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WELCOME



Greetings, and welcome to Insur.Tech.Talk!

In this issue, we are tackling the complex issue of Consumer Duty in Insurance.

After all, we are in the protection business! We need to be obsessive about the consumer experience, and nothing is more important than protecting the interests of individuals and businesses who work with us to purchase the necessary insurance products and services.

The new Consumer Duty promotes confidence, trust, and fairness in the insurance industry by ensuring that insurers do not waver in their focus on the needs and expectations of the customer. In the forthcoming set of interviews, we will address Consumer Duty from the perspective of fair and reasonable claims handling, appropriate consultation and advice on products and services, clear and fair communication, data protection and privacy, as well as the role of the regulators.

Finally, I would like to thank my wonderful panellists for their kind contributions to this issue. This edition has been made possible due to the knowledge and expertise of the following:

- Farooq Sheikh, Global Head of Insurance, Unqork
- Brent Williams, Founder and CEO, Benekiva
- Juan Mazzini, Director of Insurance Practice APAC, EMEA and LATAM, Celent
- Meredith Barnes-Cook, Partner, ReSource Pro Consulting
- Ron Rock, Managing Director - Financial Services, JobsOhio

Until next time, happy reading!

Megan

Megan Kuczynski,
President,
Insurtech Insights



Unqork



Farooq Sheikh,
Global Head of Insurance, Unqork

Q Farooq, the UK's Financial Conduct Authority (FCA) recently implemented Consumer Duty Initiatives which require financial institutions to proactively deliver 'good outcomes' for all.

Many have called this initiative a 'paradigm shift' for the industry. How is Unqork and its codeless platforms aligned to Consumer Duty, and how can it improve consumer outcomes? How has technology increased the customer's expectations?

A Across insurance and financial services, consumers are increasingly aware and interested in a higher number of digital services, including self-service capabilities. Empowering consumers and financial services institutions to deliver on a seamless customer experience, as well as accelerated onboarding and servicing, is at the heart of Unqork's mission to leverage our codeless technology. This enables better outcomes for consumers across Financial Services, Insurance, Healthcare and Public Enterprise.

Q How has technology enhanced the customer's journey in the claims process? What are some of the obstacles that need to be overcome in the claims process as it relates to Consumer Duty?

A Seamless claims are the basis of an insurer's promise to its consumers, especially during times of need. Unqork's codeless Claims Workbench is an effort to accelerate insurers' efforts to transform claims management technology as it undergoes massive transformation - with insurers investing in transforming the value chain from FNOL to adjudication to managing litigation, subrogation and associated processes for a seamless customer experience.

Q As policyholders and brokers increasingly seek digital self-service options, when interacting with an insurance company, what are some of the more novel technologies you are seeing come to market?

A With the rise of Generative AI across industries, we are seeing an increased number of novel approaches to enhance self-service options. From rapid summarisation of policy documents, to extraction of data elements from submissions, to smart chatbots that facilitate self-service capabilities, the impact of Generative AI is truly transformative. I'm certain that this will continue to be felt across the industry for some time.

Q What steps can insurance companies take to ensure that consumers have access to appropriate coverage and remain protected against unfair and deceptive practices?

A Insurers have a responsibility to protect consumers by providing fair and appropriate coverage from insurable risks. This involves ensuring that the products are designed with consumers in mind. All functional areas - including distribution, underwriting and claims - must be focused on the needs of the consumer. Seamless digital capabilities provide a significant accelerator in this journey, and leading insurers are leveraging digital capabilities aggressively to ensure consumer access to the appropriate coverage, as well as protection against deceptive practices.

Q Any personal anecdotes to share as a consumer in terms of what insurers are doing right, and what needs to change?

A Anyone who has lived through a catastrophic hurricane can attest to an insurer's magical ability to protect communities. Hurricane Sandy was one example of how insurers were able to step in to help those affected. Many people in the New York area were impacted, but they were also supported by their insurers to re-emerge stronger after the devastating losses.

Farooq Sheikh is the Global Head of Insurance for Unqork, working with global insurers, brokers and technology providers.

Unqork is the leading code-less platform, which enables large complex clients to digitize customer experiences, create leading edge buying journeys, and automate internal processes. Unqork has pioneered the 'code-less architecture' approach, which allows clients to accelerate the speed of digital transformation, particularly focused on areas that require leading edge presentation, orchestration, and integration capabilities.

