THE DUALITY OF INSURANCE DIGITALIZATION

A white paper exploring how digitalization is challenging the insurance industry by creating new problems while solving existing ones.

THE
INSURTECH
COLLECTIVE

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THE INSURTECH COLLECTIVE

EXECUTIVE SUMMARY

The question today's insurers are grappling with isn't whether or not to digitalize, but how to do it. What complicates matters is that digitalization has an inherent duality. On one hand it delivers transformative solutions and on the other hand it can also create new problems. Those planning and managing digitalization must be conscious of this duality and be prepared to also address the new challenges their digitalization efforts may create. Positively, leaders don't have to go about this alone. Within our industry, there are a wide range of digital providers experienced in successfully transforming problems into opportunities.

INTRODUCTION

Digitalization is affecting every corner of the insurance industry, and for good reason. The move towards digital solutions offers many advantages, such as a better understanding of policyholders, improved customer experiences, and increased overall efficiency.

Digitalizing your company, however, may not be straightforward. As you implement digital solutions, new problems can arise due to technology. We have identified 6 common problems facing the insurance industry that are directly linked to digitalization:

1. **Unstructured data** – finding strategies for optimization
2. **Personalization** – effectively meeting expectations
3. **Agent tech adoption** – overcoming hurdles
4. **The mental health crisis** – increasing care accessibility
5. **Policyholder engagement** – expanding the value-add
6. **The customer journey** – unlocking growth opportunities

These issues are significant and universal, but there are solutions in sight. Problems created by technology can often be solved by practical and well-designed digital solutions. It may seem counterintuitive to solve technological problems with more technology, but we hope to demonstrate how practical technology can become a solution if applied intentionally.

1

UNSTRUCTURED DATA

FINDING STRATEGIES FOR OPTIMIZATION

Digitalization has resulted in a surge of available data. According to Accenture, 80% of all organizational data is unstructured, which can create a variety of challenges.[1] Companies are increasingly challenged with how to organize and manage this unstructured data from multiple sources, such as online portals, social media, eApps, and email exchanges.

Insurers are not immune from these challenges and can benefit significantly from better organized data. Efficiencies are created by freeing up resources otherwise occupied with manual and time-consuming data analysis. Security is enhanced with better management of sensitive policyholder personal information. Most importantly, structured data provides valuable insights to help optimize product design, marketing, sales, and underwriting.

Automating Data Collection

Effective data collection strategies continually analyze available data sources and identify inefficiencies. Automation allows a consistent structure to be applied to the captured data. This provides insurers with a wealth of data primed to identify and solve business challenges, including customer satisfaction, safety risk reduction, simplified underwriting, and more.

Many manual processes can instead be handled by automation tools, including:
- OCR technology (Optical Character Recognition) to extract personal data from forms
- CRM (Customer Relationship Management) systems seamlessly connecting and capturing data from web forms and customer communications
- AI tools to collect and analyze data from photo, video, and audio formats

Centralized Data Organization

While efficient data collection is important, data centralization is imperative to reap the full benefits. The reality, however, for most insurers is that their data is spread across multiple systems, in multiple formats, making it difficult to pull aggregated insights from all available data sources.

There have been technological advancements in this space, however, each comes with its own obstacles. Cloud solutions have helped tackle unstructured data challenges but can also create new data security concerns. Data integration solutions are helping, but they can struggle to effectively structure data across multiple systems.

Until a comprehensive solution is found, insurers need to take a more focused approach and instead concentrate on improving a specific aspect of their data landscape. With the right mix of tools, insurers can begin to more efficiently and effectively solve specific business challenges.

Manufacturing facilities and warehouses often have CCTV cameras in place for real-time human monitoring and documentation. Amongst safety professionals, it's recognized that the utilization of CCTV footage to gain insight to unsafe worker behaviors is low. Protex AI, a software company based in Dublin, Ireland, saw the collected video footage as an underutilized resource. By leveraging artificial intelligence (AI) to analyze unstructured CCTV footage, Protex AI's privacy-preserving platform plugs into existing CCTV infrastructure and uses its computer vision technologies to capture unsafe incidents autonomously.

Having 24/7 risk detection enables safety professionals to gain greater visibility of risk across their facilities, equipping them to revolutionize how they make data-informed proactive safety decisions that help contribute to a safer work environment. Protex AI's in-depth reporting and storyboard functionality allows clients to gain insights into trends of unsafe behaviors and collaborate on learnings to instigate effective corrective actions and training programs.

In one installation, Protex AI's client, Marks and Spencer, a major British multinational retailer with over 80,000 employees globally, saw an 80% reduction in incidents within the first 10 weeks of deployment and a positive shift in employees' perception of their company's care for their safety. Much of this reduction was attributed to the efforts of their safety team to quickly identify areas of risk in their distribution centers and implement impactful safety programs amongst their workers.

