

Maximising Call Centre Performance:

Five ways to improve the success
of your insurance call centre



Call centres - still a significant customer channel

With the rise of price comparison websites, many in the insurance world predicted the call centre would become a thing of the past when it came to selling insurance policies. But while the aggregators have grown from strength-to-strength over the last decade, call centres have remained the second most popular way that shoppers get quotes.

Today, around a quarter of home and motor insurance customers still pick up a phone when looking for a quote, with the figure climbing to 33% for the over 50s, maintaining its position as a significant distribution channel for insurers.

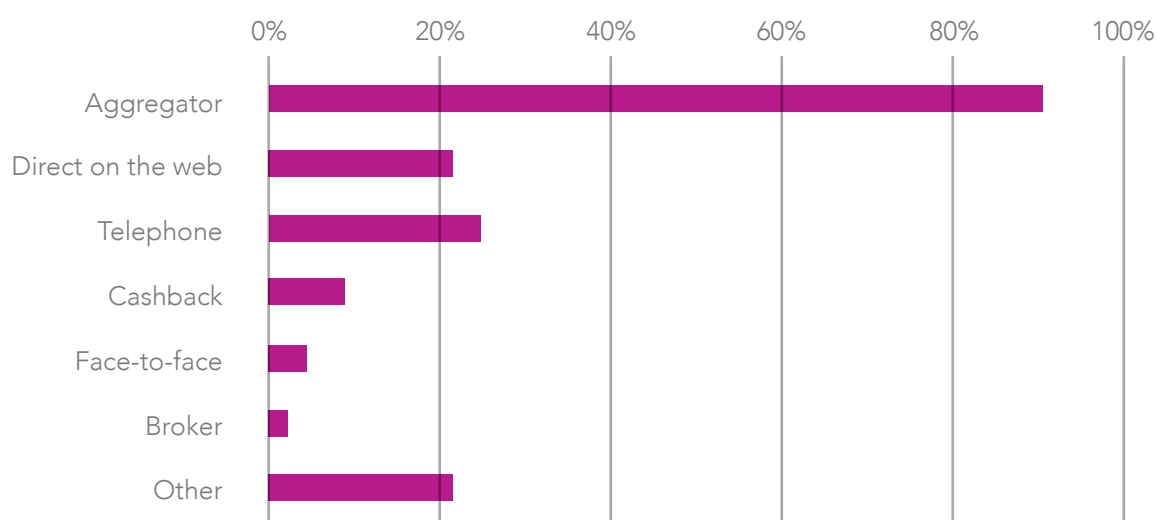
Consumer Intelligence market specialist Jill Holland says the call centre is vital in offering consumers different options when it comes to buying their insurance.

"There have been big changes in the channel options, and there was a time when people thought telephone sales would just drop off," she says. "But although the internet has risen in such a huge way in terms of how people shop around and purchase insurance, the telephone continues to hold its own, playing a vital part in the shopping journey."

This means that call centre agents need to be able to adapt to and manage a wide variety of consumers, with many different reasons for calling and various policy requirements.

All of this requires constant analysis of your call centre performance and consumer agent behaviours, as well as a tailoring of calls to meet customer needs and a plethora of regulatory and compliance requirements.

Quote Channel



Source: Consumer Intelligence IBT Motor Jan-Mar 2016



What drives consumers to pick up the phone?

Consumer-led:

- Lack of confidence in online service
- Fears over security of online payment details
- Needing help understanding product details
- Lack of information online
- Need help with something specific to their policy
- Simple reassurance from an actual person

Insurer-led:

- Specific policy needs
- Further checks for payment options or due to risk profile

Who is calling, and why?

Just 10 years ago the role of the call centre in insurance was ubiquitous, with the majority of new business being conducted through this channel. Over the next few years, as consumer confidence in e-commerce grew, the shift to buying online began; more recently that shift has moved more towards buying through price comparison websites.

These shifts in purchase channel now mean the role of the humble contact centre varies significantly between insurers depending on their channel acquisition strategy, their brand values and their target customer demographics.

Holland says that the traditional call centre provides a valuable service to a range of different consumers depending on their particular buying habits.