Before Unqork, Farooq was at Oliver Wyman, where he was a Partner in the Insurance and Digital practices. He led go-to-market for multiple platforms, including Reinventing Insurance and Legacy migrations.

Farooq completed his Executive Education from INSEAD and The Wharton School of Business. He is a qualified Actuary and CFA Charter holder.

Benekiva

Q Brent, how have you seen technology increase the customer's expectations in recent years?

A Technology has fundamentally changed the way in which a consumer interacts with businesses, including insurance companies. Having previously worked as a financial advisor, I've witnessed claimant challenges firsthand as they navigate the complicated claims process. Sometimes, due to a poor claims experience, I would lose the opportunity to retain claimants as customers. This underscores the critical importance of providing a seamless and empathetic claims journey.

With the emergence of Amazon-like service expectations, consumers have come to expect immediacy and a high level of service in all aspects of their lives, including insurance. They want easy access to policy information, quick responses to queries, and transparent processes. Technology has raised the bar for insurers to provide efficient, personalized, and accessible services that meet these evolving expectations.

Q How has technology enhanced the customer's journey in the claims process? What are some obstacles to overcome in the claims process as it relates to Consumer Duty?

A Technology has undeniably transformed the landscape of insurance claims, offering numerous advantages such as faster claims reporting, real-time updates, and the convenience of digital document submission. These innovations have empowered consumers, granting them greater control over their claims journey, and ensuring they receive timely, transparent information.

However, amid the whirlwind of automation and digitalization, one critical aspect remains indispensable—the human touch.

In the quest for efficiency and automation, it's easy to forget that behind every claim lies a unique individual with their own set of concerns and emotions. While technology streamlines processes, it's the human interaction that infuses empathy, understanding, and personalized care into the exchange. Striking the right balance between automation and genuine human connection is the key to ensuring that claimants not only navigate their journey seamlessly, but also receive the stellar and exceptional service they truly deserve.

Additionally, we must make inaccessible data easily accessible to enable frictionless processing and payouts. Many insurers still rely on legacy systems that make it challenging to access and utilize customer information effectively. This inaccessibility leads to overwhelming manual processes and workarounds that must be navigated by associates. To fulfill Consumer Duty effectively, we must prioritize the

automation of these cumbersome manual tasks. This not only improves efficiency, but also ensures that claims are handled consistently and fairly, aligning with our commitment to the customer experience.

Q Congratulations on the launch of Portal360. It's great to see your technology evolving to meet consumer needs. Could you explain how the increased functionality to accommodate third-party stakeholders in Portal360 will enhance the claimant's experience?

A Thank you for your kind words. Portal360 is a significant milestone for us, and I'm excited to share how it benefits claimants and third-party stakeholders alike.

Portal360, driven by Benekiva's advanced technology, offers a localized hub where claimants and stakeholders can access crucial information and conduct transactions seamlessly. For claimants, this means they can conveniently access notifications, statements and correspondence, all within the intuitive Portal360 interface. They can securely upload documents, set up electronic transfers, and engage in real-time discussions with our team, all without leaving the platform. It's all about putting control in the claimant's hands and ensuring a smooth, informed experience.

What's equally important is the platform's ability to foster collaboration. Agents can utilize Portal360 to serve their clients more effectively, efficiently manage claims, and seamlessly exchange information. By extending its functionality to third-party stakeholders, we're creating an ecosystem that improves communication, expedites processes, and ultimately enhances the overall claimant experience.

Additionally, Portal360 is designed to be user-friendly and fully configurable to an insurer's specific needs. This flexibility ensures a seamless integration with their existing systems. Through our proprietary Data Configurator and Innovation Gateway architecture, insurers can effortlessly connect Portal360 to their legacy systems, policy administration systems, or third-party administrators - simplifying data exchange and maximizing the value of their current infrastructure.

In essence, Portal360 represents a significant leap forward in beneficiary claim processes, providing an intuitive, comprehensive, and collaborative platform. We're confident that it will make a positive impact on the industry, and help us to continue our mission when it comes to transforming insurance claims operations for the better.

Q In your opinion, what are some of the challenges that insurance companies face in fulfilling their Consumer Duty?

A When it comes to fulfilling Consumer Duty in insurance, one of the central obligations involves keeping a promise to policyholders and beneficiaries. That promise is to pay claims when they're needed most. To achieve this, insurers must navigate several challenges that directly impact the claimant's experience.

