



Impact of Digital Documents in Insurance

Andrew Hellard | Product Marketing Manager | April 2016

Agenda



- 1 Introductions
- 2 What is digital insurance?
- 3 Customer communications in a digital world
- 4 Questions and answers

Introduction

Andrew Hellard – Product Marketing Manager, GMC Software

10 years experience in insurance

- Experienced with both Property and Casualty and Life insurance
- Managed full legacy Customers Communications Management migration at a \$1 Billion USD Property and Casualty insurer

15 years experience in technology

- Team and project leadership in insurance and marketing
- Web-based insurance application development for both customers and agents
- Mobile application development using multiple frameworks

Education and Certifications

- Electronic Document Professional – Xplor International
- Masters in Business Administration – The Ohio State University
- Management Information Systems, B.S. – Miami University



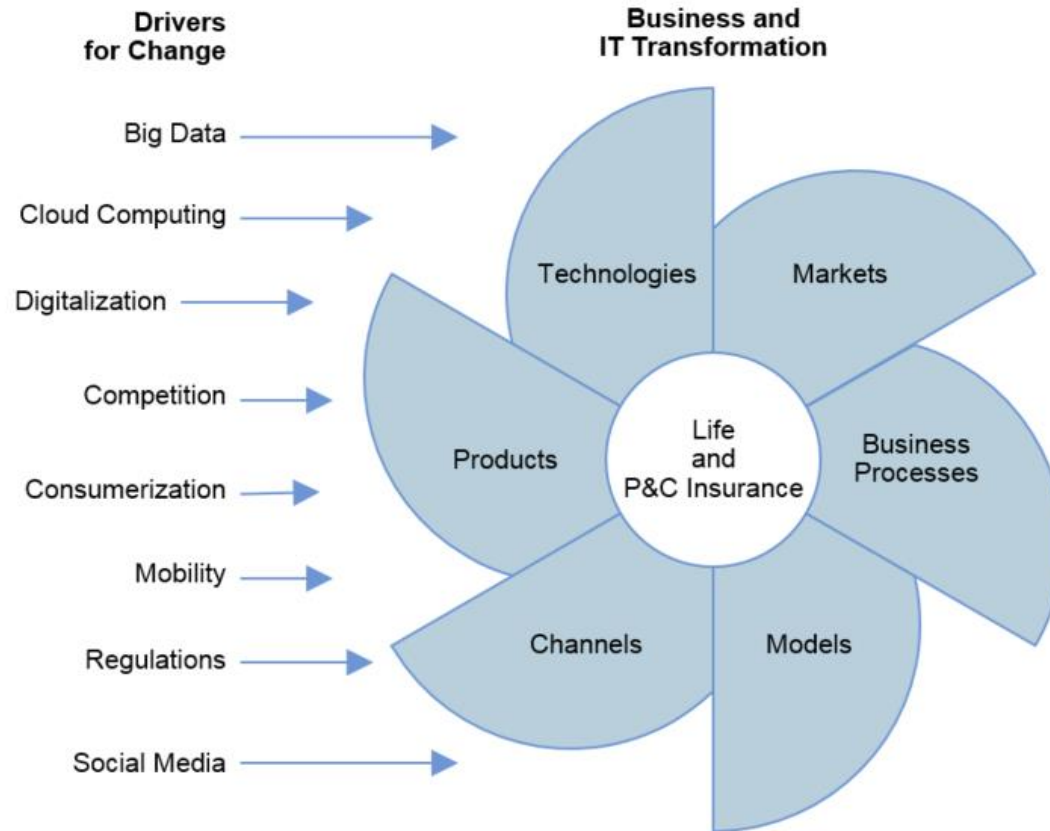
What is digital insurance?

Insurance CIOs worldwide have identified digital transformation as the most disruptive factor for their industry



Gartner – Predicts 2016: New Technologies and Business Models Will Drive Digital Disruption in Insurance

Figure 1. Transforming Into a Digital Insurer Overview



Source: Gartner (January 2016)

