

5 Steps to Creating a More Customer-Centric Digital Journey

Over the last few years, just about everything has changed—including the life insurance market. The pandemic has driven increased interest in life insurance, and most consumers prefer purchasing insurance online or through hybrid means. As consumers' interests and preferences have shifted, it's natural for insurance carriers to consider revamping or redesigning their digital customer journeys to support and even drive customer behavior.



Research shows that **consumers of different generational groups have differing appetites for digital offerings**; so a solid strategy should be informed by the demographic group you're targeting. Regardless of your target audience, keeping your client at the center will help ensure that you develop a seamless, efficient digital journey with them in mind.

In creating that journey, these five steps can help guide your planning and might uncover some opportunities where you can lean more heavily into a partner strategy to get you there:

1. Implement intuitive, easy-to-use technology

Consumers are accustomed to ordering Amazon products by swiping and clicking on their phones, and they expect purchasing insurance to be just as easy. In designing digital customer journeys, insurers must work to make those experiences intuitive and easy to manipulate. That includes making it simple for consumers to compare plans and coverage by implementing digital charts that line up different types of coverage and show the costs and benefits of each side-by-side.



Rather than reinventing the wheel, consider working with an insurtech that has already designed and tested user-friendly applications and tools. **Insurtechs continue to enter the market at unprecedented rates**: Funding hit a yearly high in 2020 and 2021 is trending in the same upward direction—and business relationships involving insurtechs also hit a record high, with more than 650 partnerships for the year.

2. Leverage artificial intelligence (AI)

Just as online retailers use artificial intelligence to recommend products based on customers' past purchases, insurance companies can use AI to personalize users' digital experience. For example, many insurers are using AI to power chatbots as well as natural language processing and speech recognition to answer customers' questions, address common inquiries and sell the right product to the right customer, according to the **National Association of Insurance Commissioners**.



In addition, agents and brokers can use AI-based analytics to better understand customer preferences, answer questions and offer appropriate products based on policyholders' life events. AI-based analytical tools and a 360-degree view of customers is **essential for a customized digital experience**.

3. Offer easily accessible insurance education

Although interest in life insurance has increased, a large **life insurance coverage gap remains**, as 46% of Americans, or 60 million households, don't have life insurance, or not enough. For example, 59% of consumers say their chance of being in an accident is average, with just 8% rating it as higher than average, according to **research**.



To keep customers moving through the digital process, it's essential for insurers to make education and relevant information more accessible and meaningful to boost consumer confidence in understanding and purchasing insurance. Some insurers are investing in digital education initiatives, using blogs, social media and YouTube to provide education and advice. Shoppers who have more confidence and who truly understand the 'why' behind or the 'what if' in support of their purchase decision are **more likely to become buyers**.

4. Provide ongoing access to customer service reps

A modern digital customer experience is crucial for today's insurance environment, but **the human touch remains critical**. Instead of a digital-only model, hybrid models that involve a mix of digital and human interactions are most effective.



For many consumers, the ability to talk to a customer service representative during the insurance purchase **can ease the process**. Insurers can include contact information for a local agent on each "page" throughout the digital journey to better reach those who want to pick up the phone and talk to a person about their options – or find ways to provide opportunities for consumers to interact via video or chat.

5. Offer options for using alternative data sources

Some consumers already resisted purchasing life insurance to avoid a medical screening, but during the pandemic, in-person medical screenings ground to a halt. And now, many consumers prefer to keep it that way, and to meet their expectations, carriers are looking for ways to access and leverage other data sources to support a potential buyer's ability to purchase more quickly and easily.

For example, electronic prescription histories are very accessible—and studies have shown that applicants' mortality risk can be effectively assessed with drug risk hierarchies. Tools like **AURA NEXT**, an automated underwriting solution delivered by RGAX, provides the option to collect prescription history at the beginning of the application.



Increasingly, customers are willing to provide personal data—such as their prescription histories—to simplify the insurance buying process and to decrease their rates. For instance, **Accenture** found that 69% of consumers said they would share significant data on their health, exercise and driving habits in exchange for lower prices from their insurers, an increase of 19% from two years ago.

Accelerate Your Digital Transformation

Whether building a channel from scratch, fine-tuning to enhance sales, or devising a digital strategy through partnerships, RGAX brings its innovation expertise paired with parent company RGA's in-depth insurance knowledge and industry relationships. This combination supports carriers taking solutions to market as quickly as possible and increases the likelihood of success.

[Click for Case Study](#)