Firstly, transparency is key. Claimants expect clear and timely updates on the status of their claims. Lack of transparency or communication breakdowns can deter claimants from becoming long-term clients, causing significant stress. Therefore, it's essential for insurers to provide a transparent and open line of communication throughout the claims journey.

Secondly, lengthy waiting times for claim payouts can be a major pain point. In today's fast-paced world, consumers have come to expect quick, efficient services. Slow or inefficient claims processing can be a source of frustration for claimants. Insurers need to streamline their processes, leveraging technology to expedite claims while maintaining accuracy.

Thirdly, inefficiencies within the claims process can be a significant hurdle. Manual, paper-based workflows and outdated systems can lead to errors, delays, and inconsistencies. To fulfill Consumer Duty effectively, insurers must embrace modern, automated solutions that enhance efficiency and provide a seamless claims experience for the claimant.

Ultimately, insurance companies have a responsibility to go beyond mere compliance with regulation. They must uphold policyholder trust and confidence. Addressing challenges related to transparency, efficiency, and communication is paramount, as it not only helps retain clients but also ensures that the claims journey is as stress-free as possible for the claimant.

Q Any personal anecdotes to share as a consumer in terms of what insurers are doing right, and what needs to change?

A In the realm of insurance claims, carriers share a common goal: they genuinely want to fulfill their obligations and pay claims promptly. Their focus needs to be on ensuring that the right claims reach the right recipients.

First and foremost, some insurers have truly mastered the art of claims handling, placing a premium on clear and timely communication. As a consumer, there's nothing more reassuring than receiving regular updates and comprehensive information about the status of your claim, all without the need to 'chase it down'. When insurers excel in this aspect of their service, it accomplishes two essential objectives. It not only fosters trust in their customers, but it also alleviates the stress and uncertainty that can frequently accompany the claims process. Effective communication stands as a testament to the insurer's commitment to providing exceptional service during a critical moment in their claimant's lives.

On the flip side, there are areas where insurers can enhance the claims experience, such as the efficiency of the claims process. Lengthy waiting times for claim payouts can be a pain point for consumers. In today's world, where immediacy is expected, insurers should aim to expedite claims processing while maintaining accuracy.

I've also observed that insurers embracing modern technology tend to offer a better consumer experience. Digital platforms that allow easy access to policy information and the ability to initiate claims online are becoming increasingly important. However, not all insurers have fully adopted these technological advancements, which can lead to disparities in consumer experiences.

For Benekiva media enquiries, please reach out to Maura Gilson-O'Donnell at maura@benekiva.com



Brent Williams,
Founder and CEO, Benekiva

Celent

Q Juan - I have followed your work for years, and Celent are one of my 'go-to's' in terms of market intelligence. I would love to know how you've seen technology increase the expectations of the customer in recent years?

A Technology has significantly increased customer expectations in the insurance industry. Customers now have more options and convenience, and they expect insurance companies to offer a seamless, personalized experience across all channels - including online, mobile, and in-person. They want to be able to easily find what they are looking for, receive personalized recommendations, and have their questions answered quickly and accurately. Additionally, customers expect insurance companies to be available 24/7 and to provide fast and efficient service. Technology has made it easier for customers to compare insurance policies and prices, which has increased their expectations for competitive pricing and high-quality coverage, too.

However, insurance encompasses many lines of business and risks, which affect expectations and perceptions of how the customer journey should be set up.

The expectations of customers in the life insurance industry may differ from those in other insurance sectors, such as auto or commercial insurance. In the case of life insurance, customers may expect a more empathetic and personalized experience, as they are dealing with sensitive and emotional issues related to their own mortality or that of a loved one. They may also expect clear and transparent communication from their insurance provider, as well as a streamlined claims process that is easy to navigate during a difficult time.

On the other hand, auto insurance customers may have different expectations. They may expect a 100% digital self-service experience, with ease to compare prices and options, no-touch claims, and online support. Customers of commercial insurance, particularly with regards to complex risks, expect their insurance provider to have a deep understanding of the specific risks and challenges associated with their industry. They are also more likely to rely on a broker or risk specialist to determine the right type of coverage.

Q How has technology enhanced the customer's journey in the claims process?

A Technology has enhanced the customer's journey in the claims process mainly by providing more efficient and streamlined processes. These days, customers can expect to file claims online, track the status of their claims in real-time, and receive updates via email or text message. They can also expect insurers to provide fast and accurate relief for their loss.