Within the U.S. employers spend nearly 1% of their monthly payroll on workers comp benefits, a significant cost much attributed to the safety risks present in many workplaces.[2] Protex AI is an example of a tool that insurers can leverage in partnership with employers to better identify and reduce such risks. Historically, unstructured video data was difficult to effectively monitor, but with Protex AI, insurers can now see the full workplace risk picture.
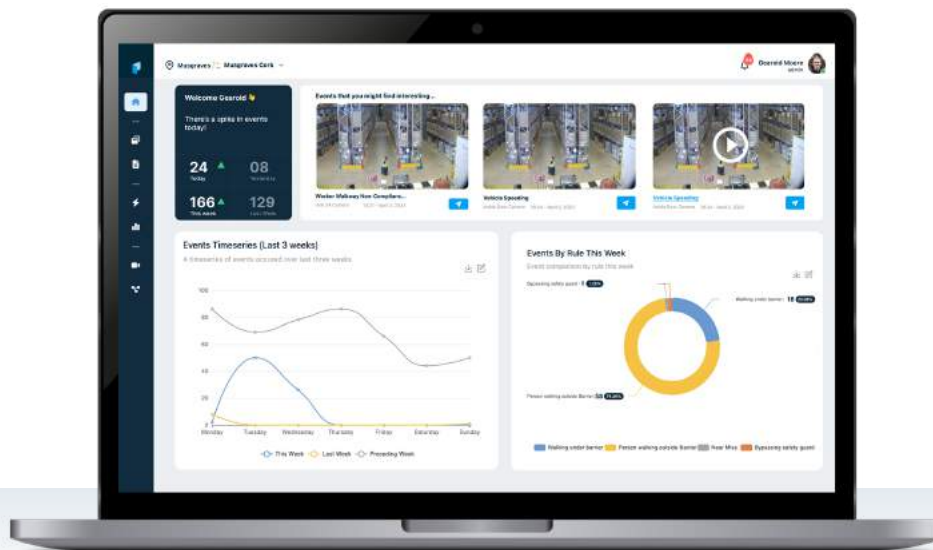
2 PERSONALIZATION
EFFECTIVELY MEETING EXPECTATIONS

Personalization is becoming less of a unique selling proposition; it's now an expectation. According to McKinsey & Company, 71% of consumers expect companies to deliver personalized communications and 76% get frustrated when they don't.[3] Furthermore, policyholder loyalty is often short-lived. Zendesk reports that 61% of policyholders switch to a competitor after a single bad experience.[4]

The net takeaway is, if you're not prioritizing personalization and emerging technologies, it could have a negative impact on your policyholder relationships and ultimately on your business.

Personalization for Insurance

There are a variety of ways insurers can deliver a more personalized experience to their policyholders, thereby showing care for their individual needs, including:

- **Flexible products** with the option to select coverage types and amounts
- **Personalized offers** built for their protection and budgetary requirements
- **Tailored communications** aligned to their unique channel and messaging preferences
- **Multiple servicing channel options** to suit differing service needs
- **Prevention recommendations** to help minimize or mitigate risks associated with potential claims

The Role of Personal Data

Effective personalization requires an intimate understanding of policyholders. The most effective programs go beyond transactional and demographic data (i.e., age, gender, race) to also consider behavioral (i.e., website views, newsletter sign-ups, social media), IoT (i.e., wearables, smartphones, GPS) and publicly available data.

Data modelling further informs the personalization process. Transparency allows policyholders to understand the data collection process, the benefits they'll receive from sharing their data, and how to opt out.

Maximizing the Value of Personalization

Fostering a culture that recognizes the importance of a personalized relationship with policyholders is a necessity. This shift from a broad to an individual customer perspective can take time and effort. Collaboration across departments is needed to gain a comprehensive understanding of customer touch and pain points. This multidisciplinary approach ensures that personalization efforts are holistic and impactful.

Prioritizing the analysis of policyholder data so that your organization understands their needs, preferences, and commonalities is key. Advanced technologies like machine learning, AI algorithms and generative AI enable efficient personalization. They help uncover hidden patterns within vast datasets, further enhancing a tailored customer approach. These insights can then be creatively integrated into your customer journey and product development strategies, helping policyholders feel seen and valued. Post-purchase check-ins, targeted how-to videos, and routinely requesting annual reviews are simple ways to help generate positive brand perceptions.

Many tools are available to help streamline the complexities of implementing personalization. In particular, a robust customer relationship management (CRM) system that centralizes policyholder information and interactions is vital. It leverages automation to deliver personalized messages and offers at scale, enhancing engagement and satisfaction, and potentially yielding substantial results.

By harnessing the potential of personalization, you can not only meet policyholder expectations, but also fuel growth in your endeavors. As highlighted by McKinsey & Company, "companies that excel at personalization generate 40% more revenue from those activities than average players."[5]

A Case Study with Zelros

Although we have access to more customer data than ever, leveraging it to execute personalized customer experiences is easier said than done. Understanding what to deliver to whom and how, as well as creating and delivering thousands of unique messages, is a lot to manage. With the help of a platform like Zelros, carriers can meet policyholder expectations and help their agents not only retain but grow their policyholder relationships.