Digital Insurance

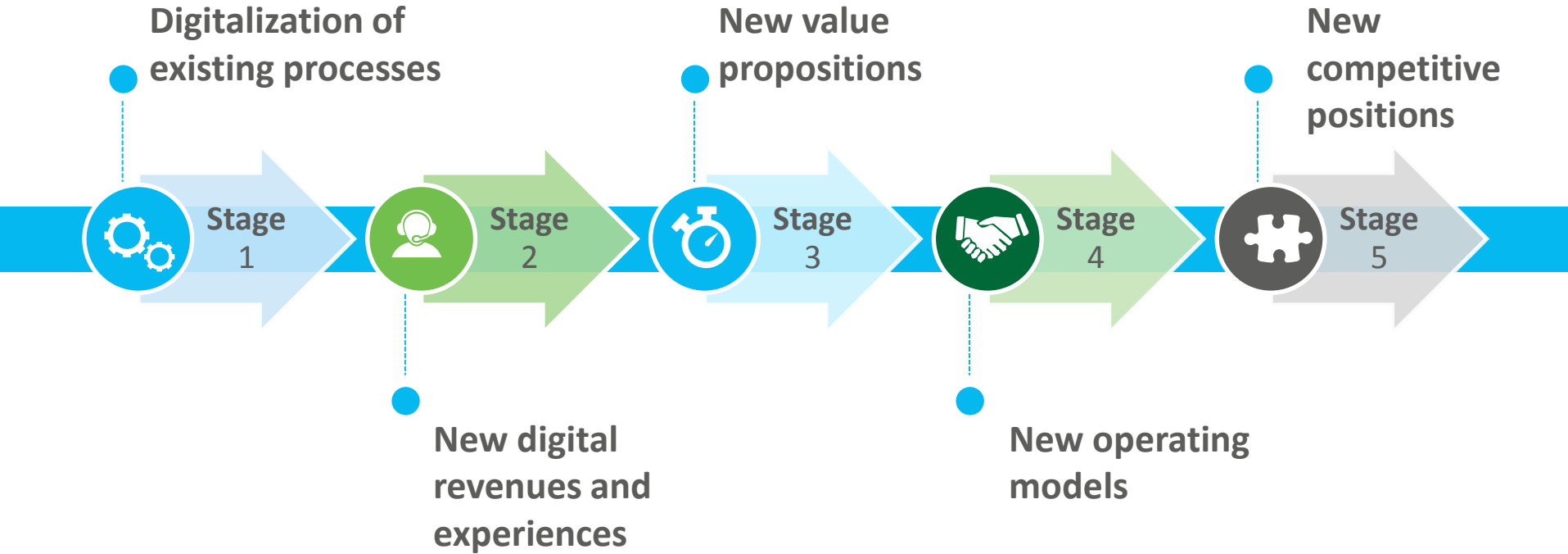
Digitalization

Enabling digital transactions to improve margins or optimize operations

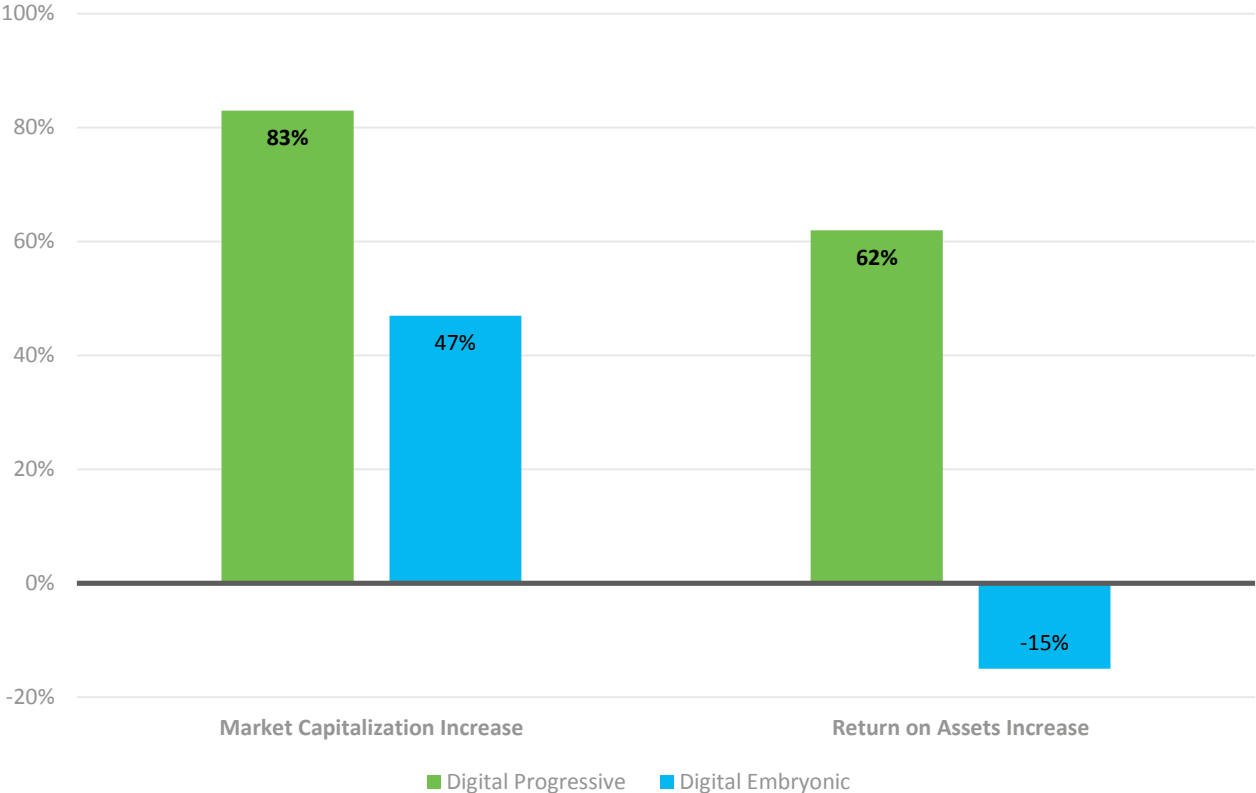
Digital Business

Generating new revenue or creating new customer experiences

Digital Insurance



Insurer Returns 2011-2013



Source: Gartner, Best Practices for Developing Digital Leadership in Insurance

Gartner Predicts 2016: digital insurance

- By 2018, more than 50% of life and P&C insurers worldwide will partner with or acquire insurance technology startups to secure their competitive positions.
- By 2018, 15% of insurers will deploy smart machine technology to improve profitability and customer experience.
- By 2019, telematics adoption will lead to overall personal auto insurance premium income reduction of 20%.

Gartner Predicts 2016: digital insurance

- By 2018, at least 5% of life insurance companies will offer pay-as-you-live products.
- By 2018, escalating IT debt will force more than 100 insurers to restructure, be acquired, outsource their IT operations or go bankrupt.

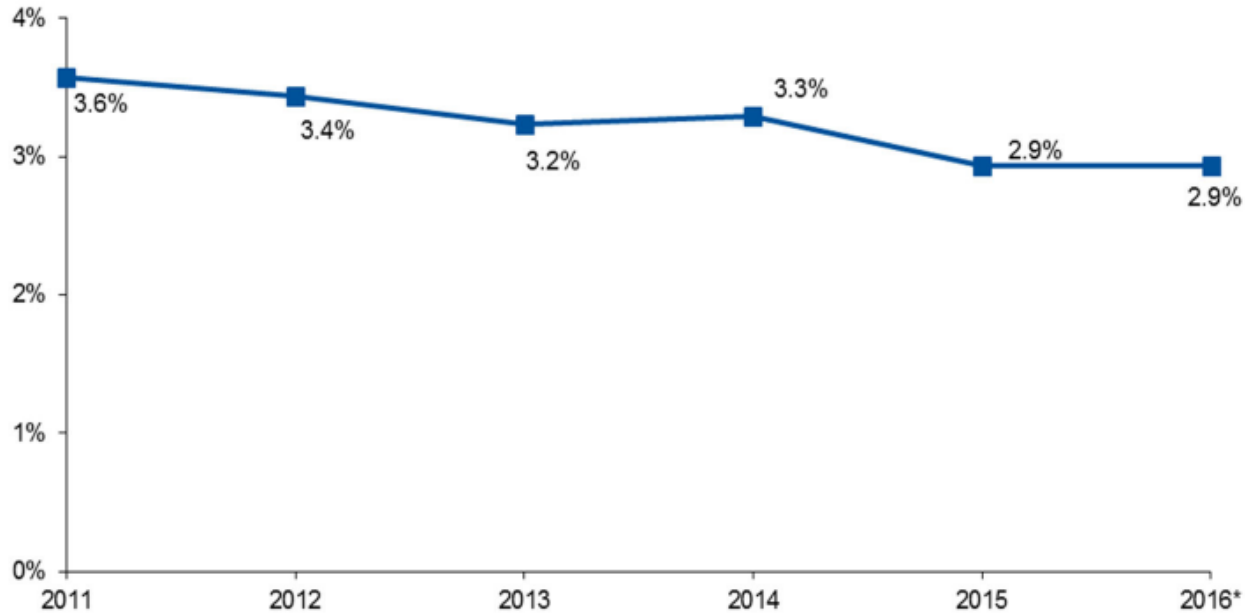


Technology challenges to digital insurance

Technology Challenges

- "IT debt" is the cost of clearing the backlog of maintenance that would be required to bring the corporate applications portfolio to a fully supported current release state
- Gartner estimates that the global IT debt in the insurance industry has grown to more than \$110 billion, while insurance IT budgets have remained largely flat.
- Gartner estimates the majority of insurers across the globe still run more than 50% of their core insurance applications on legacy systems.
- Latin America IT budget increases lag the rest of the world

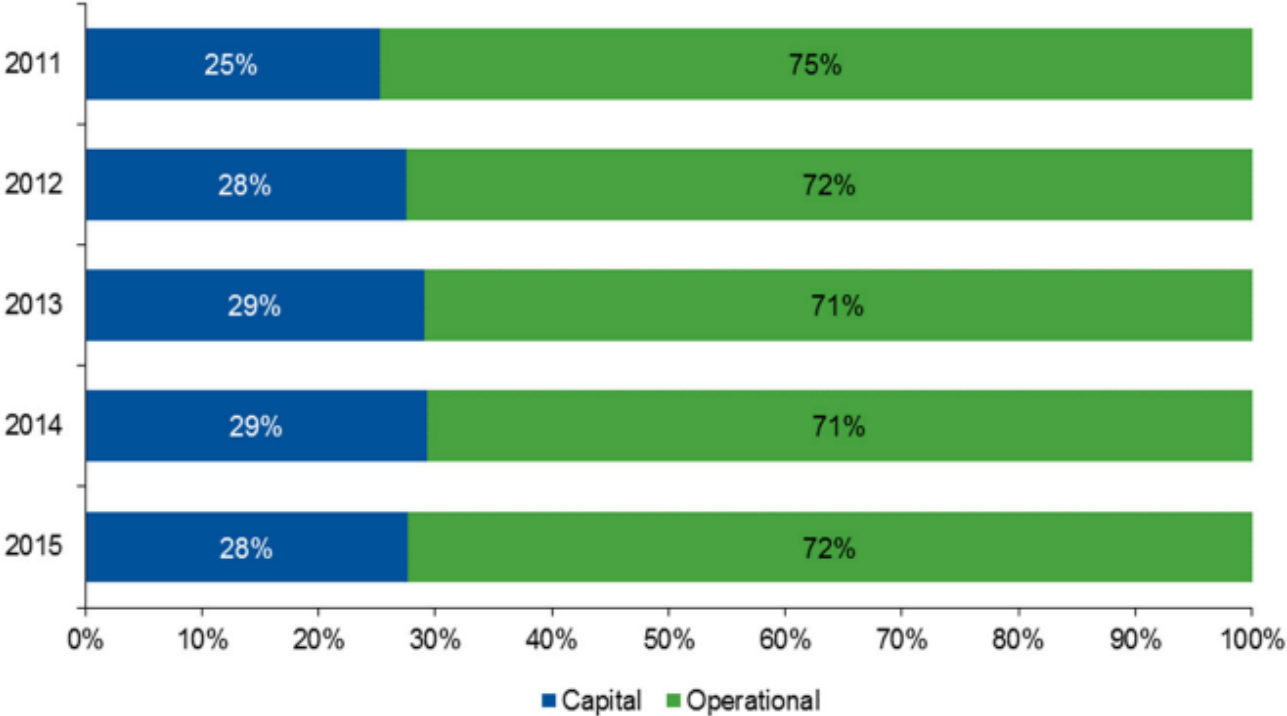
Figure 3. Insurance: IT Spending as a Percent of Revenue



Note: The value for 2016 is a projected figure, and is based upon projected 2016 IT budgets provided by Gartner clients.

