




SUPERIOR CUSTOMER EXPERIENCE IN TODAY'S CHANGING WORLD



By Tammy McInturff Appel



Industry leaders and customer experience experts discuss how companies can shape the future of their customer experience strategies to drive improved customer satisfaction.



In today's world of instant gratification, providing a superior customer experience has become more difficult than ever as empowered customers continue to expect more. However, customer experience has also become a true differentiator. Companies that offer a best-in-class customer experience grow faster and more profitably. To reach this level, insurers must relentlessly improve customer journeys across channels and business functions.

Customer Experience (CX) is the customer's perception of all experiences the customer has with a company over the duration of their relationship with that company. Today, it is at the top of everyone's priority list from the CEO to the CIO. The emergence of new channels, new customer behaviors, new design breakthroughs, new customer expectations and new sources of customer data offer new opportunities to improve the CX and create competitive advantage by putting customers first. It is no longer enough to provide good customer service; it is imperative to provide a top-class customer experience.

For many businesses, customer experience is just a buzzword, either because they believe it is a passing fad or because they have no idea how to apply the concept. Unfortunately, the companies ignoring the customer experience will find it increasingly difficult to compete because it has become more important than the products you offer. Now, it is all about the experience.

At the 2019 LOMA Customer Experience Conference, industry leaders and customer experience experts discussed how companies can shape the future of their customer experience strategies to drive improved customer satisfaction, loyalty, and advocacy.

From Ordinary to Extraordinary

Steve Harvill, President, Creative Ventures, discussed the journey that companies need to take to move from ordinary to extraordinary. "Why do we continually settle for ordinary, when the step to extraordinary is so simple?" he asked. "Why do we ignore the power of a simple story? Why don't we create opportunity instead of waiting for it? Why do companies settle for the way things are and the way they have always been?" Harvill said part of the problem is that companies believe that the space between ordinary and extraordinary is huge. "The reality is that the space is small, filled with simple, powerful and elegant steps," he added.



Harvill asked the audience to close their eyes and picture the color blue. “The brain can pull up a color from memory in about 1.5 seconds,” he said. “Most people choose a familiar color of blue, a color you would find in any standard box of crayons.” He then asked the audience to close their eyes again and this time picture the color “dazzling blue.” “Your brain changed the picture to a much different color, a color whose shade is far outside the standard,” he explained. “The small space in your imagination between regular blue and dazzling blue is the same distance between ordinary and extraordinary.”

Harvill said the first step to creating a superior customer experience or reaching “dazzling blue” is to focus on what you can control. “In almost all “dazzling blue” companies you find incredible client experiences,” he said. “They focus on every detail. Their teams are client experience experts. They pride themselves on unique and powerful ways to touch their relationships. Focus on the client experience. Make it strategic.”

“In the greater scope of things you don’t really have control over virtually anything,” Harvill said. “You don’t control your industry. You don’t control the government’s intervention. You don’t control product development or product placement. So this idea that you have all of this control isn’t really real. You only control two things. You control your skills—how good you are at what you do. No one impacts that but you. Great professionals get better at what they do. Every year your goal structure should have something that makes you better at what you do. The second thing you control is how you treat your clients. No one else controls that. You create the experience, the relationship building and how you interact with these people. Those are the two things that you can control. So if you know that, you should have a strategic focus on the things that you can control. Focus on what you can control; focus on the client experience.”

Be careful about getting stuck in a pattern of repeated behavior that is not benefiting your or your company. “Anything and everything that we are doing today is captured in a pattern and it doesn’t have to be that way,” Harvill said. “It never has to be that way. People get so involved in what they do that they believe that way that is the only way. These patterns have a negative impact to you, but the brain loves patterns. This is how the brain works; if you stick in a pattern, you will do it over and over again. Athletes do this all the time. Have you ever watched a basketball player at the free throw line; they do the same thing before every single free throw. They repeat a pattern over and over again, which is good because it affects the outcome, but it also gets you stuck in a place and in the client experience you don’t need to be stuck in that place.”

“Your current model is driven by the patterns of your industry,” he said. “To discover client experiences that create



separation and differentiation you need to unencumber your ideas from the past. Look in different places for unique ideas that can transfer to your client experience.”

