

CELENT

**ONE STEP FORWARD,
BUT STILL BEHIND
STATUS OF LIFE INSURANCE WEBSITES**

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AGENDA

1. Today's Landscape of Customer Interaction
2. Current Investments
3. 2019 Research Findings
4. What can you do?

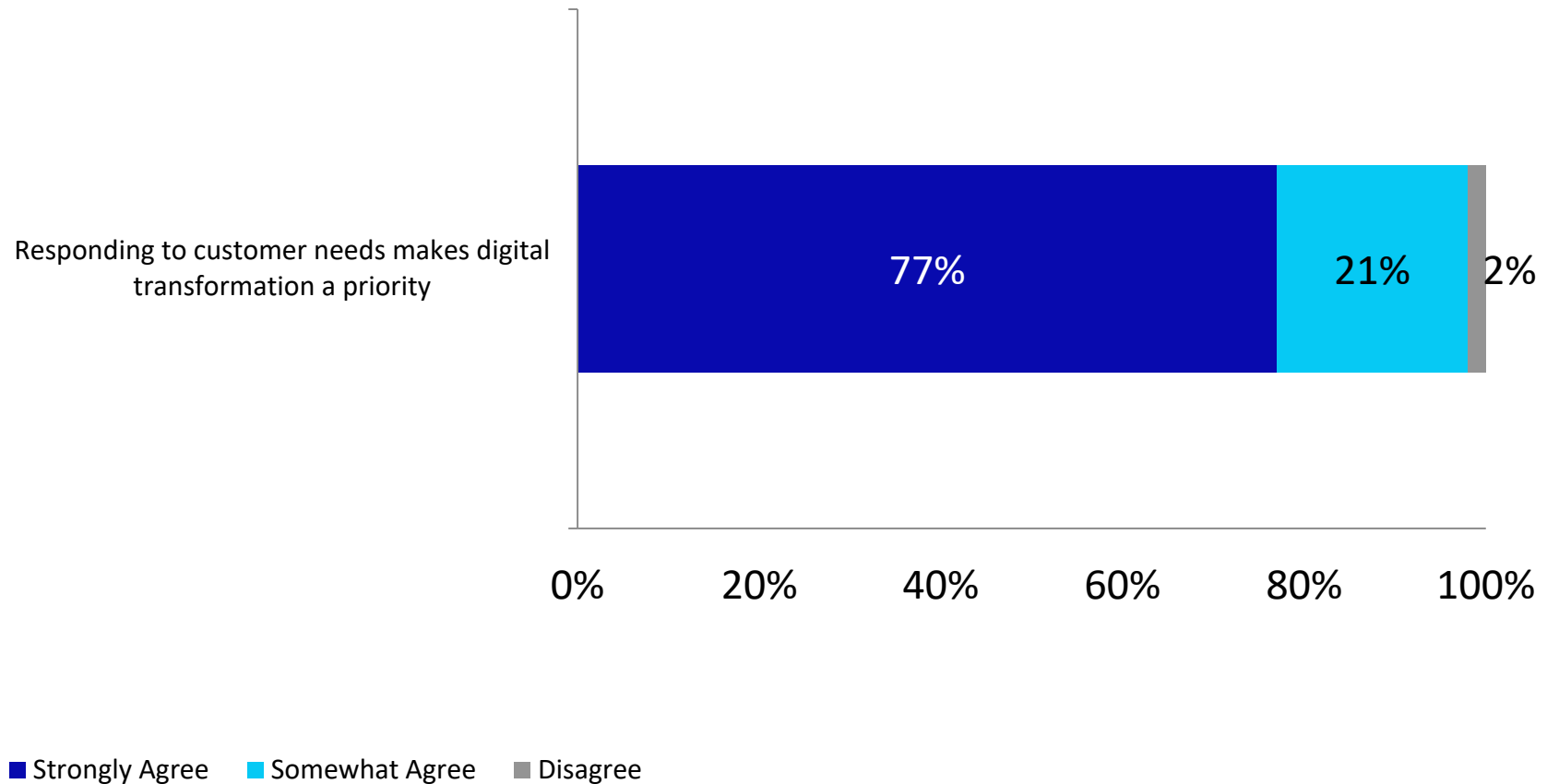
Research was based on Celent's 2019 report:

[US Life Insurance Online Self-Service in 2019: Small Steps Forward, A Long Way to Go](#)

1

**TODAY'S LANDSCAPE
OF CUSTOMER INTERACTION**

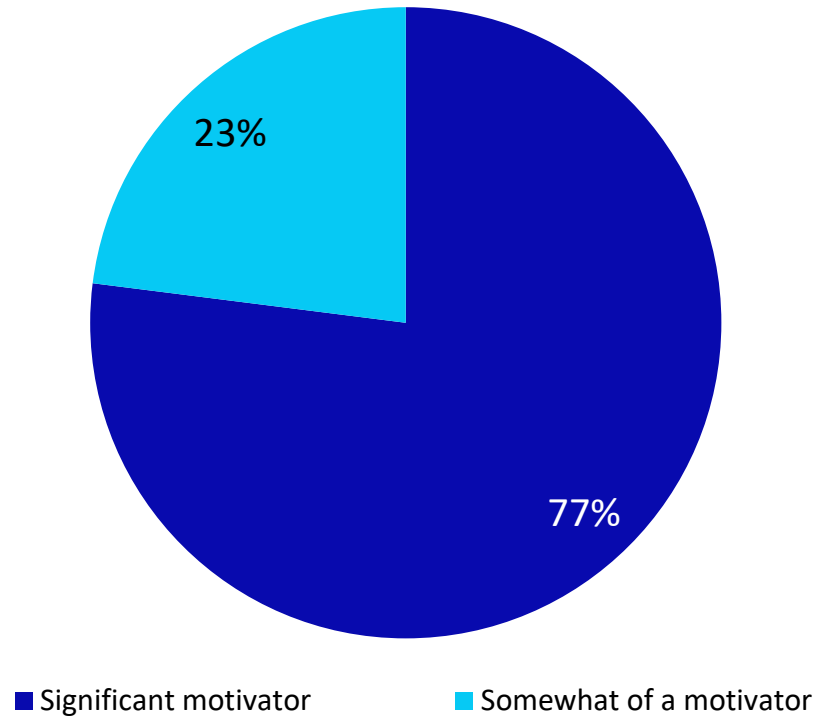
IT'S NOT NEWS THAT INSURERS ARE INVESTING HEAVILY IN REDESIGNING THE CUSTOMER EXPERIENCE.