For example:

- Parametric insurance provides a no-touch experience for customers; no FNOL is required, and payments are made against meeting a specific threshold, as defined in the insurance contract.
- The use of AI (eg. machine vision algorithms) can analyze images or videos of damaged property, automatically assessing the extent of the damage. Likewise, the use of sensor-provided data (by itself, or in combination with images/video) could also help to speed up the claims process and reduce the need for manual intervention. With the use of chatbots - and now with the recent popularity of Generative AI - we should expect improvements in claims support. This will provide policyholders with clear and easily accessible information regarding their claims.
- Fraud detection solutions, augmented by AI and access to multiple data sources, provide insurers with better mechanisms to identify and expedite non-fraudulent claims. By analyzing images and videos of the claim event, machine vision algorithms can identify patterns and anomalies that may indicate fraudulent activity. This can help insurers to detect and prevent fraud, which can ultimately lead to lower costs and better outcomes for policyholders.
- Geospatial data can be used to identify the location of a property and assess the risk of damage from natural disasters, such as floods, hurricanes, and wildfires. Aerial imagery can then be used to assess the extent of damage. By using drones

or other aerial vehicles to capture images of the affected area, insurers can get a more accurate picture of the damage and determine the appropriate amount of compensation to offer. This can help to speed up the claims process and ensure that policyholders receive fair and accurate compensation for their losses.

Q What are some obstacles to overcome in the claims process as it relates to Consumer Duty?

A Customers may be required (as per regulatory mandate, in some cases) to provide detailed information and documentation to support their claims, which can be time-consuming and frustrating. Additionally, customers may be required to take certain actions, such as mitigating damages or providing additional information, in order to receive their claim payout. These requirements can be confusing or difficult to navigate, particularly for customers who are dealing with the stress and uncertainty of a loss.

Insurers can take several steps to improve the customer experience related to Consumer Duty in insurance, such as:

- Simplifying the application process by using online forms and other tools. This will make it easy for policyholders to provide the necessary information, and can help to reduce the likelihood of errors and omissions, improving the overall customer experience.
- Offering guidance and support to policyholders who are unsure about their duty of disclosure, or other such obligations under the insurance contract. This can help to ensure that policyholders are able to provide accurate and complete information, building trust and confidence in the insurer.
- Using technology and data to automate and streamline the process of collecting and analyzing information from policyholders. This can help to reduce the time and effort required to complete the application process, and improve the accuracy of the data to assess the risk and manage the claims process.

Q As policyholders and brokers increasingly seek digital self-service options, when interacting with an insurance company, what are some of the more novel technologies you are seeing come to market?

A Several technologies can help to improve the customer's experience of policyholders and brokers. However, there's a new way of looking at the customer value equation in a world of customer-centric design.

Delivering on this requires a wide variety of digital capabilities, elements that aren't typically found in an insurer's core application architecture. At Celent, we've developed a framework to help insurers think about how to digitize the customer experience, where the 'customer' could be the policyholder, a broker, an agent, or an employee.

From a policyholder perspective, the framework proposes these areas of focus for fast, easy, and cost-effective experiences:

- Know me. Use the technology and data available to understand my preferences, my situation and life events, my coverage, and my policy-related information. This is a 360-degree view of me as a client, so in any interaction, I can trust you to know what's best for me.
- Help me to protect myself. If you know me and know others like me, you should provide me with products that suit my needs. Advise me on emerging risks, and any blind spots that I might possess (since I am not an insurance expert). Advice, real-time decision engines, and the use of geospatial data are all good examples of technology that can help to better protect the policyholder. Investing against cybercrime is another means of protection, as well as the data stored within IT systems.
- Help me to prevent losses. I don't want to suffer a loss and neither do you, the insurer. With the knowledge and technology you have available, help me to prevent the loss in the first place. Move from a pure indemnity value proposition to one where you become my ally in loss prevention. IoT, sensors, wearables, and cyber protection for personal

and commercial lines are all examples of technologies that can help prevent losses.

- Help me to recover from losses. Do it fast, do it right, and help me get back on my feet as soon as possible. Machine vision and aerial imagery are two examples of useful technology to help with this. A good claims management system that provides ease of use and clear communications through the claims process is table-stakes. Designing products with a no-touch claims process is another way to approach a fast recovery from losses.

