for some personal advice click here.”

Imagine a scenario where the DCS platform detects a visitor, “Alex,” entering a high-value process like a homeowners policy application where she has just entered a home value of \$3.6M. The DCS platform is able to offer intuitive messages encouraging Alex to connect before she even has an issue. An interactive message on the site automatically changes from “Let’s talk” to “A homeowners policy specialist is available to help you with your application.” This message reverts back to a simple “Let’s talk” if Alex ignores the offer.



Let's take it a step further. Imagine the DCS platform is monitoring customers on your site and detects that Alex has paused for more than 20 seconds on a specific field in the application form—like a coverage question she might be struggling with the answer. This could be a high point of abandonment. A CSR could be notified and proactively reach out to Alex offering to engage and help with the specific issue.

It looks like this “This is David, a homeowners specialist. I see you might need some help with coverages; would you like me to guide you through that?”

When you engage with a customer during the buying process your likelihood of the application completing can be as much as 2 to 4 times your current completion rate and the application is typically more accurate, increasing the acceptance rate.

Reactive Engagement

A customer or agent in need can reach out for service at any time by clicking a “Let's talk” button or link on a web page or mobile application.

Let's assume Alex from our earlier example continues the policy application until she hits the liabilities section and now she really needs some advice. Do we force her to drop out of the digital journey to call an 800 number as the only way to get additional help? Or does she start a chat only to find she still has to call a phone number in the end? In a DCS world the answer is a definite **No!**

The image shows a digital form titled "Homeowners Application". The form is divided into sections: "Personal Information" and "Contact Information".

Personal Information

FIRST NAME	MI	LAST NAME
<input type="text"/>	<input type="text"/>	<input type="text"/>
DATE OF BIRTH	SOCIAL SECURITY NUMBER	
<input type="text" value="mm/dd/yyyy"/>	<input type="text"/>	

Contact Information

RESIDENTIAL ADDRESS (No PO Boxes or CMRA) SUITE / APT. # (if applicable)

Overlaid on the right is a chat window titled "HOW TO APPLY" with the question "Who would you like to speak with?". It lists four agents: Tom, Scott, Aaron, and Brian, each with a profile picture and "Available for:" status icons. The chat is powered by Glia.

Alex has the choice to engage in the way she prefers—chat, OnScreen voice, or even video—depending on the options offered by the carrier. She can quickly connect by clicking the “Let’s talk” button and instantly connect with a CSR. The CSR can see Alex’s application form (with any personally identifiable information masked) the moment they connect to visually guide and talk her through the application.

This is a great experience for Alex applying for her first homeowners policy, and very satisfying for the CSR guiding her to completion. We reduce abandonment by offering engagement at different stages of the customer journey, and guiding them to completion of their mission in a seamless, low effort way.

Leveraging the Customer “Digital Footprint”

When a customer reaches out for help, leading DCS solutions can leverage the customer’s current location on your website, secure portal or mobile applications - your “Digital Properties”. The customer location on a claims page, policy renewal or payment page, and data from the customer’s web browser (like geography and language) can be used to direct the interaction to the most appropriate customer support team.

By utilizing this information, Alex is connected to a homeowners insurance team when she reaches out for assistance.

Alex's physical location (determined by IP address or customer data from a CRM or other business application) could be used to direct her to a nearby team where local knowledge of the property market and insurance risks might have considerable competitive value.

The combination of browsing information, location on the digital property, and what was happening at the time (buyer context) is called a "Digital Footprint." Leveraging the Digital Footprint of the customer or agent within your sites delivers many opportunities to provide a vastly superior level of customer support, and a corresponding ability to accelerate sales.

*No more asking
"How can I help
you?" It's more like,
"I see you're in the
liabilities section -
would you like me to
help you make the
best selections?"*

Accelerating the Sales Process

Once digital engagement is achieved the sales process accelerates. If Alex is logged into her online account or mobile application, the CSR can see she is authenticated (no more repetitive questions to confirm your identity). The CSR can also see the page Alex is looking at, can see the data field she is paused on, and can offer immediate advice (no more asking "How can I help you?"). It's more like, "I see you're in the liabilities section - would you like me to help you make the best selections?"