Embracing Simplicity

Harvill stressed the power of simplicity and focusing on one thing. “Remember, it is always about one thing,” he said. “It is never about 20 things or 15 things. It is hard for people and companies to believe there is value in one thing. We believe more is the better element. More is not better and better is not best. When you are talking best, you are talking one thing. The one thing is time.”

“What if I told you that all you needed was ten minutes a day to change everything about your client experience? The Ritz Carlton hotel chain takes ten minutes every single day at every property around the planet for what they call the Daily Line-Up,” Harvill said. “Every division of the company meets for about ten minutes every single day, whether it is food and beverage, housekeeping, etc. Every day that they meet they discuss seven minutes of what is going on that day and then the last three minutes every single day they remind everyone why they are there. They remind them of why they work at The Ritz Carlton. They remind them of what the mission is.”

The Art of Saying No

When it comes to CX, scale is really important. “If the little things matter how are you going to be able to recognize the little things? Scale creates a sense of simplicity,” said Harvill. “If you have to say no a thousand times then you have a very

limited number of times you will say yes. Small things have a huge impact. Think about when you get a pebble in your shoe. It will drive you crazy until you take your shoe off and get it out.”

“The first secret of scale is that you have to have in your head the ability to say no a thousand times,” he said. “No and yes fight for a position from you all the time. You know what you want to say all the time is yes. We love saying yes; we hate saying no. Scale is about one thing. Learning to say no is the single and most important thing you will do in your client experience. You can’t do everything. You only need the one thing that changes the way that anybody looks at what you do. It is about one thing.”

Harvill said the art of dazzling requires a “level of almost extreme discipline in its pursuit.” Adding that, “To reach extraordinary performance you have to learn the advantage of saying no. From a strategic perspective you have to look for the one yes that will allow you to focus on a dazzling blue approach. Think about what your one yes is that will allow you to create a dazzling experience for your clients and your team.”

“The more complex any of your ideas become, the less likely they are to be dazzling,” Harvill explained. “How many layers of an idea or process can you create the laser like focus you need to be extraordinary? The more simple any of your attack points, the greater your chance of developing something dazzling.”

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Map the Client Experience

The third step that Harvill outlined in the art of creating a superior customer experience is mapping your client experience. “You have to have a map,” he said. “It is complicated. There are a bunch of steps that you are doing for your client that you don’t even think about. Think about your touch points and where the client experience starts. I had one client that I worked with and they didn’t even know where to start when mapping the client experience. The problem is we are overwhelmed with data. We don’t know what is important and what isn’t. It sucks the energy out of us. It stops us from making decisions. We also think that if we just had a little more research we would know what to do. That is not always true. Remember, it is ok to make a mistake. It is the thing that you don’t get done by waiting for more stuff to come in that causes problems.”

According to Harvill, companies are constantly chasing the wrong statistics. “Think about HBO; they look at churn and how many customers that they lost this month. Then they compare that to how many customers they obtained. They start with the wrong statistic, those people are gone already. You need to start with your best customers and ask them what they love about doing business with you. Then build your customer service models around what everybody likes.”

Harvill gave another example of how Ford looked at the wrong statistics when considering how to get more customers to buy the Taurus. “Think about the demise of the Ford Taurus, which at one time was the king of sedans,” he said. “When the Ford Taurus started losing market share they went to everyone that traded their Taurus in for another car and asked what was wrong, instead of asking the big group people who were buying the Taurus what was right and doing more of that. It was the wrong way to think about this.”

Putting the Customer First

“When we work with companies we know what the enemy is immediately,” Harvill said. “It is the same enemy we see in everything we do and the enemy is complexity. We are driven to love complex things. Simple is always good. When you are mapping out your client experience keep it simple.”

