IDC

Now Is the Time for Insurers to Focus on Augmenting Their Key Resources

Matching Sales Networks and Knowledge Workers with Customers' Expectations to Maximize Customer Experience

Insurers must simplify and accelerate data flows within their business models to meet new customer expectations. At the same time, they must augment the capabilities of their most important human assets — their agents, brokers, and knowledge workers.
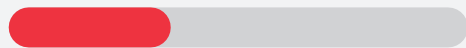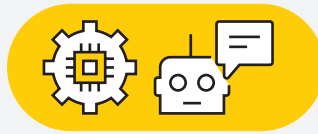
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The situation today: most insurers are still struggling to fully respond to current market demand for fast content-rich customer journeys

Only

30%

of insurers are fully **aligned** with new **consumer expectations** for sustainable, 24 x 7, seamless, contextual, personalized, and omni-channel interactions.

29%

We dynamically optimize and personalize customer journey options, and fully automate selection and delivery of offers across all available customer interfaces in real time leveraging chatbots and self-service.
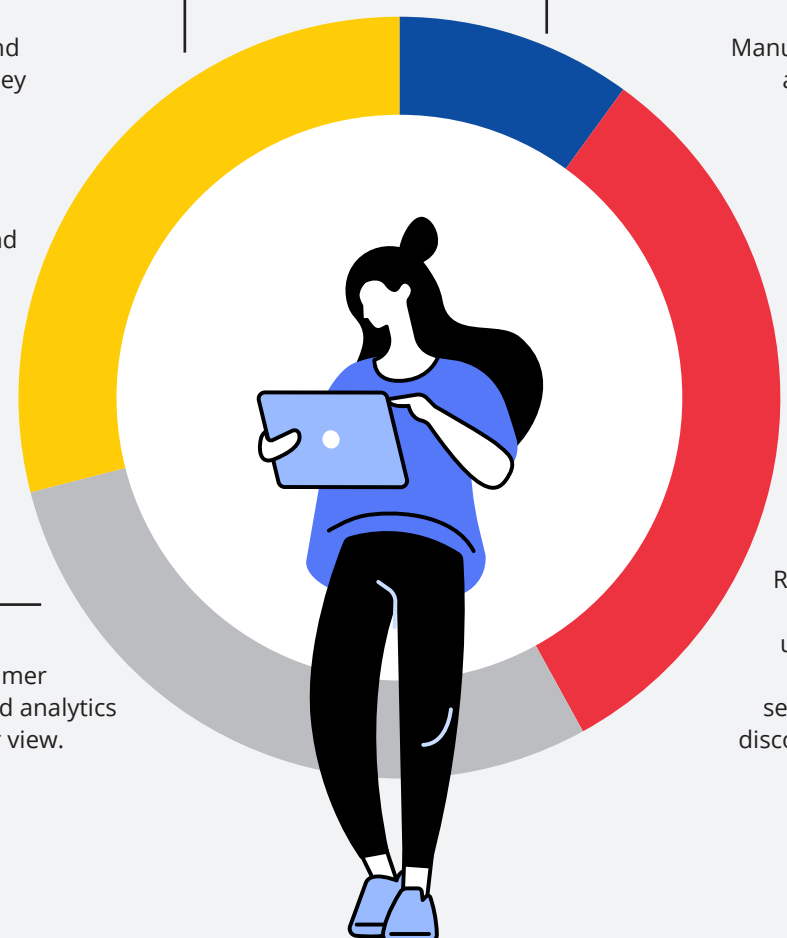
10%

Manual process based on email and phone communication

32%

Reliable sales and customer support systems, but we use standardized customer interaction flows across selected customer interfaces disconnected from the process

29%

We build and execute customer journeys based on advanced analytics and a 360-degree customer view.