Zelros, a Vertical SaaS InsurTech, utilizes reinforcement learning and generative AI to simplify and personalize customer experiences, while ensuring data privacy and security. Their recommendation engine leverages data from multiple sources then segments it based on lifestyle changes, life events, and potential risks. Segmented data is then used to deliver personalized offers and communications through email, SMS, landing pages, or the agents serving them. Zelros partners with Microsoft to integrate Generative AI into its recommendation engine, allowing sales and marketing teams to boost their creativity and productivity in tasks like content creation and smart data analysis.

The effectiveness of Zelros is further amplified by their approach to data collection and maintenance. Continuous AI training focuses on asking the right questions and offering the right policy, at the right time. Live customer input strengthens data quality and 3rd party data enriches customer profiles, giving a more holistic client view. Data gaps and integrity issues are also identified continuously to ensure consistency and completeness.

Implementation of Zelros is proven to improve agents' onboarding—upskilling 3 times faster and increasing digital engagement rates by 200%. Their education-focused approach to personalization enables a more consistent customer journey. Agents are better equipped to cross-sell, upsell, and engage more effectively, resulting in happier policyholders, who are more informed to better manage their risks.

> 66 *In today's insurance landscape, personalization isn't just a competitive advantage; it's the very foundation of meeting policyholders' expectations. It's a strategic imperative, a commitment to understanding and serving their unique needs. To achieve this, we must stay constantly up to date with emerging technologies, such as integrating generative AI, ensuring that we evolve with the ever-changing needs of policyholders while sustaining a profitable growth in a highly challenging and risky world.* 99
>
> **Damien Philippon,**
> **CEO and Co-founder**

ZELROS
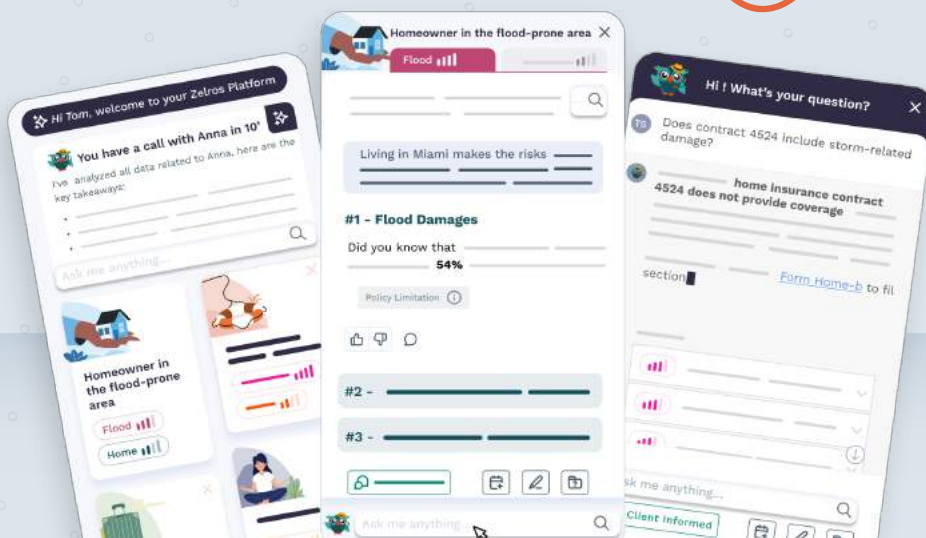
The Insurance Copilot

Powered by AI

3 AGENT TECH ADOPTION
OVERCOMING HURDLES

Digitalization often focuses on the end user. However, it also affects the insurance employees who leverage the technology. In recent years, there has been tremendous growth in the availability of self-service, no-code tech solutions supporting a variety of agent functions:

- Call recordings & transcripts
- Website-building & hosting
- Email marketing

- Social media marketing
- Outbound dialer
- Agency management

- Quotes & illustrations
- e-applications

Although access to such solutions can empower agents, they're often delivered as a disjointed tech stack, inhibiting their full impact. With each new platform comes more time spent learning and maintaining them, creating inefficiencies that can further discourage technologically hesitant agents from adoption. When the agent user experience is overlooked, carriers not only face lower tech adoption rates but increased employee dissatisfaction. With a focus on improving and centralizing the agent tech experience, insurance carriers can further amplify the ROI of their tech investments by enabling greater agent productivity and thus, increase sales.

Tech, a Recruiting Tool

According to the U.S. Bureau of Labor Statistics, 50% of the current insurance workforce will retire over the next 15 years.[6] This Great Retirement will leave more than 400,000 insurance agent positions open. As seasoned agents retire, companies must find ways to attract new, younger talent. These "digitally native" generations have spent most of their lives immersed in technology and expect no less from their workplace.