Source: Celent report: Digitizing the Customer Experience: A New Framework

THE GOAL OF IMPROVING CUSTOMER/CHANNEL EXPERIENCE IS ALSO SIGNIFICANTLY MOTIVATING DIGITAL TRANSFORMATION.

Indicate the degree to which transforming the customer/channel experience is motivating your digital transformation



Source: Celent report: Digitizing the Customer Experience: A New Framework

WHY ARE WE SEEING SO MUCH INTEREST IN TRANSFORMING THE CUSTOMER EXPERIENCE?

- In less than a decade, our society has moved from a static and transactional application of technology to one that is connected, mobile, and collaborative.
- Customer expectations are changing dramatically.
- Many carriers have completed or substantially completed their core system replacement
- Data is more readily available and so can be used to drive a personalized relationship.

Customer expectations are increasing, driven by experiences in other categories

Service expectation	
1	<p>Instant information availability</p>
2	<p>Ubiquitous access across channels</p>
3	<p>Personalized service</p>
4	<p>Direct control over process</p>
5	<p>Information for decision support</p>

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3

RE-IMAGINED CUSTOMER EXPERIENCE

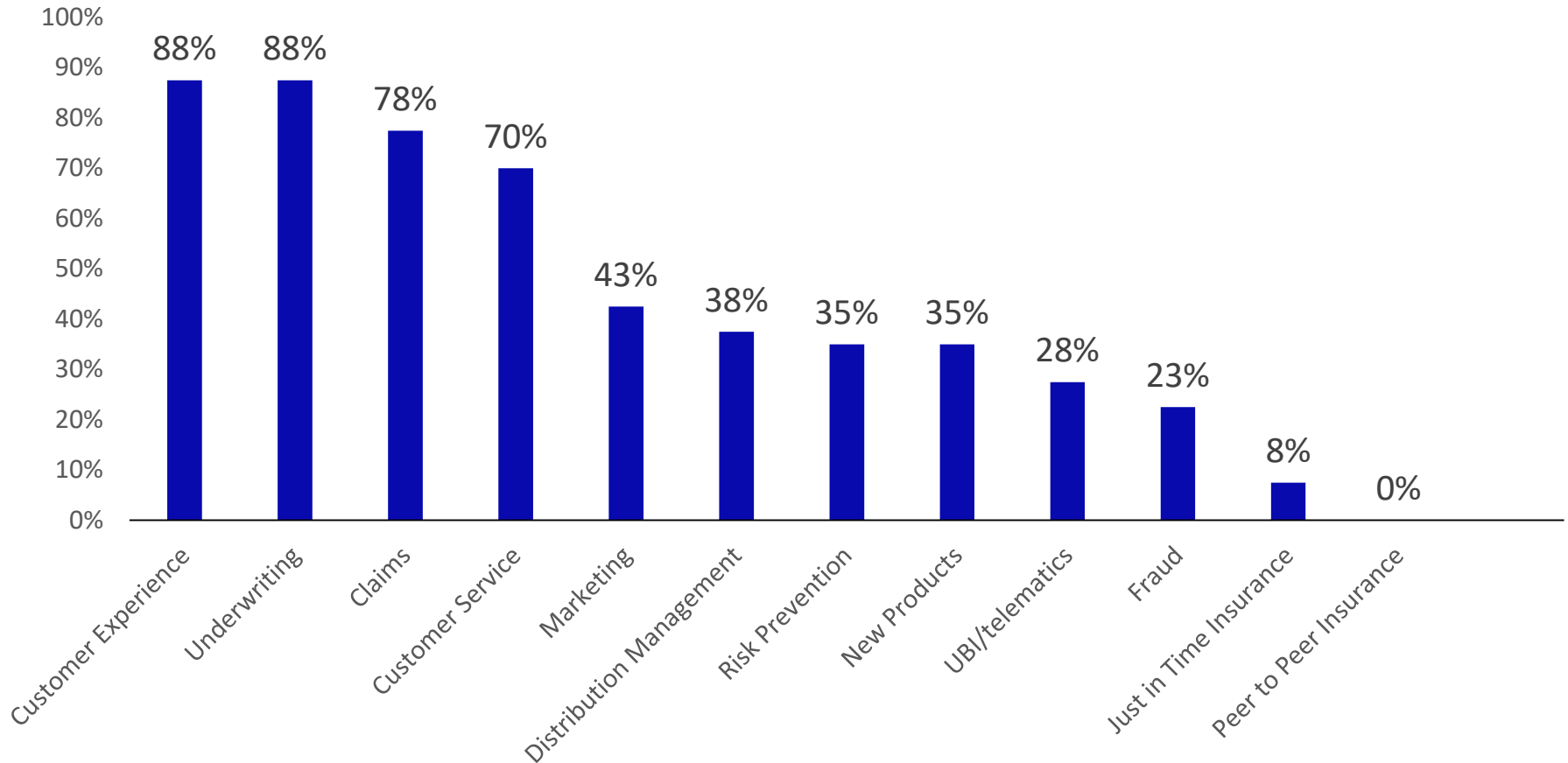


Source: Celent report: Digitizing the Customer Experience: A New Framework

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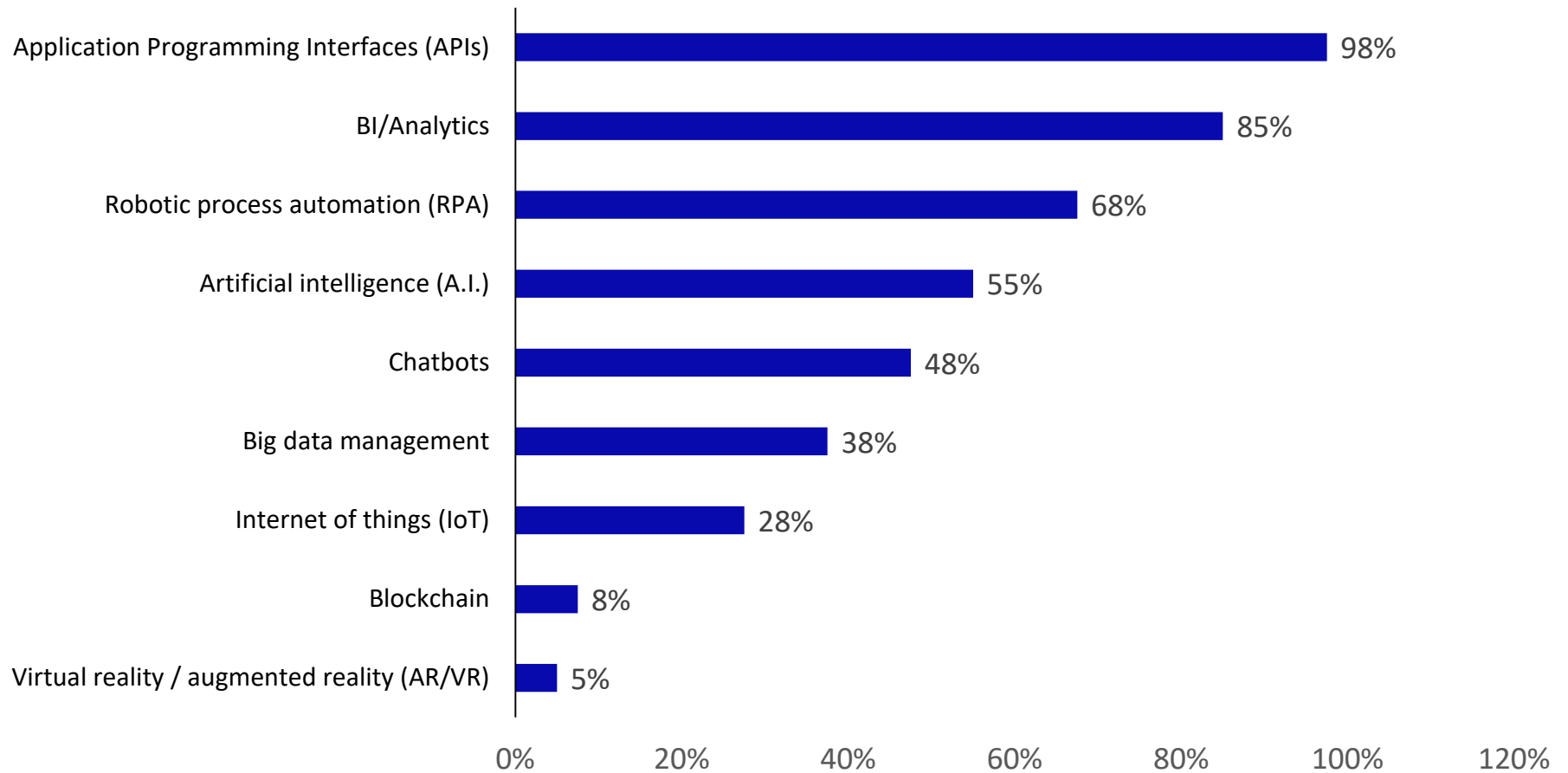
CURRENT INVESTMENTS

THIS NEXT YEAR, MY COMPANY WILL HAVE INNOVATION ACTIVITIES UNDERWAY IN THE FOLLOWING AREAS



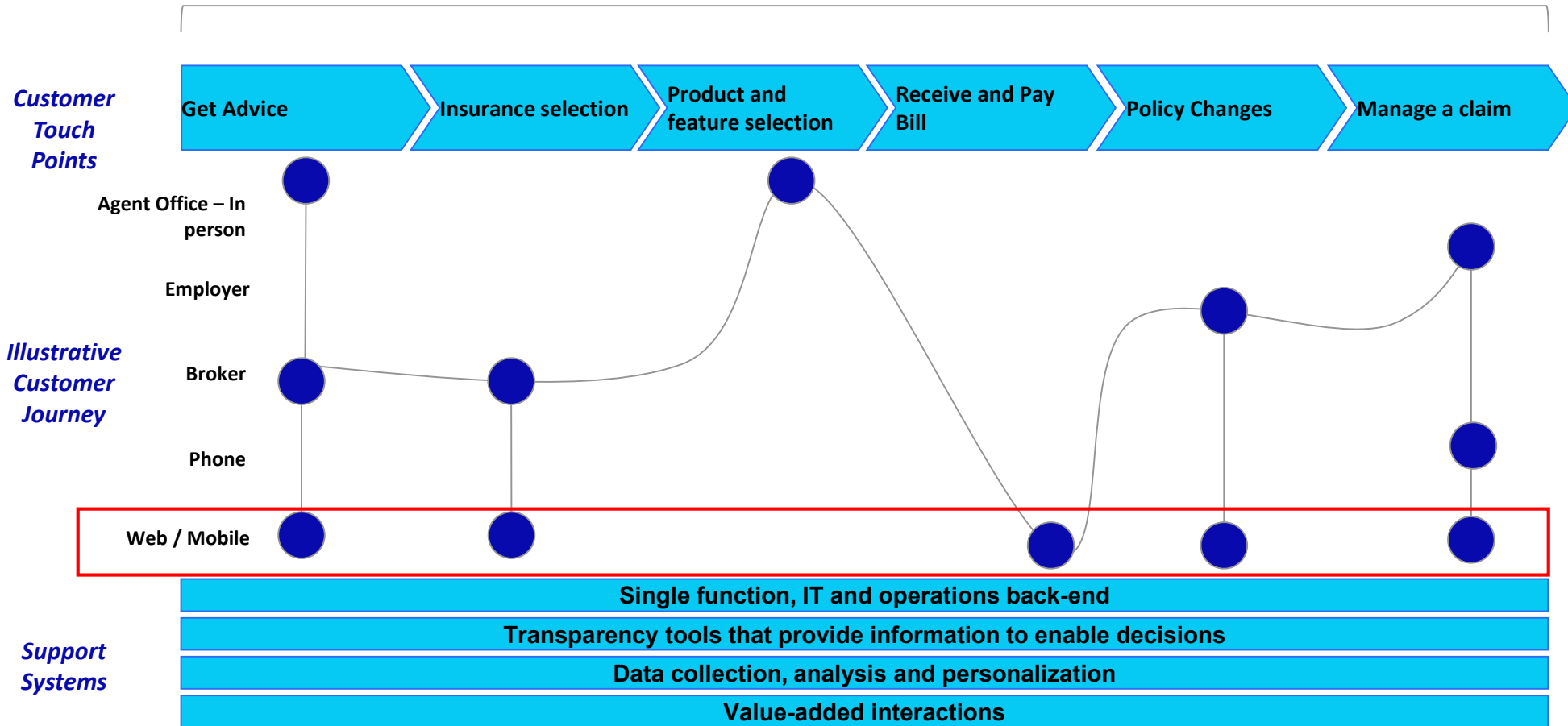
Source: Celent report: Innovation 2020

THIS NEXT YEAR, MY COMPANY WILL HAVE INNOVATION ACTIVITIES UNDERWAY IN THE FOLLOWING TECHNOLOGIES



CUSTOMER EXPERIENCE IS GAINING ATTENTION BY MOST INSURERS USING A HOLISTIC FOCUS ON CUSTOMER TOUCH POINTS FROM THE OUTSIDE IN