"There are still people who will phone direct for a quote because there is a brand they know of who they want to speak to, but there are also people who have done their shopping around on the internet, narrowed it down to a few brands and then want to speak to someone," she says. "It could be they want the reassurance of speaking to an actual person, or it could be they have some specifics of the policy they have concerns about that they want to check, or want to make sure they have chosen the right product for their needs."

"Sometimes it is even because of fears around security of payment and completing a whole transaction online," she adds.

Some insurers also require potential customers to pick up a phone when going through an online quote as part of the sales journey, further muddying the waters for call centre operatives looking to determine what type of customer they are talking to.

“Certain insurers may drive some customers onto the phone because of a particular aspect of their policy they want to speak to them about or because they want to carry out enhanced fraud or security checks due to their risk profile,” Holland says. “This means it is not necessarily the channel of choice for this consumer, so the call centre agents need to be aware that some people will need more information than others and to be given confidence in the process, while some may just want a quick quote.

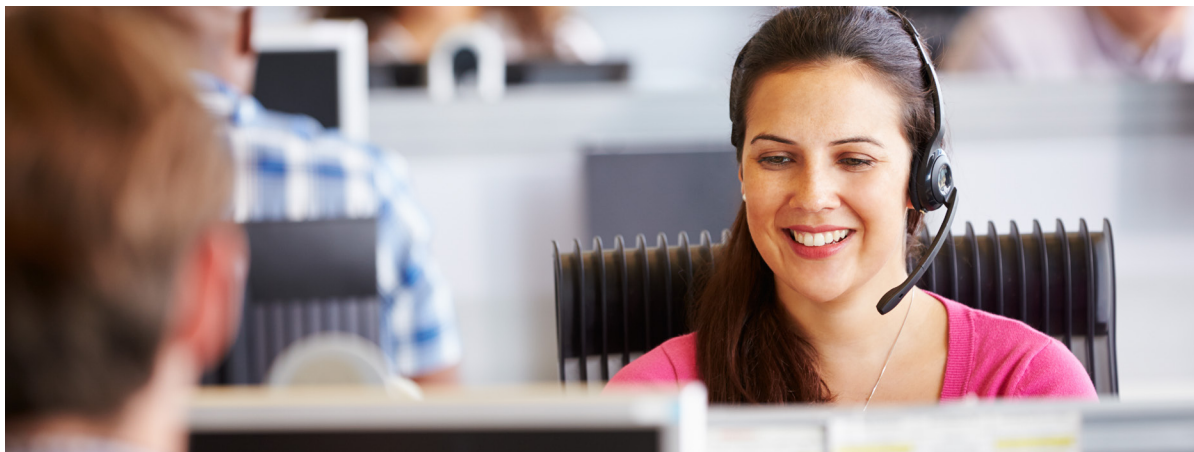
“It is all about confidence, listening, understanding and responding to what and how the customer is speaking.”

Therefore, call centre agents need to be able to quickly determine the purpose behind the call, as well as the type of person calling, and then respond to that particular situation with a suitable approach.

The approach taken may also depend on the way the telephone call centre is viewed by the insurer. Some cover providers are now charging extra for completing a sale over the phone, or for making mid-term adjustments to the policy as they attempt to drive more customers online and away from the call centre.

For some insurers, the telephone call centre has even become obsolete, with online only brands doing away with the channel for new business all-together, even if that limits consumer choice. Whatever overall business strategy your company has set, the contact centre practices must reflect and actively drive behaviours to deliver on that purpose and strategy and your desired market positioning.





What does a good call look like?

Given the changing nature of call centres it means no one size fits all when it comes to delivering a good customer experience. One thing all contact centres do have in common, however, is the desire for continuous improvement within their operation.

Key to this search for continuous improvement is call centre performance benchmarking – both internally and externally. This requires insurers to analyse all areas of a call, and test system and process changes before fully rolling out any updates to the call centre's procedures.

This analysis allows insurers to prioritise areas for improvement and focus time, budget and resources where they are needed. Holland says it is only through such cycles of analysis and improvement that insurers can optimise the performance of the telephone sales system.

To help you improve your call centre performance we think there are five areas you need to focus on. It's important to examine each of these areas individually and how they also impact the overall customer experience.



► Efficiency



One measure call centre managers often try to use to analyse call centre efficiency (and hence quality of a call) is call length.