- Talk to me. Use the right channel, and consider the stage of the journey and my preferences. This could be automated assistance, such as chatbots or virtual CSRs, or messaging such as SMS or WhatsApp. For complex risks, video conferencing with an expert is a great medium. For easy-to-manage situations, this could be managed via a mobile app or access to a service chatbot.

- Involve me. With more empowered and knowledgeable customers, there's a need and an opportunity to involve them in many steps of the journey. This includes easy-to-use tools for customizing an insurance product, right the way through to self-service claims management.

Q What are insurers doing right, and what needs to change?

A Three examples of good customer experience immediately come to mind:

1. My boat insurer tracks weather-related risks and keeps me informed. They also tell me what I should do to prevent losses, or at least mitigate the loss severity.
2. Providing very little information in order to obtain an auto insurance quote. For example, the vehicle information is populated based on my home address. This is possible because the insurer is accessing vehicle-related data and preempting this information on the form. While this is common in the US, it's not the norm in many countries in the world.

3. On a recent trip to Singapore, I encountered an embedded, parametric, contextual insurance offering provided by a ride-hailing app, which covered the risk of delay in my trip. This was a one-click sale experience, and if I had a claim, the experience would have triggered an automatic payout without the need to submit a FNOL.

There are still many things which need to change, but the industry is certainly headed in the right direction. Technology is redefining the art of the possible, and I would advise insurers to look into Celent's framework for digitizing the customer experience. It will provide a simple yet powerful tool to assess areas for improvement beyond their traditional customer journey.

Juan is a Director at Celent and Head of Insurance Practice for EMEA, APAC, and LATAM. He is responsible for global research and advice to C-level executives in the financial services industry, on themes such as fintech, insurtech, innovation, emerging technologies, and business transformation. He has been involved in the launch and evolution of various innovative initiatives and business models in the financial services industry, including the first reinsurance exchange in Latin America, a direct insurance brand in the .com era, and most recently, the design and construction of a digital direct insurer.



Juan Mazzini,
Head of Insurance Practice APAC,
EMEA, LATAM, Celent

ReSource Pro Consulting

Q Meredith, great to catch up! I'd like to start by talking about how you've seen technology increase consumer expectations in recent years?

A Thank you for this opportunity to chat about such an important topic, Megan.

I believe our expectations as insurance customers are continuously shaped by our experiences in all other aspects of our lives, from retail and dining to travel and entertainment, in addition to work. The role of technology in our daily lives began to shift about thirty years ago with the emergence of the pioneers of digital consumer services, like Amazon, eBay, PayPal, Open Table, Travelocity, and Netflix. Today, I can pay for my coffee with a tap of my phone or my watch. Thanks to innovation, I don't even need to carry cash or a credit card. But technology driven by necessity is a factor, too. The pandemic lockdown required the use of technology to get groceries and medications, even for those that were not otherwise digitally included.

What does the insurance customer of today expect? They expect requesting and receiving service to be easy. They expect transparency, knowing where they are in the service journey, what happens next, and when, including proactivity. They expect the option of self-service through the digital channel of their choice, and a clear path to reach a person.

Q How has technology enhanced the customer's journey in the claims process? What are some obstacles to overcome in the claims process as it relates to consumer duty?

A Beginning with the first notice of loss or first report of injury, we've come a long way from 24x7x365 call centers and mobile apps to report an accident. Today, there are telematics solutions that detect impact and initiate the first notice of loss, and wearables that measure and alert on ergonomic risk factors to prevent a work-related injury. Technology has accelerated the claim adjustment journey, too. Video live streaming can get an adjuster virtually on-site immediately to begin assessing a serious loss. Telemedicine connects injured workers to medical professionals for rapid care direction. AI photo estimating can generate an immediate repair estimate, eliminating the need for a physical appraisal. Digital payments and real-time transactions get money into the customer or claimant's mobile wallet quickly, without the friction of time and effort required for paper checks. Omnichannel conversational AI solutions meet the customer where they are, with proactive claim status updates and maximum ease to get their questions answered quickly.

Technology offers powerful options, making the experience easy and ensuring end-to-end data privacy. It also guarantees compliance with all applicable regulations within and beyond those in insurance. While automation can streamline an entire claim journey (or pieces of that journey), we should never be so bold as to assume it's the path every customer wants to take, regardless of the type of loss or its severity. It should be digital by choice and not digital by force.

Q As policyholders and brokers increasingly seek digital self-service options, when interacting with an insurance company, what are some of the more novel technologies you are seeing come to market?