“The client experience comes first and the financial metrics comes second,” said Harvill. “The client experience is worthy of all of your time and effort. Peter Drucker said, ‘the purpose of a business is to create and keep a customer.’ It is one sentence describing the purpose of every business ever created. So if that is the only thing that you care about there is only two ways to make money—a new customer comes in or an existing customer buys more. It is not this gigantic, mathematic, algorithm, AI type thing; it is that. It is hard to



get a new customer; it is easier to deal with the existing. The level of complexity that you put on this is ridiculous. It is not complex at all, which means you have the ability to focus. All you need is one simple map that has one simple step that leads to one simple destination.”

Harvill discussed how one of his clients is a wine bar that was looking to do one thing to improve the client experience. He explained that the wine bar already serves great food and has a great atmosphere. After reviewing the client experience they determined that giving customers a card with the name of the bottle of wine they ordered with details about how much a bottle costs and where they can buy it would improve the client experience. They plug the information into a software program so even if you are visiting from out of state they can tell you where you can buy it near where you live. They hand the card to the customer on an elegant silver tray. “It was one thing and it changed everything,” Harvill said. “Where can I get this bottle of wine was the single most commonly asked question that they received.

“Client experiences are not connected by what you sell; they are connected by how the customer feels about the experience. It is not about a trade for money; it is a trade for emotion. If you are going to look to any company and evaluate their client experience, look at Disney.” Harvill explained how Disney has made great business decisions over the years including the decision to buy Pixar, Marvel and Lucasfilm. “Those three purchases are the signal three greatest economic decisions ever made by a company in the history of business.”

When customers have a connection with a brand they are loyal to that brand. “There is a difference between service and hospitality,” Harvill added. “Dazzling blue is about emotion. Focus on how you make the client feel. Emotion is what Disney does really well. It is what you have to do. If you are building anything around the client experience it is connected by how people feel more than what people get. We have love affairs with brands. People that are Apple people have a love affair with Apple. They don’t care what the device costs. Google users have the same type of loyalty. They will have another search engine on their computer and in the search bar they will type Google.”

Rules to Embracing Simplicity

Harvill offered a few rules to help companies along this journey. “Remember never more than three,” he said. “To begin a journey into simplicity limit the number of elements that are in play to no more than three. This is a learning experience but will create a sense of discipline in your approach. Second, see the process. When working towards simplicity use your whiteboards or flip charts and sketch out your ideas. Seeing kicks in to the brain’s ability to simplify. The third rule is to participate. Get more people involved. The higher the level of participation the more ideas get put into play.”

AI and CX

Dave Edington, Marketing, CX Strategist, Customer Engagement, IBM, discussed AI and its role in CX, addressing some of the questions that he hears from clients about the applicability, immediacy and results of using AI to deliver superior customer experiences.

Edington said good CX should be easy and relevant. He said that today some companies are focused on hyper-personalization but sometimes you can

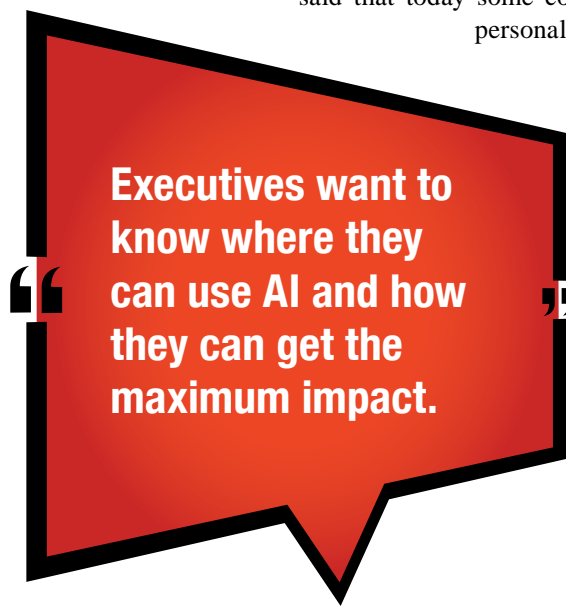
be too personal. However, you cannot be too relevant. “Good CX needs to be easy, relevant, safe and secure,” said Edington. “That is hard. One of the reasons why it is hard is because we are all siloed. A number of companies and industries are getting better at breaking down these silos. We need to get better at breaking that down.”

Being Relevant

Today it is more important than ever for your brand to have a meaningful connection with your customers.