In fact, Adobe reports that 70% of Gen Z employees would leave their job for one with better technology.[7] Although they're quick to onboard new technology, they have higher expectations that the solutions will simplify and streamline their daily tasks. There is little patience for poor user experiences often created by disjointed tech stacks. As carriers prepare for the Great Retirement, their capacity to offer new talent a suite of integrated solutions is imperative. Their ability to attract and, most importantly, retain talent depends on it.

Enticing Adoption with Simplicity

While improving your tech stack for younger generations is important, it can also benefit current agents. According to research done by Zippia, 66% of insurance agents are 40+ years old, some of whom are not digital natives.[8] Although their needs may differ from younger generations, they mutually benefit from a more seamless agent experience. Ease of use is critical. Overcoming long-standing resistance to technology can't be solely achieved with training and incentives. Multiple logins and platforms all present hurdles. Tech features that combine multiple tools into one and deliver intuitive workflows and great user experiences are in everyone's best interest, and ensure agents are set up for success.

A Case Study with iLife

For many insurance carriers, the evolving nature of digitalization has resulted in fragmented software workflows and unorganized data. Complex challenges inhibit the full ROI of digitalization. iLife, an InsurTech platform dedicated to modernizing insurance business technology, believes this can be resolved. Their solution combines the tools most necessary to agents, providing efficiency all in one place.

With iLife, agents no longer manage separate Customer Relationship Management (CRM), marketing, sales, and e-App tools. Offering agents an all-in-one tool lessens tech adoption hurdles. iLife is proven to reduce agent onboarding time by as much as 70% and increase platform retention by 30%. Functionalities such as iLife's touchless CRM automatically tracks all agent/policyholder interactions driving further efficiency. Users report spending 10 times less on back-office tasks. With efficiency comes increased productivity, including more sales, better customer service, and higher overall agent performance.

Benefits extend beyond those of the agent. One iLife installation helped a leading carrier go from a disconnected workflow made up of six different vendors to the single iLife solution, resulting in a 75% reduction in technology ownership cost. Consolidating platforms also enables workflow simplification and greater data intelligence, improving not only the agent but the policyholder experience.

iLife proves that by taking an agent-focused approach to craft your tech stack, you can multiply the positive effects of digitalization.

We unite to help agents grow.

iLife and ReMark are combining their strengths in technology and marketing to help agents realize the full potential of their books of business. Agents are equipped with policyholder intelligence and an all-in-one sales and marketing platform to efficiently close more business. Are your agents equipped to maximize their growth? Let's discuss.

66 *iLife is at the forefront of revolutionizing the insurance sector. The returns carriers can expect by enhancing both client and agent experiences are unprecedented. By refining the client journey, carriers can anticipate lower drop-off rates, an uptick in referrals, and invaluable feedback that directly benefits agent recruitment and retention. Our commitment is to drive excellence at every touchpoint, ensuring both innovation and inclusivity for the industry's future.* 99

Nelson Lee, Founder and CEO of iLife
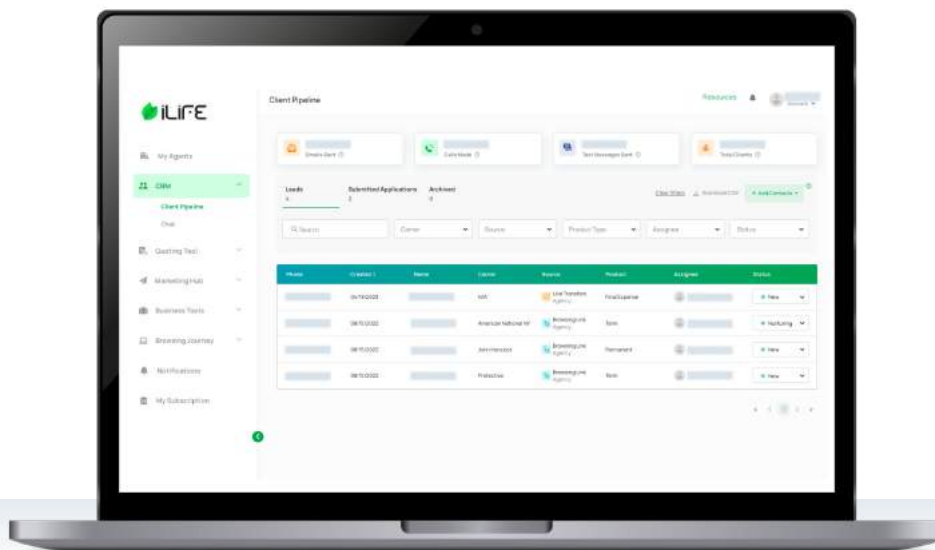
4 THE MENTAL HEALTH CRISIS
INCREASING CARE ACCESSIBILITY

It's no secret that there is a mental health crisis in the United States. According to the National Institute of Mental Health, more than 1 in 5 adults in the U.S. live with a mental illness, equal to about 57.8 million Americans.[9] There are consequences of this phenomenon that should be of concern to insurers, such as the close relationship between poor mental health, physical health conditions, and mortality.

