

## ***Optimising Customer Experience: Online Insurance***

Let's face the facts; the world of insurance has changed radically, and permanently. If you were seeking insurance in the 1960s, you would have arranged it through your insurance broker. With the opening of Direct Line in April 1985, the options broadened to include the direct call centre led insurer, with brokers soon responding by opening their own call centre operations in a pseudo direct operation. Today it is the internet that is fast becoming the channel of choice for the consumer, initially pioneered by insurance companies themselves, closely followed by the aggregator comparison sites, who are now emerging as a force to be reckoned with.



The issue that has emerged, however, is that as each subsequent channel has developed and the reach of the insurers increases, so too does the difficulty in retaining existing customers.

Customer acquisition is a costly business, and the investment of offering attractive incentives to capture their initial interest, has been threatened by the "premium promiscuity" of the customer. As each channel to market has developed, this has increased the opportunity for the customer to investigate, at their own convenience, the insurance options open to them. This has even further commoditised insurance as a product, and has created a state where policyholders can now easily shop for the lowest premium on their own, leaving insurers stumped as to what to do.

It is obvious that an insurer should therefore present themselves as the best possible option to a policyholder beyond pure price. The recent concentration on brand and image in the media is evidence of this. But this goes further, service is a key element, and one way of delivering a better service is to make it easy and simple to obtain a quote or renew an existing one.

Secondly, service means offering existing customers the products that they want through the channel they will be most receptive to. This depends on their all important consumer profile, which insurers can compile from data that already exists within the company, supplementing this with external data from various sources. Once this is known, it is possible to create these attractive offers.

Back to the web channel - the fastest growing channel to market for all classes of general insurance business. It has now become critical to ensure that the web pages are intuitive and easy to use. Website design has therefore become the most critical factor in self service insurance, customer acquisition and retention. New methods of data capture and analysis from websites further enable insurance companies to gain insights to capitalise on the significant investment made in their online channel.

To this end, traditional web analytics, although useful, does not nearly go far enough. Traditional Web Analytics is unable to provide the business with a multi channel picture of all their customer contact activities, through whatever means. This is a serious issue.

Insurers can benefit from the ability to see what the customer sees and to relive for themselves the exact customer experience. Imagine the power of being able to watch, measure and analyse a surfer's movements. What does the mouse hover over for example? This gives insight as to what the customer, or prospect, is considering. Every interaction can

be recorded from a web page, which then becomes a source of information rather than artificially added tags. Data can be collected in real time, recording all information from page loading to mouse movement, from the clicking of a button to the content of a search list.

The web has provided insurers with billions more rows of information, capturing the very essence of how somebody has used their website, where they dithered, and in the worst case, where they dropped out of the quotation because of some sort of confusion. But without the analytics to make sense of these rows of information, there is no insight, no understanding, and no change, as there is just too much data, and the real messages remain hidden. The traditional web capture tools offer such a stilted view of the world, capturing vast quantities of data, obscuring the real information in a sea of data.

Real time capture and analysis of data is therefore essential to ensure that an insurer can react swiftly to customer feedback and interaction with the web, even though the customer is unaware that their every movement is being analysed to provide a better service. So hot has the competition become that insurance companies not only adjust their service and product offerings in real time, but also the shape and design of their websites.

In a commoditised market, service, price, product and brand are everything. The on-line battle has shifted to become all about making it convenient and easy for the customer to experience the best in service, price, product and brand. After all that was their motivation for using the internet in the first place.

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