Does your company have that DNA thread that is going to give you meaningful differentiation in every single customer experience?

Edington said that simplifying the customer experience can be a difficult process for companies to achieve. “Easy is a moving target,” he said. “Every time you think you have channels optimized there is a new technology or a new device; so easy is fluid. Relevancy is also fluid because it is contextual. What do you need right now? It is going to change tomorrow. It is also fluid. Brand-meaningful hopefully is a static. If your brand really knows who they are and they stand for



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something that doesn't change. But I now have to deliver it in a contextual way."

Edington said that he believes that cognitive and AI will increasingly play a role in helping companies in their pursuit of creating a better customer experience. "A generic definition of AI is that it is the assimilation of human intelligence processes by machines especially by computer systems," he said. "At IBM for us to put the Watson insignia on something and call it AI it has to understand, reason, learn and interact with you in natural language. If it doesn't do this, it is not AI to us. You may have really good predictive analytics or really good machine learning; but those aren't AI. They are building blocks and components of AI.

"Narrow AI is AI that is able to handle just one particular task. It is simple domain, single task. Broad AI is single domain, multiple tasks. I would say Broad AI is coming out of the trough of disillusionment. You may not realize it but you are interacting with narrow task AI probably about 30 times a day—on your phone, on email and on websites. You just don't know it but it is there.

"Narrow task AI is your optimization and your efficiencies. When you hear people talking about innovation and reinvention that is going to be more Broad AI. AI does not work without data, a lot of data. IBM and other players are getting really good at teaching AI about the business and we are just drilling down on elements of business operations and tasks."

Leveraging AI for Maximum Impact

AI has the potential to have a big impact on the insurance industry. "IBM and other players are getting really good at teaching AI about business and we are just drilling down on elements of business operations and tasks," Edington said, adding that we are now entering the plateau of productivity with AI. Edington said the core question he hears from executives has shifted from what is AI and what is not AI to how do we leverage AI for the greatest impact. "Executives want to know where they can use AI and how they can get the maximum impact," he said.

"When we do our Institute for Business Value survey on what executives across all industries expect from AI, we hear actionable insights is the number one thing they expect; followed by efficiencies for decision making. They also expect AI to help with cost savings and improved employee satisfaction." Edington said that executives also want AI to help with growth benefits and depth of customer engagement. "Companies want to engage customers more intelligently by using AI to improve customer satisfaction. They also want revenue growth because of this. They want to be able to create new business models and be able to disrupt before they are disrupted."

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Narrow task AI, like chat bots and virtual assistants are already in use in a lot of industries. Edington shared how IBM has worked with Royal Bank of Scotland to create an AI powered digital assistant. "The Royal Bank of Scotland now has Cora, a digital assistant that is trained with over 200 customer intents and has over a thousand responses to those intents," he said. "They have 45 percent call containment within Cora today at an 86 percent customer satisfaction rating. Cora is learning every day."

CX Journeys

According to Edington, AI can not only improve the customer experience, it can also improve the employee experience. "We have to make the experience better for the employees as well as the customers," he said. "We are building things like AI powered journey analytics. We are looking at those paths that people are taking and mapping those paths in real time with displays on your laptop in real time. We are doing things like AI powered struggle detection. You can input your company benchmarks and your industry benchmarks and in real time to your desk it is showing you those breakdowns so that you can intersect more quickly, omnichannel and improve it.

"We are often asked how companies are organizing for AI," Edington said. "It ultimately comes down to who owns it. Some companies have an AI Center of Excellence. You may not need a Chief Artificial Intelligence Officer but you do need an executive champion who supports the endeavor and truly believes what the cognitive enterprise can become and how the call center operations of the future fits into that."



“Business problems need business owners. Be careful about pointing AI to IT,” Edington said. “The danger is that they will maximize the technology but not point it at the business problem. The business knows the business problems and the challenges and where you can get the best value so you have to represent that and have IT pick the AI solution that builds it.”

“Find a trusted partner for AI,” Edington advised. “There are plenty of players in that narrow task AI area. You can move faster this way. As you are looking at vendors and partners make sure that what they are actually showing you is AI.”