Beyond the ability to see the page Alex is on, the CSR can offer to CoBrowse with her—helping navigate through pages, and even

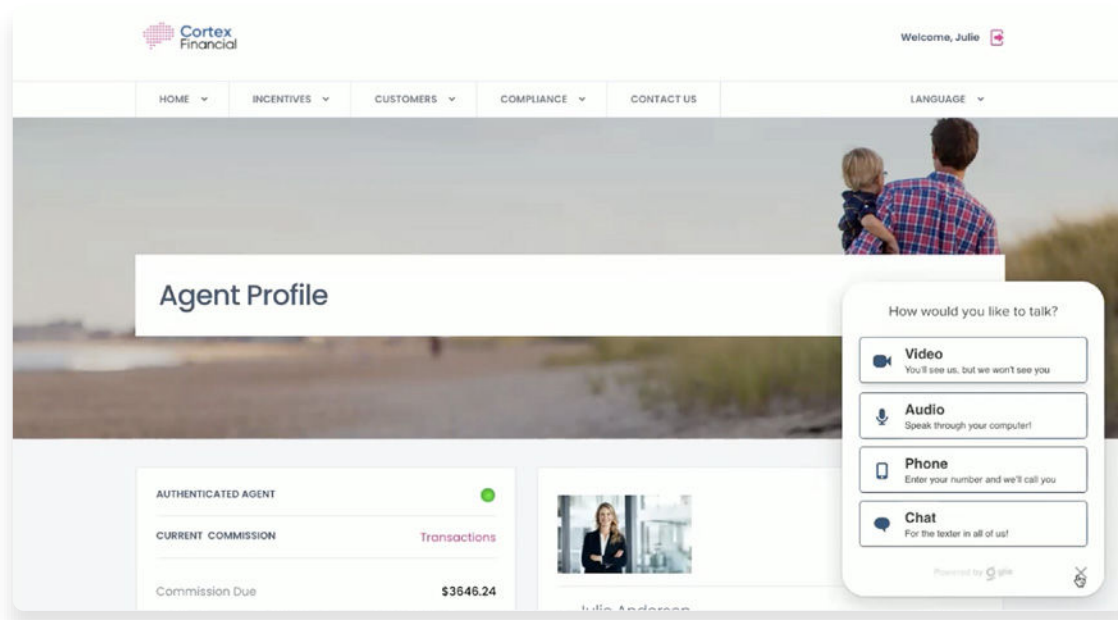
help with selections and data entry. This ensures her application is completed fully and accurately, giving a much higher chance of acceptance.

Digital engagements with CoBrowsing and digital voice are generally 20% or more faster than trying to do the same thing on a phone call. Applications are completed faster, and more accurately, with the CSR using chat and voice to gather data or help complete the application. Customer satisfaction scores for digital engagements are typically 15% - 20% higher than traditional phone engagements with many organizations claiming almost perfect CSAT scores.

Insurance Agent Quote-to-Bind Process

Your agency distribution channel should not be neglected in your digital strategy, and providing DCS engagement tools can accelerate sales and brand loyalty with the agency force.

Most carriers provide an agent-facing portal where agents can prepare and submit quotes, manage customer and policy information, see claims updates, access



commission statements and their licenses and appointments, and invoke a wide range of workflow processes.

Quoting solutions are more complex than ever with multiple options for coverage so the customer “only pays for what they need.” Some workflow processes are also extremely complex and require assistance, particularly for newer agents, when processes are being changed or when new processes are introduced.

If a DCS solution is implemented on the agent portal, the agent can reach out via chat or digital voice and receive support while they are in the middle of an application or process. When they connect, a CSR can help the agent complete and submit quotes accurately, creating a much higher potential for instant approval and binding.

“Reviewing Glia chat transcripts allowed us to understand quality issues in the way our underwriting team were servicing agents. We were able to provide additional training for the team to address this. We removed friction points from the process and now we can provide the level of service we want to.”

*- Abby Hosseini - CIO
Mercury Insurance.*

In addition to quote submission, agents often need help to understand commission and bonus statements, manage their compliance, and complete a range of workflow processes. A DCS solution will provide a high level of customer service that fosters agent satisfaction & loyalty.

Agents and Underwriters

Some P&C carriers are giving underwriters the ability to connect with agents digitally to walk through policy documentation in real time, discussing issues that need to be resolved.

A good example of this approach is Mercury Insurance who realized a lot of underwriter time was wasted just getting on the same

page and clause with the agent. Now with the ability to connect digitally, the agent and underwriter are looking at the same clause, issues are resolved quickly and the relationship between agents and underwriters improves significantly. Instant video is also available which helps to build trust and that very important agent-underwriter relationship.

