



A Customer-Experience Map Points the Way for One Insurance Company

By Lane Michel, Jennifer Monahan-Searles and Jenny Belser

The words “customer centric” and “insurance company” typically are not used in conjunction with one another. In fact, most consumers would say just the opposite!


One large insurance company—let’s call it ABC Insurance—that serves both small businesses and individual policyholders faced a number of challenges indicative of the insurance industry overall: increased competition and price sensitivity, commoditized products and a complex business model that resulted in a confusing—and often dissatisfying—customer experience.

Competitors were locked in a vicious circle of risk management focus, new product development and price cutting to gain new customers.

ABC Insurance made a strategic decision to break free of the cost-cutting cycle and use customer experience management to retain its customers. Its story serves as a good lesson for any organization looking to get out of the vicious circle and into the realm of creating an ideal customer experience.

The first thing executives at ABC Insurance realized was that becoming customer-centric is not just a sales or marketing initiative. Every interaction or customer touch-point was an opportunity to improve the customer experience. Success hinged on ensuring that each touch-point was aligned around the customer across the organization. An executive team consisting of representatives from sales, marketing, underwriting, renewals, customer service, agent services and claims was tasked with bringing a consistent, complete view of the customer experience to the organization.

The team began by creating a customer experience map that demonstrated the experiences of both ABC Insurance’s independent agents and its customers. Because the business model was complex, the first challenge the team faced was developing common definitions for customers, their lifecycle stages and the needs expressed during those stages—and the touch-points within the organization. These decisions became the framework for the creation of the customer experience map.



Each customer experience was then identified and outlined *from the customers' perspective* in its appropriate place in the framework. The completed customer experience map identified more than 280 customer interactions and at least 60 customer data repositories. These databases had been created by individual departments as “work-arounds” to existing data silos, without any knowledge of the IT department.

Different experiences

The team then assessed the completed customer experience map, and the results were surprising—actually, transforming. Immediately apparent was how complex the experience was to customers. The company discovered that more than half of all customer interactions had variations by distribution channel. A customer with more than one insurance product would have completely different experiences (and different steps to take).

The team identified nearly 150 customer “points of pain”—interactions with a high degree of customer dissatisfaction. Ultimately, these points of pain were leading to attrition. Closely linked to these points of pain were the more than 70 customer disconnects that could occur during the customer’s lifecycle with ABC Insurance. These were instances when the customer had one expectation of an experience, product or service and ABC Insurance delivered a different experience.

In one such point of pain, consumers who had gone through the required process of getting precertified for nonemergency had their claims denied later as not medically necessary. It left consumers angry and confused because they felt they had been playing by the rules. The disconnected internal department rules caused severe customer pain and dissatisfaction.

ABC Insurance also identified 90 customer needs and aligned them with the customer lifecycle stages. It discovered that there were some foundational customer needs that the organization was not meeting at all, and they became the basis for some competitive differentiation. There were other needs that the organization was meeting in multiple ways that could be consolidated to streamline and leverage best practices.

The team also realized that the company was not doing a good job of sharing customer information throughout the organization. There were nearly 140 data alerts highlighted on the customer experience touch-point map showing where data was either not being captured or not being shared.

ABC Insurance also learned that the organization was doing some things right. The customer experience touch-point map highlighted nearly 40 best practices: experiences that were best-in-class and helped set the organization apart from the competition.

Mapping is an important tool for all businesses. The customer experience touch-point map is now helping ABC Insurance shift its culture from a revenue-only focus to one that also includes a customer-based focus. In fact, for the first time ever, ABC Insurance



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executives have been able to get a complete picture of how all of the marketing, sales and customer service efforts are (or aren't) working together to create the customer experience.

While ABC Insurance is just starting to move down the path of customer-centricity, its executives are confident that this approach is exactly what is needed to build loyalty and decrease attrition with its customer base. Early wins and impact have already been demonstrated with the quick-hit recommendations that have been implemented.

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