

**INSURERS & CONSUMERS:
REBUILDING A LANDSCAPE OF TRUST
"IS ANYONE LISTENING? DOES ANYONE CARE?"**

Flipchart Pages and Notes

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Facilitation and materials transcription by Hile Group
27 White Place, Suite 1, Bloomington, IL 61701
309.829.7800, www.hilegroup.com

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"IS ANYONE LISTENING? DOES ANYONE CARE?"

Discussion Goals

- Clarification, perhaps definition, of the consumer trust issue for ICAE members

- Practice with tools members can take home to build the customer trust conversation

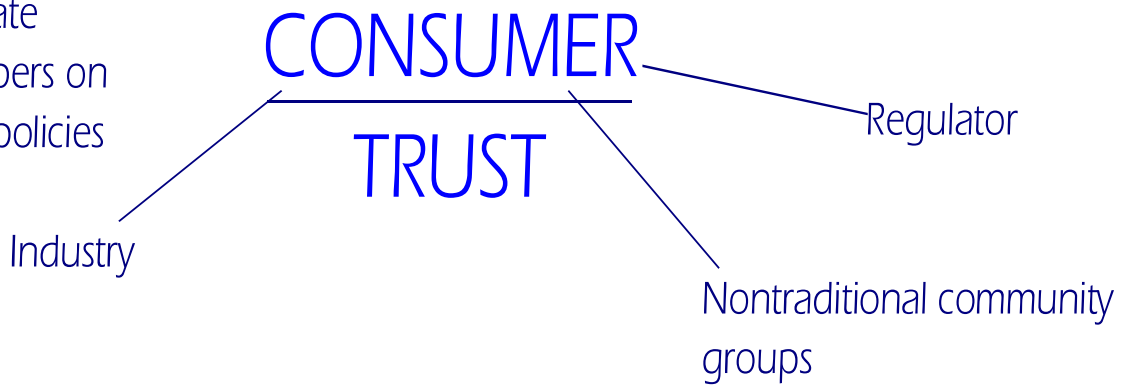
- Action steps for individuals, for ICAE

- Continue building ICAE member relationships



Individual day-to-day contacts
will make a difference

Educate
members on
their policies



What DON'T we sell/tell?

Low rating → "used car salespersons"

Do what you say you will do.
Walk the walk.

Professional insurance advisor/counselor

Communication: purchase info & comply
with regulations

Follow through—go the extra mile

Be accessible in meaningful ways

Training staff on industry
changes

Uninformed consumers = challenge

CONSUMER

TRUST

(continued)

Working together to
put consumer first

Planning

We need to give press to what we do do well (as an industry)

Multiple customer/clients

Natural contradictions within
organizations and within
insurance psychology

Know your market: not the
same as 30 years ago

PEOPLE WE'VE TRUSTED

Grandma

Neighbor

Beautician

Banker

Policeman

Former minister

History Teacher

MOM

Real estate agent

Doctor

DAD

Dentist

Baker

Handyman

Car mechanic

Insurance agent

Day care provider

Girl Scout
Cookie girl

Spouse

Boss

Tax accountant

COMPANIES WE'VE TRUSTED

SW Bell

Delta (??)

Pfizer

Godiva

Mars Candy

Firestone

Absolut

Saturn

SWA

Mrs. Butterworth's

Westin

P & G

Kleenex

Clorox

Johnson & Johnson

Tide

Moen

Pampers

Sony

Disney

Pacific Life Insurance Company

THREADS THROUGH CUSTOMER MEMORIES

- ✓✓✓ Good service—including follow up
 - ✓ Established longevity—traditions
 - ✓ Familiarity
 - Convenient
 - Warmth, welcoming
 - Efficient
- ✓✓✓✓ Extra special personal attention
 - ✓✓ Someone who makes time to make special arrangements
 - Education, including translation to our level
 - ✓ Feel secure
 - Trust their expertise
 - ✓ Communication for understanding
- ✓✓ Quality
 - Foundation built on clear, constant value system
 - ✓ Somebody listened to me
 - ✓ One-on-one relationships
 - Recognizing problem and problem solving

TACTICS FOR CUSTOMER DELIGHT

✓ Relate to your customer

Follow-up system

Well communicated "Mission Statement"

Focus on personal health and personal wealth

Communication and accessibility to move to solution

Building "Basic" customer relationships

(First time home
buyers: 30 surveys)

ICAE SURVEY INSIGHTS

- ▶ Credit scoring is not as big a deal as we think it is. (Or they don't know it is.)
- ▶ Questions 4-5. Perception/bias vs. real world experience. "Constantly" and "never".
- ▶ 30-50 year olds who did not know the stock market impacts their insurance.
- ▶ Females responded—perhaps more than men.
- ▶ Not that much disappointment in #3 (regarding customer service experience).
- ▶ Beliefs:
 - try to sell things I don't need
 - deliberately complex
 - avoid paying claims

WHY WE CHOOSE TO ACT AS WE DO

- We understand that it is what we're supposed to do

Expectations up front: what is (is NOT) covered

- We have/don't have the support/resources we need to do what we're supposed to do

Clear message to point person regarding credit scoring

Translated texts, Help Desk, Agent who returns calls

- A good thing happens when we do it this way. A bad thing happens if we do it another way.

Language

Follow up, consistent response to claims—"Full coverage"

- We can—we can't do it, physically, emotionally, mentally, and other way

Filing vs. Phones

- We've been told that what we're doing lines up with what we're supposed to do

Claims held against per contact

- We do/don't know what we need to know to do what we understand we're supposed to do

INSURANCE CONSUMER EXPECTATIONS

- | | |
|---|--|
| <ul style="list-style-type: none">• What I'm protecting—Savings, non-monetary value• Options—take no• I'll tell you what I don't want; I'll find out what I need—dialogue• Needs—based selling• A relationship• Let's go over policy—what's not covered• My time saved
• The product(s) I need
• Explained how to avoid rejection• Teach other languages• Revealing up front
• Educate regarding the <u>why</u>, set realistic expectations. Impact: what you can do• Pieces you need | <ul style="list-style-type: none">• How much it will cost?• Don't take "no" for answer• I'll tell you what I want
• Quick answer—formula• "A sale"• Listen to a pitch—all in policy• My time wasted• Added value to current plan• A product I might not need• No fit for my need• Not having to tell all• English• Invasion of privacy—"nosiness"
"exposure"• Not getting caught when I don't tell• Quick turn around• Bumper to bumper "full coverage" |
|---|--|

BARRIERS TO MOVING TO CONSUMER TRUST CULTURE

- ✓ FEAR of change: the risk of the unknown
- ✓ Profit pressures—the catch up years
- ✓ We can't seem to get the profit and growth stuff in synch
- ✓ Insurance as commodity rather than as relationship business
- ✓ Insurance advertising paints “full coverage” picture vs. what we really can & do do—due diligence
- ✓ Bad press and conservatism around telling our “good citizen” story
- ✓ Often times we cannot defend ourselves
- ✓ RESPONSIVE RUT
- ✓ Legislation
- ✓ Executive value systems
- ✓ We need to learn to sell value/relationship on business case terms
- ✓ Lack of internal customer service

SO WHAT?

“You’re right. This is awful, but let me explain.”