Unified brand umbrella delivered consistently across touch points and channels



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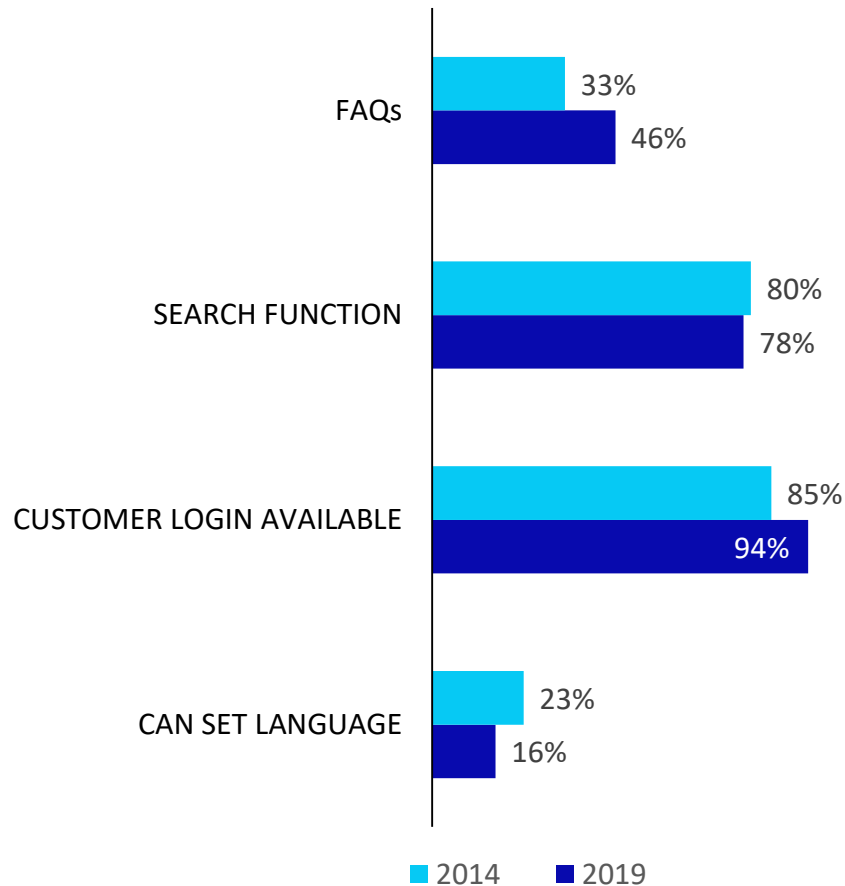
2019 RESEARCH FINDINGS

CELENT EVALUATED THE WEBSITES OF THE TOP 50 INSURERS. WE LOOKED AT SIX CATEGORIES ON PUBLIC WEBSITES AND FIVE CATEGORIES IN POLICYHOLDER PORTALS



FAQS WERE NOT BROADLY AVAILABLE, IMPAIRING BASIC USABILITY

General Service

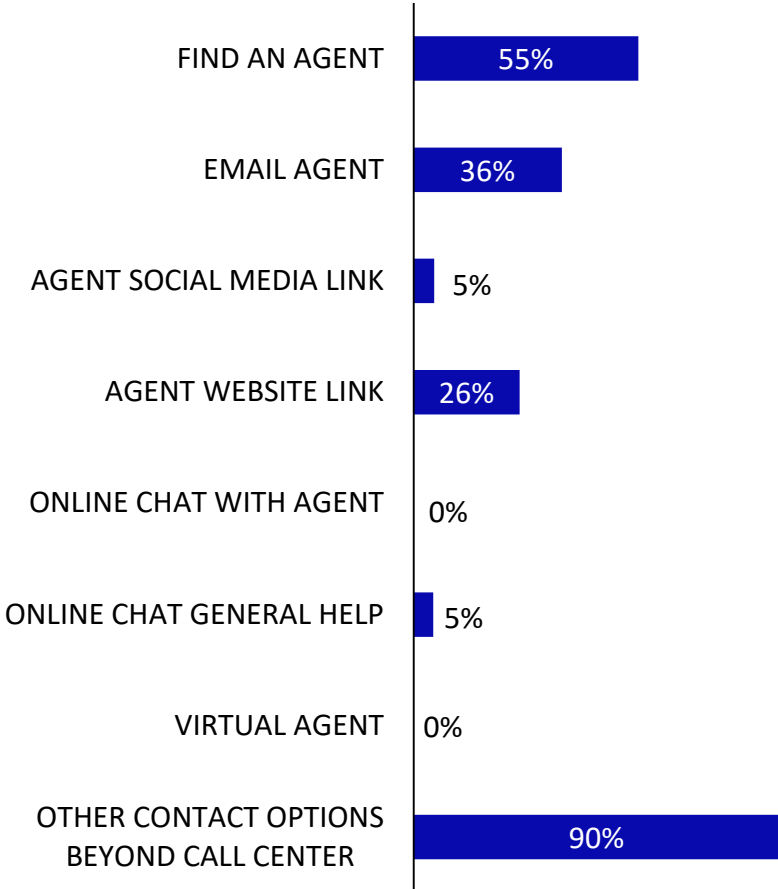


Observations

- More firms added FAQs while less had language options available on the public site.
- FAQs varied in content and location.
- Almost all firms had a policyholder portal for account service. Additional content is usually found behind the firewall.
- Search functions were common, but many took over the screen or functioned as a pop-up, interrupting the flow of the website