Common Mistakes

Edington discussed some of the common mistakes that companies make when it comes to AI. “A lot of companies tried to do broad AI a couple years back and it didn’t work,” he said. “The failure rate was incredibly high. A lot of people got too ambitious too early. Again, don’t abdicate AI to IT. I see companies doing that and it is wrong.” Edington advised that companies make sure their bot or virtual assistant is ready before they make it consumer facing. “Cora was actually trained and used internally in HR for a period of time so it actually knew those 20 intents really well before they made it consumer facing,” he said.

“Don’t get too frustrated too early,” he added. “Companies that have stuck with it are now seeing a compounded return. The number one reason that AI goes bad is messy data. We like to say there is no AI without information architecture. Eighty to eighty five percent of getting AI to work is giving it the data and organizing so that the cognitive instrument can read it. That is why data scientist is one of the highest in demand jobs in the U.S. right now.”

Edington said some executives ask how they can best prepare their teams for AI since some employees may be afraid that AI is going to take their job. “It is a legitimate fear,” he said. “I would say probably in call center operations it is a legitimate concern. Some jobs will be eliminated but new jobs will be created. If you take a look at it on a macro-level we actually think it is going to be about a break even for the next five years. However, jobs are going to change because of AI. What is going to be key is communication and training. Also, change management will be needed going forward.”

AI doesn’t come without some concerns. “Some of the top concerns we hear are cybersecurity and vulnerabilities related to AI, especially when we get more into the cloud,” Edington said. “Their chief concern is breaches. Another concern is making a long term strategic decision as a result of AI decisioning and the legal liability issues associated with that. These are significant and something that we are very mindful of as we go forward and recommend AI capabilities.”

Another concern with AI is who owns the Intellectual

Property (IP). “Think about who owns the IP,” Edington said. “If you are working with an outside partner on AI, who controls that data. These are systems that learn about your business. It gets smarter and smarter about your business. Can a vendor take that IP and then use it as a model for your next competitor? Check that out. At IBM you own the data, you own the IP. We do not use it for any other models. If you talk to a vendor, make that clear.”

AI and the Future

Edington said that voice commerce or vcommerce is something to keep an eye on. “Just when you think you are mastering ecommerce the new expression coming out is vcommerce,” he said. “Voice commerce is expected to be an 80 billion dollar business worldwide by 2023. This is such a hot topic right now that California even recently passed a law that chatbots have to disclose that they are not human.”

Edington said when considering AI it is important to start with the business problem. “Start with the problem and ask if AI can solve for it,” he said. “This is not a silver bullet. Do we have the data? Do we have the right processes and people? How will we measure success? Make sure you are using an AI instrument specific to your KPIs. There are tons of widgets, apps, partners, make sure you are talking to somebody who is specific to your KPIs.”

“You have to choose whether you are going to play offense or defense,” Edington said. “You are going to have



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to innovate one way or the other. Solve your data challenges daily. Rethink your people, processes and structure. Embrace agile, if your company hasn't the best way to deal with this is a Center of Excellence. Break down those silos. Organize around the customer, and experiment. You will fail. AI has a high failure rate but you have to stick through it. Use AI to be a catalyst for your data transformation. Position AI as a key to creating great customer experiences. If you do this, I think you will be well positioned for the age of AI that is already taking place."

Leadership Strategies

All organizations, no matter their size need succession planning. Does your company have a viable leadership development program? Or do you have a leadership development program but are you having trouble convincing your high performers to consider leadership?

Leadership development is an important topic for our industry today. Insurers are facing a talent gap as senior leaders are retiring in mass and taking their vast knowledge of the industry with them. With low unemployment rates this is creating a talent war for the top talent. As the industry continues to change and transform, tomorrow's leaders will need different skills than their predecessors.

At the LOMA Customer Experience Conference, Danielle Ivory, ACS, vice president, Insurance Operations, Ohio

National and Jean Linnenbringer, senior vice president, Enterprise Operations, CNO Financial Group discussed strategies on how to develop a leadership program and how to attract the leader of tomorrow. Marvin Jones, LLIF, ALMI, ACS, senior associate, management solutions, LOMA, moderated the session. He asked Linnenbringer and Ivory how companies can capture the wisdom and experience of these valuable individuals and subject matter experts to pass it on to the next generation of financial professionals.

