

Accenture **Interactive**
Part of Accenture Digital



Digital Engagement Solutions for Insurance

Adobe & Accenture Joint Initiative



High performance. Delivered.

Insurance revenues at risk

Digital technologies accelerate acquisition, engagement, and relationship-building with underserved segments of property/casualty and life insurance markets—audiences with high expectations for digital interactions. “Born digital” competitors and fast-moving incumbents use digital techniques to attract these new customers, steal competitive share, and increase their share of \$470 billion worth of annual premiums¹, by:

- Delivering engaging brand experiences across multiple digital channels
- Creating online-only brands to compete with established offerings
- Using direct models to neutralize the value of incumbents’ Agent networks
- Using connected devices to streamline processes and improve the experience. Deploying real-time “name your own” price and coverage comparators
- Offering paperless transactions throughout the entire relationship
- Encouraging side-by-side comparisons that focus consumers on price
- Reducing barriers and raising incentives to switch to their products
- Digitizing service interactions for mid-market audiences and products
- Building partner ecosystems to offer valued but nontraditional services
- Expanding loyalty programs to offer value, not just discounts

All of these techniques are available to traditional incumbents, despite a legacy of regulation, risk-aversion, and loyalty to traditional sales and distribution models. Cloud-based digital technologies and the business models they support can release incumbents from many of their legacy constraints, transform others into competitive advantages, and accelerate a return to market leadership.

But insurers can still prosper in this new environment without abandoning their traditional strengths and service models. The Adobe and Accenture Joint Initiative is designed to help both property/casualty and life insurers re-engineer their customer journeys to address customers’ expectations for engaging digital experiences at every interaction. Stronger digital engagement can help these firms acquire both new market entrants and competitors’ customers, strengthen their customer relationships, improve retention, and cultivate loyalty into advocacy. Beyond these may lie additional opportunities to create and market new, innovative insurance products, to improve customer lifetime value and loyalty.

Revenues at risk

Switching is a significant revenue and profit risk for insurers. Of 23,000 insurance customers surveyed for Accenture:

- Only 29% are highly satisfied with their providers
- Among property/casualty customers, only 22% feel any loyalty to their provider
- 30% of property/casualty customers would consider shopping for a better deal
- 38% of life insurance customers evaluate new providers based on price
- 34% of life insurance customers switched providers in the last year



Serving digital consumers

Digital consumers—well represented among Millennials—represent the next generation of insurance customers. All types of insurers target them, although for different reasons and at different stages of their journeys:

- Property/casualty insurers, whose products are typically required by law or lenders, use engagement to capture customers who switch at renewal time, and as a defense against price competition
- Life insurers, pressured by new capital requirements, use digital engagement to expand into the mid-market with new products and service models, to achieve premium growth without their traditional cost burdens

Consumers are as demanding in their own way as their predecessors. Where Boomer and Gen-X customers expected prompt, courteous service delivered in person, Millennials expect its digital equivalent. They measure insurance against their best experiences with digital standouts like Amazon®, Spotify®, and Uber®. They expect interactions personalized to their attributes, behavior, and intent, continuous across every device and platform and every step of their customer journey—as they choose to define it.

Personalizing sales

Digital consumers select and stay with brands that understand them and offer relevant choices at key inflection points along the digital journey. By building 360° customer views that balance privacy and compliance against personalization, insurers can manage the customer journey to attract high-quality prospects and transform them into sales.

For property/casualty insurers, key inflection points include the selection and onboarding processes, claims and renewals and every other potential “switching point.” These insurers require digital tools for:

- Cross-channel detection and targeting of policy prospects based on website visits and similar indicators
- Targeting based on life events like the purchase of a home—an opportunity to buy homeowner’s insurance, consolidate it with auto coverage, and add umbrella coverage
- Precise segmentation and targeting of anonymous first-time traffic, to deliver personalized content and offers that attract new customers and displace competitors
- Enhancement of every later touchpoint and experience—claims, repairs, rental/loaner cars, renewals, and more—with offers that match digital consumers’ individual preferences

For life insurers, personalized sales means:

- Targeting based on life events that create or highlight a need for insurance, such as a new job or the birth of a child
- Educational assets, comparators, and simulators to demonstrate the asset, coverage, and cost benefits of adopting insurance early in life
- Smooth transition to Term Life and other products that may require interaction with an Agent or representative
- Digital alternatives to personal introductions by insurance brokers, which are both costly and mismatched to the preferences of digital consumers

Customer-centric service

Digital consumers expect support built around them, meeting them when, where, and however they choose to engage. For every insurance model, this means:

- Experience design that streamlines service across every customer lifecycle touchpoint, with the ability to continuously track status, issue timely updates, resolve claims easily, and more
- Personalized product portfolios and bundles that accommodate consumer niche preferences in ways competitors cannot match
- Interactions that accommodate customer choices of time, place, device, and channel—and pick up seamlessly when customers pause, move, or switch
- Digitization of every interaction, including face-to-face contacts offline, backed by a single view of the customer that unites them all

What it will take

To satisfy the requirements of these new markets without compromising traditional business models, insurers will need to:

- Analyze and segment their media audiences, web visitors, and customer bases to identify niche customer needs and preferences
- Design and bundle products to meet these niche requirements without cannibalizing current offerings
- Personalize their advertising, website, and campaign content to attract and retain digital consumers and defend themselves from low-price competitors
- Cross-sell and up-sell new offerings such as financial advice, offered either in-house or through partner networks
- Improve educational resources and tools to compare or simulate offerings, accelerate sales and service workflows, and reduce costs
- Extend loyalty programs beyond discounts for bundles, for example by rewarding customers for referrals
- Marketing efforts to diminish operational silos that fragment customer experiences
- Develop service ecosystems beyond traditional insurance, for example with home security services, or concierge services during temporary relocations

Personalizing sales and service

Insurance customers expect their providers to interact with them over digital channels:

- 47% want more online interaction with their insurers
- 46% with tablets and 37% with mobile phones have used them to interact with their insurers²

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Solutions for Personalized, Customer-centric experience to drive acquisition, engagement, and retention:

- Vital Pulse of Insurance
- Enrollment Experience
- Contextual Personalization
- Coverage Expansion Enabler

Updating distribution models

Digital technologies affect more than sales and service. Adapting these technologies to an insurer's distribution model—and vice-versa—are key components of experience and retention strategies.

Distribution imperatives

Digital customers research products online and through social networks—some even rely on recommendations alone. Generating or intercepting these early-stage opportunities is imperative for insurers to compete for these new consumers:

- Insurers' marketing teams must learn to identify desirable prospects more accurately, quickly and cost-effectively than competitors, and distinguish at-risk from good-risk customers at the lowest incremental cost
- Property/casualty insurers must build out their current direct-distribution capabilities to compete with all-digital and born-digital leaders
- Life insurers must also add direct distribution—a top-of-mind issue for them, but are slow to implement the digital capabilities they need to succeed
- Accelerate new offerings to market while reducing delivery risk by applying proven capabilities and solutions

Emerging roles for Agents

Agents' roles vary by business model and from firm to firm. Property/casualty insurers use Agents as expeditors and service representatives; life insurers for business development and sales. Within those categories, some companies use Agents to differentiate products and service offerings, while others intend to reduce their Agent forces in favor of digital distribution channels for customer acquisition and retention. Both strategies require consolidating data from company-owned (first-party) and allied (second-party) sources to generate actionable insights based on a deep understanding of the customer.

Both strategies are viable only to the extent targeted customer segments value them. But wherever insurance Agents are valuable to an insurer's business model, they should be empowered with localized data-driven marketing strategies and digital tools to acquire, delight, and retain customers.

What it will take

Insurers need to choose a distribution strategy: traditional Agent-based, all-digital, or—most likely—a mixed model using digitally-enabled Agents for high-end traditional products and markets, and automated digital engagement for expansion into the mid-market. Regardless, they will need to make changes, including:

- Analysis and segmentation to determine the most productive way to deploy Agents to serve present and future markets
- Sharing of customer prospecting, cross-selling, management, and retention tools and data with Agents and brokers
- Digitized content designed specifically for automated personalized engagement, beyond today's awareness and educational materials
- Simplification of product lines, service models, and back-end processes to streamline sales and service for the mid-market
- Transparency of the processes and channels supporting sales and service, to build trust with a new and often skeptical market segment
- Modernization of legacy systems and fragmented organizations that prevent data sharing and analysis across product lines

Leveraging the value of Agents

Agent relationships are important—and can be made even more effective.

- 56% of insurance customers prefer to work through their insurer's exclusive agent³
- 91% of Americans trust independent Agents most for insurance policy advice⁴
- 38% of insurance purchasers are willing to pay an average 9.6% more for personalized advice⁵

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Solutions for Customer-centric Sales and Services:

- Interactive Agent
- Agent Marketing Portal
- Agent Productivity Portal
- Vital Pulse of Insurance
- Contextual Personalization



Solutions

With its tight focus on industry-specific solutions, the Adobe & Accenture Joint Initiative offers insurance clients solutions like these:

Vital Pulse of Insurance

Improves customer acquisition and onboarding performance by:

- Sharing segments across channels to coordinate content and offers across multiple acquisition campaigns in real time
- Personalizing social, email, search, and display advertising campaigns to the relevant target profiles
- Aligning acquisition campaign content and messaging to customer profiles and user intent
- Simplifying the enrollment process across mobile and web devices to facilitate customer acquisition, enhance up- and cross-selling opportunities, and prevent customer drop-out

Enrollment Experience

Simple, intuitive enrollment process across web and mobile channels designed to facilitate customer acquisition, improve up-sell and cross-sell performance, and prevent customer drop-off.

Contextual Personalization

Content alignment across various touchpoints of clients' digital ecosystems, personalized according to each customer's past and current interactions. Appropriate segmentation and targeting of new, unauthenticated traffic to help deliver personalized content and offers.

Coverage Expansion Enabler

Tools and methodologies designed to use customer preferences and historical patterns of engagement when helping to create "next best product or service" offers to advance the customer journey

Interactive Agent

An integrated portal that consolidates customer segments, interactions, and preferences into a single view across all online and offline touchpoints, designed to enhance Agent interactions. Designed to help to reduce the operational cost of the Agent distribution channel, while increasing its impact and improving outreach.

