Modernizing insurance
A definitive guide to delivering moments-based CX

celebrus

> Customers who feel understood and valued will stick around and increase their business with forward-thinking insurance brands.

Key takeaways

- Why the insurance market is changing, and how to adapt

- What today's insurance customers demand

- How real-time data and targeted content are a gamechanger

- How to leverage interaction data to drive personalization

- The tools you need to free stagnant strategies and get closer to your customers

Traditional insurance business models are changing, as digital progression reshapes every aspect of selling and buying insurance. Online channels, mobile apps, and cloud services have spawned a new breed of challenger brands, and innovative InsurTechs are breaking the mold; offering new services such as 'by-the-hour' car insurance and life insurance that becomes cheaper as your habits get healthier.

One of the fastest growing areas of technology is the Internet of Things (IOT) — using web-connected devices to measure and manage risk. The rise of these new devices means a massive increase in the availability of valuable new data and marketing signals. Insurance organizations that identify how to use these data sources can tap into a rich new stream of revenue opportunities and reduce their exposure to risk.

Insurers are not only facing fierce competition within their market, but also outside the industry from the likes of Google, Facebook, and Apple. Market disruption is eroding revenue, accelerating churn and compromising loyalty for traditional insurers.

Today's consumers live in a world of "me and now", where brand interactions are both complex and emotional. Typical customer stereotypes, linear service journeys, and common risk models that previously defined traditional insurance no longer exist. One-size-fits-all engagement strategies are no longer effective and modern insurers must dive deeper into their customer assets and leverage behavioral data in real-time to create hyper-personalized customer experiences (CX) that engage, delight, and promote customer loyalty. Customers who feel understood and valued will stick around and increase their business with forward-thinking brands.

This guide shares proven ways to turn every transaction into a unique and positive experience for your insurance customers by harnessing the latest data technology to create moments-based marketing

that converts.

Innovation is reshaping the insurance market

The shift towards digital and online marketplaces has created a perfect incubation environment for non-traditional insurers. Online search engines and comparison websites are effectively commoditizing insurance, creating cost and convenience-focused customers. This drives higher churn and squeezes profit margins like never before.

At the same time, new digital business models allow InsurTechs like Lemonade and Policygenius, as well as retailers like Tesco and Walmart to muscle in on niche insurance markets. Nimbler, more innovative digital-first brands, such as By Miles and Wrisk in the UK and Metromile and Trov in the US are rapidly gaining ground, especially with mobile-app hungry Millennials and Gen Zers who are disillusioned with legacy institutions. Even big-data players such as Amazon are eagerly eyeing the market for its consumer growth potential.

Auto, home, and travel insurance products have all seen a rise in innovation – and interest from investors – since the start of 2018. Telematics, IoT, and mobile apps are driving new applications for real-time insight in the insurance industry. Customers are increasingly willing to share their use-data, especially if it means lower premiums and customized policies.

In a drive to secure new markets, established insurance brands are fragmenting and digitizing their offerings – including Admiral's Diamond for female drivers, Elephant's budget sub brands, and Allstate's offshoots such as Arity (telematics), InfoArmor (identity-protection), and SquareTrade (asset-protection).

Traditional insurers on the other hand are struggling to keep up with rapid digital transformation across the industry, despite understanding that improving data analytics will enable differentiation. According to the 2022 insurance industry outlook from the Deloitte Center for Financial Services, the number one challenge to advancing analytics is a reliance on legacy systems. In order to evolve, and compete in today's modern insurance environment, it's time for conventional insurers to step up their data management game.

Data is the key to driving CX

The message is clear - unless mainstream insurers stay relevant to customers, and demonstrate tangible value in the digital era, their role will shrink even further. That means leveraging customer data more effectively and in increasingly shorter timeframes. Using data to respond and adapt your services for different audience needs, from targeted loyalty to real-time personalization, is critical to remaining competitive.

To survive and thrive, insurers will have to move beyond mere customer-centricity. They'll have to anticipate and be ready to meet every customer need in-the-moment, and at every touchpoint. Armed with deeper real-time insights on behavior, trends, and context, insurers can fine-tune their offerings to deliver instant value for customers and a greater return for their business.

The 'customer-for-life' model is gone. As loyalty decreases, insurers must fight harder to retain their customer base. The ability to create customer experiences that matter will set them apart from new challengers. Ensuring digital interaction data is a part of their 360-degree view of each customer and using it to personalize CX is critical to reducing churn and boosting revenue and referrals.

Insurers with the highest levels of data granularity, lowest latency, and closest integration between

marketing and IT systems will be able to predict individual behavior and trigger hyper-personalization to optimize engagement at scale.

