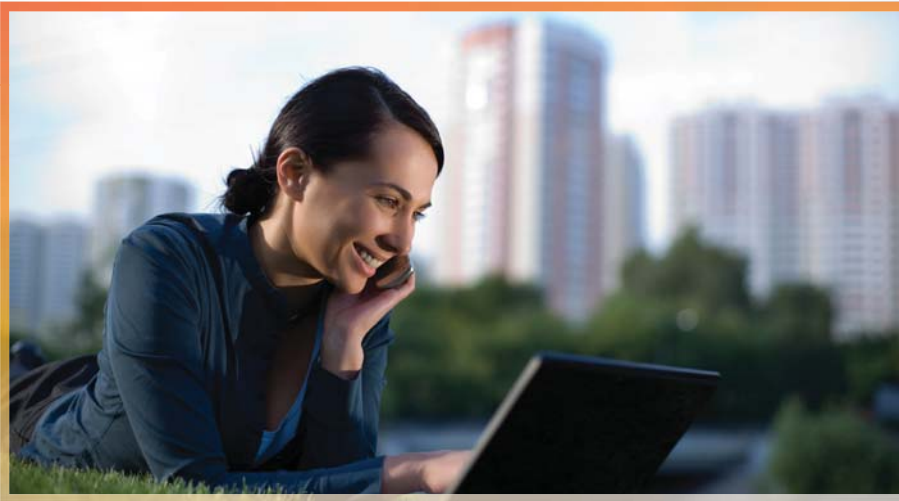


BLEEDING ON THE BLEEDING EDGE

A Whitepaper by CEDAR Document Technologies
Provoking Thought Leadership in Customer Communications

“Technology is not about making things simple
- it’s about enabling more complexity.”

Benn Konsynski, PhD
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CEDAR Board Member



With all of the energy, focus and budget centered on social media and mobile applications, it is not difficult to understand why other types of customer communications are overlooked. Unfortunately, at the same time organizations are focusing on the bleeding edge, millions are being spent on ineffective communications in documents and on websites. Pursuing the bleeding edge is necessary to stay relevant in the market, and bleeding edge technologies deliver the means to delight customers by providing them with “wow” moments. But a strategy that focuses on delighting the customer is not the most effective way to drive customer loyalty.

Recent Insurance Advisory Board research has shown that a focus on usability has six times greater impact on customer loyalty than delighting the customer. To provide usability, insurance carriers have to improve their core customer communications and deliver a total customer experience.

Unless your on-boarding experience, customer service interactions, policy documents, and customer communications are clear and relevant to your customers’ individual needs, you are not addressing the biggest stumbling blocks to a total positive customer experience. If you are focused on bleeding edge technologies at the expense of your core document communications, you are missing a critical opportunity to improve the customer experience, servicing efficiency and retention.

When it comes to
customer retention,
usability trumps delight.

What’s the REAL
message your customer
communications deliver?

How will your core documents stand up under 21st Century scrutiny?

According a 2008 survey, less than 30% of executives find their customer experience strategy effective.

Your Customers Have New Expectations

When it comes to communications and the user experience, today's consumers know what they want and expect from their insurance company.

- ◆ Consumers want it to be easy to do business with you from the point of initial contact.
- ◆ They want to be able to communicate when they want, how they want, wherever they are via as many different channels as they choose.
- ◆ They are accustomed to individualized communications and they respond to messaging relevant to their current situation.
- ◆ They want a straightforward, streamlined on-boarding process.
- ◆ They want robust self-service options that make it easy to manage their policy as their needs change.
- ◆ They want an intuitive First Notice of Loss process and the ability to monitor claims online as well as via other channels.
- ◆ They embrace “green” alternatives, and are comfortable with paperless communications, especially when they are interactive and easy to navigate.

Your communications with customers form the foundation of how they perceive your brand, how they feel about your company and whether they want you to be their insurance company for life.

But delivering messages and providing a consistent customer experience that reinforces your brand while maintaining regulatory compliance can seem impossibly challenging. Mainframe applications can be too inflexible when it comes to choices of document delivery mediums and options for marketing and user experience communications. And even small changes often call for heavy IT involvement.

The challenge of working with legacy systems often results in companies neglecting to consider what message their core customer communications are sending. When was the last time you reviewed all of your core documents to evaluate them for consistency with other customer communications and consider how well they represent your brand?

Mainframe workarounds create inefficiencies and increase the cost of customer communications. Poor communications also create customer confusion which degrades the relationship and overall level of service you provide. Poor customer service is lethal to customer loyalty. J.D. Power found that **73% of customers who initiated the shopping process because of a poor customer experience switched insurers.**

To complicate the situation even more, the contracts full of legal language that you send policyholders can be confusing and difficult to fully comprehend.

Even with these barriers, you know that you are going to have to find a way to meet your customers' communications expectations. You won't keep them unless you do.