"It is a big challenge we face in the industry, especially as we have all the knowledge that is maintained by these individuals that have been in the business for a very long time," Linnenbringer said. She discussed how they have a senior individual at the company who is not only very knowledgeable, but also very passionate about her job. Linnenbringer said the company has partnered some of their more junior individuals with this particular senior individual so that the senior individual can tell them about not only how they do things but why they do things. "What we are really doing is not just a knowledge transfer, it is really transferring that spirit that she has for that continual learning and excitement for what we do. I think it is a priority to partner the more senior individuals that have the knowledge and get them to write down what they know. It is mostly in their head after all of these years and to get them partnered up with these more junior individuals and pass on that excitement and passion for what we do."

Ivory said that she has found that allowing these subject matter experts to be a part of their succession plan is helpful. "They know at some point they are going to leave and if you involve them in that and ask them who they see as their successor and then allow them to mentor that person over a period of time that can be very effective," Ivory said.

Flexibility and Company Culture

Many employees today want remote work options and more flexible schedules. Potential employees may consider everything from the quality of the IT systems you have to your company's culture when deciding if they want to work at your company or even if they want to stay at your company. Jones asked Linnenbringer and Ivory how their companies address these issues to attract talent.

"We have a very flexible work environment," Ivory said. "People do not have to worry about putting family first, we actually encourage that. We have many areas that have implemented work from home but due to a lot of the technology restrictions as far as legacy systems we can't work from home in all areas but we are offering that where we can." She said the company is continuing to implement better technology and anticipates being able to allow more work from home flexibility to more people in the future.



“We have really tried to push the employee voice forward,” Linnenbringer said. “We asked our employees how they wanted to work and what would be the best work environment for them. This year we are implementing summer time hours. Every employee, every other week will have four hours off but they have to bank their four hours ahead of time.”

Finding the Best Fit

Building a sustainable and diverse company is always top of mind for companies today. Jones said “Your employees are your most valuable resources and opportunities in your organization may range from marketing, data science, technology, human resources and sometimes these opportunities are not in your area but do you feel a sense of obligation to expose your employees to other operations within your company?”

“Absolutely, I ask people what they want to do,” Ivory said. “Where do you want to be? Forget about where you are and

how you got here. I feel like when you put people in positions that they are interested or positions that motivate them, they are more likely to be successful.”

“I too ask people what they want to do,” Linnenbringer said. “Life is short. If you don’t love what you do every day and you are not excited to be there, then at least let me help you find the job that makes you feel that way. There are so many opportunities out there and other ways that people can contribute. We created an internal to operations mentoring program. Our mentoring program aligns people across different departments so that they can learn more and decide if they want to go that way or not. Don’t forget the basics. Operations is where everyone in the company should begin. It is the best foundation because they learn all about products and the customer.”

“I think the key is you have to ask people what they want and you have to be open to getting an answer that may not fit whatever mold you have created,” Ivory added.

The Next Generation of Talent

Jones asked Ivory and Linnenbringer how insurers should view the next generation of talent. “Is that talent coming from the traditional channels and if not what are some of the obstacles that are preventing folks from considering the insurance industry as an appealing career?” he asked.

“To really attract the new talent you have to open your way of thinking and really discover what you can teach versus what they need to bring to the table,” said Linnenbringer. “That attitude, spirit of service and natural empathy are things that we look for in our operations individuals. I can’t really teach that, you either are that kind of person or you are not. I can teach you all about the product, regulations, fraud and everything else I need you to know.”

“I have learned over the years that you have to treat people as individuals first,” Ivory said. “Everybody wants something different. You have to figure out what that is and capitalize on it. You can’t fit everybody into the same mold. You can get to a place where you have them all marching in the same direction but you have to look at people on an individual level. You have to look at every single individual in your organization and make sure that you know what they want and that you have taken some effort to align what you are going to do with them to what their goals are.”