MOST CARRIERS CAN ONLY BE CONTACTED THROUGH A CALL-CENTER OR GENERAL EMAIL ADDRESS

Agent/Website Help

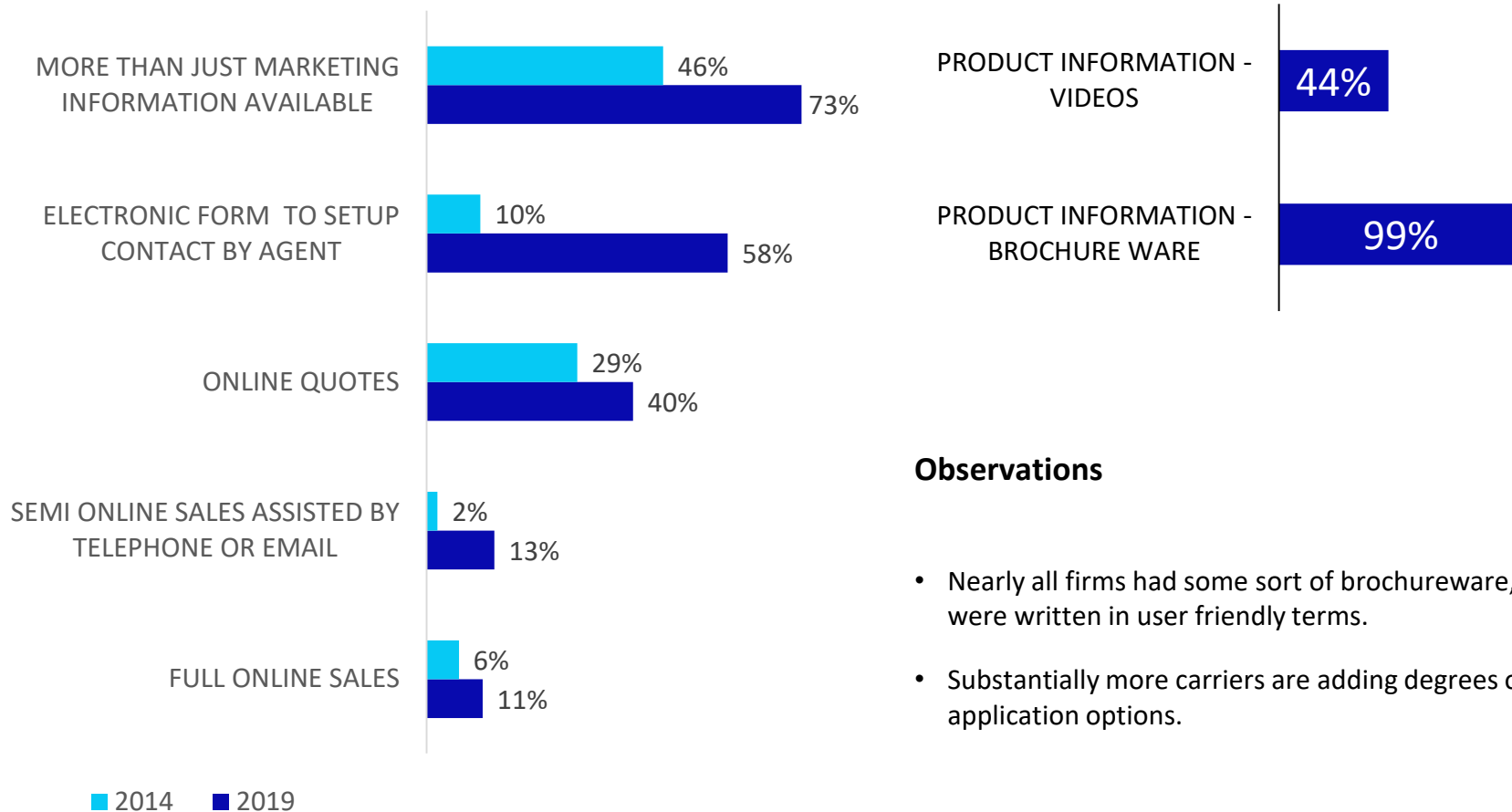


Observations

- Most insurers provided email addresses or forms as a mean to contact the insurer beyond the call-center.
- Chats or virtual CSRs were not readily available.
- If looking for an agent, many firms had templated websites for agents and advisors.
 - Most were user friendly and easy to find contact information and credentials.
 - Online chats or virtual agents were available.

LIFE INSURANCE SALES ARE STILL LARGELY ANALOG

Marketing and Sales

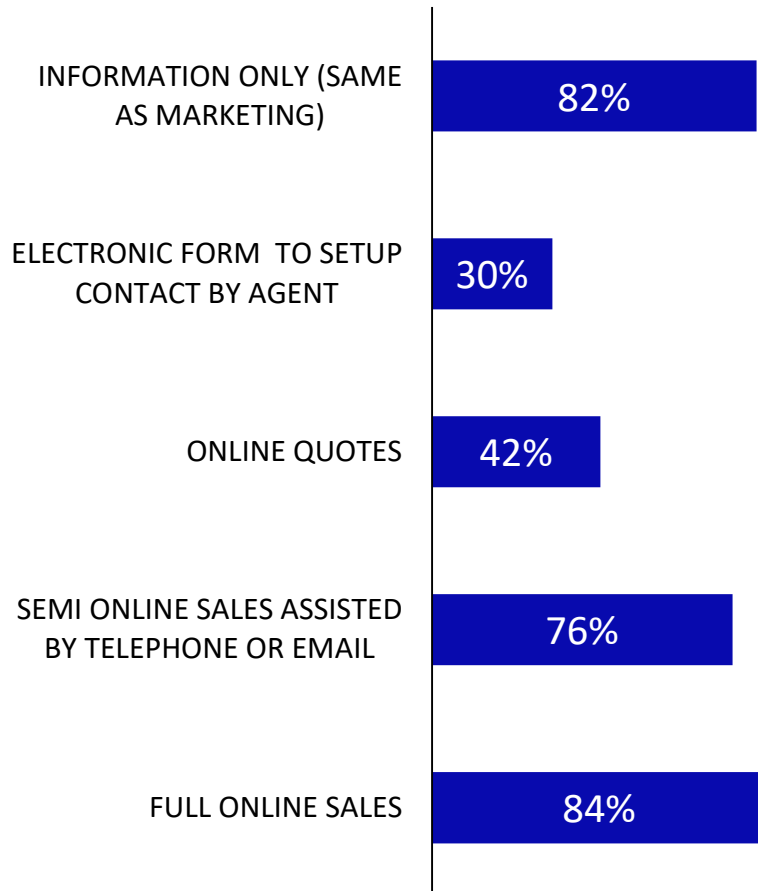


Observations

- Nearly all firms had some sort of brochureware, though not all were written in user friendly terms.
- Substantially more carriers are adding degrees of self service application options.