- Agent Marketing Portal: Provides Agents an intuitive, standard way to establish their digital presence
- Agent Productivity Portal: Agents can actively segment and target their customer base of policy holders thus creating the interface and the process for agent to act as a marketer

Digital Marketing ROI Dashboard

An executive dashboard that presents strategic, tactical, and content views to measure and track marketing program effectiveness and efficiency across business units/product sites. It integrates a robust view of marketing performance across channels, supporting a strategy-driven, ROI-enhancing approach to assist with media spend management.

Distributed Marketing Campaign Platform

A digital technology platform and marketing solution that manages campaigns, integrates data, and serves as a corporate governance tool. It supports simulation and comparison of offerings comparison to help sales and service workflows and reduce costs.

Adobe and Accenture help insurers deliver compelling experiences to customers throughout the lifecycle from acquisition, conversion, nurturing through conversion and sale, service, relationship deepening, and lifetime loyalty.

To see an optimized journey in action, follow Adam, an unauthenticated young consumer who recently bought a new car. Adam wants to find an insurance provider that will value his impeccable driving record more than his "risky" age profile and gender. Digitization and personalization of his experience, with prompt targeting and retargeting as his journey advances, are supported by solutions that work alongside the legacy

infrastructure—or even span both worlds. The result gives Adam a reason to adopt a new insurer and remain loyal across renewals, and gives his insurer a new customer without overturning its systems, organization, or business model.

Adam's Journey

 A 25 years old, unmarried, city-dwelling, digital-savvy, car-crazed, investment banker.

 Adam recently bought a new car and is considering switching insurance providers.

 Adam does not feel loyalty to any insurance company.

Value: Unknown



The Adobe & Accenture Joint Initiative

The Adobe & Accenture Joint Initiative (JI) was established to help key industries like insurance navigate the complex landscapes of the new digital age. The JI expands the longstanding global alliance between Adobe and Accenture, to help clients in four key industries achieve new levels of marketing performance.

Combining Accenture's unparalleled industry, strategy, and digital experience with Adobe's best-in-class Marketing Cloud solutions, the joint initiative helps insurance marketers:

- Transform organizations to overcome legacy constraints and market effectively through both digital and traditional physical channels
- Achieve new levels of growth by deploying next-generation marketing solutions with the experience to use them effectively
- Overcome global competitive challenges by combining strategic insights, deep digital experience, and advanced marketing solutions
- Accelerate new offerings to market while reducing delivery risk, by applying proven capabilities and solutions
- Overcome fragmentation and inefficiency by integrating marketing, service, and sales solutions across the extended global enterprise

Why select the Adobe & Accenture Joint Initiative?

The Joint Initiative helps insurance clients seek greater marketing performance and efficiency, with faster returns from their digital marketing investments, by linking two industry-leading competencies: the digital marketing solutions of Adobe Marketing Cloud and the industry-specific digital marketing services of Accenture.

Under the JI, Adobe and Accenture adapt, develop, and integrate digital marketing solutions that address the requirements of key industries, with:

- Industry-standard performance metrics
- Pre-integrations with industry-typical solutions, for rapid implementation and seamless scalability
- Collaborations with companies offering complementary technologies
- Configurations and services designed for compliance with industry-specific regulations and standards



References

1. Except where otherwise noted, all data are taken from the report and associated slideware, Jean-François Gasc and Erik Sandquist, **Capturing the insurance customer of tomorrow: three key questions to guide success** (Dublin: Accenture plc, 2015).
2. Jean-François Gasc, Erik Sandquist, Mark Halverson, and Michael Lyman, **The Digital Insurer: Accenture 2013 Consumer-Driven Innovation Survey**. (Dublin: Accenture plc, 2013).
3. Erik Sandquist and Gordon McFarland, **The Digital Insurer: Accenture US Personal-Lines Insurance Consumer Survey – What high-performance insurers are doing to achieve growth in a dormant market**. (Dublin: Accenture plc, 2013).
4. Ibid
5. Ibid

About Accenture Interactive

Accenture Interactive, part of Accenture Digital, helps the world's leading brands drive superior marketing performance across the full multichannel customer experience. Accenture Interactive offers integrated, industrialized and industry-driven digital transformation and marketing solutions. To learn more follow us @AccentureSocial and visit www.accenture.com/interactive.

About Adobe

Adobe is changing the world through digital experiences. Our creative, marketing and document solutions empower everyone – from emerging artists to global brands – to bring digital creations to life and deliver them to the right person at the right moment for the best results.

About Adobe Marketing Cloud

Today's marketer is challenged with the complexities of marketing in a digital world. It's new, it's constantly changing, and marketers need a partner to help them move at the speed of digital. Now every marketer can accelerate their shift to digital with Adobe Marketing Cloud to deliver consistent personalized experiences across channels and prove that your marketing dollars are working.

About Accenture

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions—underpinned by the world's largest delivery network—Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With approximately 373,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.