



White Paper



Why Customer Experience Matters (and What To Do About It)



A large, light grey geometric graphic consisting of several overlapping shapes, including a large circle in the top right corner and a large, irregular polygonal shape that dominates the right side of the page.

Improving the customer experience is a hot topic in the insurance industry of late. And with good reason. According to Forrester Research, a good experience makes customers more willing to consider another purchase, less likely to transfer business to a competitor, and more apt to recommend the organization.¹ In a market where customers are bombarded with competitor advertising and customer loyalty is at a premium, this trio of benefits is the Triple Crown for insurance organizations.

Delivering the level of experience that builds trust between agents and their clients is not as simple as pledging to 'put the customer first'. Instead, it requires that every customer-facing employee has the information and tools they need to personalize service and recommend products that best support each customer's unique needs. In other words, they need to become customer advocates, putting the customer's best interests ahead of the firm's bottom line. Forrester Research believes this is a key driver in incenting customers to invest more, borrow more, buy more products and ultimately, become more loyal to the organization.²

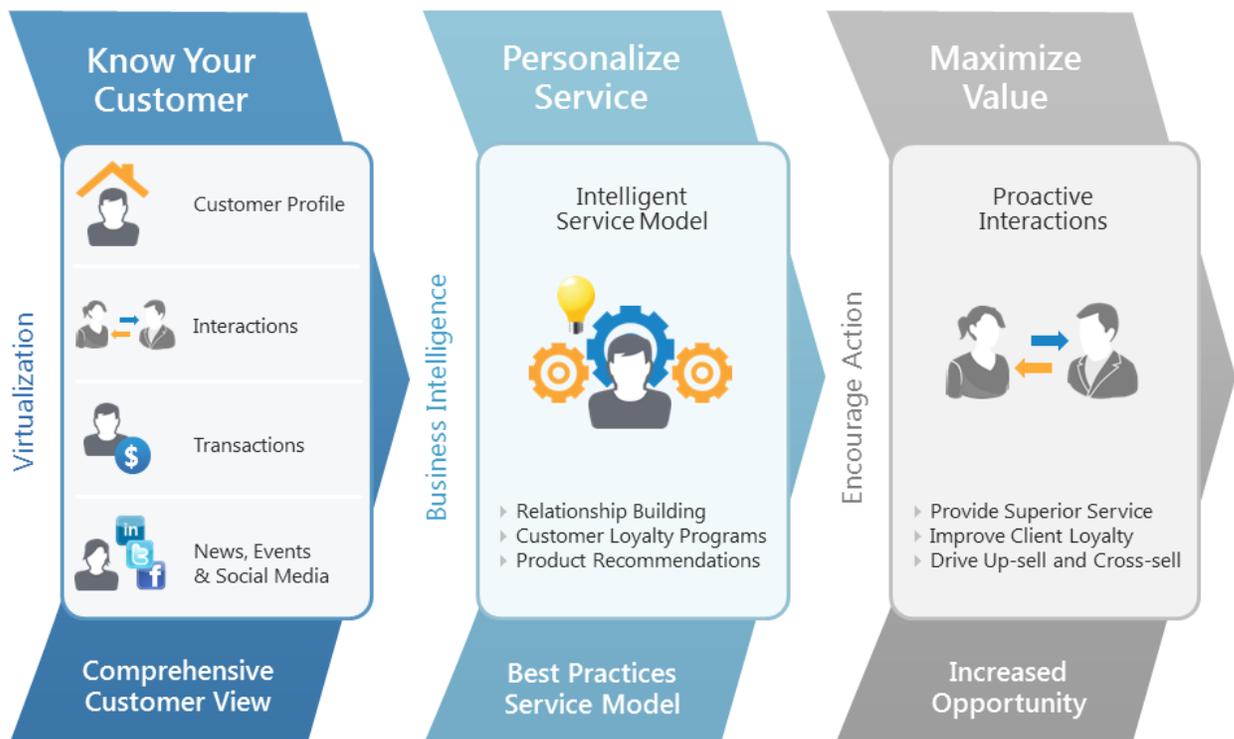


Figure 1: Next Generation CRM

Next generation customer relationship management (CRM) can play a critical role in enabling customer advocacy and improving the customer experience. It provides staff across the organization with access to comprehensive customer information to understand the customer's needs, motivations, and past experiences. It presents this information in a logical manner that makes it easy to serve the customer efficiently. With integrated, enterprise CRM every employee can improve the customer experience by:

- ▶ Knowing each customer better
- ▶ Sharing information across the enterprise
- ▶ Delivering consistent, best-practice service across all channels and geographies
- ▶ Interacting with clients when, where, and how they choose

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KNOW YOUR CUSTOMER BETTER

Large enterprises typically hold a vast amount of demographic, interaction, and transactional data about their customers in siloed back office and departmental systems. These ‘islands’ of data are one of the main culprits in terms of eroding the customer experience, as they require customers to repeat information with each new employee, line of business, or channel they encounter; reduce the efficiency of the interaction; and increase the risk of receiving contradictory advice or information from different points of contact.