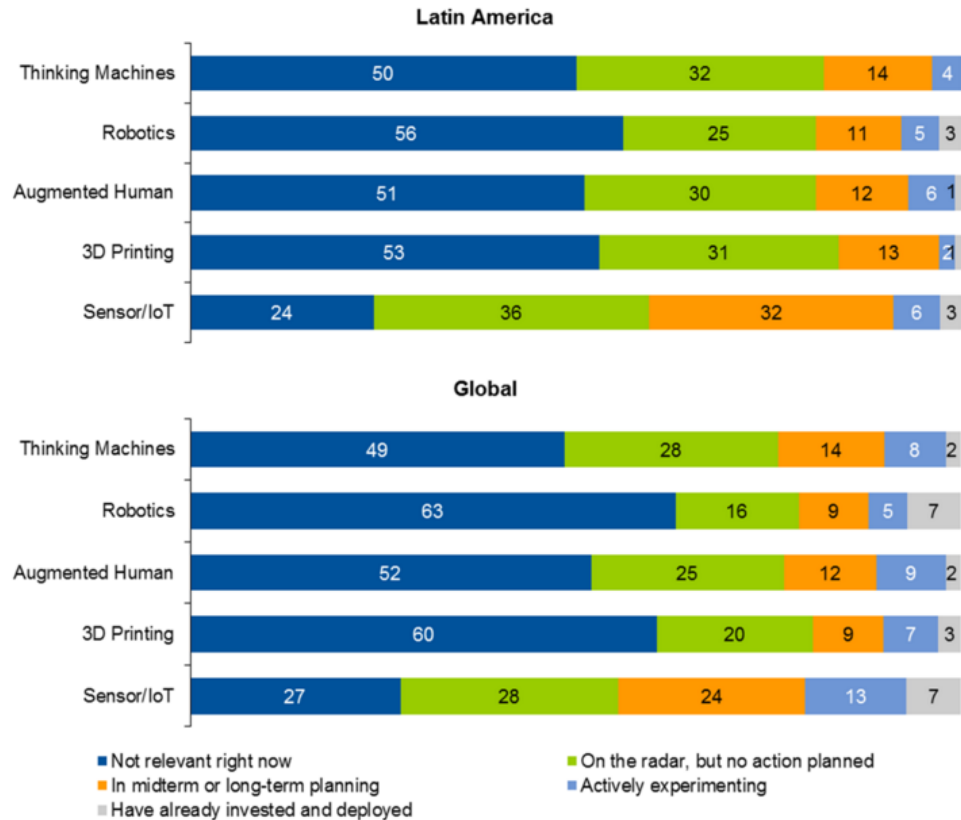
Source: Gartner IT Key Metrics Data (December 2015)

Figure 10. Insurance: IT Operational vs. Capital Spending



Source: Gartner IT Key Metrics Data (December 2015)

Figure 8. Adoption of SMART Technologies, Latin America vs. Global



Values represent the percentage of respondents and may not total 100% due to rounding. IoT = Internet of Things

Source: Gartner (January 2015)

15%

Insurance leaders consider their organizations digitally progressive

88%

Insurance core system modernization projects go over budget

1. High failure rates in insurance legacy modernization challenge CIOs – Gartner Research 2014

How can we meet customer digital needs in this environment?



Customer communications in digital insurance

Insurance is a promise, not a product

- Nature of insurance requires documents
- Outbound communications are the only interaction many customers have with their insurer
- Most customers have so little contact with their insurer that each communication is a moment of truth
- Communications must be a part of any insurers customer experience strategy

Connection

- Insurer to customer
- Broker to customer

Experience

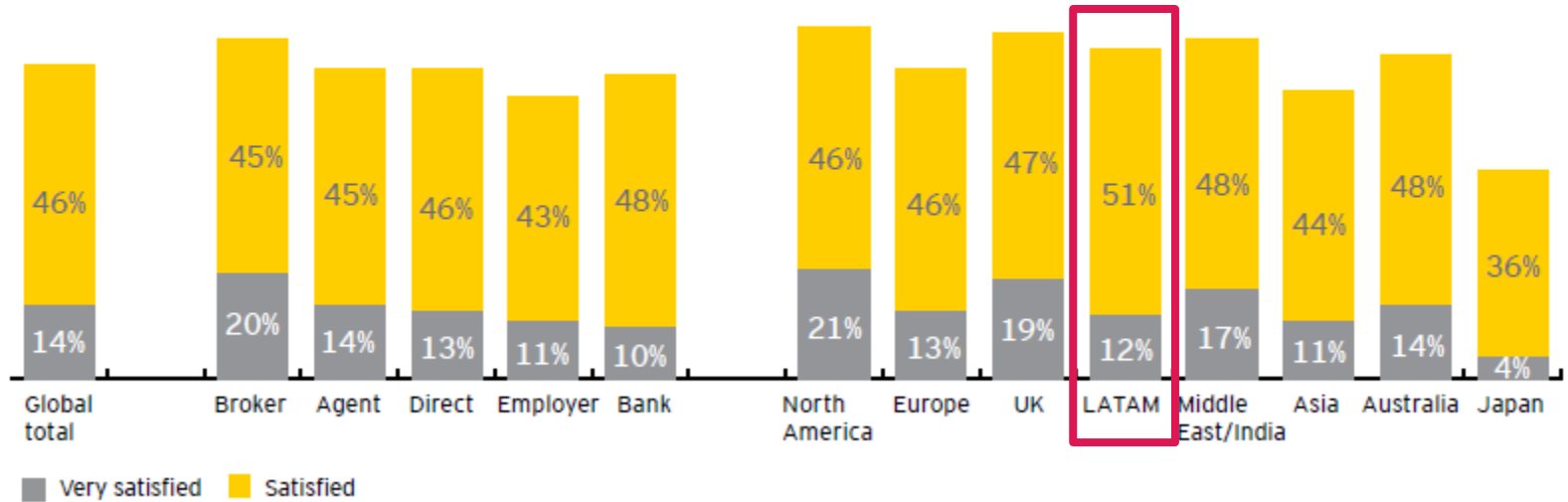
- Technology
- Personal

The Mexican Digital Customer

- 62.5M smartphone users
- 59.8% of mobile phones are smartphones
- 41.4% smartphone user growth from 2014
- 65M internet users by end of 2015



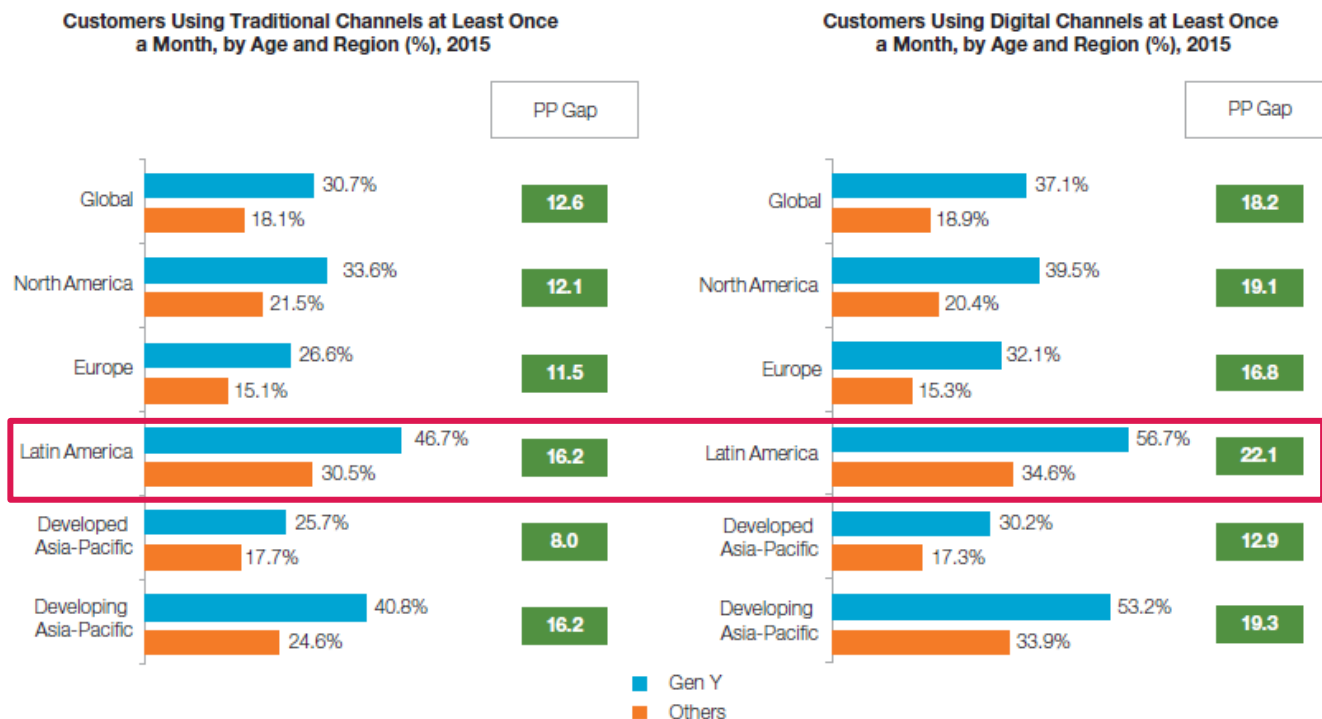
Figure 13: Consumer satisfaction with outbound communications



