



Why Should Insurance Carriers Care About the Digital Revolution?

SERVING THE DIGITALLY-DRIVEN CUSTOMER



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Insurance customers now expect their Life and P&C carriers to embrace digital technology, enabling them to communicate with their carriers over as many channels and devices as they want. To effectively serve today's socially connected policyholder, it is imperative that carriers meet this need by transforming themselves into a digital enterprise.

How does an insurance carrier successfully become a digital enterprise? In this ebook, Eric Deitert explores the effects of digitization on the carrier's relationship with its customers, and how to leverage key digital technology to cross the digital divide.



JOIN THE CONVERSATION



The People Revolution

Radical Changes in Customer Expectations

Customer behavior and expectations for how they interact with their insurance carrier is evolving fast. Bold Rocket (a Capco spin-off) calls it 'The People Revolution' and highlights the disruptive nature of a connected society. **This is a society in which customers are unlikely to wait for insurance carriers to catch up with the other organizations with whom they digitally interact.**

Quite simply, customers will no longer accept traditional means of customer service and sales offers from carriers. Insurance carriers need to focus on how customers want to engage with them and leverage digital technologies to make sure innovative insurance processes and systems are in place to meet these new customer-centric demands.

“To stay competitive, companies must stop experimenting with digital and commit to transforming themselves into full digital businesses.”

McKinsey & Company, May 2014

“THE SEVEN TRAITS OF EFFECTIVE DIGITAL ENTERPRISES”

The Key Question

How Does the Digitally-Driven Customer Affect Insurance Carriers?

As a result of using digital technology, will changes in customer expectations require carriers to **transform how they interact and engage** with their customers?

Unequivocally, yes. For example, a key change will be the fact that customers expect to be empowered to complete interactions on their own. Leveraging digital technology to meet this new engagement model doesn't mean just giving customers a Web portal or a bunch of communication channels. For many customers, mobile smart phones and apps are now the tools of choice for conducting their business relationships. They expect the app to be engaging, with smart interactions and updates that let them accomplish tasks easily and quickly. Insurance carriers that can deliver this type of experience will win. Those that don't? Well, the future could be mighty bleak.



What is a Digital Enterprise?

And How Do You Become One?

A digital enterprise is one that leverages digital technologies, such as mobile, social media and analytics to put the customer at the heart of every interaction.

Digital technology can help you transform your marketing, sales and service operations, meeting new and evolving customer demands with three key capabilities:

1. Enabling carriers to interact by using the customer's channel of choice at any given time.
2. Anticipating each customer's unique needs and automatically acting on that understanding to personalize the service request.
3. Unifying processes for end-to-end resolution and consistent fulfillment across **every channel**.



Be as Channel-Specific as Your Customers

Engage via the Omni-Channel

Mobile has got to be the best description of today's customer. We talked about the importance of the smart phone to the policyholder. But it's not just this single channel. Customers want to use **every channel and device**—whether an email, traditional phone call to the contact center or a post on social media—to conduct their business with the carrier.