The reason for this is the dual importance call length has to both the call centre (allowing best use of resources and time to get the desired solution) and the customer (meaning the call is time well spent and not a waste of time or effort).

But Holland says that the call length metric alone is often not a good determinant of the success, or otherwise, of a call.

What our mystery shoppers say about long calls...



"Very long winded and exhausting.
Took too long"



"This was a very long call. The adviser went into every single detail and made sure the cover provided was the right one for me!
Very impressed with the time she took explaining each stage"

"Call length is an obvious one to measure, and it is important in terms of cost to the call centre, but what we found is that you can't say whether long or short calls are better in terms of service," she says. "It all depends on the delivery of the call, what happens on the call and the agent's behaviour."

For the first quarter of 2016, the average motor insurance call lasted a little over 12 minutes and six seconds, with the longest average call length for a brand standing at 15 minutes and 17 seconds.

For home insurance, the average call for the market lasted 15 minutes and 15 seconds, representing the more complicated nature of the risk, but the spread of calls varied from 10 minutes and 22 seconds for LV=, to almost 25 minutes for Nationwide.

Holland says that certain agents may have long call times because they are thorough in the delivery of the required information or the customer has a particularly complex requirement for their insurance cover. Alternatively, a call

could last a long time because the process is inadequate – confusing the customer and unnecessarily lengthening the process and lowering satisfaction.

Similarly, calls can be short because the call handler has been effective in his or her delivery of the information, or it could be because the agent has not provided all of the necessary information for a consumer to make the right decision for their insurance needs.

Holland says: "If the calls are short, but they are not getting enough information across then they are either not going to convert the customers or they are going to convert them but the customer is not really going to know what they bought, and then they may have problems further down the line if making a claim."

► Service



What our mystery shoppers say about the service levels at call centres...



"Very professional and interested in me as a customer"

"Simple straightforward questions with a friendly, helpful and knowledgeable agent"

"Clearly spoken, helpful operator"



"I had to try twice, there was a long waiting time for the call to be answered and I was put on hold"

With so many different types of customers contacting a call centre, it can be difficult to determine what constitutes good service. But the best place to start is with the views from customers themselves.

Research from Consumer Intelligence found that the brands that performed best in the eyes of customers calling for quotes had a number of factors in common, all of which combined the content and process of the call with how it was delivered by the agent.

And one of the great strengths of the telephone call centre as a distribution channel is the way it allows insurers to introduce the personal and familiar elements of a sales pitch that is often missing in other channels.

Making good use of the personal interaction and agent skills is therefore fundamental for all call centre agents in hitting the mark on service, communication and ultimately sales.

8 common characteristics of good service

- Getting through first time
- Efficient and easy process
- Well-paced
- Friendly agent
- Clear and easy to understand
- Helpful
- Professional and knowledgeable
- Informative

5 things our mystery shoppers don't like about calls...

- Waiting to get through to speak to an agent
- Long recorded message with lots of routing options
- Agents who speak too quickly or have strong accents that are difficult to understand
- Disinterested or bored agents
- Not being listened to

"Some brands are trying to give a more personal feel to a call," Holland says. "The nature of insurance is that there are a lot of regulatory and compliance requirements, so there is a lot for the agents to consider when they are going through the call. It is quite challenging to make it so that it is not just them reading from a script, to make it personal, to make the customers feel at ease and to be responsive to their needs."

It is not surprising, therefore, that the main complaints from customers after a bad call relate to the lack of human interaction associated with long recorded messages and call centre agents who do not engage with their needs as a purchaser of insurance.

► Effectiveness



When measuring the effectiveness of a call, insurers will be focused on whether it meets its primary objectives. In a call for a quote, agents will be looking to secure a sale, ideally for a good policy with optional policy features.

It is not always possible to close on the initial call, however, insurers can still make use of a variety of techniques to increase the likelihood of securing a sale further down the line.

These can include:

- Making follow up calls – arranging to call back at a later date is usually well received by customers as long as the agent is not pushy in trying to secure a time
- Sending out quotes – distributing quotes by email or post gives the caller the opportunity to study the quote in more detail, and also acts as a reminder of your brand
- Letting the caller know how to get back in touch – providing a reminder of how to call back or a reference number all show a desire for the business and help make it easy for the customer to come back with their decision

What our mystery shoppers say causes a sale to fail...