Automate underwriting, portfolio, and claims management requiring processing of massive volumes of data of various types and from multiple sources

Process automation is the

#4

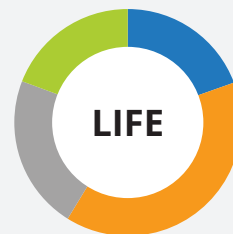**IT investment priority** for European insurers
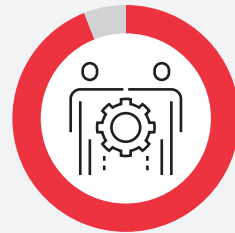
94% Insurers are exploring process automation through a wide array of solutions
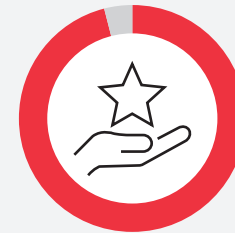
96% Increased Customer satisfaction/ NPS thanks to their digital investments

Low-hanging fruit are found in the units generating the largest percentages of internal expenses, such as operations

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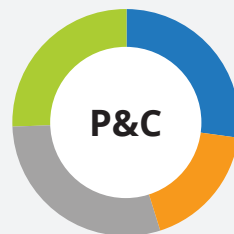
- ● Marketing & Sales
- ● Operations (UW, Ptf.Mgt., Claims)
- ● IT
- ● Support functions (HR, Finance, etc.)

Illustrative fields for RPA:

- ○ Data capture and steering (underwriting and claims)
- ○ Standard claims straight-through processing (no-touch claims) leading to improved customer experience

# **Empower** knowledge workers by augmenting their unique business knowledge and freeing them from time-consuming or low-value-adding tasks
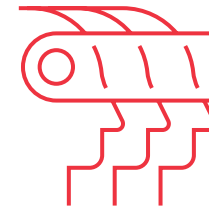
In which areas does your organization plan to invest in 2021 and 2022 to improve employee, workplace, and human collaboration with machine experience?

23% Invest in intelligent workforce, using new technologies to allow knowledge-workers to make info-based decisions
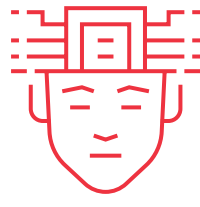
26% Invest in augmented workforce, using intelligent technologies (AI, ML, RPA)

42% Invest in agile workforce development
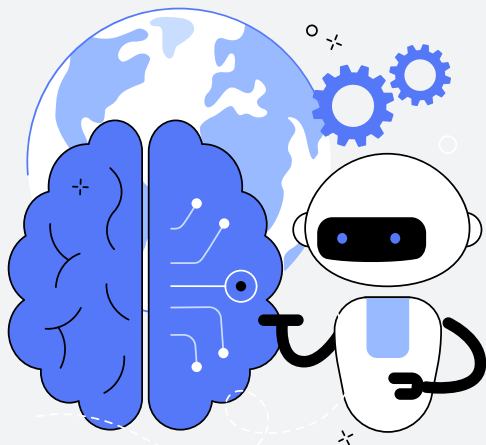
For example:

- Claims fraud detection can be augmented through real-time identification of relationship networks between individuals, companies, vehicles, and registered assets.

- AI-powered tools can alert claims handlers when discrepancies are identified between various sources/types of data (notification of loss vs satellite imagery pre- and post-event, photographic contents vs social media information, etc.).

This leads to higher employee experience as it empowers employees, as they no longer need to carry out tedious tasks and can dedicate their time and expertise to high-value, more-motivating activities.

Align agents and brokers with modern integrated tools and solutions to fully meet customer requirements for product and service delivery

70% of the European P&C business and **35%** of the life business are intermediated by agents and brokers.