A I stand in great company when it comes to being excited about the potential of generative AI. There are still risks to understand and mitigate when it comes to security, bias, and data quality, but there is no time to wait. We must jump in and begin to experiment with framing a scalable process for execution and governance. The 'crawl-walk-run' approach of some carriers is to begin with their internal knowledge bases of product brochures, service procedures, and even technical support scripts to stand up a Large Language Model. When put in the hands of customer service representatives, this speeds up their ability to respond to questions and solve problems. It can also reduce employee downtime and internal help desk calls.

Some other technologies that excite me might not be considered novel, per se; rather, it's how more familiar solutions are being utilized to solve real, long-term customer experience problems. In addition, this often addresses sizeable drivers of operational expense.

I previously observed that customers want ease, options, transparency, and proactive experiences, which include agents and brokers, too. For me, that sums up the 'Amazon effect' on expectations. However, for digital self-service expectations to at least be met (if not exceeded), there cannot be a digital approach on the front-end only. The customer of today is savvy enough to recognize when the service experience is not fully automated, and the expense pressures across the insurance industry are real and only increasing.

Conversational AI solutions are enabling carriers to offer a consistent brand experience, regardless of the line of business and/or journey where the agent, broker, or policyholder is engaging. These solutions enable carriers to automate the handling of high-volume and predictable service requests. They also give carriers the tools to eliminate some drivers for customers, brokers,

and agents to reach in, by automating proactive status updates. The best question is the one that is answered before it's asked - from the perspective of both experience and expense.

There is an increasing array of data from reliable third parties being pulled in, reducing the amount of information that agents, brokers, and policyholders must share (not to mention locate) in order to obtain a quote or change a policy. These solutions are a win-win because they also improve the quality of the information, for faster and more precise underwriting as well as profitable pricing.

Technology is enabling carriers to provide their customers with real-time loss prevention guidance specific to their homes or buildings. Or, as I noted earlier, alerting workers via a wearable device that their lifting technique puts them at risk of sustaining an injury. In property, proactive alerts about roof wear or damage detected by satellite imagery, drones, or infrared cameras can avert the customer experiencing a loss.

Documents as a means of sharing data between non-integrated stakeholders are not going away. What's changed are the expectations on how fast they will be processed. From fleet lists generating a commercial auto quote to bulk provider network billings, time is of the essence to recognize those files, and get the information they contain to a policy, claim, or payment system. AI-based intelligent document processing (IDP) solutions automate the detection, extraction, validation, and interfacing of this key data. Taking people out of this process enables straight-through processing of the underwriting referral, accelerating responsiveness to the broker, agent, or customer.

Q What steps can insurance companies take to ensure that consumers have access to appropriate coverage, and are protected against unfair and deceptive practices?

A The more information carriers have about a risk, the more precise they can be in offering the best-fit products, services, and coverage limits. Earlier, I mentioned the increased sourcing of third-party data as something that excites me. It speeds up service and eliminates any disconnect between what the customer needs to be covered, and the coverage provided.

Insurance companies are wholly invested in doing right by their customers. Carriers in the U.S. operate within a robust, state-based regulatory system that provides important checks and balances on product scope, rates, and licensing - in addition to solvency. Insurance regulation strives to reinforce public confidence by managing the big-picture view for fair pricing, transparency, and availability across competing companies.

Q In your opinion, what are some of the challenges that insurance companies face in fulfilling their Consumer Duty?

A Insurance is an array of financial protection solutions that exist within an increasingly complex and ever-changing world. The industry

is not simple, and it can therefore be difficult for consumers to trust and understand. The commercials that show claims adjusters as evil conspirators seeking to deny claims whenever possible only heighten that mistrust.

Insurance in many instances is a mandatory consumer purchase, driven by state regulation or contract. Almost forty years into my own industry journey, I've yet to meet someone who was excited to purchase a policy, myself included! Even unconsciously, insurance purchases are a reluctant consumer buyer journey at best. Do I rest much easier knowing that my family and I are protected? Absolutely! But do I celebrate when my monthly premium auto-pay notification arrives? Definitely not!

Q Any personal anecdotes to share as a consumer in terms of what insurers are doing right, and what needs to change?

A I am in awe of the insurance industry's unwavering focus to continuously innovate both its products and processes, to never fall short of fulfilling its purpose. At the same time, everything is shifting - from risks and climate, to the economy and the consumer they are striving to serve.