Organizations looking to improve the customer experience and create a perception of customer advocacy must therefore create a single, comprehensive source of truth for users in all channels. Only when customer-facing personnel are armed with this robust source of information can they begin to service the customer in a manner that differentiates and elevates the experience.

Next generation CRM integrates data from multiple disparate systems and data sources, including legacy and back office systems, third party applications, and social media channels into a comprehensive customer view

‘Islands’ of data are one of the main culprits in eroding the customer experience

that is continually enhanced as data is added or updated in integrated systems. Such data can include demographic and profile information; interests and hobbies; personal and professional relationships and spheres of influence; details of interactions across all channels and divisions; and a complete history of all transactions, policies, claims, and accounts.

Once all data is integrated, next generation CRM provides capabilities to enable users to be net receivers of information, getting more out of the system than they put in.

For example, a solution with an intelligent service model can monitor integrated systems for life events, alert staff to reasons for interactions and cross-sell opportunities, and prompt them for the next best action based on customer needs and responses.

Fully informed users can easily become customer advocates, providing personalized, proactive service that improves the customer experience with every interaction. Agents and call center staff can offer products or services that match the customer’s unique interests, household, and life stage. They can view detailed information about previous interactions, including the date of the last contact and the reason, and use this data to improve the customer experience. For example, they can ask if the issue has been resolved or provide further information. They can also decide to defer a check-in call if the customer has been contacted a number of times within a defined time period.

SHARE INFORMATION ACROSS THE ORGANIZATION

Organizations must tear down the silos that exist between lines of business and channels to deliver a rich and rewarding customer experience. Anyone who has ever dealt with a customer service issue knows how frustrating it is to repeat the same information to different points of contact within the organization. And who hasn’t received a special introductory offer from a company with whom they’re already doing business? Nothing erodes a feeling of customer advocacy faster than customers feeling unknown and unappreciated with each new interaction. At the same time, a lack of cohesion across the enterprise hinders the organization’s ability to identify cross-sale and upsell opportunities that would serve to personalize product recommendations and improve the customer experience.

“Customers expect that the experience will be the same across all channels, that information delivered will be consistent and that interactions can be split (for example, starting a transaction on the Web and then transferring the transaction midstream to the call center or agent for completion). Channels must be integrated, all having access to the source systems in as close to real time as possible.”³

Next generation CRM enables organizations to overcome the hurdles of siloed information by integrating data into a comprehensive customer view that can be accessed by users across the enterprise, in accordance with their role. Tools and features such as cross-functional workflows, actionable dashboards and alerts, and coverage teams to solicit subject matter expertise improve collaboration between users, lines of business, and channels. Customer loyalty management capabilities enable organizations to segment customers, define service levels per tier, and meet customer expectations of service with every interaction, in every channel.

The ability to view the same information while serving the customer is invaluable in improving the customer experience. It enables users in different roles, divisions and channels to collaborate on service, augment or follow up on previous interactions, and share notes and updates immediately with all parties servicing the customer.

It also improves service at critical hand-off points, such as the transfer of customers between business units and channels for sales opportunities or customer service cases. Although these are key moments for customers, many companies fail to recognize their importance and thus overlook opportunities to improve the customer experience. Features that promote collaboration, communication and information sharing, such as a comprehensive customer view and instant messaging between users, save time and streamline interactions as staff can capture information the first time the customer provides it and immediately make it available to all staff servicing the customer.

These same features can also help organizations deliver on promises, another vital component of the customer experience. For example, a cross-functional workflow that assigns follow-up tasks with appropriate information to stakeholders across the enterprise can ensure that the billing department immediately applies any discounts promised by customer retention specialists. This ability to fulfill customer expectations is key in imparting a sense of customer advocacy, yet it's an area of customer service that is regularly found lacking.