Source: EY, Global Customer Insurance Survey

2015 - © GMC Classification: CONFIDENTIAL

Figure 1.4: Use of Channels at Least Once a Month, by Age and Region (%), 2015

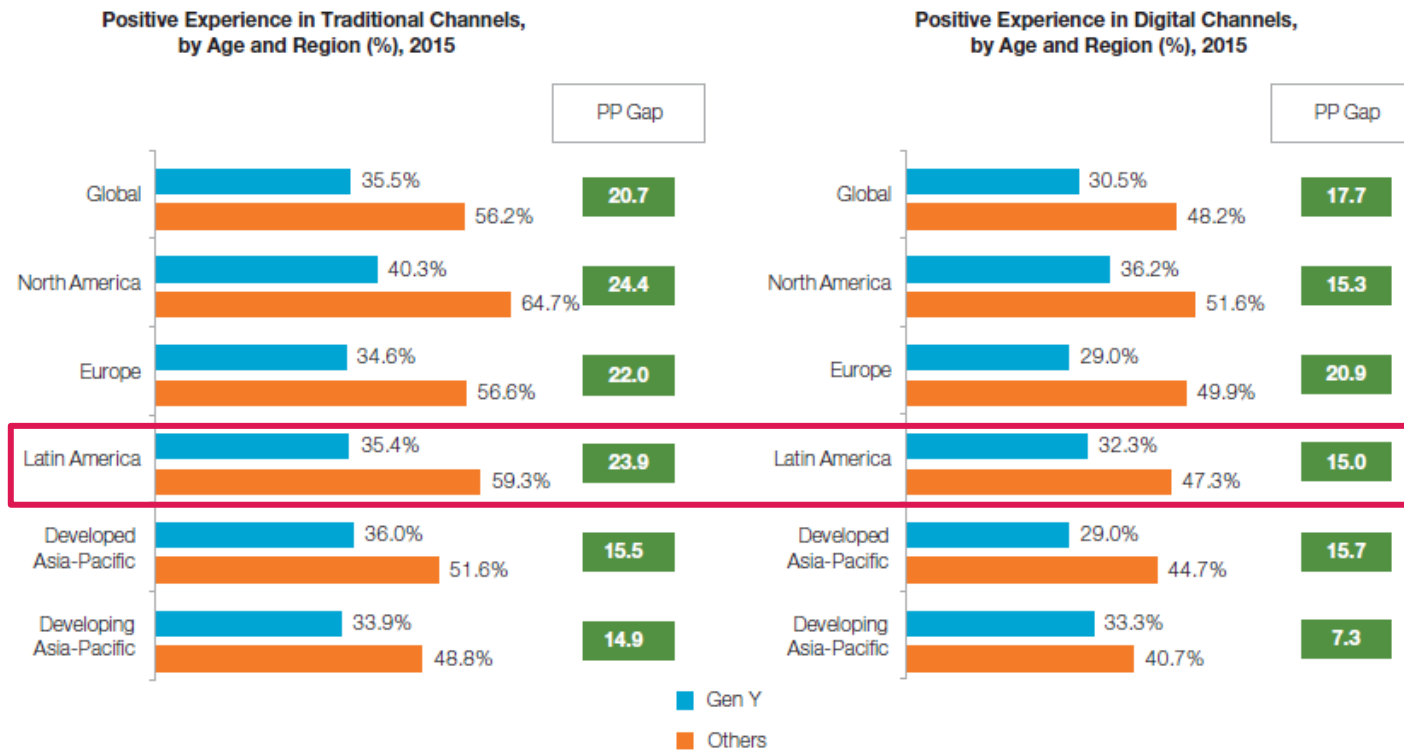


Note: 1. Question asked: "How often do/will you use the following channels for your insurance needs? Frequency of Use: Weekly, Once a Month, Once in Three Months, Twice a Year, Yearly, Never"; The values considered for the above charts are Weekly and Once a Month

2. Traditional channels include Agent, Broker, Bank, and Phone; Digital Channels include Internet-PC, Internet-Mobile, and Social Media

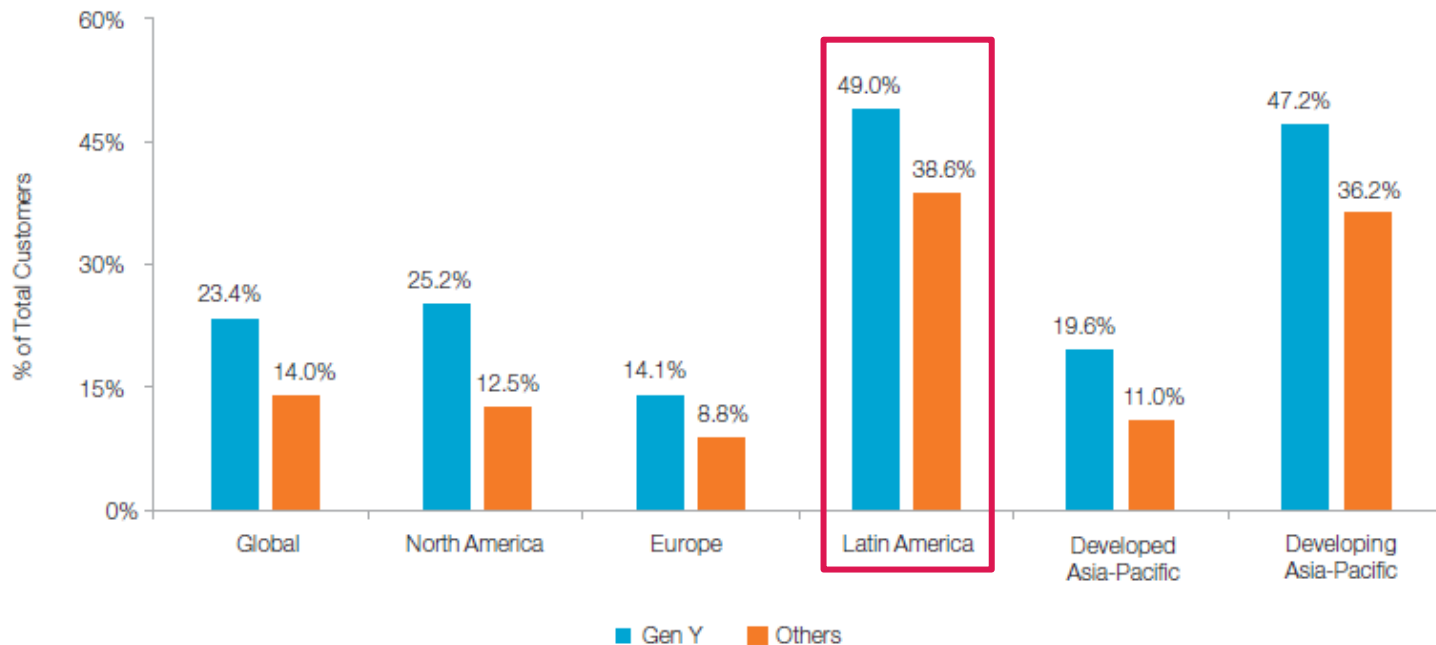
Source: Capgemini Financial Services Analysis, 2015; Capgemini Voice of the Customer Survey, 2015

Figure 1.6: Positive Experience in Channels, by Age and Region (%), 2015



Source: Capgemini Financial Services Analysis, 2015; Capgemini Voice of the Customer Survey, 2015

Figure 1.8: Number of Customers Likely to Purchase Insurance from Technology Companies, by Age and Region (%), 2015



Note: Question asked: "On a scale of 1-7, how likely would you be to purchase insurance policies from top technology brands such as Google, if they foray into insurance?"; Ratings 6 and 7 are shown in the chart

Source: Capgemini Financial Services Analysis, 2015; Capgemini Voice of the Customer Survey, 2015

What would be a better way?

Connection

- Communications are personal and relevant
- Personalized messaging on communications
- Customers feels that the company understands his needs

Experience

- Customer chooses engagement channel
- Not dependent on physical mail
- Conversion in minutes, not days or weeks
- Minimize customer frustrations

Agents and Brokers



- Agents are a critical part of the customer experience
- Agents have the most contact with customers
- Agents are struggling with digital transformation
- Insurers must help agents with this transformation



How can GMC Software help?

Customer Communications Management

Solution enabling the creation, management and delivery of personalized outbound communications across many channels and formats.





