

White Paper

Quicker Claims Processing: Your Highest Priority

Reaching the next level
in customer satisfaction



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New Information Challenges Help Create a Perfect Storm

Advances in technology result in new hurdles for claims processing

Customers Now Expect More

The expectations of today's consumers are higher than ever before, driven by the immediate gratification they experience with online commerce and great service from companies in every industry. Consumers in general expect accuracy and responsiveness, 24/7. Your policyholders also expect responsiveness throughout the claims process, seamless communication through channels they like and use, and fast resolution of their claims.



1 in 3 insurance customers cited poor claims handling as a major factor in their decision to switch insurers.

"The Voice of the Personal Lines Consumer 2011," Deloitte, 2011

Customers expect insurers to integrate different methods of communication; they want to be able to choose the communication method that suits them at the time and for a particular purpose, and to switch between channels without repeating part of a transaction.

"Voice of the Customer," EY, 2012

Taming the Torrent of Unstructured Data

For decades, customers contacted your company by letter, phone or fax. Now they're using up to nine different methods of communication, including electronic and digital means such as email, web, text, live chat and social media. And who knows what new communication methods will come along in the future.

Eighty percent of this flood of communications is unorganized (or unstructured) data such as tweets, voicemails, photos, etc. And it's often handled ad hoc in disjointed processes and stored in different systems—which can lead to delays, omissions and mistakes.

If you don't take action to integrate the huge volume of unorganized information into one clear view of the customer, you could risk damaging the relationships you've worked hard to build. The result: lost revenues, lower customer satisfaction levels, and a tarnished company image.

80%

80% of communications received are unstructured, such as tweets, voicemails, text messages, photos, etc.



Dissatisfaction Goes Viral

Digital technology makes it possible to conduct business faster than ever before. But it also makes it possible for customers to share their complaints faster and more widely than ever before. The ability of one unhappy policyholder to spread the word of their negative experience via social media to their friends, family and the wider world can now have far-reaching impact on your customer relationships and brand.

1 in 4

1 in 4 consumers share negative experiences online

Dissatisfaction can be spread via social media—1 in 4 consumers say they share their negative experiences to “punish companies.”

“How Social Media Impacts Brand Marketing,” Nielsen, 2011

Disasters can Be Disastrous for Your Company, Too

During the best of times you can annoy and even lose policyholders by failing to provide responsive service and quick claims processing. But during natural disasters, the stakes get even higher. The volume of claims skyrockets and your policyholders are more emotionally involved in getting claims paid. Events such as Hurricane Sandy or the storms and flooding in the UK and Central Europe bring processes to a breaking point and slower-than-expected claims handling can result in significant financial impact.

The unfortunate fact is that catastrophes will continue to happen. Which means that you must continue to improve your workflow, information accessibility, and your claims cycle. As we’ll see, claims automation is the key to expediting your claims process so you will be prepared the next time a disaster strikes.

The industry is always one major catastrophe away from a multibillion-dollar hit to its bottom line.

“2014 P&C Insurance Industry Outlook,” Deloitte, 2014

New Policyholder Expectations Call for New Approaches

To keep policyholders happy, you need to see the experience from their point of view and deliver the kind of service they expect. That means making a few key changes to the way your process is structured and the way your staff works.

Everyone Needs Access to the Same Information

The first step is to give everyone involved in the claims process—including policyholders, carriers, independent agents, independent appraisers, lawyers and others—access to the same claims data and related information. To do so, you must improve information flow and break down “siloes” systems for storing policy and customer data. Being able to easily pull together information from many different sources gives adjusters the power to complete files, make connections and settle claims accurately and quickly.



Everyone Should See Everything

Better access to information is also necessary to achieve a 360-degree customer view, giving everyone who communicates with policyholders—from contact center staff to claims representatives—a complete picture of all previous communications and details of a case. After all, when interacting with your company about a claim, consumers don't want to get bounced around to multiple people who have partial information and can't respond to their question or move the claim to completion. By having access to all customer interactions and information, agents can avoid delays and settle claims at the speed your policyholders expect.

Automation Is the Answer

Today's claims processing involves many repetitive manual tasks that tie up the valuable time of your claims representatives. The solution is complete automation—a process where each step follows seamlessly and the right person is alerted when an exception is detected.

Of course, digitizing paper-based documents early in the process is the key to making automation possible. It's the first step toward speeding up transactions by giving everyone in your organization virtually instant, simultaneous access to information.

New technology based on artificial intelligence can also increase the effectiveness of automation. AI makes “smart automation” possible. It creates the ability to extract and understand unstructured data so it can be quickly and accurately routed to the appropriate claims representative in a ready-to-read format.

Smoother, smarter automation of workflows, combined with insight about customers and policies, will go a long way toward streamlining the claims process from the first notice of loss, called FNOL, to settlement and subrogation, all while cutting claim transaction processing times and increasing the productivity of your people.

The main inhibitors of digital access are constraints created by older technologies (80%), slow pace of delivery (64%), and intermediary agent strength or resistance (40%).

“Global Insurance Digital Survey 2013,” EY, 2013



Don't Overlook the Most Important Part of the Process: Your People

If your company is like many others in the insurance industry, you face the ongoing loss of experienced personnel to retirement and struggle to fill critical roles requiring specialized skills. It's a vicious cycle: frustration contributes to high turnover rates, which leads to lower service levels and increased recruitment costs. And the problem is magnified during peak periods when companies hire inexperienced claims representatives to help meet greater demand. The solution involves both training and technology.

Training

Passing skills and knowledge down to junior claims representatives is critical, yet it presents challenges in both time and cost. It takes many years for an adjuster to become an expert, but they are expected to provide excellent service from day one.

To deal with the large gap in adjuster expertise and training inexperienced employees, insurers must adopt a comprehensive knowledge management system that compiles the accumulated wisdom of veteran experts. A system that makes it possible to hand down valuable expertise from one generation to the next will help adjusters be more effective, more confident and, ultimately, more satisfied with their jobs. All of which translates into lower turnover, reduced training costs, and a better bottom line.



Technology

Artificial Intelligence plays a role in personnel training too. Improvements in interpreting data and classifying information will help ensure that claims and exceptions are routed automatically where feasible, or assigned to adjusters according to expertise. This allows you to use the skills of your best adjusters for the most difficult claims and assign easier cases to less experienced adjusters, keeping your entire staff productive and happy.

The goal will be not only to improve retention of highly skilled, experienced employees at a time when competition among insurance carriers looking for talent will likely be fierce, but also to more proactively encourage and facilitate flexibility and productivity among their entire work force.

"2014 P&C Insurance Industry Outlook," Deloitte, 2014

Want to Be an Industry Leader?

Speeding up your claims cycle through workflow improvement and automation will help keep your policyholders happy and loyal. That's critical when you consider that it costs seven times more to acquire new customers than to retain existing ones. Fast and accurate claims processing also offers opportunities for huge cost savings and paves the way to future growth and profitability.

So it's really a simple decision. If you want to be the leader in the property and casualty insurance industry tomorrow, customer responsiveness must be your highest priority today.

About the Information Management Division of Kodak Alaris

Kodak Alaris is a new company driven by the simple belief that "we can always find a better way." Our Information Management division helps organizations capture content from digital and paper sources, extract insights, and deliver the right information to the right place at the right time for better outcomes. Our portfolio includes document scanners, a global service and support team, and software and solutions that capture and intelligently manage information. For small offices and large-scale organizations, we provide new ways to automate processes, improve customer interactions and make smarter business decisions.

Want to Learn More?

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