STANDARDIZE BEST PRACTICES AND SERVICE LEVELS ACROSS THE ENTERPRISE

Integrating and sharing customer information across the organization is a critical step in improving the customer experience but, to be truly effective, organizations must empower staff to deliver personalized and efficient service with every interaction. Inconsistent service from user to user and channel to channel frustrates customers and reduces their trust in the organization.

Next generation CRM provides tools to help organizations embed standardized best practices into every interaction. These tools can automate common activities to streamline and create consistent customer experiences regardless of whether employees are on the road or in the office. For example, cross-functional workflows and wizards can guide users from multiple departments through all necessary tasks to complete customer service activities. Features such as form pre-fill and configurable escalation rules can ensure activities are completed accurately and quickly.

Organizations can also align the CRM solution's customer loyalty management capabilities with customer advocacy behaviors to improve the customer experience. Once organizations have defined service levels and segmented customers, the solution can prompt users at the appropriate time to check in with customers and even provide reasons to call, such as an annual review or birthday greeting.

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Finally, users on the road must be able to deliver the same level of service to customers at the location of their choice. Next generation CRM with mobile capabilities enable field staff to securely view information, initiate tasks, and launch workflows from their smartphone or tablet during customer meetings.

The role of consistency in improving the customer experience and creating satisfied customers cannot be overstated. Standardizing and automating best practices ensures that customers receive the efficient, personalized service they expect with every interaction. Users are prompted for action and thus empowered to become advocates in the eyes of the customer.

Enterprise tools such as cross-functional workflows reduce “off-roading” and ensure each interaction follows proven best practices for enhancing the customer experience. This is particularly important at moments in the customer lifecycle when the relationship is at a tipping point, such as during onboarding, when customer trust is at a fledgling stage and client attrition rates are at their highest.

Other processes that can benefit from standardization include common customer service issues, incident management, claims follow-up, and hand-off points. By automatically creating tasks, prompting users for action, and providing key information, organizations can ensure that customer needs are met, promises are kept, and the customer experience is superior.

INTERACT WITH CLIENTS WHEN, WHERE, AND HOW THEY CHOOSE

Today’s client is likely to interact with companies via a number of channels, including face-to-face meetings, online, over the phone, via email, and through social media.

Therefore, a key way to improve the customer experience is to give customers the choice of when, where and how they interact with the company. Customers appreciate controlling the method and timing of the contact but interacting over multiple channels can sour the customer experience if the customer is met with contradictory information and inefficient or impersonal service. According to Gartner, “most customer experience management strategies are incomplete and focused more on traditional sales/marketing strategies, rather than including all channels and other interactions (such as customer service and correspondence) that customers would conduct with an insurer.”⁴