"An uninterested girl on the end of the phone reading a list of questions from the computer screen"

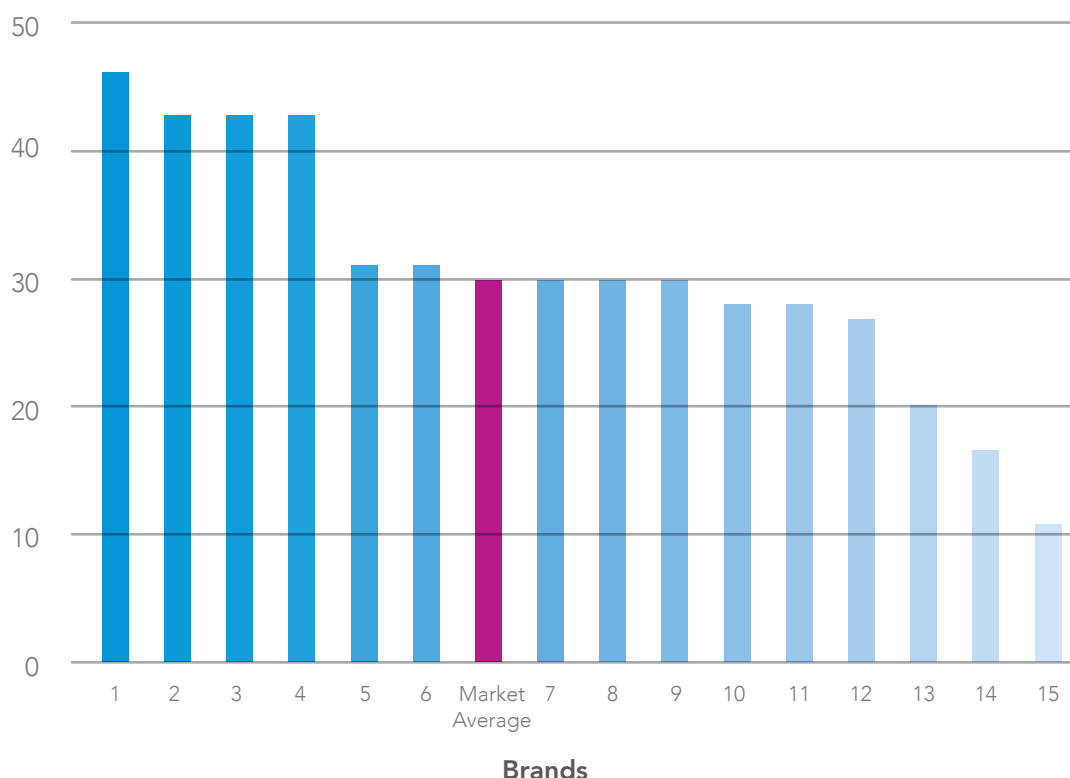
"She asked if there was any reason why I wouldn't purchase the policy there and then, which I found a little pushy"

"He sounded bored and fed up; not interested at all"

"He was too pushy: he assumed I would buy the policy and was reluctant to give me the quote reference to enable me to think about it"

But despite making a sale being the primary objective of most, if not all, calls coming into insurance call centres in search of a quote, research by Consumer Intelligence found that agents failed to actively try and close the sale on more than two thirds of calls when a quote had previously been sought online.

Attempting to close the sale (%)



Source: Consumer Intelligence web2phone Apr-Jun 2016

Holland says that call centre agents need to be more confident when asking the customer to take out a sale and not shy away from asking direct questions.

“Agents shouldn’t be afraid to ask for the sale,” she says. “Their engagement with the customer through the call should lay the foundations for them to ask if the customer wants to go ahead. It is a balance, however. Customers don’t like a pushy agent but do expect some effort.”

Upselling is also an important tool for helping to close a sale over the telephone. The addition of optional features gives some flexibility in tailoring a policy to the needs of a customer as well as adding value from a sales point of view.

It is important, however, to achieve the right balance between providing enough information to enable customers to make an informed decision and too much detail that has the potential to cause confusion and waste time.

Insurers also need to analyse the trade-off between the time spent on trying to close the sale of the policy or add-on and the value that such a sale will bring in for the company.