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- Direct
- Bancassurance
- Agents
- Others
- Brokers
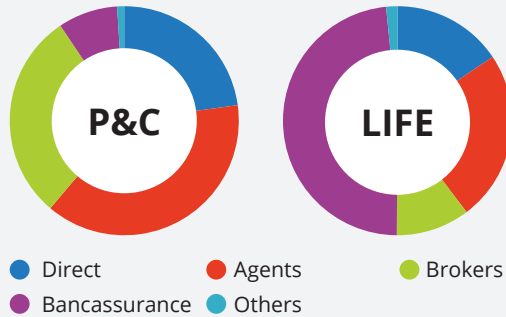
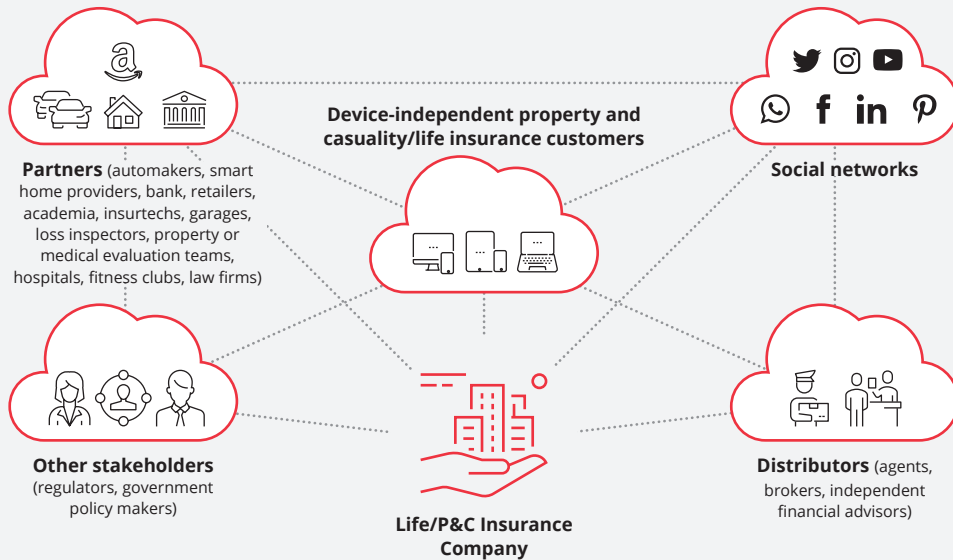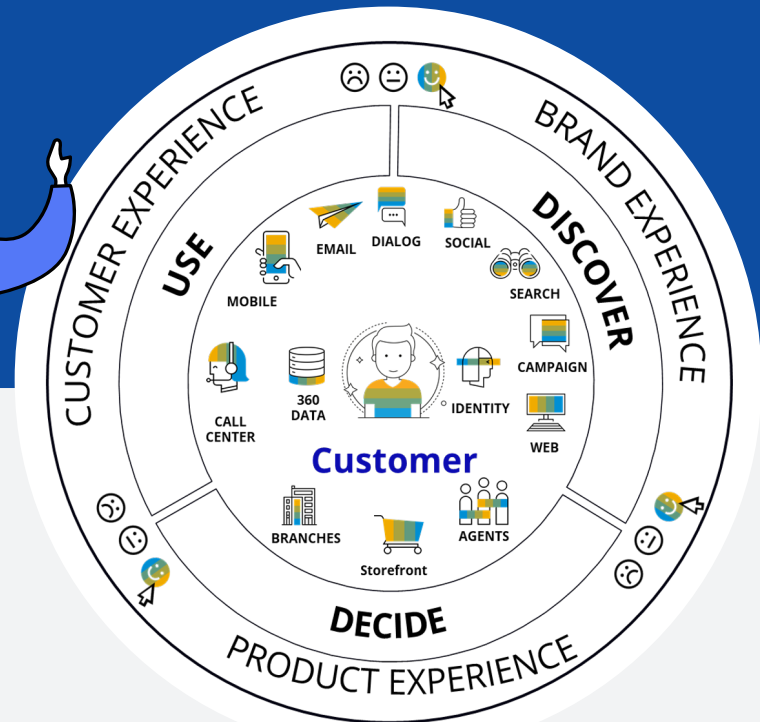Customer behaviors are rapidly changing, and customer journeys must be adapted accordingly. Prospects and clients will often switch during the same day after visiting the offices of the agent, talking to the company's call center, leaving a message on the web portal of the company, or sending a mail to the agent and confirming the whole content via a dedicated app... and all this with the expectation that all content flows in real time from one stakeholder to the next without any content loss.