Policy System



Claims System



CRM System



Emails and SMS



Printed output



Digital output



Dynamic Communications

Meet digital customer's expectations



Optimize every touchpoint

Marketing, quotes, policies, contracts, claims correspondence, loyalty programs, renewals, notices

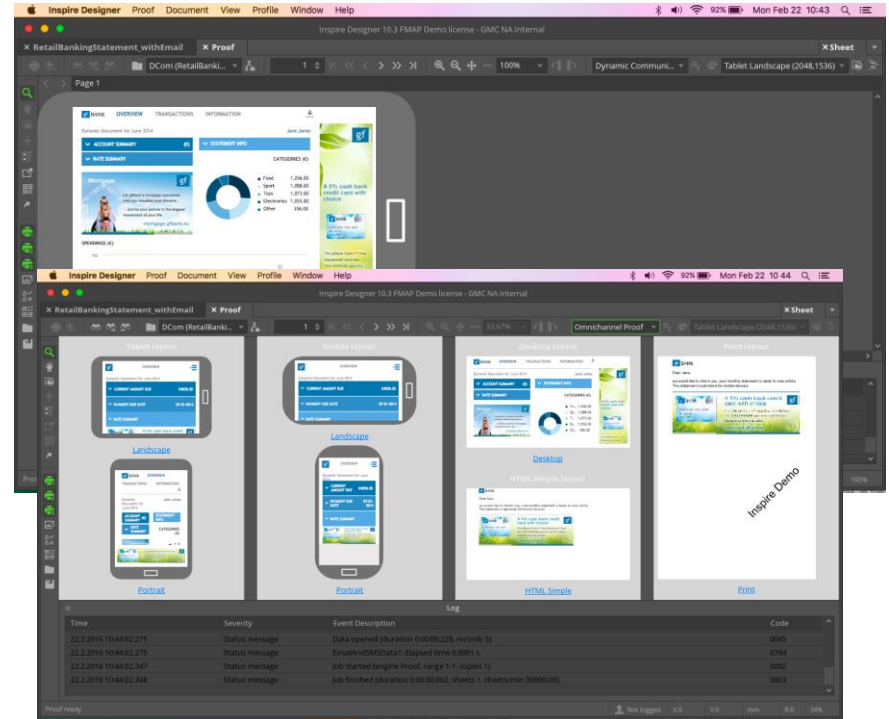
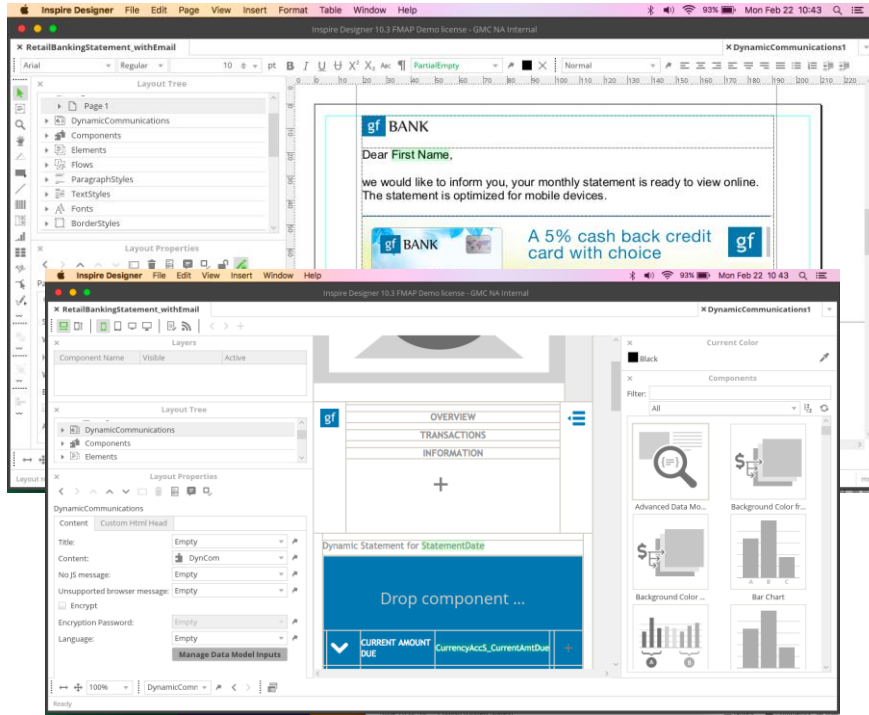
Digitize legacy paper processes (e.g. digital onboarding)

Drive clients to lower-cost, higher-impact channels

Engage consistently, create multichannel experiences

Refine the customer journey and optimize moments of truth

Inspire Designer

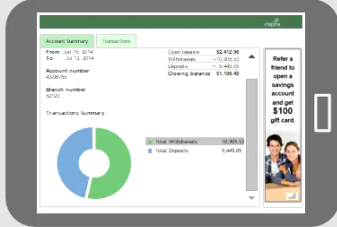


Powerful Omnichannel Preview

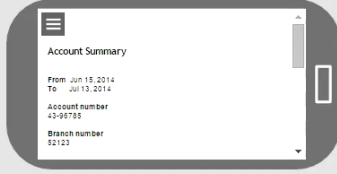
Proof Document View Profile Window Help Inspire Designer 10.4 FMAP Production System - GMC NA Internal

Layout2 (WFD_Com... 1 47% Omnichannel Proof Auto

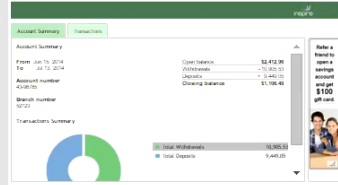
Tablet layout



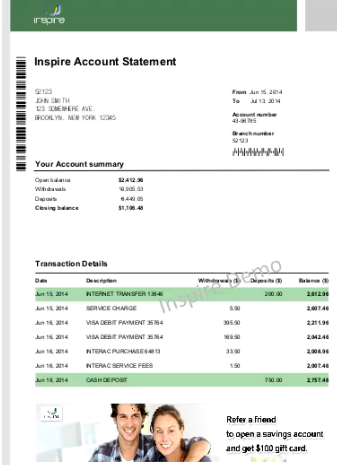
Mobile layout



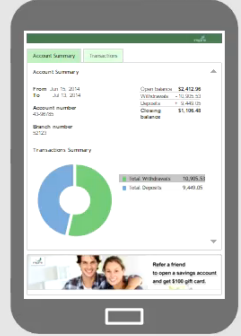
Desktop layout



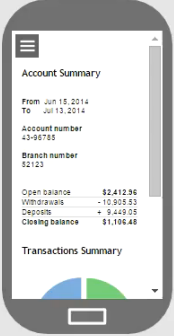
Print layout




Tablet layout



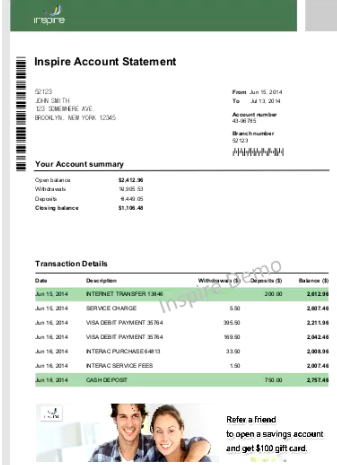
Mobile layout



HTML Simple layout



Print layout



WFD_Completed (3) Workflow Proof Sheet Data

Inspire Account Statement

02123 From Jan 15, 2014
 To Jul 13, 2014
 123 GENESEE AVE
 BROOKLYN, NEW YORK 11235
 Account number 43-98765
 Branch number 02123

Your Account summary

Open balance	\$2,412.96
Withdrawals	-1,102.53
Deposits	+ 9,449.03
Closing balance	\$1,106.46

Transaction Details

Date	Description	Withdrawal (D)	Deposit (C)	Balance (B)
Jan 15, 2014	INTERNET TRANSFER 136.46	200.00		2,412.96
Jan 15, 2014	SERVICE CHARGE	5.50		2,087.46
Jan 16, 2014	VISA DEBIT PAYMENT 3678.4	395.50		2,211.96
Jan 16, 2014	VISA DEBIT PAYMENT 3678.4	99.50		2,042.46
Jan 16, 2014	INTERAC PURCHASE 6813	33.50		2,008.96
Jan 16, 2014	INTERAC SERVICE FEESS	1.50		2,007.46
Jul 13, 2014	CASH ON HAND		700.00	2,707.46

Refer a friend to open a savings account and get \$100 gift card.

Browser-based Interactive

Inbox (20) 459 Robert Miles

localhost:8080/interactive/?id=109e2943-c75d-4d4e-b77a-d7eb3bd2d7 Search

Area: 1/4 Content

Policy number: Robert Miles
Claim Number: 58438

Mr.
Robert Miles
14024 Northeast 4th Street
Seattle, WA 98101

Get in Touch

We are available to deal with your requirements on the phone 13 237 537 473

Claim Summary

Accident Claim Number:	58438
Incident date	January 31, 2012
Mileage of your vehicle	95000

March 7, 2016

Response to Claim Payout Enquiry

Dear Mr. Miles,

I am writing to you in response to your enquiry regarding the payout issued subsequent to the accident claim 58438, reported on 2012/1/31.