The UpSell/Cross-Sell

Customers often become more comfortable after an agent successfully provides the information they seek. Not only are they less likely to abandon the transaction, but they are now more receptive to suggestions and guidance. This creates an incredible opportunity for agents to upsell and cross-sell.

A customer who has just saved money on an auto insurance policy renewal, for example, is more willing to hear about homeowner policy offerings and bundled incentives. Had the agent brought this up before completing the renewal, the customer would likely have been frustrated, perceiving the agent to be pushy as opposed to helpful.

With a rapidly growing preference for self-service, carriers are starting to understand the value of engaging potential and existing customers during the application process where the opportunity to close the initial transaction is vastly higher and the opportunity to cross-sell and upsell also significantly increased.

A Word of Digital Advice

Be careful not to box yourself in with a “Digital-Only” solution as this will limit your options to engage with customers fully.

We see this with stand-alone chat solutions where the customer is engaged with a CSR in a chat for 30 minutes when the CSR agrees they really need to speak to someone to resolve the issue. Their only option is to give out an 800 number forcing the customer to call the customer service center and repeat the whole conversation, which is extremely frustrating and lowers customer satisfaction and Net Promoter scores if not conversions.

Chat with voice capability is vital, and often carriers want the voice to be connected via their existing telephony system so operators can use existing handsets or headsets. This also leverages various scheduling, reporting and analytics tools that have been developed over many years. Carriers should consider solutions that blend the benefits of digital with the ability to integrate with current telephony for a seamless customer experience that leverages existing investments.

Put Your Seatbelt On!

Accelerating online sales can be achieved, and many organizations experience dramatic increases in sales in a very short time once DCS platforms are rolled out. Typically this is only a 4-6 week implementation and readiness process end-to-end, so plan to handle the additional volume of new business. Be prepared to see your abandonment levels decrease, and applications completed more accurately. Get ready to see greater cross-sell and upsell opportunities. Ready yourself to see what might have been a 15 minute phone call with a customer completed in under 10 minutes, meaning you can service more customers with the same staff.

And be prepared for the reaction of your CSRs who are going to love how easily they can help customers now that they have the right tools for digital engagement.

Summary

- Prospects, customers, and agents are accepting digital self-service as the new normal and meeting them during the digital experience is critical.
- Getting prospects to your website is important, but avoiding common abandonment factors is crucial.
- Carriers should rethink their engagement strategies as “Digital-First,” with telephony as a backup channel. This transition can be made gradually and is not a “rip and replace” strategy.
- Leading DCS solutions offer proactive and reactive engagements with customers, increasing your chance to reduce abandonment and increase annual premiums.
- DCS solutions provide tools to accelerate the sale process once the customer is engaged with greater opportunity to cross sell and up-sell.
- Apply your Digital-First strategy to your agents as well — support them during quoting and a range of complex business processes, building agent satisfaction and loyalty.
- Apply DCS to your agent-underwriter experience for faster resolution of risk issues and improved relationships.
- Select a DCS solution that has broad digital capability and easy integration to your current (or future) telephony solution.
- Put your seatbelt on and enjoy the ride!

About Glia

Glia is reinventing how businesses support their customers in a digital world. Glia's Digital Customer Service (DCS) solution enriches web and mobile experiences with digital communication choices, on-screen collaboration, and AI-enabled assistance. Glia has partnered with over 300 insurance companies, banks, credit unions and other financial institutions worldwide to improve the customer experience and drive business results.

To learn more, visit www.glia.com.

About Duck Creek

Duck Creek Technologies (NASDAQ: DCT) is the intelligent solutions provider defining the future of the property and casualty (P&C) and general insurance industry. We are the platform upon which modern insurance systems are built, enabling the industry to capitalize on the power of the cloud to run agile, intelligent, and evergreen operations. Authenticity, purpose, and transparency are core to Duck Creek, and we believe insurance should be there for individuals and businesses when, where, and how they need it most. Our market-leading solutions are available on a standalone basis or as a [full suite](#), and all are available via [Duck Creek OnDemand](#). Visit www.duckcreek.com to learn more. Follow Duck Creek on our social channels for the latest information – [LinkedIn](#) and [Twitter](#).



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