Top 3 features most commonly offered as options in calls

Motor	Home
Legal cover	Legal cover
Breakdown cover	Home emergency
NCD Protection	Accidental damage

Knowing the most commonly bought add-ons for particular types of policies is therefore an important starting point for agents when it comes to the business end of a sales call. By knowing what a customer is likely to want to purchase as an optional extra, an agent is able to avoid offering unwanted policy extras that only serve to confuse and waste the time of the customer.

In many call centres, agents are not authorised to provide advice and, as such, sales calls need to remain completely non-advisory, offering just clear and concise details of the options without making recommendations.

► Brand



What influences a brand's message

- Tone of voice
- Language used
- Product benefits
- Price and options
- Special offers

Customers expect a seamless experience across all touchpoints, from the advertising or website, to webchat, phone calls, emails and policy documents.

The desire for an omni-channel customer experience means that brands need to maintain a consistent look and feel across all of their channels.

Similarly, the tone and responsiveness of a phone call should match that of other channels, ensuring that the customer journey is seamless whether the customer uses just one channel or many.

A phone call with a prospective policyholder can be an important part of the path to purchase and as such represents an opportunity to demonstrate and communicate the values of the brand.

The brand influences the message from the initial recorded message, right the way through to the way the agent handles the call and presents the product offering.

The strength of the brand could be the reason a customer has called them, and as such they will have expectations based on their knowledge or experience of that brand – for example our research has shown that customers calling M&S or John Lewis expected the service would be better than many of the other brands, but they did not necessarily expect them to be the most competitive on price.

Top 5 brands for customer service

Motor	Home
Aviva	Direct Line
Direct Line	John Lewis
John Lewis	M&S
More Than	More Than
Privilege	Tesco

Likewise, customers who have done their initial shopping online on a price comparison site may have come across less well known brands and part of the call may be to get reassurance and confidence in the brand because it gives an indication of what it might be like to deal with the insurer, should they ever need to make a claim.

Agents therefore need to be aware of these perceptions when approaching the call and presenting products to the customer.

Marketing consultant Paul Handford says that it is the brands that continually analyse and rethink their customer journey, across all distribution channels that are the most successful in ensuring customer satisfaction – and increased sales.

“The most progressive brands continually revisit their customer experience, and the most important stage of this is mapping the customer journey,” he says. “Customer journeys often evolve over time as things change in organisations, and this is not always to the benefit of the customer experience, such as through the introduction of new processes, systems or legislation.”

“Mapping the customer journey allows a brand to identify what their customer experience is at each stage of the purchase funnel, and identify how they can change it to maximise customer outcomes at each stage - improving conversion, retention, upsell and cross-sell.”

Handford adds that such continual analysis and improvement is a commitment, and requires buy-in from all areas of a business.

“Customer journey-mapping requires a time investment from all parts of a business from operations through to marketing, as each process needs to be mapped to see where they overlap, clash and can be improved,” he says. “This inclusive approach is one of the benefits of this technique as the collaborative approach to mapping the customer experience allows the whole organisation to look at things through the eyes of the customer rather than in a siloed departmental view.”



► Compliance



All you need to know about the changes to the way add-ons are sold

- Customers now have to opt-in to add-ons instead of automatically having them added to a policy quote
- Insurers need to 'take reasonable steps' to inform existing policy holders of any add-ons already sold to them on an opt-out basis when their policies come up for renewal
- New scripts must be followed for explaining the details of no claims discount protection

Meeting your compliance requirements is a crucial part of the call structure and is particularly important when the regulatory landscape changes, such as with the recently enforced regulations surrounding the sales of add-ons and protected no claims discount.

Holland says that the key to ensuring staff are fulfilling their regulatory requirements, and not falling foul of the regulator, is by testing the path to purchase and making sure the right information is being provided to the customer at the most appropriate time.

"It is about providing the right information at the right time in the call," she says. "For some, it may be that they need to provide a bit more information than they are already providing, and it may be that some of the information they have to provide earlier in the call than they are currently.

"It is about providing the right information and ensuring it is clear. No claims discount protection, for example, is not always easy to understand, so it is about trying to make it clear so the customer can make an informed decision about what they are buying, and whether or not they need it."

Holland adds that the key to the success of introducing new information to a call is the way in which it is broken up into bite-size chunks that are easy for the customer to understand, and ensuring that all staff fully comprehend the changes before going out and speaking to customers.