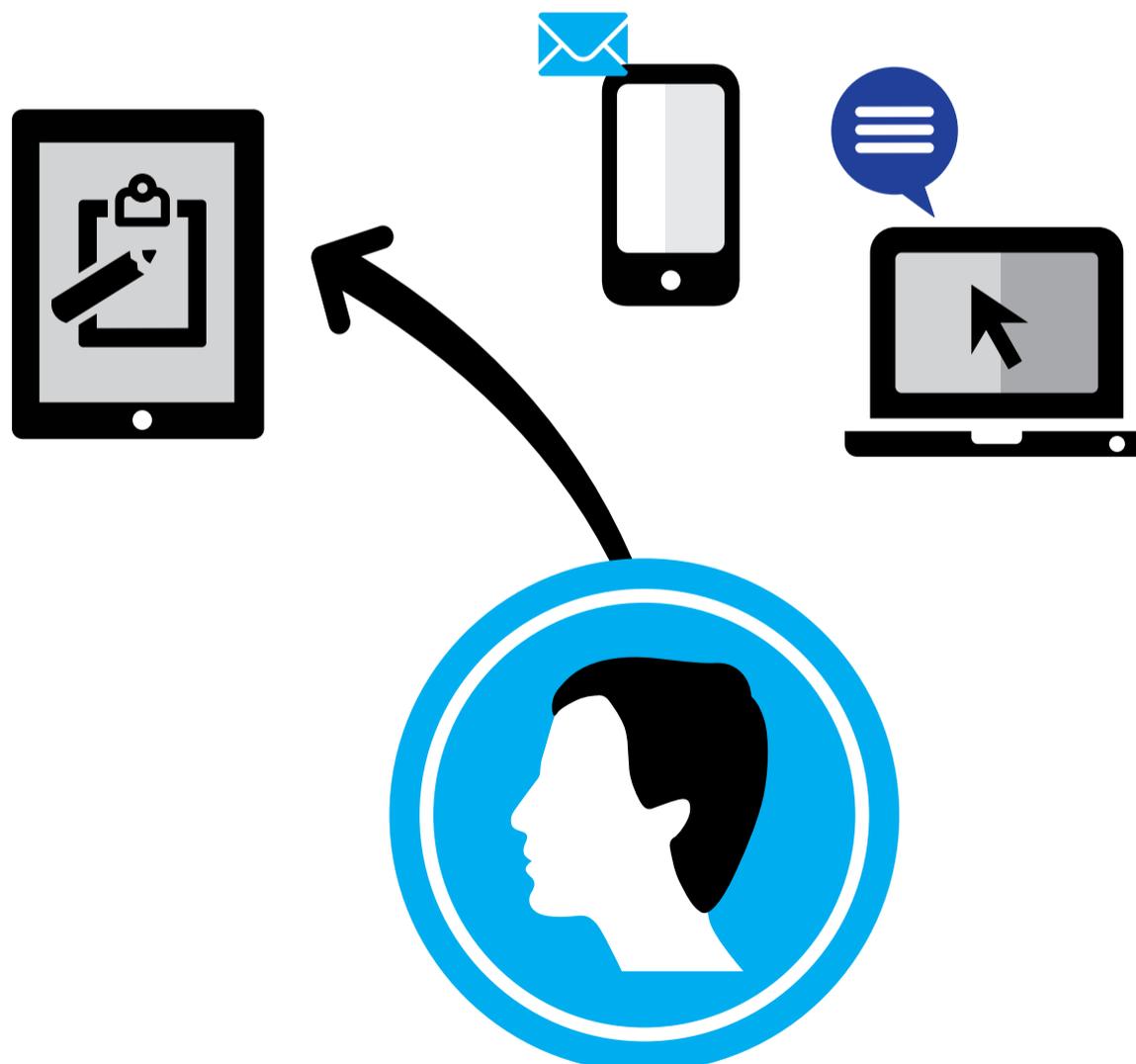
Digital technology enables the omni-channel experience, uniting all channels so that customers can start an interaction in one channel and seamlessly transition to another, without any loss of context. This makes the carrier's ability to service customer interactions ubiquitous and transparent, facilitating anytime, anywhere service over every channel and device.



Anticipate Customer Needs And Adapt in Real Time

Much is made of 'big data' and the potential insights into customer behavior it can yield. Of greater value is the ability to leverage this insight in real time, adaptively delivering personalized and tailored interactions.

Digital technology uses adaptive analytics and real-time decisioning to anticipate the customer's needs and drive the flow of every interaction. **That's the real magic—turning well-understood customer insight and intent into smart, relevant actions and offers at the point of interaction.** Digital technology then takes this adaptive process one step further, dynamically adjusting the strategy to the channel and the situation to increase the value of the carrier to the customer and the customer to the carrier.



3

Empower Resolution

Unify the Process from Start to Finish

Digital technology's ability to deliver a seamless, **omni-channel experience** can be complemented at the "back end" with a platform that unifies all of the processes, data, systems and people needed to complete tasks.

Using dynamic, rules-driven processes that seamlessly integrate with legacy systems, you can overcome the limitations of isolated systems and manual processing that breeds isolated business silos. These intelligent processes can leverage the cloud, delivering service through mechanisms like an easy-to-use app that empowers customers to complete actions on their own, such as enrolling in a term life policy or submitting an auto claim directly from their mobile phone.



Don't Wait

The Time to Start the Digital Transformation is Now

Recent Capgemini research suggests that between 80 and 90 percent of CEOs want to be a digital enterprise, but only a third have a clearly articulated digital enterprise vision.

Digital transformation doesn't have to keep you awake at night. You can gradually leverage the digital technologies outlined in this e-book to successfully begin the transition to the digital enterprise. It is typical to find 30 key end-to-end processes accounting for 50 percent of the costs.

Start small, improving cross-channel interactions or streamlining key customer processes, for example. **By building your digital capabilities gradually, you can continuously deliver service improvements that match how your digitally-savvy customers want to do business with you**, increasing their satisfaction and loyalty and providing your business with a strong competitive edge.



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