FIRMS OFFERING INVESTMENTS WERE MORE DIGITAL, REFLECTING THE HIGHER TOUCH RATE IN THAT MARKET

Sales and Marketing: Firms with Investments

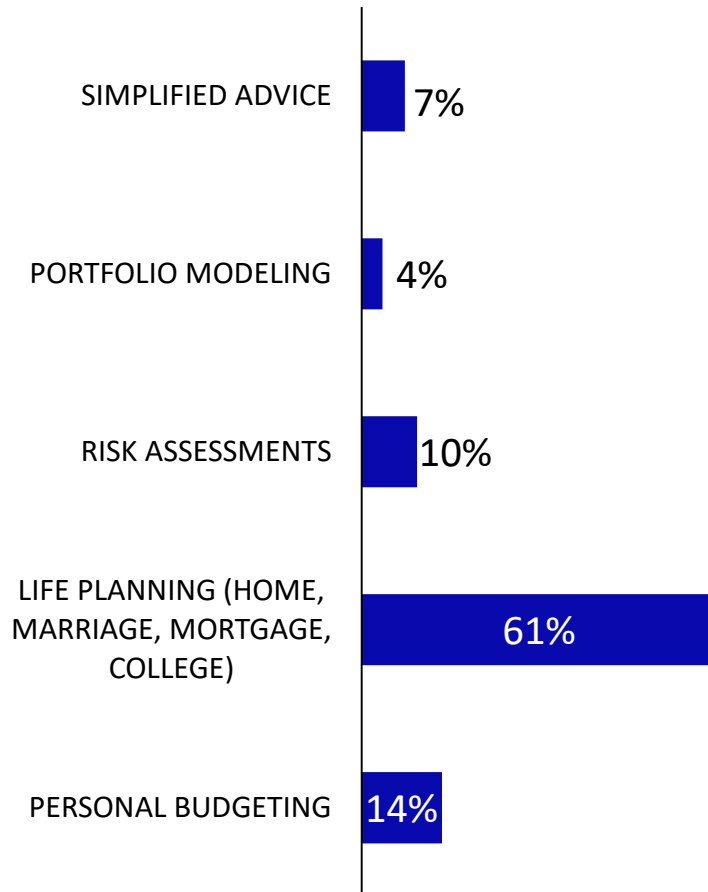


Observations

- Investment firms with life insurance offerings were more likely to have a greater variety of channels to conduct sales through.
- Over two-thirds of firms reviewed offered a form to set up contact by agent.
- Not shown, but multi-line insurers (selling P&C) were even more likely to offer online quotes and sales.

