

EXPERT VIEW

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SEAL THE RELATIONSHIP, NOT THE DEAL

For general insurers, customer interactions outside the buy/renew cycle are a valuable opportunity to engage, build trust and develop stickiness. Yet many insurers still approach these exchanges with one thing on their mind: upselling. In a world of personalisation and choice, this blanket, product-led approach is a sure-fire way to alienate customers and reduce their trust.

Insurers therefore need to be able to embrace every customer interaction as a chance to get to know policyholders better – putting them at the centre of every ‘next-best action’ and only selling products when completely relevant.

The emergence of Google Compare makes this even more pertinent. If there’s one thing Google does well, it’s using data analytics to engage customers through highly personalised, relevant interactions. Should Google decide to make the leap from comparison site to insurance provider, there’s a genuine risk insurers could be cut out of the customer relationship altogether.

So it’s time to start seeing every engagement as a chance to secure the relationship, rather than the deal. That means collecting as much information as possible during every interaction. For call centre staff this will mean asking questions, while digital channels learn much from user behaviours and well-designed forms.

By integrating all that information, in real time, insurers can get a much clearer view of the customer and what they will respond well to. This will inform personalised next-best actions that do not necessarily involve selling; for example, suggestions of ways a customer could get more out of a policy at no extra cost. Perhaps there are features they are not taking advantage of, or maybe they have not used the most efficient channel to make a claim.

This personalised approach will mean customers are more open to hearing about the products that are relevant to them – but only when they are truly relevant. For example, if a father calls to add his 18-year-old daughter to his motor policy, he is more likely to be interested in roadside assistance than if he’d called to change his address.

So how can insurers put these processes in place? It’s easier than it sounds. The predictive analytics capabilities needed to drive this personalised customer experience are already used across the industry to price risk. The key now is to bring the same data analytics out of the back room and integrate them with marketing analytics to enable frontline staff to treat each customer as an individual.

Insurers that take this approach to providing these relevant, personal and consistent customer experiences – including ones in which they do not sell anything at all – are likely to see the biggest positive impact on their bottom line.



Tim Vaughan has more than 15 years’ experience in direct to consumer marketing and customer interaction management.