A great insurance experience needs to be easy, fast, and seamless across all channels. By reaching your customers with the right message at the exact right moment, you'll generate more valuable and enduring customer relationships with higher lifetime value (LTV).

Having the right data solutions will be mission-critical for future success in attaining significant competitive advantage. Post Covid-19, there's an even stronger emphasis on delivering data-driven strategies to accelerate recovery by boosting conversion, customer acquisition, and customer retention.

Customer data platforms that solve for privacy, collection, and analytics challenges will pave the way for insurers to take a multi-layered approach. Leveraging alternative data with enhanced analytical capabilities enables insurers to derive real-time insights for faster and more accurate decision-making which in turn drives the hyper-personalized, in-the-moment experiences today's consumers demand. Automating routine risk selection, pricing, and fraud detection further maximizes the power of real-time data, resulting in improved loss and expense ratios.

To meet the challenges of today's insurance landscape, as well as the future of the industry, insurers must focus on developing a strong data management solution that is, at a minimum:

- Secure and scalable to meet current and future needs

- Flexible enough to enable integration of multiple internal and external datasets – including IoT devices, mobile apps, and telematics

- Capable of advanced analytical and automation functions to feed real-time insights and action

Traditional insurers must also continue to modernize outdated legacy systems that obstruct them from realizing the true value of their data or accessing new types of actionable data.
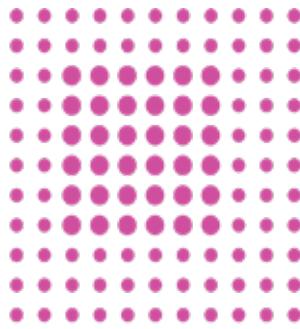
How can interaction data drive personalization in your insurance organization?

Customer interaction data is an exhaustive record of all customer behaviors and experiences taking place on digital channels such as websites, mobile apps, IOT devices, online chat, product reviews, and much more.

Interaction data provides visibility into the products that your customers are interested in at the individual level, offering the opportunity to reach out to each customer with a highly relevant offer or call to action 'in-the-moment' and on the channel they're interacting with.

The effectiveness of next-best-actions relies on the quality and timeliness of the customer data feeding the decisioning system, but traditional insurers often lack the high-quality, actionable interaction data required to transform insights into customer behavior and preferences. Not only is capturing detailed interaction data from every channel a significant challenge, to deliver real-time personalization the data also needs to be instantly actionable. To be of use by decisioning solutions, interaction data must be highly structured with the most relevant signals extracted to prevent overloading downstream applications. Additionally, this lightweight, yet highly detailed interaction data must be connected to decisioning

solutions within milliseconds to enable next-best-actions to be available before a page loads. Very few data capture solutions can achieve this, which is why insurance organizations often struggle to deliver true moments-based marketing.

By capturing comprehensive behavior and experience data, throughout the customer journey and across all digital properties, insurers can understand customer preferences and deliver the right message on the right channel at the right time.

Imagine a homebuyer who's researching home insurance. They land on your website and input the details needed to get a quote, but don't buy the policy. When they use their mobile to visit your site the next day, the homepage is personalized in real-time prompting the visitor to resume their application – which they do. While completing the application they pause for 60 seconds. Real-time behavioral data capture and contextualization triggers a pop-up asking if they'd like help with their application and immediately connects them with an online agent. Their application indicates a household pet so when you run a Facebook Ads campaign the next week for pet insurance, the new customer is included in the targeting audience.

While a small and simplified example, the possibilities for real-time personalization and enhanced customer experience are endless when detailed, actionable, real-time data capture is used to fuel personalization and

customer experience initiatives.

The key processes and tools involved

1. Capture the right data across channels

With a sophisticated data solution, behavior and interaction data about every customer is collected once and can be used many times both in real-time (milliseconds) and as part of wider batch analysis. Highly granular behavior and experience data is required for high maturity use cases. Choose a data capture solution capable of capturing your customers' mobile interactions including gestures, device orientation, and chatbot text. Not all do. It's also important to ensure that your solution can capture data from Accelerated Mobile Pages (AMP) and browsers with tracking prevention technologies such as Apple's ITP. Ensuring data capture is compliant with GDPR and other privacy laws is critical, especially when dealing with sensitive insurance information. Consent must be gained from customers, while automated systems must prevent the capture of opted out customers' data to comply.

2. Contextualize the data

Enriching customer behavioral data adds valuable context to customer profiles which can be used to enhance interactions and engagement. Natural Language Processing updates customer profiles with sentiment scores, visitor intent, and preferences in-the-moment across brands and channels. Data mapping further links intel with precise situations and individual requirements, providing a foundation for hyper-personalization and next-best-actions based on real life interactions.