Untreated mental illnesses like addiction, chronic anxiety and depression can lead to serious physical health conditions such as diabetes, heart disease, or stroke.[10] In some cases, severe mental illnesses can also increase the rate of mortality. For example, people with schizophrenia, bipolar disorder, and depressive disorders live an average of 10-20 years less.[11] Addressing the underlying mental health issues that lead to these conditions can provide long-term benefits for both the policyholder and the insurer.

The Accessibility Gap

Americans are undoubtedly in need of mental health services, but there is an accessibility gap between the number of providers available and the patients in need of care. According to the American Psychological Association, 65% of psychologists reported they had no openings for incoming patients.[12] Additionally, the average wait time for behavioral health services is six weeks.[13] Many patients may not get help in time, potentially leading to life-altering circumstances, such as strained relationships, loss of social connections, unemployment, and even death.

Even if a provider is found, services may not be covered by a policyholder's insurance or the gap between actual cost and coverage is too expensive. Providing adequate insurance for policyholders seeking treatment is one of the most effective ways to combat the current mental health crisis and slow the prevalence of mental illness in America.

Technology has been Embraced for Better and for Worse

Technology plays a significant role in the prevalence of mental illness in America. Excessive social media use is proven to cause feelings of isolation and negative self-esteem. Overuse of mobile devices leads to difficulty focusing and sleep problems. These negative habits can contribute to more serious mental health issues, such as anxiety and depression.[14]

However, technology can also be part of the solution. Services such as telehealth virtual visits have many benefits. This increase in the pool of provider options allows patients to see their provider even when not geographically close, making treatment more affordable and accessible.

Additionally, more robust data intake assists in the patient triage process, aiding the optimization of allocated resources. Remote follow-ups can keep patients engaged before, during, and after treatment, potentially leading to higher treatment success rates.

Insurers have a great opportunity to partner with digital solutions that are working to solve this challenge and increase the accessibility of mental health services. Addressing this problem can help to decrease claims costs and increase policyholder life expectancy. More importantly, it will improve the lives of those struggling with mental illnesses that are going untreated.

ifeel is the leading mental well-being solution partnering with global insurers to help increase mental healthcare accessibility, and reduce health insurance claim costs up to 40% with a simple API integration. Their human-centric approach places the end-user's well-being at its core, inspiring growth and delivering outstanding mental well-being support to end users.

ifeel's digital solution is dedicated to addressing this challenge by supporting the mental health needs of all people by enabling care at scale. Through an effective triage, ifeel addresses each patient while determining their level of risk. Then, the digital platform delivers live therapy sessions, as well as therapy through chat, with licensed psychologists located worldwide, across 30 areas of specialization, and in more than 29 languages. Users are further supported via a suite of self-care tools enhanced by AI recommendations such as meditation and stress relieving exercises.

One of ifeel's partners is a health assistant company serving insurance companies and healthcare organizations with more than 9-million people. This partner was experiencing high demand, high costs, and waiting times between 4 to 8 months for triage and therapy. Thanks to the partnership, they reduced screened-patient costs by 40% and clinical intake start from 3 months to 2 minutes. Furthermore, they managed to establish a highly efficient online dashboard for the organization of all patient data.

Thanks to API integration, ifeel partners leverage the power of data, providing real-time updates, onboarding automation, user lifecycle management, and reporting processes. ifeel's data protection process is ISO 27001 certified and GDPR compliant, ensuring robust patient data security.

ifeel's dedication to mental healthcare accessibility and partnerships with insurers results in an effective digital mental well-being solution that improves the lives of policyholders in need of mental health services.

> **"**Insurance companies are paying out today billions of dollars in disability claims, health claims, and in additional life and non-life protection products. These claims are increasing due to the high demand in a post pandemic world that includes blended work and cultural shifts. Research shows that lack of access to mental healthcare increases the payment in claims over time in hospitalization or disability. With easier access and timely follow ups, insurers can reduce claim costs, increase revenues and loyalty of the insured population.**"**

