

Make a Sandwich, Earn a Lifetime Customer



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The consumer expectation has shifted over the last decade and insurers are feeling the impact as technology becomes more prominent. According to Bloomberg, in 1965, Americans bought 27 million policies...and in 2016, with a population that was more than 50% larger, the number of policies remained the same. Life insurance ownership rates have dropped to below 60% and the industry is seeking a solution to right the ship. So how can carriers adapt in a new world of consumer expectations? It may be as easy as making a sandwich.

ADOPTING A NEW ENGAGEMENT STRATEGY

Customer Experience and Customer Engagement are often used interchangeably; this misunderstanding can create a strategic gap for any company trying to meet today's expectation of a consumer. Customer Engagement is "the means by which a company creates a relationship with its customer base to foster brand loyalty and awareness." As compared to Customer Experience, which is defined as "the development of an intimate long-term relationship." A cohesive engagement strategy can develop an experience, but there are critical ingredients needed to get it right: accessibility, consistency, and personalization.

THE CUSTOMER ENGAGEMENT SANDWICH

ACCESSIBILITY

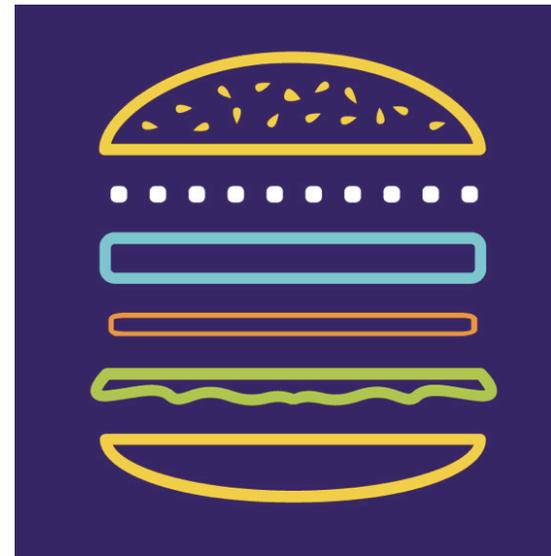
Today, consumers are more connected than ever before. As such, expectations for brands to be accessible through mobile, desktop, voice, and in person, are high. In order to do this successfully, a strong brand must understand where their audience engages technology on a daily basis. This will help determine a need for text versus social media or mobile apps versus web applications that are mobile responsive. We can no longer rely on pushing information to people outside of their preferred communication channels. You don't have to be everywhere, but you do need to be where your people are.

CONSISTENCY

The term "omni-channel," while new, is already becoming obsolete. Replaced by "channelless," this change in expression better captures the new world of interaction. Consumers expect a seamless look and feel across all modes of communication, whether tech or in person. Additionally, the expectation is that communication is not contained to one channel. When there is an exchange between consumers and a brand, the transaction is visible across all channels – and in real-time. These "channelless" exchanges have the ability to create a seamless experience for your consumers. For example, if a customer is filling out a form on their phone or computer and needs to call customer service for help, a brand should be able to view the person's real-time information and provide the help that is needed quickly and efficiently.

PERSONALIZATION

Finally, there is the topic of personalization. Today as consumers, we expect brands to know more about us as a person. As a result, consumers expect better solutions tailored to their specific needs. Consumers also expect better-targeted discounts and loyalty programs.



Technology is no longer about the younger generation; all buying demographics have been influenced by digitalization to some degree. The three ingredients noted above all work together to establish trust with a consumer. Once you have established trust, you have successfully implemented enough positive engagements to create an experience. In other words, trust is the secret sauce to making your customer experience a mainstay on the menu.

SO, HOW DOES TRUST (CUSTOMER EXPERIENCE) IMPACT YOUR MENU ...ER, BOTTOM LINE?

Customer Experience means that provider-to-consumer dialogue continues after the first sale. The fact that sixty percent of policyholders are not able to remember their policy brand name is no longer acceptable. It is up to the carrier to provide an experience that moves the needle and impacts sales. By creating room for positive and proactive dialogue, carriers will create opportunity for increased sales and new business.

MORE DIALOGUE, MORE SALES

Customer Experience should focus performance to increase sales with existing policyholders and support their ability to act as brand advocates. Selling a single product to an individual is just one foot in the door to a relationship. We often see a single life event as a trigger point for sequential life events in the coming 12 - 24 months. This opportunity can allow you to sell more products to one individual if you act as a trusted source of security. Bi and tri-line sales, or owning the household, has a profound impact on your business and the business of your agents/brokers.

SOCIAL SELLING

Peer to peer recommendation is becoming the most engaging marketing channel for all brands, in and out of the insurance world. Simply put, we trust our family and friends. If a person shares a positive experience with a brand, their network of listeners are much more likely to seek their own experience. Because of the foundation of trust that Social Selling is built upon, it has become major driver of business growth. Strong Social Selling campaigns can help to penetrate new markets (parents to their children) or drive market saturation (friends of similar status) for smart brands.

LIFETIME VALUE

Finally, Customer Experience allows you to better cater to your business. By being proactive with your dialogue, you will actively collect data and learn about your consumers in real-time. The sooner you begin the conversation, the better you will understand how you need to evolve your business to meet the rapidly changing consumer landscape. As technology, life events and consumer behaviors change, it will become increasingly important to use data and meaningful interactions with your target market to remain agile. Agility will lead to sustained market differentiation for your target audience but agility will only be achievable if your engagement strategy is strong enough to sustain a positive Customer Experience.

The ingredients for your sandwich are simple – consistency, accessibility, and personalization. However, every day that you lack one of these ingredients, you decrease your likelihood of establishing trust. Consumers see brands like Google, Apple, and other dominant technology brands trying and failing with engagement efforts.

The insurance industry we must adopt this “fail forward” method and learn how to persevere. Consumers prefer to see effort versus no action at all. The biggest risk our risk adverse industry faces is simply waiting too long to try. We must embrace the opportunity of change. Those that move quickly and try various solutions, will be the carriers that define new market expectation and reap the rewards of better data, product penetration, and better social selling capabilities.

ABOUT LIFE.IO

Life.io is a leading customer engagement and data analytics solution bridging the gap between life carriers and their policyholders. By helping people achieve their goals, Life.io enables carriers to become human again, achieving their promise to help people live healthier, happier lives, while providing them with security and trust. Built on a foundation of science, Life.io uses behavioral economics, social psychology, and personalized content to nurture a community of highly engaged consumers. By utilizing Life.io, carriers capture these insights and use them to build brand loyalty, accelerate growth, minimize policy risk, and streamline the underwriting process.

<https://www.bloomberg.com/view/articles/2018-02-27/the-decline-of-life-insurance-is-a-mystery>

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