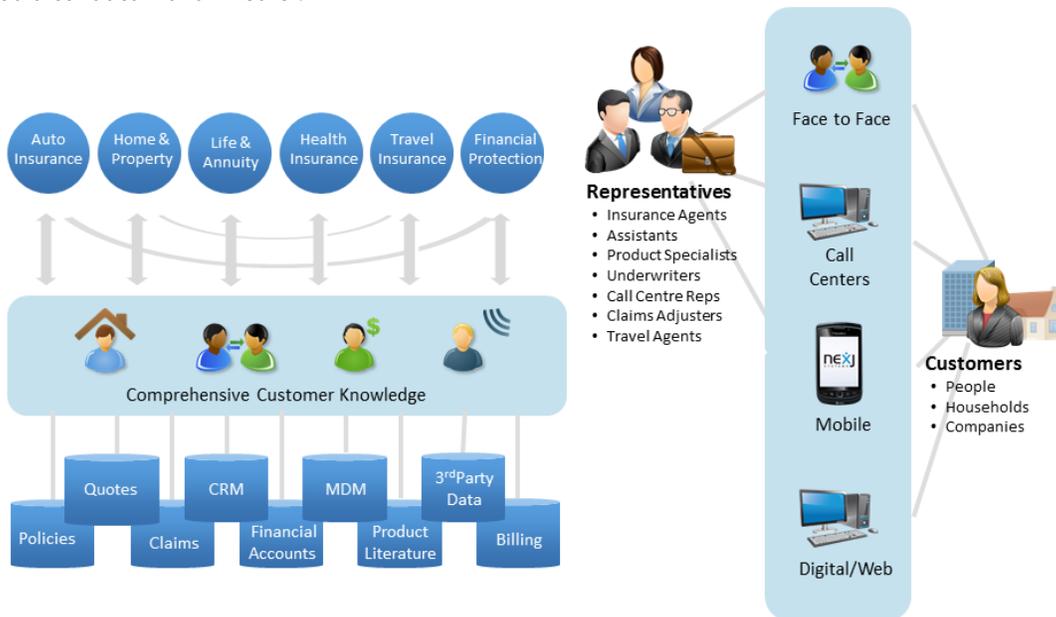


Figure 2: Multi-Channel Interactions Enabled by Next Generation CRM

Next generation CRM integrates information from a variety of data sources and present that information to users in all channels. Any new data gathered in these channels is immediately made available to all users across the organization. This makes it easy for users to provide consistent, personalized service and information with every interaction. More importantly, it provides customers with the choice they desire. With next generation CRM, customers can:

- ▶ Use a self-service portal to review products and claims status, update their profile information, and exchange secure messages and documents with agents and call center staff at any convenient time or location.
- ▶ Search for information, request service, and exchange messages with agents and call center staff through a mobile app.
- ▶ Quickly receive information and request service from call center representatives.
- ▶ Engage with agents through social media channels.
- ▶ Meet agents face-to-face in a location of their choosing. Field agents can leverage all necessary information and CRM capabilities on their mobile devices to enhance meetings and immediately respond to client requests.

Customer advocates make it easy for customers to get the information and service they need when, where, and how they wish

Regardless of the channel, users can leverage the same enterprise knowledge to support a superior personalized customer experience. Any updates and scheduled follow-up tasks immediately flow through to all users in all channels to improve handoff points and future interactions.

Choice and convenience are key factors in improving the customer experience. Customer advocates make it easy for customers to get the information and service they need when, where, and how they wish. Ensuring that this information is consistent across channels and that all customer-facing staff are able to tailor service to the customer's unique needs are essential components of any successful customer experience initiative.

NEXJ IS NEXT GENERATION CRM

NexJ Systems is a leading provider of enterprise private cloud software, delivering CRM solutions for insurance, financial services, and healthcare. Our next-generation, people-centered software combines industry-specific functionality with information from multiple applications and data stores to provide comprehensive knowledge of the individual.

NexJ Contact is a customer relationship management solution designed specifically to improve the customer experience for financial services and insurance organizations. The solution integrates information from multiple data sources and legacy solutions into a comprehensive customer view that includes profile, interactions and transactions. This enables NexJ to deliver a comprehensive customer view to users across the enterprise, including agents, customer service representatives, mobile users in the field, and customers themselves via a secure self-service portal. Users in the office and the field can access the same data on a desktop, mobile device, or web portal.

NexJ Contact provides best-practice functionality tailored for each insurance and financial service line business to personalize service, products, and recommendations across users and channels; identify and act on cross-sell and upsell opportunities; standardize interactions in every channel; and increase collaboration to deliver a superior customer experience.

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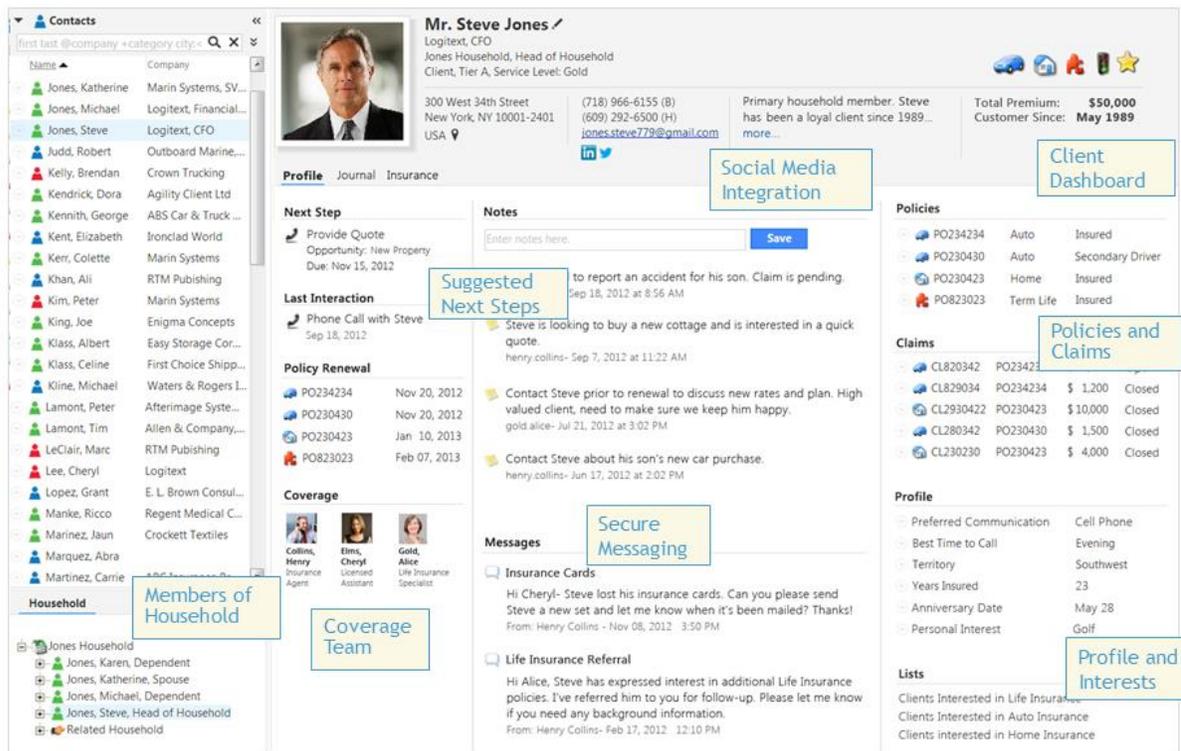