Amir Kaplan,
CEO & Co-Founder of ifeel
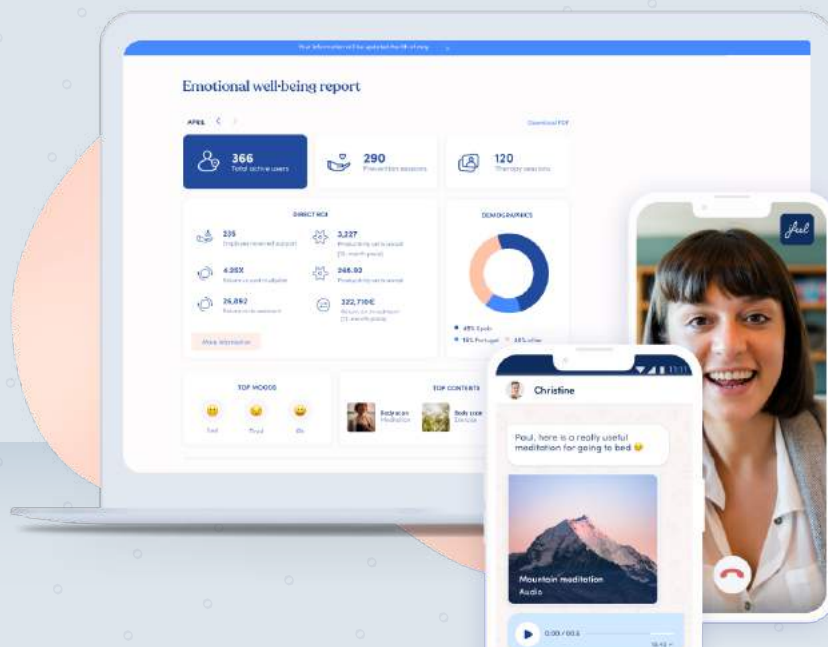
5 POLICYHOLDER ENGAGEMENT

EXPANDING THE VALUE–ADD

Traditionally, insurers engaged with their policyholders on an annual basis—typically around renewal. Unless there was a servicing need, policyholders expected little to no engagement with their insurer. This, however, has changed. Younger generations expect regular, value-added interactions. Furthermore, as digital self-service becomes more readily available, customer retention becomes harder to maintain. After all, unhappy policyholders can simply cancel their policy online and move on to the next best option.

Facing increased customer expectations and the side effects of digitalization, insurers are forced to rethink their approach to policyholders, including expanding the role they play with them. Luckily, across the customer journey there are many opportunities to add value to policyholders' lives.

Prospect Education

Engagement opportunities begin even before a policyholder is a customer. According to ReMark's 2023/24 Global Consumer Study, 69.6% of U.S. Gen Z and Millennial respondents feel they need additional education about insurance.[15] During the prospecting stage, having an abundance of easily accessible educational materials and fast inquiry response times is essential. Showcasing your ability to educate potential customers establishes your company as a competent choice.

Periodically review your public-facing materials to ensure they effectively educate consumers about insurance. Everyone learns differently, so offering a variety of learning formats such as blogs, FAQs, videos, courses, or calculators is beneficial. Access to a full suite of educational tools not only encourages engagement but reinforces the sales process—extending benefits well beyond the prospecting stage.

Personalized Outreach

Effective engagement is more than simply increasing your frequency of communication. Blasting policyholders with unrelated offers can negatively impact your brand's perception. As you learn more, you can increase the personalization in your policyholder communications, offering tailored product recommendations that show you understand their needs and interests.

Considering policyholders' preferred communication channels is also important. 24/7 access to a wide variety of communication channels (i.e., social media, email, website, phone, in-person, etc.) demonstrates your interest in two-way engagement. Incorporating tools such as chatbots can help ensure their questions are answered at their point of need. Overall, the most successful personalized initiatives not only increase NPS scores but generate organic growth.

Enhanced Value

Post-purchase offers exciting opportunities to be creative and further differentiate your brand. According to Salesforce, 84% of customers say the experience a company provides is as important as their products and services.[16] Whether it's offering a rewards program or gamifying your customer journey, providing unique experiences reinforces that you value their business.

Broadening your engagement strategy to play a larger role in policyholders' lives can be very beneficial. Policyholders rely on their insurer to protect the things most important to them, but can that extend beyond coverage? Today's consumers are increasingly interested in understanding their risks and how to reduce them. This presents a new engagement opportunity for insurers who have the credibility and expertise to fulfill this role.

With the support of technology, carriers can effectively engage, retain, and grow policyholders throughout the customer journey.

A Case Study with Garmin Health

With increasing risks and tightening margins, insurers are seeking new ways to reduce risks. Life insurers are turning to health & wellness initiatives to not only address these challenges, but also engage policyholders. Garmin, a leading global provider of smartwatches, fitness trackers, and digital health solutions, saw this as an opportunity to increase access to wearables. Garmin Health collaborates with insurance carriers to craft wearable-centric wellness initiatives. Bundling insurance coverage with a discounted or subsidized smart wearable elevates the insurance offering by creating a sense of tangibility.

The Garmin Health API also provides insurers access to new types of policyholder data, including heart rate, steps, sleep, and calories. This rich biometric data provides a snapshot of a user's current physical condition and can help identify potential future health risks. Recognizing the value both carriers and policyholders have in this, the Garmin Health research development team is focused on uncovering ways wearable data can help individuals manage their health and wellness. New Garmin Connect Health features are being regularly released to address such conditions.