Before I move to the payout explanation, let me assure you that when settling insurance claims Vital Insurance proceeds in full compliance with applicable federal and state laws, General Terms and Conditions and the terms and conditions of your Full Auto Insurance policy (hereinafter T&C).

Payout Explanation

The damage to your vehicle resulting from the reported collision was considered total. Thus, in

Client's Title
Salutation
Contact type
Select a type of a contact used by the customer.
 Phone The customer contacted the Vital Customer Center by phone.
 Email The request was sent by an email.
 General The other way of contact.

Michael Lee 10.0.45.0

Browser-based Remote Authoring

The screenshot shows a web browser window with the URL `localhost:8080/interactive/?template-draft-id=bc9ceef0-f732-4e95-b8ad-5c5237cff90#viewMode=edit`. The browser tabs include "Templates" and "Homeowner Application". The page header shows "Homeowner Application (for tickets)" and a "Now" button. The main content area features the Vital Home logo and a message: "All questions must be answered in full for all residences to be included in this insurance".

The form is divided into several sections:

- Applicant Information:** A table with columns for Title, First Names, Last Name, Occupation, and Date of Birth. Below the table are fields for Applicant's Mailing Address and ZIP Code.
- Residence to be Insured:** Fields for Residence Address and ZIP Code.
- Residence Type:** A grid of checkboxes for Dwelling, Apartment, Condominium, Townhouse, Rowhouse, and Co-op. There is also a field for "Other (specify):".
- State Year of Construction:** A field for the year.
- Unoccupied Residence:** A grid of checkboxes for Level 1, Level 2, and Level 3.
- Unoccupied Residence Questions:** A table with two questions and Yes/No columns.

The right sidebar contains a "New Objects" panel with icons for Block, Variant, Table, Insertion Point, Page Break, Section, and Categorized Content. Below it is an "Available Content" panel with a dropdown menu and tabs for "Blocks" and "Documents". The "Documents" tab is active, showing a document titled "Achievements" with the text: "Achievements Our achievements have been recognized by independent institutions, for example, Vital Insurance has been awarded the Most Innovative Insurance Provider prize at the National Insurance". Below this is another document titled "Appreciation" with the text: "On behalf of Vital Insurance, I would like to express our sincerest appreciation for your continued patronage. It is because of clients like you that we are able to continue to". An "INSERT" button is located at the bottom of the sidebar.

At the bottom of the browser window, the name "Domenico Ursini" and the version number "10.0.45.0" are visible.

Inbox (23) | localhost:8080/interactive/#inbox

GMC Demos | Inspire Interactive | GMC Inspire Dynamic ... | Inspire Cloud

DASHBOARD | NEW TICKET | CONTENT MANAGER | APPROVAL PACKAGE MANAGER

Michael Lee

Inbox 23

Sent 7

Group Ticket Inbox 107

Tickets In Progress 47

Inbox

Crosschecking 1

Type	ID	Client Name	Client ID	Previous Holder	Created	Changed
✉	266	Andrew N. Smith	L14318	Gregory Morgan	2016/3/17 07:47	1 hour ago

Crosscheck Finished 1

Type	ID	Client Name	Client ID	Previous Holder	Created	Changed
✉	270	Kimberly Vega	H66285	Gregory Morgan	44 minutes ago	14 minutes ago

Assigned 16

Type	ID	Client Name	Client ID	Previous Holder	Created	Changed
✉	258	Darlo Kirkman	L90835		2016/3/16 07:47	2016/3/16 07:47
☎	444	Mickey Page - ticket with property	S80438		2016/3/17 07:48	2016/3/17 07:48
📅	248	jimmy Bell	N67815		2016/3/17 21:47	2016/3/17 21:47
✉	259	Douglas D. Davis	C89121		2016/3/17 22:47	2016/3/17 22:47
☎	251	Johannes Planck	D97658		5 hours ago	5 hours ago
☎	252	Thomas Kleiner	D74883		5 hours ago	5 hours ago
✉	253	Sepp Bergmann	D39734		5 hours ago	5 hours ago

Interactive mail merge for brokers

The screenshot shows a web browser window with the URL `localhost:8080/interactive/?template-draft-id=78661e0d-09a2-44c8-8a85-937e9c33b8d9#viewMode=edit,recordNumber=1`. The main content is a 'CSV Settings' dialog box with the following fields:

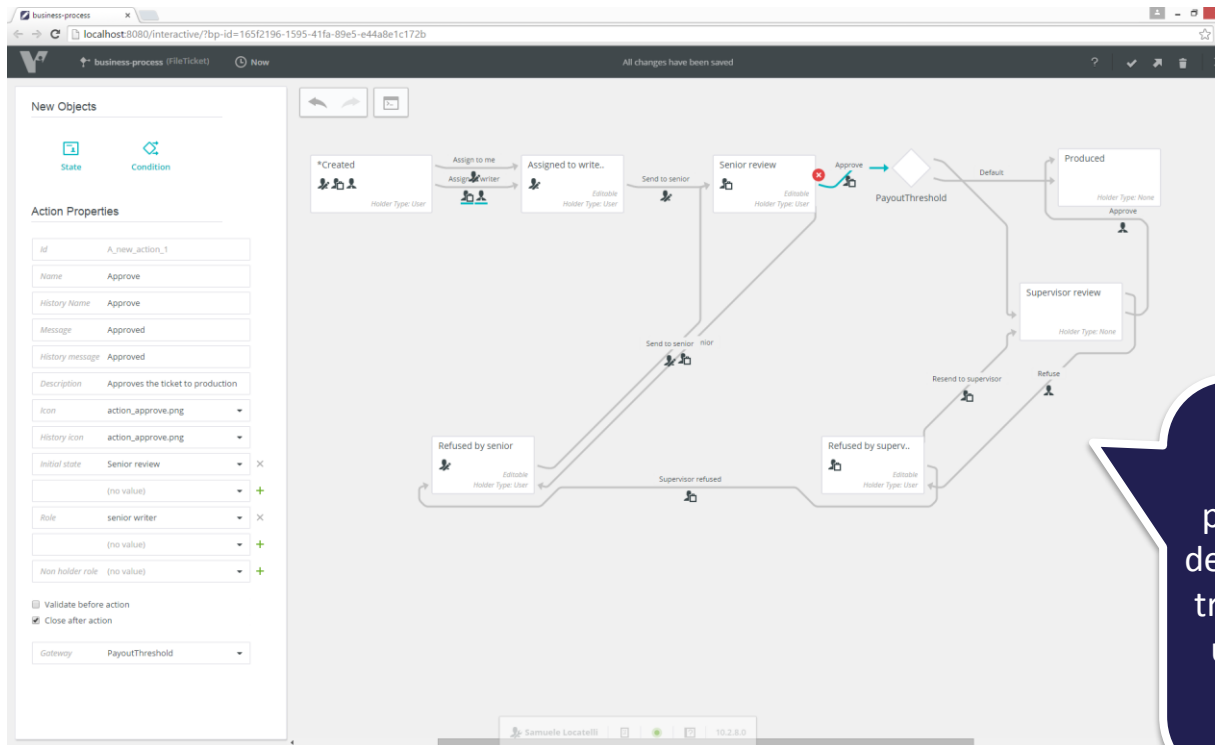
- Field separator: `:`
- Text qualifier: `"`
- Line separator: Win/Mac, Unix
- Skip first line (header)

An 'APPLY' button is located at the bottom right of the settings dialog. Below the settings is a table with 11 columns: CustID, FirstName, MidName, Surname, Gender, Street, Number, ZIP, City, State, and StateAbrev. The table contains 15 rows of customer data.