“Agents need to deliver the information clearly and concisely in a way that it is easy for customers to take in and understand,” she says. “Any changes to this process need to be incorporated into the ongoing training for agents, so they can deliver and gather a lot of information while at the same time having the necessary softer skills for managing the caller.”

“Learning the information they have to provide in a confident, professional and friendly manner is a key challenge for a call centre agent,” she adds. “It is a combination of very good agent skills and consistency of performance, and also a good call process so the call flows and is delivered right that makes a call successful.”

“There are lots of comments from our mystery shoppers saying the top performing brands are friendly, professional, helpful and clear. Those are the sorts of things that make a call much easier for the customer to understand.”

How to improve the levels of customer service on offer in your call centre

To ensure customer service levels are operating at their peak, insurers need to constantly measure, analyse, benchmark and adapt the way they interact with their customers and offer their products and services.

To help you get started in this cycle of improvement, Consumer Intelligence has created a checklist for insurers focused on the five pillars of great call centre customer service and experience.



Your continuous improvement checklist

Efficiency



- ▶ What percentage of your calls are getting through?
- ▶ What is your average time to answer?
- ▶ What is your average call handling time? And how does this compare to your competitors?
- ▶ How consistent is call centre performance?
- ▶ How do your conversion rates compare to previous time periods?

Effectiveness



How well are your agents delivering your strategy around:

- ▶ Trying to close the sale?
- ▶ Upselling and cross-selling?
- ▶ First time resolution?
- ▶ What are your competitors doing differently from you?
- ▶ Are you monitoring NPS at your main customer touch points?

Compliance



- ▶ How well do your agents provide the appropriate declarations?
- ▶ How well are you meeting the regulatory requirements?
- ▶ How have you responded to the recent changes to the sale of add-ons?

Service



- ▶ How well does your service meet customer expectations?
- ▶ How have you benchmarked your service?
- ▶ How well do your agents handle issues or complaints?
- ▶ How well is your internal quality checking process working?
- ▶ How do you identify areas for improvement?
- ▶ How easy is it to get a quote or buy a policy from you over the phone?
- ▶ Are your agents multi-skilled in their delivery of products to customers?
- ▶ Do you offer alternative routes to market such as web chat?
- ▶ Do you offer an omnichannel experience that is consistent and uniformly branded?

Brand



- ▶ How well does the customer experience match your brand values?
- ▶ Are other brands delivering your values better than you?
- ▶ Do you provide an opportunity for the customer to leave feedback on their experience?
- ▶ How well are your special offers working?
- ▶ Is the product offering being clearly communicated?

We can help you improve your call centre performance by

- Showing you areas for improvement based on best practice
- Showing where you sit in the market
- Helping you identify areas of concern or in need of change and track the impact of any changes you make
- Helping you monitor how well you are meeting compliance requirements
- Providing an independent view of your performance
- Measuring how well you deliver against your brand values
- Helping you engage with other teams in your business to improve call centre efficiency and deliver an excellent customer experience through insights and workshops

At Consumer Intelligence we believe that companies who fixate on customer satisfaction will survive and grow. Over the long term they will have lower costs, better staff engagement, greater regulatory compliance and higher profits.

Because we've been benchmarking and mystery shopping call centres for over 12 years, insurers often ask us to work with them to help them review their current performance to identify areas for improvement, such as how well they are delivering their brand values or meeting their compliance requirements. If this sounds like something that we could help with contact us on:

insights@consumerintelligence.com

Meet our experts...



Jill Holland is a market specialist at Consumer Intelligence, managing customer experience research for the insurance sector. She has over 10 years' experience working with call centres in this sector to improve call centre performance and customer satisfaction. At the heart of her focus on continuous improvement is listening to and acting on customer feedback.



Paul Handford is a freelance marketing consultant who has worked with some of the UK's largest brands, including Npower, Virgin Money, L&G and Royal Bank of Scotland, developing improved customer journeys and experiences, leading to cost effective sales, retention and Net Promoter Scores.



Matt Scott is an award-winning journalist and editor with an MSc in Actuarial Finance who specialises in data-led journalism and research for the insurance and financial services industries. He has previously worked as an editor for Insurance Times and as a contributor for the Chartered Insurance Institute.