Garmin Health provides custom enterprise business solutions that leverage Garmin's extensive wearable portfolio and high-quality sensor data for applications in the corporate wellness, population health, and patient monitoring markets. The Garmin Health API allows third parties to ask customers to share their data in accordance with their specific privacy policies. As part of a global company that designs, manufactures and ships products worldwide, Garmin Health supports its customers' commerce and logistics needs, allowing enterprises to scale with a single, trusted provider.

With the support of a technology leader like Garmin, carriers can add true value to policyholders' lives.

Did you know?

Garmin and ReMark are global strategic collaborators.

For 4 years, we've been working together to encourage healthy behaviors in policyholders. We've combined our knowledge and data insights to support SCOR's Biological Age Model BAM™. BAM is an actuarial endorsed algorithm that enables individual risk profiling and premium adjustments based on wearable data. Crafted special insurance offers help to make wearables more financially feasible for policyholders. Plus, by supporting over 200,000 Good Life users, ReMark's health & wellness engagement application has helped users to become biologically 2.4 years younger.

> "*Implementing health and wellness programs with wearables allow insurance companies to stay competitive and offer a holistic approach to achieving better health outcomes. With wearables, insurance companies can achieve an easier and more accurate underwriting process. Wearable programs enhance customer engagement and loyalty, offer risk detection for early prevention, provide cost effective treatment, and ultimately improve overall customer health and wellbeing.*"

Jörn Watzke, Senior Director Global B2B Sales of Garmin Health

GARMIN HEALTH

6 THE CUSTOMER JOURNEY
UNLOCKING GROWTH OPPORTUNITIES

Today's insurance customer journey is more complex than ever. Although it was assumed digitalization would allow for more efficient, 100% digital customer journeys, many policyholders still prefer human-digital interactions. The journey is no longer a single channel, linear experience. Carriers are managing more customer channels with more experience variations, increasing the risk of customer-journey roadblocks and greater potential for missed opportunities.

No matter where you are in your digitalization evolution, it's likely to be a long-term process. Facing this, how do you continue to drive present-day growth while building for the future?

It Starts with a New Mindset

One of the many byproducts of digitalization has been the shift from a profit to a customer-centric mindset. According to Forbes, customer centricity is the "ability of people in an organization to understand customers' situations, perceptions, and expectations."[17] The benefits of putting policyholders at the center of your decisions go beyond better serving them. If done properly, it can also create new growth opportunities for your organization.

This is easier said than done when faced with limited internal resources and the pressure to still achieve revenue goals. However, customer centricity doesn't have to happen overnight. The mind-set shift can evolve over time. You may want to explore how you can incorporate customer centricity into your other strategic initiatives. Coupling it with other initiatives will allow you to further stretch your resources while building upon your customer centricity.

Walk in Their Shoes

To put customer centricity into action, simply keep them top of mind when constructing strategies. Consider what it's like to be a policyholder and walk through (and document) your entire customer journey. Candidly question its effectiveness:

- Is it a seamless experience that limits barriers to entry?
- Is communication clear and effective throughout?
- Are policyholders' protection needs properly fulfilled?

Flag areas of ineffectiveness as growth opportunities, then size and prioritize them based on the potential business impact. Consider both the potential return, as well as the efforts required. Whether it's adding new digital response channels or improving your post-sale communications, in your quest to better serve your policyholders, you can benefit from an improved bottom line.

It's a Team Effort

Many organizations are structured under the assumption that consumers operate in channel silos. By structuring digital teams to operate independently from other distribution channels, growth opportunities can be overlooked. Data & analytics and technology resources also play a key role in bringing your growth initiatives to life. Whether they're internal or external, collaborating across departments can help to ensure that you're delivering a seamless customer experience across all channels.

Although digitalization has created more complexity, it's also broadened our perspective, creating new opportunities to better serve and grow our relationships with policyholders.

A Case Study with ReMark

Since its inception almost 40 years ago, ReMark has been leading the way in driving sustained growth for global carriers. They leverage ReMark's marketing, technology, and insights to improve upon their customer journey and sustainably grow their business. ReMark takes a customer-centric approach to building strategies, kicking-off projects with customer journey mapping and CRM (Customer Relationship Management) opportunity assessments. Most frequently, untapped opportunities are identified within the journey, whether it's through an improved experience or by extending it. What's more, because ReMark also constructs and executes their proposed strategies on behalf of carrier partners, their strategies are proven to generate growth.

In one such long-standing U.S. relationship, ReMark has generated significant growth for the insurer by implementing multiple initiatives across their customer journey. Beginning with acquisition, ReMark modernized the insurer's paper-based application process by launching their first-ever digital response channel. Digitalization sped up their processing times and reduced barriers to apply, resulting in 10% higher conversion rates than traditional response channels.

The insurer's underwriting process also presented a growth opportunity. Traditional underwriting focuses on reducing risk, but what about the preferred segments eligible for greater coverage? ReMark constructed a fully automated digital process upselling to eligible applicants in the brief time between underwriting decisioning and issuance. Of those eligible, 10% accepted the greater coverage, increasing their annualized premium by over 30%.