Partners (automakers, smart home providers, bank, retailers, academia, insurtechs, garages, loss inspectors, property or medical evaluation teams, hospitals, fitness clubs, law firms)

Device-independent property and casuality/life insurance customers

Social networks

Other stakeholders (regulators, government policy makers)

Life/P&C Insurance Company

Distributors (agents, brokers, independent financial advisors)

Digital enablers - Cloud, Big Data, Analytics, Mobility, IoT, Robotic Process Automation, Artifical Intelligence, Blockchain, Next-Gen Security

CUSTOMER EXPERIENCE

BRAND EXPERIENCE

USE

DISCOVER

EMAIL · DIALOG · SOCIAL

MOBILE · SEARCH

CALL CENTER · 360 DATA · IDENTITY · CAMPAIGN

Customer

WEB

BRANCHES · AGENTS

Storefront

DECIDE

PRODUCT EXPERIENCE

Augment the capability and scalability of agents and brokers and give intermediaries access to technologies that would otherwise be out of reach due to lack of financial, technological, or scientific capacity

The latest technologies — such as Big Data analytics, machine learning, predictive modeling, and natural language processing — are out of reach for the vast majority of traditional intermediaries.

82%
Insurance intermediaries are registered as natural persons (not as legal persons)

Intelligent customer onboarding is the **number 2** digital strategic **priority** for insurers (top of the agenda for **48%** of them) and directly involves agents and brokers.

New technologies generate significant opportunities for insurers to further strengthen the commercial impact of their number 1 sales channel and maximize customer experience.

- Using Big Data analytics, predictive models, and machine learning, insurers will provide agents with intelligent leads by tapping into social network information or internal and external DBs to not only identify new products to offer to a given prospect or client, but also to indicate which sales pitch, communication mode, or timing will maximize customer experience and therefore the chance of cutting a deal with that person based on their unique profile and preferences.

- The same approach can be used to better match prospects and intermediaries to improve bonding, therefore increasing conversion rates.
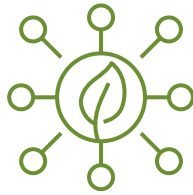
Emphasize environmental, social, and governance-related themes that top the agenda of a growing number of insurance companies

Consumers increasingly expect their product and service providers to proactively tackle ESG-related topics

Green transition and **sustainability** requirements are in the **top 5** most impactful **global trends** that insurers face.

Corporate social responsibility is the **third** most important **business priority**.

When applied for, public COVID recovery funds are used by **36%** of insurers to finance **environmentally friendly** projects.

61%
Insurers plan to apply for public COVID recovery funds

When measuring the impact of their DX investments, **higher environmental sustainability performance** is **number 3** in terms of **KPI improvement**, immediately after NPS and talent attraction.

93%
Insurers register an increase of their sustainability performance

Increased customer satisfaction/net promoter score

35%	44%	17%

Higher environment sustainability related performance

32%	50%	11%

- Small improvement - Less than 10%
- Medium improvement - 10% to 24%
- High improvement - 25% to 50%

About Fujitsu Financial Services Solutions

Driving a trusted future for purpose-driven financial services organizations

Today, digital transformation is critical to business success, and through the introduction of new digitalization technologies and processes, the financial services and insurance industry is firmly at the forefront of innovation. Fujitsu helps to execute your digital transformation so that you can make your vision and purpose a reality at speed and at scale. We work with a broad partner ecosystem to constantly help you to improve how your business operates and how your people work. It's the foundation of a trusted future for Insurance organizations powered by truly human-centric technologies and digital capabilities

We believe there are three key objectives for a trusted future:

Improve your customer experience

Ensure that y'u're a trusted and easily accessible source of the insurance services and products your customers need in their daily lives. Embrace digital channels and mobile while also making your branches a source of human support when they need and want it.

Deepen your employee engagement

Digital workforce transformation is important - to attract, retain, and empower talent within a truly agile culture. After all, your people are your brand's promise, enabling them to better engage with customers will help further gain their trust.

Accelerate your digital ambition

Digital innovation is key to keeping ahead of both customer and employee demands. It provides the secure tools they need to make life easier, more efficient, productive and enjoyable.

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