3. Personalize, trigger, and deliver content

Automated marketing signals (AMS) linked to enterprise decisioning systems automate the delivery of personalized content based on pre-configured behavioral signals. The ability to respond as soon as a customer 'opportunity trigger' arises dramatically

boosts conversion and improves service with minimal effort. Low latency connectivity of smart data to decisioning applications allows highly personalized content to be transmitted to the individual to elicit the best response for their situation at any given time.

4. Optimize engagement and minimize issues

Automated visibility detection boosts marketing ROI by maximizing content, offer, and ad 'viewing time', while performance timing resolves problems with inefficiencies in sales or customer-service related channels. Anomaly detection can automate the identification of unusual customer behavior and channel performance issues to facilitate more rapid diagnostics and response.

With the right data captured in real-time, insurers can also leverage behavioral and interaction insights to detect and prevent insurance fraud. At the same time,

false positives can be reduced, greatly enhancing the experience for legitimate customers.

5. Learn and improve

As with any growth and improvement initiative, you must factor in progressive evolution to accommodate future learning and growth. Customer expectations are always increasing, as is the technology to identify, understand, and respond to those needs with hyper-personalized, moments-based experiences. The enterprises that act on these opportunities the fastest, and the most intelligently, will quickly rise to the top.

Having the right data tools is mission-critical for future success. Finding a long-term, trusted solutions partner with proven capabilities and a track record of success in transforming insurance CX is vital in the pursuit of significant competitive advantage. Post Covid-19, there will be even more emphasis on delivering data-
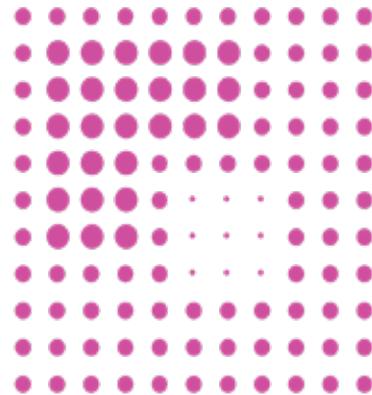
The numbers don't lie! Real-time personalization drives insurance revenue:

Global insurance group reduces customer churn with targeted personalization

By tracking customer interactions across any digital channel, this large insurer was able to identify abandonment behavior and send real-time signals to their internal teams. When potential abandons are signaled, targeted retention incentives are deployed resulting in reconversion of 1/3 of leaving customers.

33%
reconversion of churning customers

European insurer leverages tagging-free data capture to increase conversions

5%
increase in overall conversions

10%
reduction in annual ad spend

This large insurance group replace tagged data with real-time individual profiles, powering the creation of granular context & attribution models. With more accurate targeting, campaign effectiveness received a major boost resulting in an increased ROI from digital marketing. Overall, the insurer gained a 5% increase in conversions and 10% reduction in annual ad spend.

Leading insurer builds high-value relationships by eliminating data silos

By unifying their inbound, outbound, owned, and paid channels with one central brain, this leading insurer delivers dynamic customer interactions for all customers. Implementing centralized decisioning and personalized next-best actions that are adjusted in real-time resulted in a 27% increase in online upsells & cross-sells, and 85% save rate when using next-best-action recommendations.

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Connect now and book a demo

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How Celebrus enables insurer's strategic priorities

Celebrus is the first data capture solution to combine advanced Machine Learning (ML) with Natural Language Processing and real-time data capture. These technologies are enabling our insurance clients to have total visibility of customer behavior, providing powerful insights into customer intent. These pioneering institutions realize genuine individual-level personalization, in-the-moment and at scale.

Celebrus captures and connects real time feeds of individual-level customer interaction and behavioral data from websites, mobile apps, and social media. It ensures decisioning and analytics systems are fed with the highest quality real time data in order to leverage insight, shape offerings, adapt approaches, and personalize content. Our out-of-the-box machine learning features remove the configuration headaches and costs typically associated with capturing behavioral signals. Offering unique capabilities, Celebrus delivers outstanding benefits for insurers that are focused on providing world-class customer experiences and shifting their marketing activities from reactive to proactive 'in-the-moment'.

By connecting and activating customer data throughout the marketing stack, Celebrus enables insurers to orchestrate their data ecosystem and maximize investments in enterprise applications such as decisioning and analytics platforms.

Enterprise insurers around the world use Celebrus from D4t4 Solutions as an integral part of their data driven CX infrastructure because they love how easy the solution is to deploy. They get complete peace of mind across their global businesses knowing that captured data satisfies all privacy regulations such as GDPR, CCPA, etc. As a result of delivering highly personalized customer experiences at scale, increased revenues often run into the hundreds of millions of dollars!

Learn how Celebrus helps insurers listen to customers in every channel, leverage all interaction data, and engage customers in-the-moment.

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