“I completely agree, I think keeping the energy alive and the focus tight enables success,” Linnenbringer said. “We have so many groups and forums where people can have their voices heard. It is treat people how you want to be treated and I’m telling you the energy level is growing. With that energy and focus, I think we can deliver the goals that are set in front of us.” ❖

2020 Customer Experience Conference

The LOMA 2020 Customer Experience Conference will be held March 25-27 in New Orleans. Why attend? The digital customer experience is becoming as important a differentiator for brands as product and price. The theme “Excellence Personified” is not only timely and relevant, but critical.

Customer experience (CX) is defined by interactions between a customer and an organization throughout their business relationship. Striving to be the best, so customers prefer to do business with us, is the only key to true success. Companies that offer “Best-in-Class” customer experiences grow faster and more profitably. To reach this level, insurers must relentlessly improve customer journeys across channels and business functions.

At the 2020 Customer Experience Conference, learn how to shape the future of your customer experience strategies to drive “improved” customer satisfaction, loyalty, and advocacy thru outstanding and impactful key note presenters, insightful concurrent breakout sessions and highly interactive sessions that will cover a host of topics.

For information, contact JonesM@LOMA.org, phone 770.984.6459.

Service in the ‘Post-Digital’ Era: AI, New Technologies

The next big competitive advantage in insurance will be created by the ability to capitalize on “momentary markets,” or personalized policy and service offers tailored to customers’ unique life moments and delivered in real-time, according to a recent report from Accenture.

The report, *Technology Vision for Insurance 2019*, notes that we’re entering a new “post-digital” era, where success is based on an organization’s ability to master artificial intelligence (AI) and other new technologies. The post-digital era doesn’t mean that digital is over, but rather, that it’s no longer a differentiating advantage — and now the price of admission.

As technology-driven interactions create an expanding technology identity for every consumer, insurers can tap into customers’ digital demographics to deliver hyper-personalized, on-demand services that meet customers’ specific needs, according to the report. More than four in five respondents (84%) who participated in the *Technology Vision* survey believe that digital demographics give their organizations a new way to identify market opportunities for unmet customer needs.

The report notes that while the average insurance customer engages with his or her insurer only once or twice a year, insurers are looking to increase engagement through real-time risk protection and mitigation services. Three in five insurers (60%) are already using technology to build products or services that boost the frequency and quality of customer engagement, with another 35% planning to do so in the next year.

“There’s an opportunity for insurers to increase and improve their touchpoints with customers and forge a stronger, more personalized experience by harnessing customers’ digital footprints, but they’ll need to digitalize their core before they can reach these new heights,” said Daniele Presutti, who leads Accenture’s Insurance practice in Europe. “Most traditional insurers are behind the curve in this ‘post-digital’ world, with a heavy reliance on mainframe technology. This makes it difficult for them to explore opportunities in the cloud and technologies such as AI to transform their operations, accelerate time to market and improve security. It also makes them vulnerable to the early adopters of these technologies as well as the nimbler ‘post-digital’ upstarts.”

Meanwhile, three in five insurers (59%) are forming distribution relationships with non-traditional partners to reach customers in new ways and create new value for them. While this is encouraging, only one-quarter (26%) of respondents



know for sure that their ecosystem partners are working as diligently as they are to improve their security resilience. Leading insurers will recognize that as they collaborate with entire ecosystems to deliver new products, services and experiences, security must be a priority.

The report also suggests that failure to master social, mobile, analytics and cloud (SMAC) technologies will leave insurers unable to serve even the most basic demands of a post-digital world and prevent them from embracing the next wave of digital disruption — distributed ledger technology, AI, extended reality, and quantum computing (DARQ). This new set of technologies will let insurers reimagine the entire industry and its role in the world.

“For insurers to excel in the ‘post-digital’ environment, they’ve got to become more agile and implement SMAC as a core competency before they can rotate to newer technologies, including distributed ledger technology and AI,” said Jim Bramblet, who leads Accenture’s Insurance practice in North America. “They’ll also need to carefully choose the customized and on-demand customer experiences they want to target and work backwards to map out how to get there, determining which ecosystem partners they need and where their place in that ecosystem will be.”