



PERSPECTIVE | FINANCIAL SERVICES AND INSURANCE

# Five Questions Every Life Insurer Must Ask to Go Boldly Into the Future

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There is so much to love about science fiction: the alien worlds and transformational technologies it dreams up, the myriad futures it imagines and the big questions it asks about what it means to be human.

Take the future that Star Trek creator Gene Roddenberry created. It is a future full of promise, where technology and innovation make mankind better. And it is a future that no longer feels so distant.

The tricorder that Doctor Leonard H. “Bones” McCoy used aboard the Starship Enterprise, for example, looks an awful lot like some of the non-invasive medical sensors being introduced today. In fact, examples of AI-powered technology designed to help us live longer, healthier, more-independent lives are all around us.

LifeBed is used by hospitals to wirelessly monitor patients’ vital statistics to reduce preventable deaths. IoT technology in our homes look after our comfort by adjusting lights and temperature. Smart home devices provide safety by monitoring garage doors, thermostats and even the batteries in our smoke alarms. Wearable technology that can be worn at home or at work, like the Hitoe shirt, invented by a physician and neurosurgeon working for NTT Basic Research Labs, provide independence by sending your doctor information about your vital signs in real time.

At the same time that we are integrating these technologies into our daily lives to keep us healthy and safe, Americans are living longer and “enjoying extended life spans with fewer of the physical ailments that typically accompany aging,” researchers report.<sup>1</sup>

This good news comes with big questions about health and money: What if I live to 100? How long will I have to work? How can I afford the technologies that will enable me to live independently? What if I outlive my savings?

In fact, according to insurance carrier Allianz, 6 in 10 baby boomers fear running out of money more than death itself.

## 6 in 10 baby boomers fear running out of money more than death itself.

Americans’ increasing longevity represents an opportunity for life insurers to help us answer these questions. No longer will an insurance carrier’s role be seen only to provide a payout to your loved ones when you die. Rather, the insurance firm of the future will be a trusted lifelong partner and advisor that provides ongoing protection to policyholders along the life journey. Life events (like marriage and the birth of children) will become opportunities for carriers to offer guidance to policyholders and their family members about their insurance needs. And technology advancements like wearables and IoT will offer carriers the opportunity to facilitate customer engagement and gain loyalty.

To do this, insurers will need to have a holistic understanding of their policyholders’ lives. They will have to consider their policyholders’ environments, family and community. Insurers must have a similarly holistic view of their own businesses. They must re-imagine how their employees and partners engage with customers across all channels and consider what will be required of their enabling technologies to deliver on the promise of life protection in a meaningful way.

<sup>1</sup> Why Americans Are Living Longer and Better, Money, June 2016 [http://time.com/money/4369180/retirement-living-longer-better/?\\_rtu=FePjPQGgbQv6lmyKVHRITrQ](http://time.com/money/4369180/retirement-living-longer-better/?_rtu=FePjPQGgbQv6lmyKVHRITrQ)

## Reshape how you engage and serve policyholders

It might sound as if I'm asking you to boldly go where no insurance carrier has ever gone before, but really, I'm just suggesting that you start by asking five simple questions:

1. **Who are your customers?** Who makes up their ecosystem of care (both as givers and receivers of care – young children, adult children, elderly parents)? What factors influence their decisions? Many carriers have already developed personas to understand their customers. These personas need to go deeper than basic demographics to capture motivations, emotions and an understanding of how prospects and policyholders view life, retirement and death. Go beyond the prospect or policyholder to look at the beneficiaries and others who influence their decisions. This will help identify how they want to be engaged and what their hot buttons might be that will impact how you interact with them.



address unmet needs at every stage of your customers' journey. Could wearables be the answer to simplifying the life insurance quote process? Might we partner with IoT providers to offer a new product that introduces life protection? Where is the best opportunity to expand the relationship beyond our customers to provide needed services to their loved ones?

4. **How will our workforce need to adapt to support this new customer relationship?** Agents will need to become more consultative as they work with their customers to create the right care network via the best combination of products and technologies. CSRs will need to evolve beyond handling administrative issues to providing proactive support.
5. **Do we have the right infrastructure in place to support a consultative relationship?** Being there when and how your customers need you is more than a relationship promise. It's a technology challenge. All your touchpoints and channels don't just need to work; they need to be smart. Ensuring customer data is relevant, accurate, timely and accessible across channels, devices and throughout your organization is key to building trust and anticipating needs. Understanding what data you have, who has it and where it sits in your organization is the first step.

AI and IoT technology is becoming more ingrained in our daily lives, re-shaping the very nature of how we age. So too will insurance companies reshape how they engage with and serve policyholders and build loyalty. The time is now for carriers to start asking big questions of themselves and how customer-focused technology can help their customers to live long and prosper.

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2. **What is a day in their life now and in the future?** How do we engage with them currently and how might that change? What do they need to feel reassured? Start small but build toward a bigger picture. Create customer journey maps that are focused on particular scenarios then link these scenarios to create a lifetime picture. Use these maps to identify the gaps in their experience. Where are the points of friction? Starting here with problem-identification leads to solutions that solve actual needs and build deeper customer relationships. Speaking of solutions...
3. **What can we provide that will enhance and support their lives?** What technologies can we leverage now and in the future? How will our product offerings change as we evolve? This is your opportunity to envision solutions that

# About the author

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For nearly 20 years, Lisa has been creating customer experiences that drive brand and business value. As VP of Customer Experience for the Financial Services and Insurance (FSI) practices at NTT DATA, Lisa leads a team of business consultants, digital strategists, experience architects, technology experts and visual designers in the development of innovative digital business models and immersive customer experiences.

Computerworld named Lisa one of its Premier 100 Technology Leaders for 2017, recognizing her exceptional technology leadership and innovative approaches to business challenges.

In addition to her role at NTT DATA, Lisa is an adjunct faculty member at Rutgers University where she teaches User Experience (UX) Design as part of the Rutgers Center for Innovation in Education Masters of Business Science program. Lisa is a frequent and charismatic speaker on forward-thinking digital and customer experience strategies and the technology-human balance required to make them successful. She also shares her perspectives via white papers, articles and social media on topics ranging from the artificial intelligence revolution in insurance to the future of elder care.

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