Like many carriers, their campaign efforts were heavily focused on acquisition. An untapped opportunity existed to also drive organic growth. ReMark recommended extending the customer journey with intelligent cross-sell campaigns. Backed by a custom-built response model, policyholders are presented product offers tailored to their unique customer profile. Incorporating cross-selling into their customer journey has resulted in over 100,000 incremental policies, generating over $15 million in first-year annualized premium.

ReMark efforts have demonstrated that, by combining the strengths of technology with marketing and insights, we can produce growth across today's more complex customer journey.

> **"** *Carriers can unlock substantial growth potential by optimizing their distribution channels and enhancing customer outcomes through digitalization. Creating transformative digital solutions necessitates a fresh perspective on processes, supported with strategic planning and proficient management of multi-dimensional delivery systems. We are proud to bring ReMark's proven expertise to assist carriers in crafting an exceptional customer experience.* **"**
>
> **Steve Gaertner,**
> **Head of North America at ReMark**

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CONCLUSION

Digitalization brings with it an inherent duality—it provides solutions that can inevitably create new problems. This necessitates that insurers collaborate with experts who have relevant experience navigating the process of digitalization, to benefit prospects, policyholders, agents, and carriers alike.

If your organization is facing any of these challenges, we hope you can take what you've learned and apply it as needed. Here's a quick recap:

1. Properly collecting and organizing unstructured data will help you pull insights about your policyholders.

2. Embracing personalization can help ensure you're meeting your customers' expectations and keeping up with the competition.

3. Streamlining and simplifying your agent tech stack can help attract young talent to the insurance industry and ease the technological burden on your current agent workforce.

4. Doing what you can to address the mental health crisis as an insurer can help reduce claims costs, decrease mortality, and better the lives of millions of people.

5. Broadening your policyholder engagement strategy can help create more loyal customers and meet the expectations of younger generations.

6. Shifting your focus to be more customer-centric can help create new growth opportunities and strengthen policyholder relationships.

Digitalization is an ever-evolving process that our industry needs to continue to grow and adapt to. Luckily, the InsurTech community is growing alongside it. We're no longer alone in the process. A wealth of tech partners are available to help us solve problems and take full advantage of digitalization. We encourage you to embrace the process and all it can offer your company and your policyholders.

THE
INSURTECH
COLLECTIVE

THE INSURTECH COLLECTIVE

WHERE PROBLEM SOLVERS UNITE

The InsurTech Collective's dynamic alliance helps solve challenges that come with digitalizing the insurance industry. Members of The InsurTech Collective benefit from each other's strengths and offer practical solutions at the intersection of technology and coverage.

Proactive Safety Powered by AI

Protex AI sees their offerings as a value-add to insurance carriers in the important step of helping safety and operations teams to gain 24/7 visibility to risk in their business. In this way, they can give the carrier a competitive advantage. Overall, their goal is to empower companies to revolutionize how they make proactive safety decisions that help contribute to a safer work environment.

For more info, visit protex.ai

The Insurance Copilot Powered by AI

Zelros is a SaaS platform that offers real-time personalized insurance recommendations across channels. It enables insurers to provide the best coverage to their policyholders while boosting client acquisition, cross-sell & up-sell, driving agent effectiveness and increasing loyalty.
Distribution & Innovation Insurers leaders rely on Zelros to create relevant and proactive experiences for their customers and agents.

For more info, visit zelros.com

The Most Robust All-in-One Insurance CRM

iLife consolidates multiple tools into one front-end operating system that makes daily processes more efficient and streamlined, with all the data in one place. When carriers have a consolidated process that eliminates inefficiencies and fragmentation, it's a better experience for consumers, as well as for their agents.

For more info, visit ilife.tech

The Emotional Well-Being Service for Insurers and Employers

ifeel has the digital expertise to help improve policyholder engagement, reduce costs, and create new revenue streams for carriers. Discover how their mental well-being solutions in the pursuit of mental health can help you achieve your objectives and inspire human growth.

For more info, visit ifeelonline.com/en

Empowering the Future of Digital Health

Garmin Health provides custom solutions that leverage Garmin's extensive wearable portfolio and high-quality sensor data for applications in the corporate wellness, population health, and patient monitoring markets. The Garmin Health API allows third parties to ask customers to share their data in accordance with their specific privacy policies. As part of a global company that designs, manufactures and ships products worldwide, Garmin Health allows enterprises to scale with a single, trusted provider.

For more info, visit garmin.com/health

Bridging the Gap Between Insurers And Consumers

ReMark (SCOR Digital Solutions) is a leading global provider of solutions & services, helping insurers worldwide to grow sustainably. With 39 years' experience in consumer insights, marketing campaigns and tech solutions, ReMark helps insurers to understand what consumers really want, and prepares them to meet that demand - turning one-time transactions into long-term relationships.

For more info, visit remarkgroup.com

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