

Customer Connectivity Confounds Carriers

Insurers struggle to satisfy the different needs and issues of their customers.

By Wayne Umland

Connectivity...portals...workbench...UI. What's the difference? Invariably, technology conversations turn to addressing customer engagement using one of these terms, but it's all about customer connectivity. And when you dig into this subject, connectivity means different things to different people, depending on whether you are a carrier, a customer, an agent or a vendor. The real issue, after all, is what information, access and transactional capabilities do you provide your customers to satisfy those different needs and issues.

Portals started to emerge in the early 2000s when the industry began to see the introduction of agent portals or carrier portals. Back then, portals, or connectivity, were simply a means to access information. Transactional capabilities were few and far between.

Early on, vendor solutions focused on agents, customers or internal groups such as underwriters. Siloed functionality was the norm and specific solutions were designed, developed, and marketed for each constituency.

Between then and now, technology has changed the way customers handle their business needs, whether shopping, reserving hotel rooms or airline

tickets, banking and, yes, insurance. Doing business on their terms is critical. Silos don't really exist anymore. The lines between these separate silos, based on audience, have blurred and become porous.

Isn't this connectivity and view of information and functionality really just different based on the role of the user? Personal lines carriers have led the way and other lines should take notice of what they've built and how their customers use those tools. These carriers have created facilities for their customers to receive policies and bills electronically, review their policies, print ID cards, pay bills, report claims, and request endorsements.

We have to assume these same customers want to handle their commercial insurance the same way. Small commercial writers are anticipating this and are starting to move in that direction. After all, the small business owner

is too busy running his company to take time out to meet with an agent. Carriers need to provide an easy way for business people to manage insurance. Large commercial customers are sure to follow.

Personal lines and commercial lines carriers with customer connectivity have built functionality to support online app submission, quick quote, full quote,



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e-signature, and straight-through processing, in addition to bill payment, claim reporting, and ID-card printing. Providing these capabilities has become table-stakes; customers expect this. The challenge now is to determine what additional value-add and informational features can be provided to make it easier for customers to do business with the carrier.

Today, the capability of a solution vendor to provide role- and rules-based connectivity for customers and constituencies as an integrated part of their policy administration solution is becoming a key consideration when choosing a new insurance system or replacing a legacy solution.

Are there concerns or issues? Sure.

The argument has always been that commercial insurance is too complex for people to buy or deal with online. Well, that's not going to stop people from doing it, so the industry needs to connect with the customer online and in addition to quoting or selling a policy, insurers need to help pick the right product with appropriate limits and coverages.

Taking care of current customers is obviously critical, but how about prospects? How many people don't shop online when looking for a product? They research brands, specifications and price online, as well as read customer reviews. Companies that provide a means to research, compare, and purchase products will win.

One of the biggest challenges insurers face is what the app or online presence will look like. Insurers sell complicated, regulated products, but the buyers don't want to have to scroll down and navigate through crowded or multiple screens. Carriers need to present information cleanly, clearly, and intuitively. The world is full of apps and websites that capture attention quickly, provide fast precise information or links to details and if their websites, apps or portals don't deliver like Amazon or Google Maps for example, no one will use them. If it takes more than three clicks for customers to get where they want, you'll lose them.

Don't forget, agents are customers,

too. Captive agents use their employer's tools and services; independent agents have choices. Like the buyers of insurance products, agents want online capabilities from carriers for similar and expanded reasons. The ease of dealing with a carrier will push them to place more business with that carrier.

What do they need? They want to enter data once and not have to re-key. Simple apps and standards make their lives easier. We all know it's not that simple, though. Insurers have been trying to simplify agent/carrier processes for years. SEMCI, ACORD standards, and other efforts have been on the table since the early 1990s.

The difference now is the technology. Newer technology makes this work doable. It's critical for agent connectivity with carriers to help the agency improve their productivity and reduce costs. Agents want to key in information, know if it meets a carrier's appetite, get a sense of price, and have information electronically moved back to the agency management system. If not directly integrated, they want information pushed and pulled, not repeatedly handled manually.

Because their customers expect to get other answers in real time, they will expect an agent will be able to do the same. The customers won't wait a week to find out the price. They can get products shipped from Amazon same day. Why shouldn't they expect to get a quote in seconds?

Beyond that, agents will want electronic access to their customers' information and their agency's information from the carrier. Loss runs, production statistics, commission information, and aggregated customer information are all available and should be viewable or delivered with the push of a button.

You need to create a strategy for connectivity with customers. Connectivity really is based on a framework from simple to complex and the functions that are provided fall into five tiers: informational, transactional, content, marketing

and collaboration.

When this connectivity conundrum began, companies built informational portals, where access to certain information was granted, but only for viewing. After that first stage, insurers introduced transactional or service-based connectivity, which was great for both customer and company. In addition to viewing information, customers could begin the quoting process and perhaps pay a bill or report a claim. Acceptance by customers of transactional features led companies to begin making content available.

In this third tier of connectivity, financial calculators, product content, descriptions of coverages, and links to other sources of information were introduced. All other service industries and sales sites had moved to this level ahead of insurance carriers, so customers readily accepted these capabilities.

As experience and use grew, companies realized that if people connected with the company, they could advance their presence and create a marketing/sales feature which would allow them to expand by beginning to cross-sell products and generate leads.

Finally, connectivity had reached the point of collaborative interaction and communication. Secure email through web connectivity, instant messaging, chat, and the ability to deal directly with an underwriter, claims rep, etc. is fast becoming the norm.

It's all about feature-rich connectivity through a site or app that is intuitive and easy to use. Become strategic and plan for this now if you haven't already. If you have, reevaluate where you are, and compare your functionality with what is happening in other industries. Like it or not, your customers' expectations of your business are based on their experiences in other online environments. **ITA**

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