

Insurance Carrier Calls Out for Policy Renewals - Saves \$5 Million in Policies a Year

Improving retention and boosting investment contribution through efficient and interactive customer communications.



A top five US insurance carrier wanted a cost-effective way to increase customer retention. This company deployed Varolii Interact™ to send personalized, interactive phone messages to customers whose policies were at risk of cancellation due to unpaid premiums. Varolii's proactive communications made it simple for customers to renew policies and make payments immediately – during the phone call. This interactivity helped eliminate many unintentionally cancelled policies, while simultaneously increasing customer retention and satisfaction.

Moving Beyond the Dialer

The carrier's initial work in retention used predictive dialers that left reminder messages on customers' answering machines. However, they didn't offer the personal touch considered to be such an integral part of the company's brand image.

They then investigated having customer service agents contact customers about the renewal opportunity. But it became clear this method was simply too costly and inefficient, and would tie up agent resources needed for other customer service initiatives.

The carrier wanted an innovative solution to help them interact with customers about policy renewals – without draining agent resources. Ultimately, they wanted to automate their customer outreach with a level of service and brand comparable to using agents. They chose Varolii.

Interactivity and Personalization – Keys to Customer Response

Fully integrated with the carrier's enterprise data systems, Varolii Interact extracts unique customer data required to personalize each message and engages policyholders in a two-way dialog over the phone.

These communications include sophisticated response options that enable policyholders to immediately take action on the information they receive. They can:

- Make a payment via credit card or check
- Indicate the payment has already been sent
- Transfer directly to an agent

Customer responses pass back through Varolii's system and immediately update the carrier's internal data systems, making information current and available for future customer communications.

CLIENT

Top 5 Property & Casualty Insurer

CHALLENGE

Remind policy holders to renew their policies before they expire – without draining customer service resources.

SOLUTION

Interactive customer communication that integrates directly with the carrier's systems, connects with policyholders, and allows them to renew their policy.

RESULTS

- 10% improvement in retention resulting in \$5 million in premiums per year
- 80% cost reduction versus agents
- Improved customer satisfaction
- Increased investment contribution
- Minimal IT resources required

Contact Us:

800.206.2979
info@Varolii.com

Using Varolii, this major insurance carrier increased retention 10%, saving over \$5 million in policies annually.

Perfecting the Application

In a matter of weeks, the insurance carrier had a fully integrated application in place. Varolii's extensive contact center expertise and library of proven applications enabled them to rapidly transform pre-defined project goals into a functional application that took the following areas into account:

- **Answering machines matter.** The application features a retrieval option for messages left on answering machines. On message retrieval, policyholders were able to call a toll-free number, enter a unique message code, and interact with their personal message. Sophisticated retry logic based on the carrier's own business logic determines if and when a message should be left on an answering machine, or when to send another notification to try to reach a live answer.
- **What you say and how you say it matters.** Effective communications take into account message tone, length and personalization. Varolii's customized reports provide detailed information about each message, including how long customers listened to the message, how they interacted, and how many messages are left on answering machines – information critical to fine-tuning the notifications for optimal results.
- **Managing inbound calls matters.** Otherwise, the contact center is flooded with inbound transfers and customer service levels suffer. Varolii's Contact Pacing capability automatically increases or decreases outbound volume based on flexible parameters for inbound hold queues. Result? Your contact center works efficiently, but isn't overwhelmed.

Maximizing Service, Minimizing Costs

On a monthly basis, the carrier automatically contacts policyholders with interactive cancellation notices. It quickly garnered significant cost and customer satisfaction benefits, boosting retention by 10% at a cost 80% less than using agents.

Partnering with Varolii enabled the carrier to retain an incremental \$5,000,000 in premiums per year – all at a cost savings of over \$300,000 per year.

Getting Results

Varolii made it possible for the carrier to interact with more policyholders and increase customer loyalty and retention without incurring the cost of dedicating agents or the efforts of minute-to-minute management.

ABOUT VAROLII

Varolii® provides on-demand communication software and services that enable organizations to more effectively reach and interact with their customers and employees, getting the best result from every interaction.

www.Varolii.com

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