Rebuilding trust in insurance

Harnessing customer advocacy in the digital first world

Long-serving carriers secure, frustrating digital and siloed customer data. Insurtechs offer fast, digital-first, customer-centric experiences but with customer trust a concern. Indeed, the insurance industry has suffered a greater decline in customer trust than any other sector in the last three years. Yet the industry is thriving and powerful, with the ability to leverage customer data to drive advocacy. Insurance industry expert Sandra Ito explores the issue.

Here is the challenge presented to insurance decision-makers, based on research with 1,000 insurance communications and marketing industry.

Read on to understand why the insurance industry must make technology can provide both short-term and long-term benefits, and how, with the right tools, it can leverage data and the impact customer relationship, business.

There is clear consensus that better customer communications will play a crucial role in rebuilding trust.

84% of respondents believe that enhancing customer experiences and interactions would have a significant effect in ensuring customers stay loyal to their insurer

Renewing trust must start with greater clarity and better guidance at the points of quote, sale and renewal.

90% of our respondents believe customers need more clarity on the calculations of premium increases and plan on products evolving to meet the need for clarity, transparency, more accessibility of choices.

Our survey points to advanced personalisation as a potential game-changer in protecting trust by helping customers choose the right cover.

Q. Rate power or impact toward the following customer-centric insurance innovations would have in remodeling loss of trust

The analysis of individual customer behaviour to identify and remediate the problems leading to detriment

Data analysis driven identification of where a customer is in their journey to provide guidance and coaching accordingly

Full individualisation of product suggestions to ensure that the customer has exactly the right cover

Ensuring customers understand the scope of their cover at the point of sale would also help avoid loss of trust when a customer submits a claim.

The problem:

77.5% of respondents believe that claims experiences are important or significant to the decision of customers who remain policyholders during the pandemic.

69% believe that trust can be promoted by predicting the customer need for a claim and proactively reaching out to particular customers or claim sectors of customers who are expected to have a claim (managing accordingly).

The solution:

81% believe customers feel that their claim updates, similar to those used by food delivery, and text updates, would be a significant effect in minimising loss of trust.

89% of respondents advocate providing contained remediations tailored to the individuals specific circumstances, rather than a cover or claim is called, as an organisation.

Without a seamless digital experience, trust will continue to suffer.

80% of respondents believe compulsatory and frustrating experiences on digital channels will have a significant effect on trust. Indeed, the pandemic, 80% believe significantly so.

Our survey research identified 3 types of safeguarding that would be effective in protecting trust during digital experiences:

1. Personalisation
2. Seamless omnichannel experience
3. Easy and fulfilling self-service automation

Safeguard 1: Personalisation

Q. Rate power or impact toward the following customer-centric insurance innovations would have in remodeling loss of trust

Providing personalised pre-emptively messaging by using understanding of the customer's wants and preferences

Understanding the digital experience to meet the customer is the most appropriate channel for him or her needs

98% said providing personalised customer content in a digital interaction would have a significant effect on increasing customers' trust in their insurer.

Safeguard 2: Seamless omnichannel experience

Q. Rate power or impact toward the following customer-centric insurance innovations would have in remodeling loss of trust

Providing a seamless and consistent experience across all channels

99% of our respondents agree that Omnichannel experiences are important or significant to customer trust and consistently that your digital experiences are important to your customer's trust in an insurer's reliability.

Safeguard 3: Easy and fulfilling self-service automation

Q. Rate power or impact toward the following customer-centric insurance innovations would have in remodeling loss of trust

Providing faster and a broader range of self-service options

Comprehensive pre-population of forms

Introducing full self-service automation through advanced AI and machine learning, to provide a fast and seamless experience personal and only as a last resort, if they

Providing proactive guidance where needed, utilising chatbots or AI

Our respondents had as much faith that optimisation of digital experience can boost trust that…

8/10 said a superb or very good digital experience has the potential to boost or as effective as building trust as human contact.

However, for superb digital experiences to significantly boost trust, the frequency of interactions between insurers and customers must also increase.

Q. Rate the impact on trust of a superb digital experience with an insurer, if it is the only contact you have with your insurer

Q. Not including claim exchanges, how often do customers need to interact or engage with customers throughout the year?

Indeed, this lack of communication is a significant underlying factor in customers not trusting their insurers.

79% of our respondents agree that lack of proactive, personalised contact with customers, except at renewal, is a significant factor in why customers feel that the best terms of insurance are not being offered.

94% of our respondents worry that there is a disconnect between insurance organisations' when seeking customer feedback and the actual information actually useful to customers.

Simply increasing two sides direct communication is not in itself the answer.

90% worry that, unless it is transformational, frictionless and adds value, it is a potential source of irritation to the customer.

Towards a new insurer-customer relationship: The insurer as trusted advisor.

94% of respondents believe that a proactive, personalised contact with customers, except at renewal point is lacking as the insurer actually knows the customer's needs and wants, and can offer the best terms of cover to meet the customer's need, not just product based, or pre-emptive.

Could this be the perfect way to upgrade customer trust? Our survey results, 94%.

98% of respondents believe that providing useful information to customers is a key trust-building factor. Indeed, 70% suggesting the effect would be significant or it towards.

99% believe that acting as trusted advisors who offer good advice and guidance is indeed, the most effective way to build and maintain the trust of the insurance proposition.

The more to a risk prevention model in which insurers sought to become trusted advisors appears immature.

Q. Where will the majority of insurers in each business line offer personalised risk management services in the next 3 years? Rank the following in order of potential

94% of respondents were that if the insurance industry is to be successful in this area, it will be leading customers to engage with the insurer, and not just a product or service. Indeed, 83% suggesting the insurer is most advantaged to provide the most personalised support, or pre-emptive.

83% of respondents were that engagement and advice from the customer.

96% of respondents believe that optimising personalised engagement is critical, and important for insurers' successful. Securities is a risk prevention model, 96% believe it is critical or important. Indeed, nearly two thirds (64%) believe it is critical to insurers' importance.

In the long term…

99% of our respondents believe that individually personalised, one-to-one and frictionless communications are important for the insurer's successful:

- and an insurer-customer relationship
- that digitised first and seamless backs

So from the distant memory of today that some near-future insurance model, the insurer as a trusted advisor, and a trusted partner, and a trusted source of advice and guidance that is even a safety net through, society and government, and the insurer, mitigation advice and promotes digital experience.

Viewpoint: Communication, talking the talk and walking the walk

Sandra Ito, Customer Experience Strategist, Salesforce, says the pandemic has highlighted how important health, safety, the arts, mental health, keeping relevant and a sense of community, and the ability to connect with family and friends is to people. Insurance is no exception. Many, however, are not keeping up with what is expected in a post-Covid world of life, living, and working. Ito says that, in her view, the biggest challenge for the insurance industry is customer trust. Recent research shows that trust in the insurance industry has fallen more than any other sector in the last three years. Ito says that poorly administered and policy terms and always in the customer's mind when considering insurance.

Ito says that, in her view, the biggest challenge for the insurance industry is customer trust. Customers need to have confidence that the insurer will be there when they need it, and that the insurer will be able to provide the support. Ito says that, in her view, the biggest challenge facing the insurance industry is customer trust. Customers need to have confidence that the insurer will be there when they need it, and that the insurer will be able to provide the support. Ito says that, in her view, the biggest challenge facing the insurance industry is customer trust. Customers need to have confidence that the insurer will be there when they need it, and that the insurer will be able to provide the support. Ito says that, in her view, the biggest challenge facing the insurance industry is customer trust. Customers need to have confidence that the insurer will be there when they need it, and that the insurer will be able to provide the support. 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