

How insurers can build on their customer communication

By [Ross Sibbald](#)

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When South Africa went into lockdown, companies went into communication overdrive. Insurers were no exception. Unlike many companies, however, their customers were also communicating with them more than ever. Whether they were trying to organise payment holidays or claim for business interruption, insurers suddenly found themselves talking to customers they may not have dealt with for years.



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Some fared better than others, building loyalty and enhancing their brands along the way. While these insurers are more likely to thrive going forward, they cannot simply rest on the laurels of having done a good job in the midst of a crisis.

Instead, they need to build on the work they've already done and identify customer communication strategies that entrench trust and loyalty.

Getting it wrong

Before examining how insurers can do that, it's worth looking at how the inverse can happen. In the midst of lockdown, many insurers refused to pay out businesses whose ability to trade had been halted by the pandemic.

They argued that certain policies didn't include cover for pandemics. While that may have technically been true, it didn't sit

well with the public as business owners faced closures and people lost jobs.

While the insurers eventually relented and provided their customers with interim relief, the damage had already been done.

Getting it right

Other insurers were more proactive, readjusting customer premiums based on the fact that they were driving less and staying home more (importantly, they communicated that they were doing so). Some even completely slashed their premiums, educating their customers about how they could go about enjoying this benefit.

While the savings may have been a lifesaver for desperate customers whose incomes had been affected by the pandemic, they would have meant little without clear lines of communication explaining how they could access the benefits.

Those who communicated best understood that they had to reach their customers as quickly as possible on the most relevant channels. Importantly, they also understood that whatever messaging they put out had to feel personalised and empathetic.

Those are important lessons and helped engender positive sentiment to what's usually a grudge purchase. But that won't last forever. As life returns to some semblance of normal, people will start to feel the same kinds of irritation they did at the beginning of the year.

Ongoing growth

While continuing to provide relevant, easy to understand and contextual information is an important part of retaining customer trust and loyalty, it can't be the only thing insurers do.

They also need to ensure that they're maximising the kinds of technology that improve the customer experience, especially when it comes to communication.

Artificial intelligence (AI), for example, can improve customer experience through the analysis of data on hand in order to decide the next message that is best suited to each customer, based on actions taken with the insurer or changes in life-stages that shift their needs. By delivering the right message to the right person, at the right time, an organization can dramatically improve the customer experience. That relevance and timeliness, meanwhile, is most likely to result in the response the business wants: a policy renewal, an upsell or a new sale.

Machine learning (ML), meanwhile, can help decide which content is suited to a customer based on data on hand, such as past behavior, demographics and location, making it easier to deliver truly hyper-personalized communication.

Conditions aren't going to get any easier for insurers in the coming months, with the economy likely to take years to recover. They therefore need to build on the good customer communication habits they established in the wake of Covid-19 and create an even better customer experience.

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