INSURERS ARE MAINLY AUGMENTING THEIR SITES WITH LIFE PLANNING TOOLS. OTHER CALCULATORS ARE STILL SPARSE

Calculators/Financial Self-Help

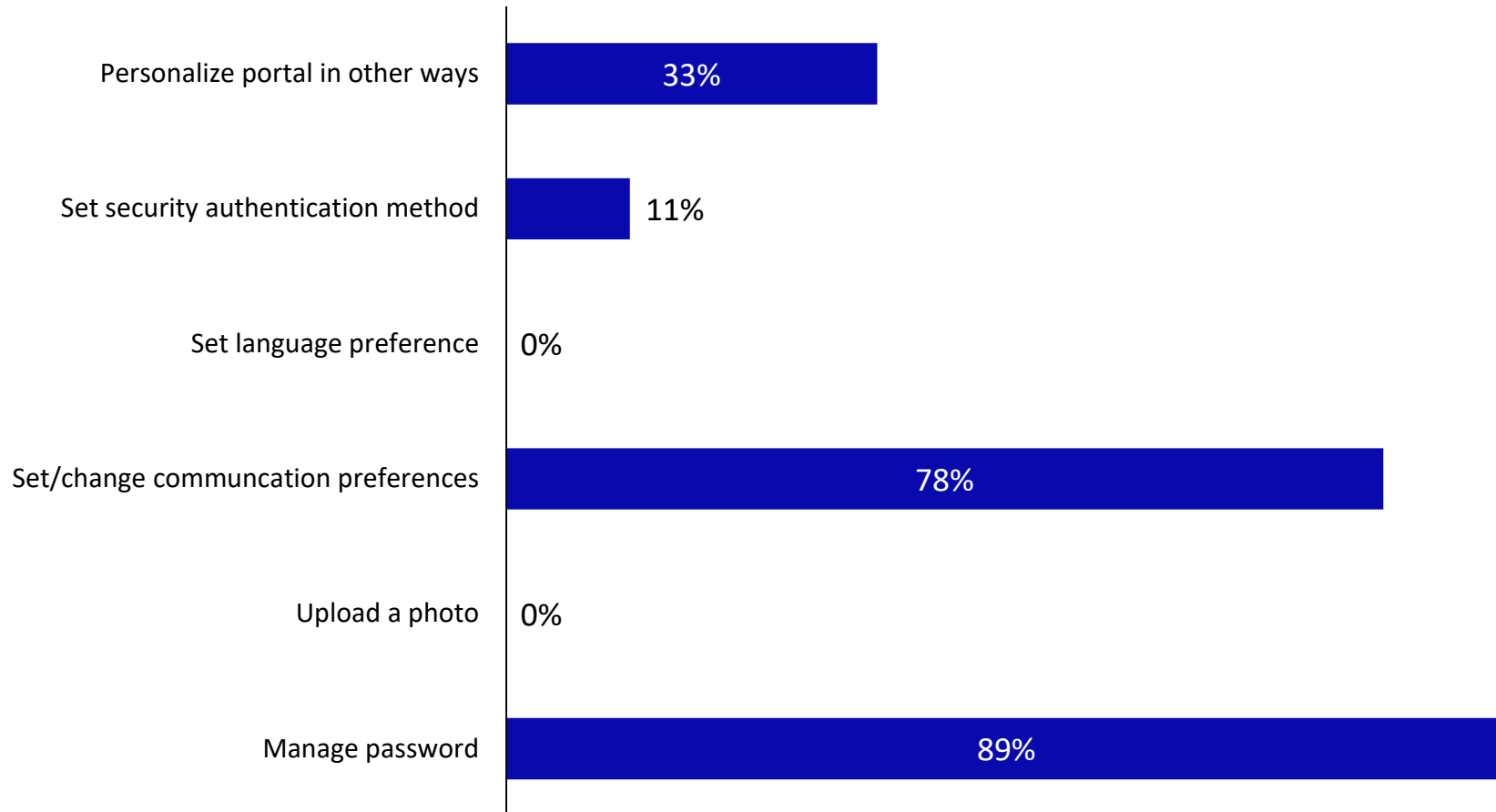


Observations

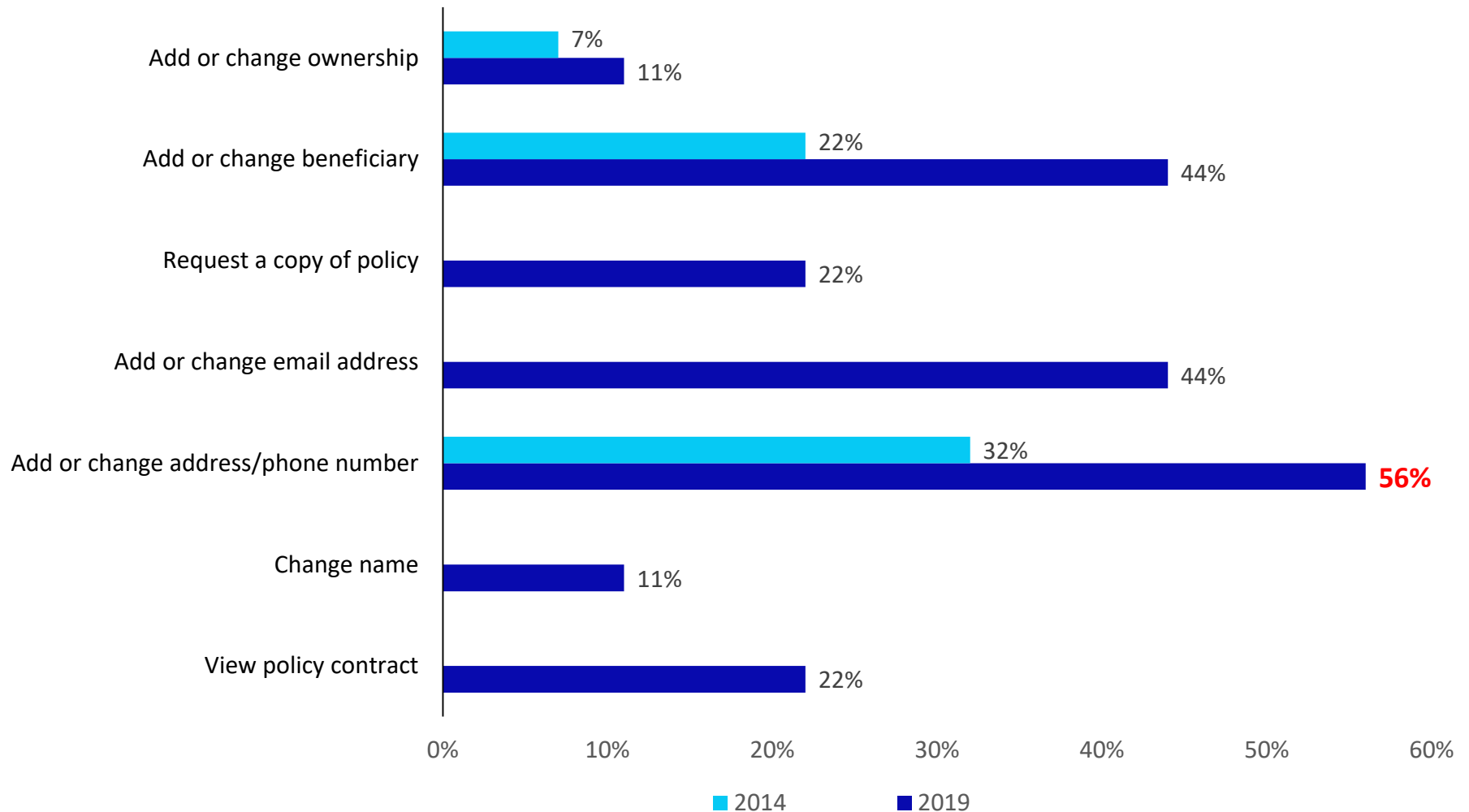
- Calculators were few and far between in 2019's study.
 - There were more than in 2014 but not much more!
- Even basic life planning tools to calculate how much life insurance applicants may need were only in place for 60% of the insurers in the study.
- Few firms had interactive tools beyond calculating the amount of life insurance applicants may need. Educational materials were more common.
- Very few firms offered personal budgeting tools, let alone more complex risk assessments or advice tools.