As I reflect on how you framed Consumer Duty in your introductory message, I am struck by the key part that experience plays. For example, a consumer can have two different perceptions when learning about the total loss payout for their car, in terms of it being 'fair and reasonable'. Closing the gap between intent and perception requires an outside-in voice, in terms of both tone and terminology.

I'm borrowing from the playbooks of carriers that I have worked for or with. Have someone other than an insurance professional periodically test-drive your company's consumer interactions. Tapping into the expectations of my son (Gen Z), husband (chef), and mother (senior) has caused me to see and hear things differently.

As carriers continue to innovate, I hope they will double down on agility to move the needle as quickly as possible, transforming in discreet increments. The faster we can deliver focused changes, the sooner we can hear the voice of the customer telling us if we're on the right path.



Meredith Barnes-Cook,
Partner, ReSource Pro Consulting

JobsOhio

Q Ron, it was wonderful to see you and JobsOhio this past June at Insurtech Insights! You have done a phenomenal job growing JobsOhio into a global insurtech and fintech hub, and you can certainly speak to Consumer Duty in insurance from a few different angles.

I'm keen to hear how you've seen the role of technology impact the customer's expectations in recent years?

A I've said many times that the customer is in the driver's seat right now. The policyholder of the past would call or visit their agent, provide various pieces of information, get grouped together with a similar population, and pay a premium based on similar risk categories. Not exactly a truly personal experience!

The insurance industry is getting better at using data, AI, and ML to assess risk more accurately and more personally. Additionally, customers can control the experience - insurance companies need to meet them when and where they want to be met.

Q How has technology enhanced the customer's journey in the claims process? What are some obstacles to overcome in the claims process as it relates to Consumer Duty?

A With the claims process, there are two key factors. Firstly, it's a moment of truth for both parties, and secondly, service is being judged on the speediness and accuracy of the claim. No customer buys insurance wanting to file a claim because their valuable property is affected. In the event that a loss occurs, the policyholder expects to be indemnified with little interruption in their life. If the insurance company creates a memorable experience, good or bad, the policyholder will have a reaction to that service. The positive reaction is that the customer is retained and will voice their pleasure within their circle of friends and family. On the contrary, if they are negatively impacted, the company will lose a policyholder to a competitor. Either reaction may result in not only one policy lost, but multiple - all due to the customer's influence.

Q As policyholders and brokers increasingly seek digital self-service options, when interacting with an insurance company, what are some of the more novel technologies you're seeing come to market?

A Lots of eyes go right to P&C, since those are the most prominent. However, I love technologies that aggregate quotation in the small business

space. Commercial insurance is a huge relationship side of the business, and it requires a ton of trust. Let the broker/agent do what they do best and make relationships to sell business. If the agent spends hours, days, or even weeks creating a relationship, the last thing they want to hear is that their prices aren't competitive. Most agents aren't independent anymore, and being able to get the right quote for the right price allows them to capitalize on what they do best.

Q What steps can insurance companies take to ensure that consumers have access to appropriate coverage and are protected against unfair and deceptive practices?

A While customer experience is one of the more forward facing and noticeable innovations, accurately assessing and covering risk is going to impact an insurance company's bottom line. Transparency on the front end is important because it earns trust. Customers are super sensitive to price, and if an agent is doing sneaky things to earn the business based on price, it may backfire during that aforementioned moment of truth.

On the flip side, transparency is important to the insurance company because it may help to mitigate fraud. There are new technologies that improve upon initial risk assessment, and those get my attention too.

Q In your opinion, what are some of the challenges that insurance companies face in fulfilling their Consumer Duty?

A Insurance is a super competitive industry. Because insurance used to be administratively onerous to the customer, it was more of a pain to find an alternative to their current insurer. The result was a policyholder being unhappy, but just dealing with the lack of service. Nowadays, it's a lot easier to test the market, and customers are changing insurers for less money than ever. That means insurers need to bring their A-game, because the customer always has the upper hand. 'If you aren't growing, you're dying' is an old saying - but in the insurance industry, I believe it's less about growing and more about innovating.

Ron Rock,
Managing Director - Financial
Services, JobsOhio



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Modern Insurance Magazine is delighted to bring our board of insurtech experts together in a showcase of thought leadership insights from the very heart of the sector. In this issue, we're looking at how technology can aid insurers, brokers and MGAs in their attempts to stay compliant with the new Consumer Duty...

This issue voices the thoughts of...



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