CustID	FirstName	MidName	Surname	Gender	Street	Number	ZIP	City	State	StateAbrev
321246	Joy	C.	Hamrick	Ms.	Washington Boulevard	104393	94028	Portola Valley	California	CA
321247	Lisabeth		Storey	Ms.	Druid Park Drive	840256	56666	Ponemah	Minnesota	MN
321248	Ivalyn		Harless	Ms.	Baltimore Street	222537	78207	San Antonio	Texas	TX
321249	Gervase	N.	Simpkins	Mr.	Hollins Street	154955	94920	Belvedere	California	CA
321250	Ruff	K.	Atkinson	Mr.	Fort Avenue	226423	1770	Sherborn	Massachusetts	MA
321251	Milbyrne	P.	Moen	Mr.	Falls Road	993185	76544	Fort Hood	Texas	TX
321252	Birk		Burley	Mr.	Lakewood Avenue	616914	68039	Macy	Nebraska	NE
321253	Terilynn		Manson	Ms.	Biddle Street	121854	85253	Paradise Valley	Arizona	AZ
321254	Cheryl	Y.	Wentworth	Ms.	Rogers Avenue	516129	74103	Tulsa	Oklahoma	OK
321255	Franklyn	D.	Rust	Mr.	Montgomery Street	183276	78405	Corpus Christi	Texas	TX
321256	Warner		Dockery	Mr.	Maryland Avenue	321571	2108	Boston	Massachusetts	MA
321257	Farren		Tenney	Ms.	Gwynns Falls Parkway	841895	22066	Great Falls	Virginia	VA
321258	Goldwina		Bible	Mr.	Cathedral Street	174435	48607	Saginaw	Michigan	MI
321259	Udolf	R.	Donato	Mr.	Centre Street	739377	85349	San Luis	Arizona	AZ

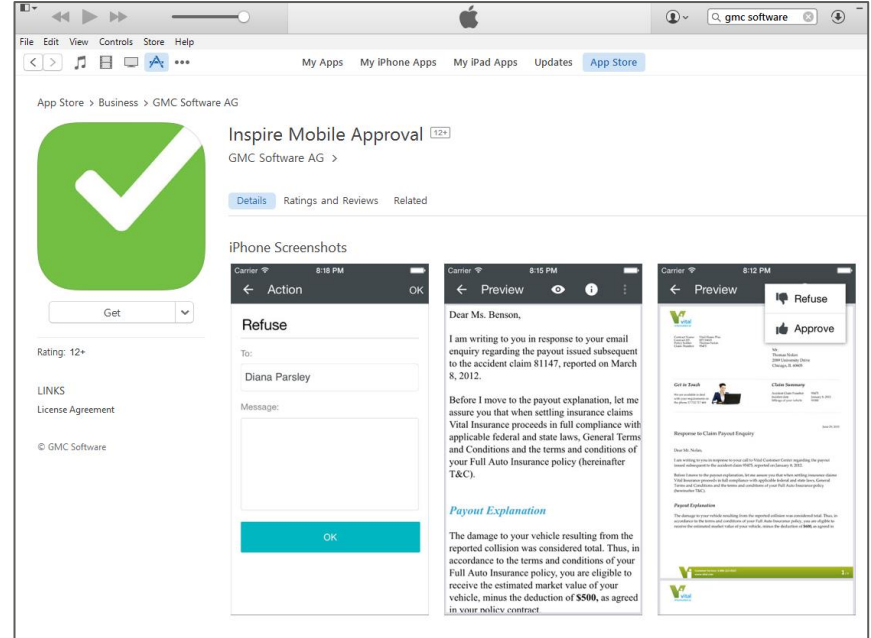
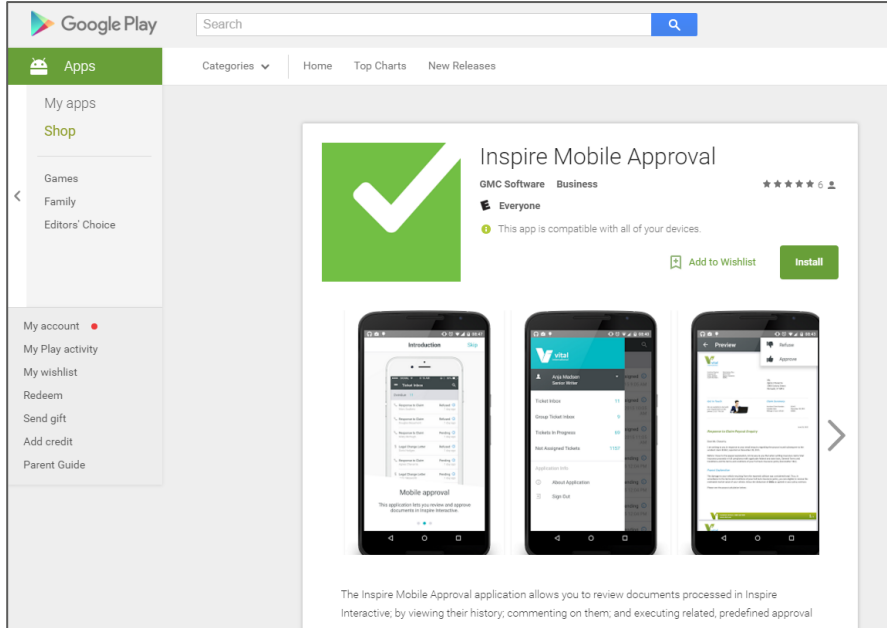
At the bottom right of the application, there are 'OK' and 'CANCEL' buttons.

Approval Workflow Editor manages complex compliance issues

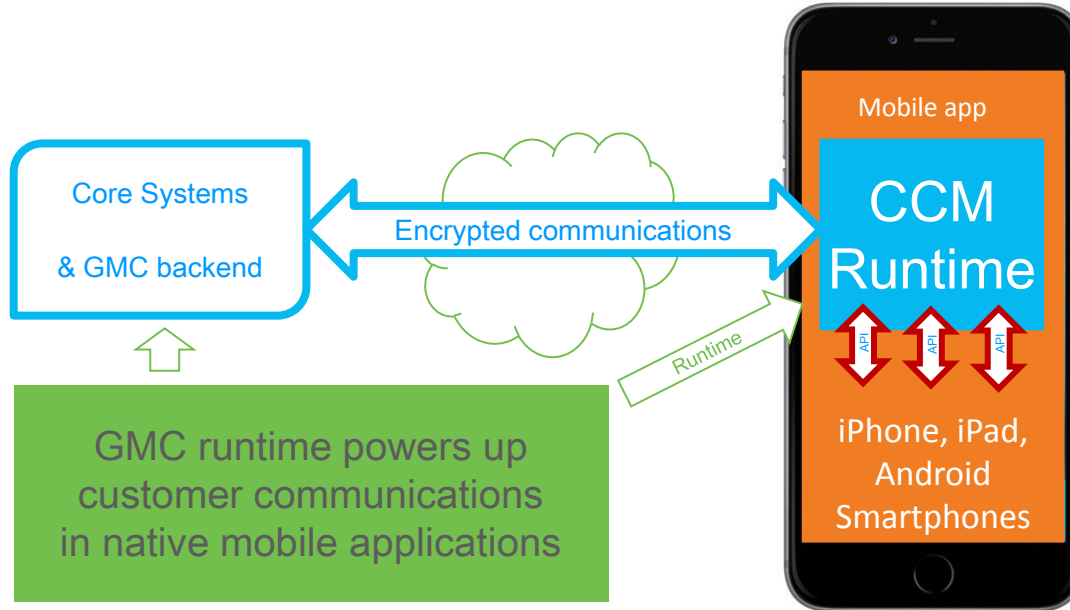


Define approval processes for different departments, templates, transactional processes using GUI within web browser