“Must Haves” for a Positive Total Customer Experience

Deciding to take the challenge and shore up your core communications is the first step. Finding the most efficient, most effective way to do that is the next. To meet your total customer experience goal, your solution will need to:

- ✓ Accommodate customers' individual communications preferences easily and seamlessly, even across multiple mediums and channels.
- ✓ Support simple and secure migration from paper to e-payment.
- ✓ Provide robust, secure self-service options to reduce customer confusion, lower servicing costs, open avenues for cross selling and give customers tools to:
 - ◆ Review policy details and manage contact info and preferences.
 - ◆ Endorse their policy.
 - ◆ Electronically sign forms.
 - ◆ Manage their method of payment and set their payment date.
 - ◆ View and print documents and correspondence.
 - ◆ Submit a first notice of loss and monitor claim status.
- ✓ Make it easy to integrate messages across channels and departments to ensure the experience is consistent with all other interactions with an individual customer.

If you're not making e-payment easy, you should be. Retention rates are higher for recurring electronic payment customers.

Clear, relevant communications lower servicing costs and improve customer retention.

- ✓ Incorporate CRM capabilities to facilitate communications that anticipate life event changes, provide relevant advice and reinforce your value proposition and affinity or other “special” relationships.
- ✓ Deliver easy-to-understand communications that reduce the need for calls to customer support for explanations of terms, conditions and products.
- ✓ Improve operational efficiency by:
 - ◆ Reducing the time required for ongoing document management.
 - ◆ Giving control of document content to major stakeholders: marketing for optimized messaging, compliance for regulatory requirements.

To do all this will require a broad range of tools and capabilities. You’ll need to be able to integrate new communications mediums and systems with your existing systems. And you’ll need to be able to deliver your communications efficiently via whatever channels your customer prefers.

Getting It All Done and Done Right

With the demands on your time and key resources and the size of the undertaking, making all this happen soon may seem no more than a pipe dream.

Fortunately for you and your 21st Century customers, while the need for more flexibility in what and how information is presented has increased exponentially, the technologies to deliver the complexity necessary to meet this need has also become more sophisticated and enabling.



The advent of **Service Oriented Architecture (SOA)** and the ability to layer information and functionality without completely changing the underlying systems vastly improves the time and cost of implementing a comprehensive customer communications strategy.

You should be able to make changes to documents and other communications quickly and inexpensively; decision against customer data to determine what goes into a communication and how it's presented; then build each document based on how and to whom it gets delivered. It's all about core system output, to XML data, to sophisticated documents and communications for any delivery channel. That's what it takes to meet 21st Century Customer expectations. And you shouldn't have to abandon your valuable data stores or turn your whole company upside down to make your mainframe and other core systems do things they were never designed to do.

While new technologies are enabling greater flexibility from even the most ponderous of legacy systems, the complexity of integrating and managing the data can still be a challenge for any company's IT resources. Purchasing another leading edge software solution, customizing and integrating it to tackle the challenge only creates additional strain on internal resources and carries the additional cost of staffing to maintain the solution over time and to keep its application to your business needs current.

Delivering effective customer communication does **not** require new core systems.



You can meet 21st Century customers' communications needs without tying up your internal resources or incurring the cost to operationalize another software solution.

Avoid the time and cost of customizing and integrating another software solution by working with a service provider. Working with a service provider such as CEDAR Document Technologies can dramatically shorten the time to implementation and deliver the results you need, all at a lower cost. You also obtain the benefits of leveraging CEDAR's continually evolving customer communication and servicing platform. CEDAR tackles bleeding edge communication challenges and makes core communications more efficient and effective without requiring the replacement of core systems. With its demonstrated success in integrating data from disparate systems into easy-to-navigate customer communications and a track record of success in developing solutions for businesses like yours, CEDAR has become a trusted provider to many of the world's leading companies.

About This White Paper

As we work with clients to help them solve communications issues, we have the opportunity to review their total communications packages and strategic direction. Recently, we've seen the balance shifting toward developing new communications that delight with little or no effort expended on improving the effectiveness of core communications and self-service capabilities. Your policy packages, notices and self-service capabilities form the face of your company to most of your customers. These are the communications and capabilities that have the most impact on the total experience and customer retention. We hope that this white paper will encourage you to take a step back and evaluate *all* of your customer-facing communications. Making them easier to use and understand will pay dividends in lower costs and higher customer retention levels.



About CEDAR Document Technologies

CEDAR Document Technologies, Inc. is a leading provider of technologies and services that combine to deliver a document-based, Comprehensive Communications and Servicing Platform.

At CEDAR, “Technology is not about making things simple – it’s about enabling more complexity.” Our platform integrates with clients’ core systems to enable the technology complexity necessary to communicate with customers across multiple distribution channels, while meeting the requirements of regulators and customers for personally relevant communications and increased self-service.

Our approach is simple. From a single technology platform, deliver everything necessary to effectively manage the communication requirements of 21st Century Customers and the multitude of systems that support them.

Our Technology is not. Highly scalable and flexible integrated services for complex customer communications across all mediums including e-mail, website, interactive PDF, mobile, text, IVR, and traditional print/post.

Since 1993, CEDAR has delivered integrated solutions to the communications challenges of many of the Fortune 500. CEDAR is the expert in effective communications and managing the technology required to deliver those communications at the lowest cost.



Green isn't just Good, it's Good Business. Ask CEDAR.

Contact CEDAR Document Technologies to learn how your organization can leverage CEDAR's expertise and flexible solutions for Customer Communications.

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