THE ABILITY TO PERSONALIZE A PORTAL WAS GENERALLY WEAK

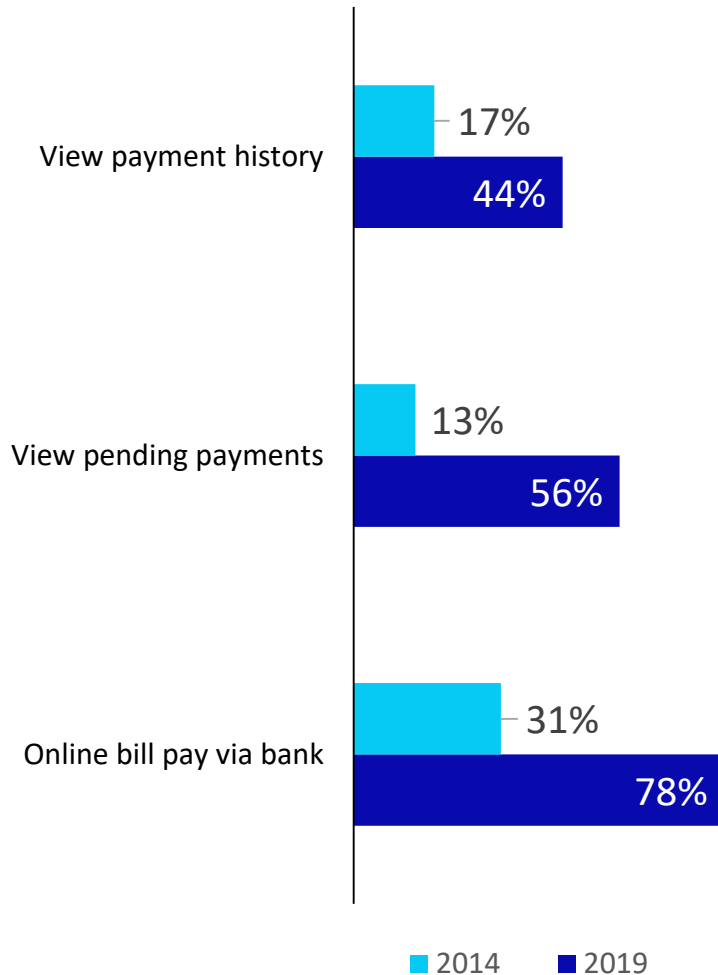
Portal Personalization



BASIC ONLINE POLICY CHANGES SUCH AS CHANGE OF ADDRESS, BENEFICIARY, OR OWNERSHIP ARE MORE AVAILABLE COMPARED TO 2014

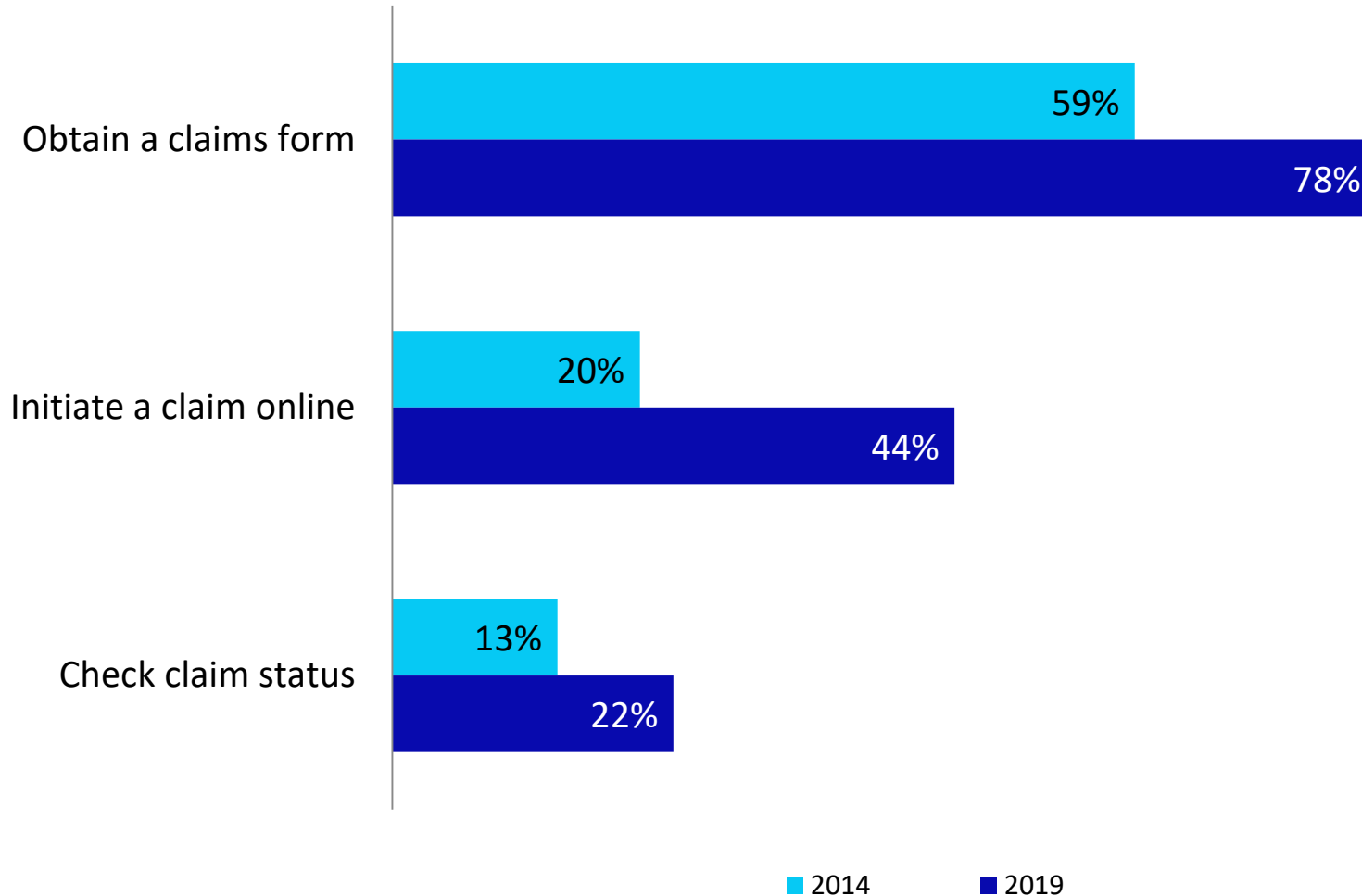


ONLINE BILL PAY VIA A BANK ACCOUNT IS NOW ALMOST UNIVERSAL



- Almost 80% accept online bill pay via a bank account.
- Over half show pending payments.
- Payment history is visible on 42% of the websites.
- These are huge advances compared to 2014.

SIMILAR TO PAST RESULTS, OBTAINING A FORM THAT INCLUDES A WET SIGNATURE AND REQUIRES MAILING WAS MOST COMMON



4

WHAT CAN YOU DO?

ANTICIPATE THE CONVERSATION IN YOUR POLICYHOLDER'S MIND





CUSTOMER PORTALS ARE GREAT TOOLS INSURERS CAN LEVERAGE TO PROVIDE A SINGLE VIEW OF POLICIES AND COMMUNICATIONS AND PROMOTE TWO-WAY INTERACTIONS WITH INSURED

Customer(s) information

- List of customer and policy information
- Feature allowing insured to change their personal information (address, email, telephone numbers, etc.)
- Feature allowing the policyholder to change password and other identification keys
- Feature allowing family view to get a single view of policies within the same family
- Feature allowing customers to choose a preferred language for communicating with the insurer

Documents

- List of all documents (we recommend insurers to create a specific tab for policy and general conditions documents)
- Search features to help customers find a specific document
- Document archive feature

Financial information

- List of premium invoices with indication of status (paid, pending, reminder) and link to the original invoice document
 - Account statement listing all financial movements (premiums, claims reimbursement, out-of-pocket payments, etc.) with link to related documents
 - List of claims with indication of status (paid, pending, etc.) and link to related original documents for instance claims statements
 - List of reminders related to premium and out-of-pocket payments with link to the original reminder document
 - Search features to help customers find a financial movement
-

...AS WELL AS A SINGLE VIEW OF POLICIES AND COMMUNICATIONS AND PROMOTE TWO-WAYS INTERACTIONS WITH INSURED

Correspondence	<ul style="list-style-type: none">• Forms<ul style="list-style-type: none">– Provide PDF or ideally HTML forms that can be filled in and sent online by the insured (request to change a bank account, claims form, complaint form, question about a specific invoice, etc.)– Sort forms by status (available, sent, other types of status)• List of personalised correspondence with link to the original document (these documents are generally individualised documents specific to a particular case for instance an invoice missing in a claim)• List of general communication including promotion documents for new products, changes in claim process affecting insured habits, special discounts or offers, etc.
Archives	<ul style="list-style-type: none">• List of documents archived by customers with link to open the original document• Features allowing customers to tailor organisation of the archive files
FAQs	<ul style="list-style-type: none">• List all questions a customer can have on insurance products, claims process and guidance on the policyholder portal and answer them!• Feature allowing customers to contribute to the FAQ section
Links	<ul style="list-style-type: none">• List of further links for instance the insurer's website, the Facebook community, etc.• Agencies and Agents

Q & A

Interested in learning more about Celent, please contact Chuck Smith at Csmith@celent.com

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