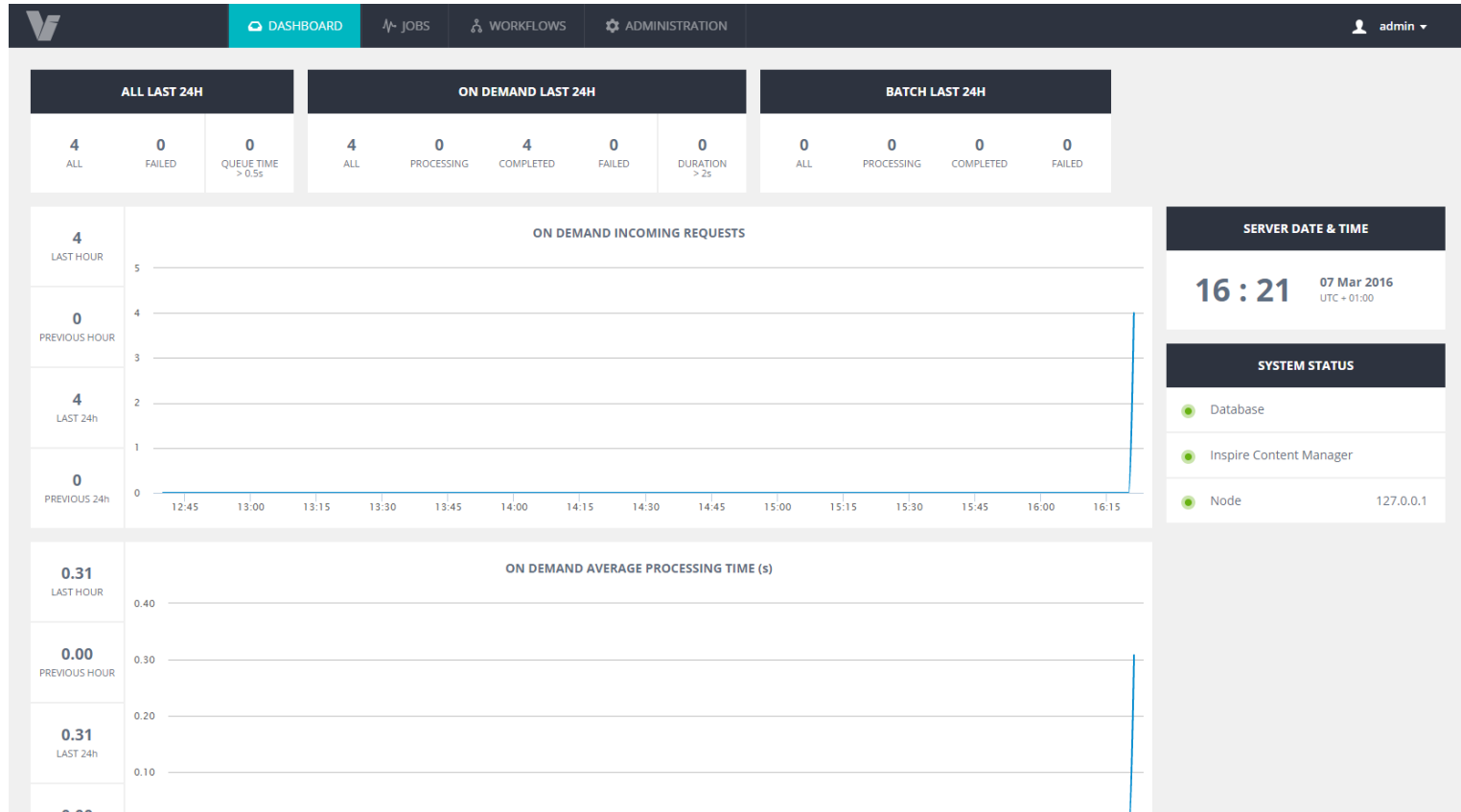
Native mobile approval apps



Mobile Advantage SDK



New cloud-enabled automation tools

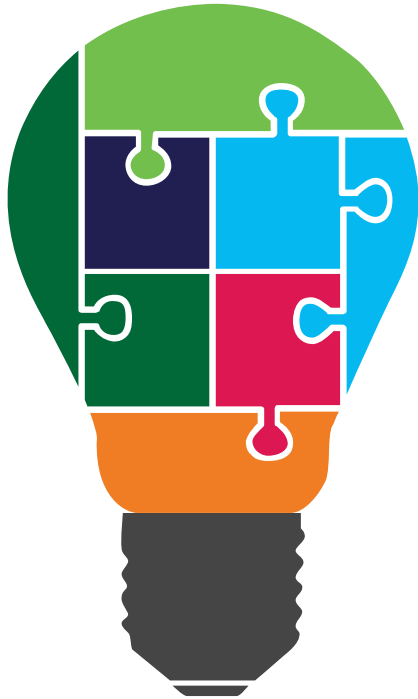


Customer Journey Mapping

Customer Journey Map

The screenshots illustrate the INSPIRE CXM interface for customer journey mapping. The top-left view shows a high-level overview of the 'AUTO INSURANCE NEW CUSTOMER ON BOARDING' journey, with steps like SHOPPING, PROSPECT, PURCHASE, and ASSESSMENT. The middle-left view shows a 'POPULATION' filter for 'WOMEN < 25 YEARS OLD' and a 'FEELING MAP' with a line graph. The middle-right view shows a 'PURCHASE' phase with a 'Welcome kit' asset and a 'Get a quote (form)' touchpoint. The bottom-right view shows a 'Discussions' and 'Requests' panel with user comments and a 'BIG DATA WIDGET'.

What does this mean for you?



Improve customer relationships with each interaction



Connect business to clients with easy to use tools



Build once, deliver to all channels



Say “Yes” to the new digital customer

Your Questions



GMC wants to help you transform your business

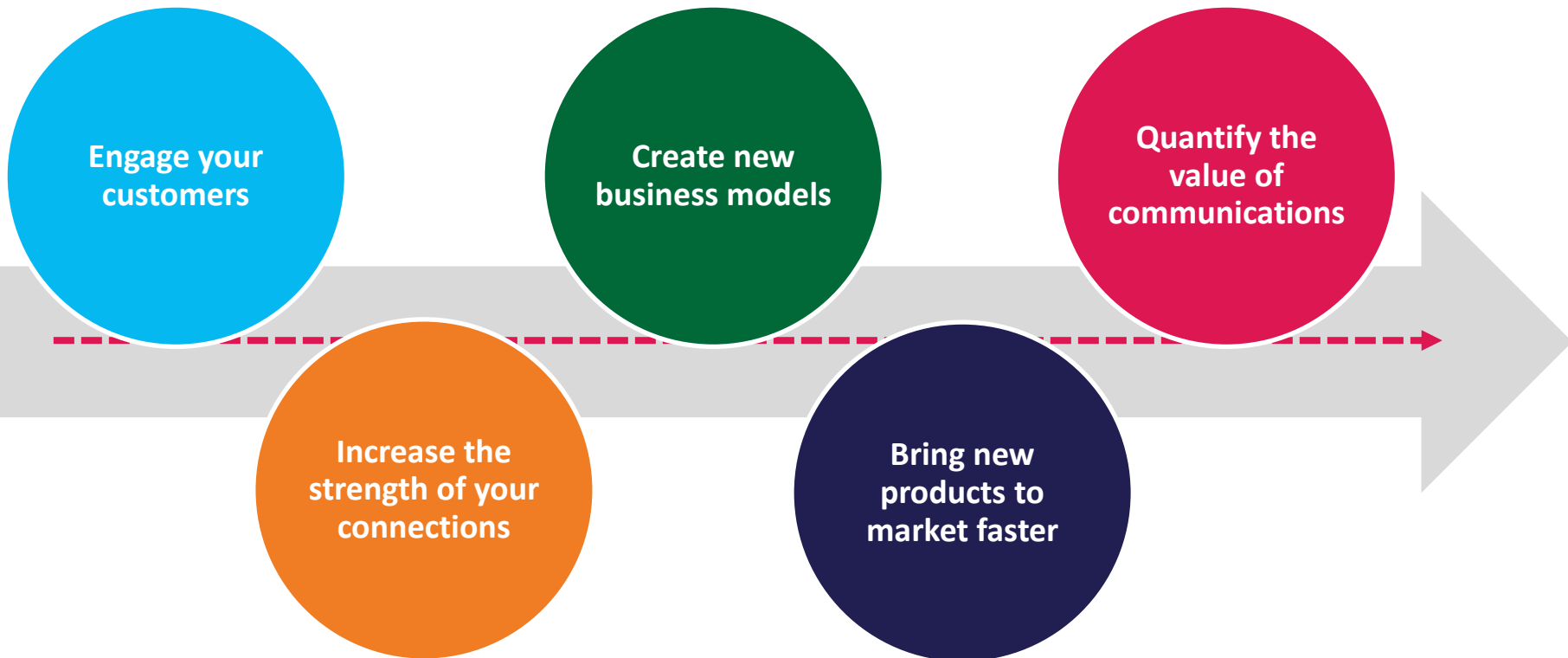


Figure 5. Top Technology Priorities for 2015, Latin America vs. Global

Latin America

1. Infrastructure and Data Center
2. BI/Analytics
3. ERP
4. Cloud
5. Mobile
6. Networking, Voice and Data Communications
7. Digitalization/Digital Marketing
8. Security
9. Application Development
10. IT Services/Automation
11. Enterprise Applications
12. CRM

Global

1. BI/Analytics
2. Infrastructure and Data Center
3. Cloud
4. ERP
5. Mobile
6. Digitalization/Digital Marketing
7. Security
8. Networking, Voice and Data Communications
9. CRM
10. Industry-Specific Applications
11. Legacy Modernization
12. Enterprise Applications



Source: Gartner (January 2015)

Figure 11a: Percentages of consumers who would consider using these contact methods (assuming they were available) when interacting with their insurance companies

Latin America

	Inquire about new insurance policy	Questions about an existing policy	Seeking financial advice	Assistance with a claim	Researching different types of insurance	Managing your current policy	Renewing your policy	Cancel my policy
Web chat	48%	50%	37%	34%	39%	30%	27%	20%
Email	43%	42%	41%	32%	39%	38%	38%	27%
24-hour telephone hotline	38%	47%	39%	53%	31%	41%	36%	41%
Mobile app	33%	37%	29%	34%	37%	30%	25%	18%
Interactive support	31%	35%	29%	31%	35%	30%	22%	15%
Video tutorials and guides	24%	31%	32%	24%	35%	22%	16%	12%
None of the above	11%	9%	11%	10%	10%	12%	17%	22%

Note: Interactive support is defined as combined phone and remote control of a customer's computer screen to assist with navigating online materials.

What does this mean for your customers?



An exceptional
communication experience