Figure 3: NexJ Systems Integrated Agent Desktop

American Family Insurance, the third-largest mutual property/casualty insurance company in the United States, has deployed the NexJ Integrated Agent Desktop as the primary access point from which Policy Sales and Service Representatives and Call Center Representatives conduct their day-to-day business. NexJ has integrated 14 of American Family Insurance’s external systems, including telephony, customer data hub, policy, billing, quote and application systems, and is presenting them in an easy-to-use portal serving as a unified point-of-entry.

American Family expects to gain significant benefit by having a comprehensive view of all customer data through an integrated desktop. Customer service will be improved by providing customer knowledge across all channels to its representatives. Customer-facing best practices, such as personal insurance reviews, can be implemented which will increase customer loyalty. And call center productivity will be elevated through embedded workflows.

CONCLUSION

Improving the customer experience is not a fad that’s here today, gone tomorrow. It’s a best practice strategy that positions companies to thrive in any economy. Companies that focus on creating a better experience for customers can:

- ▶ Reduce customer turnover rates
- ▶ Develop longer lasting customer relationships, which translates into more revenue per customer
- ▶ Create a self-propagating cycle of new leads recommended by satisfied customers

Despite these benefits, many customer experience initiatives fail to live up to their potential. Thus, Forrester Research believes that organizations “need a new approach: one that considers the influence of every employee and external partner on every customer interaction.”⁵ This approach requires that organizations empower customer-facing employees to become customer advocates, providing service and recommendations that appear to be in the customer’s best interests.

Therefore, “[it] is imperative that insurers have a single view of the customer to build intelligence about the customer. Having a customer database where insurers can see the policies that a customer has, household information, profitability scores, lifetime value and interaction preferences is the foundation. Then, customer analytics will be layered on top, including focus on segmentation and life stage/lifestyle analysis to promote improved marketing, sales and service interactions, and product fit.”⁶

Next generation CRM integrates information from siloed data sources and back-office systems to create a comprehensive view of all enterprise knowledge about a client. This unified view can be viewed and shared by all users across the organization, thus enabling the personalized service that creates a sense of customer advocacy. Best practice CRM tools and features further reinforce the customer experience by enabling organizations to automate common processes and deliver consistent customer service in the channel of the customer’s choice.

Intense competition and high customer expectations are here to stay. Organizations that want to succeed in this market must therefore focus on the customer experience and customer advocacy – and that begins with next generation CRM.

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ENDNOTES

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- 3 The Consumer-Centric Insurance Organization: Shifting to Customer Experience Management. (Mar. 2012). Harris-Ferrante, K., Gartner, Inc.
- 4 The Consumer-Centric Insurance Organization: Shifting to Customer Experience Management. (Mar. 2012). Harris-Ferrante, K., Gartner, Inc.
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- 6 The Consumer-Centric Insurance Organization: Shifting to Customer Experience Management. (Mar. 2012). Harris-Ferrante, K., Gartner, Inc.



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About NexJ Systems

NexJ provides enterprise customer management solutions to the financial services and insurance industries. Our solutions, which integrate information from multiple systems into a unified view, include industry-specific customer relationship management (CRM) for multi-channel engagement and collaboration; customer process management for client onboarding and KYC; and customer data management to better understand customers across line of business and regional data silos.

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