IN HEALTHCARE, GOOD CUSTOMER SERVICE ISN'T GOOD ENOUGH
While health insurers know how important consumer experience is in today’s competitive environment, many do not fully understand the difference that customer service excellence can make in customer perceptions. In fact, Accenture research reveals that great customer service—not good customer service—is a catalyst for meeting insurers’ promotion, retention and loyalty objectives and generating revenue.

Instead of viewing customer service as a back-office function, health insurers must embrace it as a front-office channel within the context of enhancing consumer experience. And they must create a new standard of service excellence. Time to stop admiring the good and start accelerating to great.
Feeling pressure from industries that are upping the ante on consumer experience—and raising consumer expectations in the process—health insurers have invested big here over the past decade. Even so, they lag cross-industry performance. Only utilities and internet and television service providers had lower Net Promoter Score® (NPS®)\(^1\) rankings in a recent study of 20 industries.\(^2\)

Health insurers’ consumer experience investments are not paying off as customer loyalty is stagnant or declining. A closer look at member sentiment across key customer perception measures reveals that people are less satisfied and loyal than they were just two years earlier. Health insurers’ overall NPS fell from 10 to 5 between 2015 and 2017. Customer satisfaction across all interactions with health insurers dropped from 87 to 84 percent during this period.

**A GAP BETWEEN GOOD AND GREAT**

To understand more about customer satisfaction in this industry, Accenture analyzed average customer satisfaction across nine consumer experience touchpoints, from evaluating options to solving to administrative issues (Figure 1).\(^3\) The findings offer a wake-up call for health insurers, many of whom have been lulled into a false sense of security about good customer satisfaction scores. The reality is that good customer service is no longer good enough.

According to the research, members who are very satisfied (80 to 89 percent satisfied) with their experiences with health insurers give insurers an anemic NPS of 8. (The index ranges from a low of -100 to a high of 100.) Only 40 percent say that they would definitely stay with their current insurer over the next year. And just 31 percent find it easy to do business with their insurer.

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\(^1\) Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc


\(^3\) See About the Accenture 2017 Customer Experience Payer Benchmark for the methodology.
Compare these results to those for consumers who are extremely satisfied (90 to 100 percent satisfied) with their experiences with health insurers. They give their health insurers a much higher NPS of 63. Most (74 percent) would definitely stay with their current insurer over the next year. And a strong 71 percent say it is easy to do business with their insurer.

This massive gap between good consumer experiences and great consumer experiences reveals a sweet spot that health insurers cannot ignore. They must push past the 90 percent customer satisfaction threshold to truly impact promotion, retention and loyalty. Given increasing competitive pressures, including the relentless march of new entrants with strong retail consumer orientation, there is a clear imperative to move members from good to great without delay.

**WHAT GREAT LOOKS LIKE**

How can health insurers provide the great consumer experiences that transform members into loyal promoters? It comes down to great customer service. The survey results speak volumes. The top experience factors that differentiate members who are extremely satisfied from those who are very satisfied reflect how they think insurers perform in three customer-service related areas:

- **Omnichannel access.**
  72 percent of extremely satisfied consumers—compared to 36 percent of very satisfied—say their insurer provides consistent and accurate responses regardless of the method used to contact them.

- **First contact resolution.**
  73 percent of extremely satisfied consumers—compared to 35 percent of very satisfied—say their insurer provides accurate information and answers to issues at first contact.

- **Responsiveness.**
  64 percent of extremely satisfied consumers—compared to 25 percent of very satisfied—believe their insurer hears and responds to their feedback when it’s provided.

Members who believe these things about their insurers are five times more likely to be extremely satisfied—and therefore, to be loyal promoters—than those who do not.
Consumers’ high expectations in these areas are not an anomaly. Even more concerning for health insurers? The bar is only going to get higher and higher faster as a result of several important influences.

Take cross-industry consumer experiences. In the digital age, the rules are constantly being broken and rewritten. From one-click payments to auto replenishment to the next big thing, other industries are continually defining new experiences and re-imagining existing ones. These quickly become the new-normal experiences that members will demand from health insurers.

Changing demographics and behaviors are also a strong influence. Today, extremely satisfied consumers are typically older (age 37 and above) and less likely to use digital channels. Only 26 percent of extremely satisfied customers are millennials – a significantly lower proportion than in the very satisfied range (37 percent). With millennials the fastest-growing segment in healthcare⁴, and healthcare consumers becoming more digitally savvy, the future holds more of those consumers who are difficult to satisfy, retain and turn into brand promoters. Health insurers must start to prepare for the inevitable now.

90 PERCENT OR BUST

Doing this requires a mindset shift that acknowledges the critical role that great customer service has in promoting the brand, creating loyal customers and generating revenue. Building on this strategic foundation, health insurers can take specific actions to support high-value interactions and elevate customer service excellence:

Push the limits on satisfaction.  
With competing priorities, health insurers easily get complacent about good customer satisfaction scores. But this is a trap. Organizations that settle for good risk getting left behind—members are moved by great. That is why it is critical to set satisfaction targets higher, ensuring the baseline is strong and continually pushing to the next level with an eye to what consumer experience pioneers in other industries are doing. Never forget that members must be wowed by customer service to promote their health plans.

Double down on omnichannel.  
Health insurers can improve NPS with a consistently strong experience. No weak links allowed—especially not in customer service. This means making improvements across the entire member journey. For most insurers, this will require addressing blind spots from operating model silos and organizational boundaries. Think of it like this. Consumers have a single view of insurers. But only when insurers connect their ecosystem of channels can they provide a single experience for customers, creating great experiences and cutting costs in the process.

Invest in analytics and AI.  
Forget the notion of build-it-and-they-will-come when architecting consumer experiences. Health insurers need rich data insight and analytics capabilities to provide hyper-relevant experiences. Cultivating members’ trust so that they will provide personal data will be essential moving forward. The industry must also take advantage of artificial intelligence (AI) technologies that can help unlock relevant data insights faster, automate simple customer service tasks, and free customer service staff to focus on higher-value interactions.

Tune in to millennial mindsets.  
The future of customer service in healthcare is inextricably linked to younger generations. To engage them, insurers must account for their different needs and higher expectations. Their lack of experience and low healthcare system literacy—combined with expectations generated though the consumer-driven experiences in other industries—means they behave and act differently in health than older generations. Instead of building service models focused around yesterday’s customer behaviors, health insurers need to evolve the role of the service channel to meet the expectations of today’s consumers across generations.

Customer service will play a very different role in the future of this industry than it did in the past. Health insurers that recognize this and develop comprehensive strategies that balance getting brilliant at the basics while cutting new ground in service will stand out and position themselves to reap the benefits.
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ABOUT THE ACCENTURE 2017 CUSTOMER EXPERIENCE PAYER BENCHMARK SURVEY

The Accenture 2017 Customer Experience Payer Benchmark Survey surveyed 10,000 consumers to understand how their insurance companies perform across nine key healthcare consumer experience touchpoints. Overall satisfaction was calculated by taking an average of respondents’ satisfaction across all the touchpoints they evaluated and scaling it from 0 to 100 to get their satisfaction percentage. We segmented and analyzed consumers in the 80 to 89 percent satisfaction range (1,037 respondents) and those in the 90 percent satisfaction range (2,819 respondents). Respondent data was aggregated and normalized for age, income, region and gender. The survey was conducted online between October and November 2017.

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