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Customer Automation for Insurers

A Guide to a Successful Proof of Concept

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If you're reading this, you've learned enough about automation to want to explore how to test it through a proof of concept (PoC).

Our goal with this guide is to offer maximum transparency into completing a PoC by taking you through the process step-by-step. We believe a PoC is a vital initiation to a pilot—not to mention wide scale implementation—that allows you to see, in action, how automation might transform your organization.

By reading this guide, you will learn the distinct phases of a PoC, how to build your team, and what you should expect from an automation solution provider in terms of services and results.

Why Read This Guide

After months (maybe even years) of trying to drive your customer service in a more digital direction, you finally get the green light to shop around for automation software. Now the real challenge begins.

You may be feeling the pressure to catch up to your nimble, tech savvy competitors—the ones who invested in AI 5 years ago, the ones with slick user experiences and quirky chatbots to show for it. But where do you want to be? What exactly do you need automation to do? What's the end goal? And how would you measure the impact of automation?

It's impossible to shop around if you don't know what you're looking for. If you have answers to the questions above, read on. If you haven't settled on the type of automation you need (such as conversational AI, RPA or cognitive computing systems), you're probably not ready to read this guide just yet. Do some soul searching and figure out your digital transformation strategy first.

This guide gives prospective AI users a sneak peak into the **typical proof of concept** (PoC) exercise you'll use to evaluate solutions.

For the sake of a broader example, we're assuming you're piloting an end-to-end process—that is, an automation product that manages workflows from customer-facing experiences all the way through to internal backend systems. Perhaps you want to test a policy application where you want to automate reaching back to the agent not just to ask for missing information, but also place it in the underwriting system. Or perhaps your use case targets the many first notices of loss (FNOL) that you receive as email attachments. You want to automate locating those accident reports, extracting the data, and mapping it into your claims application.

For the sake of brevity, we're assuming you're piloting a low/no-code application. Low-code systems have quicker on-ramps—our platform, for example, can be deployed in 90 days or less—although we can't speak for other vendors. More programming and integration-heavy automation solutions tend to take six months to a year to deploy, require you to hire or retrain your engineers on AI and Machine Learning, and usually require help from dedicated consultants.

We see a lot of prospective enterprise users accidentally pursuing blind alleys, with a limited grasp of how automation will work for them until they're too deep into a vendor commitment. To bring more transparency to implementation, we've unpacked the proof of concept process step-by-step. Let's get started.

Phase I: Kick-off

To commence the PoC, the vendor will help you optimize the customer journey and make sure your internal team is aligned on the automation roadmap. You'll emerge from Phase 1 with a few key KPIs to track.

1. Optimize Workflow and the Customer Journey

Before you begin automating anything, observe the paths your customers take when interacting with your brand. Look at where they enter an engagement, where they move next, where they drop off, and where they ultimately end up.

Observe the **paths your customers take** when interacting with your brand.

Let's say most of your customers start their journey by calling customer service. But the wait-time is too long, so they move to email. If their email isn't answered fast enough, they might call back—this time with less patience. Obviously this isn't a pleasant experience for customers or representatives, and support calls are expensive ($6-15/call). Repeat calls also reduce your staff's bandwidth to deal with requests.

Think about what steps your customer needs to take to achieve their task. Now think about where automation comes into play in the ideal course of action. When a customer calls in, maybe your IVR (Interactive Voice Response) sends them a link to use an automated self-service channel like a chatbot instead. "Wait times to speak to a representative are currently 20 minutes. To continue this conversation over text, please press two."

Let's be honest: no one enjoys calling customer service. Customers who opt for the phone usually have a fairly urgent issue. A call-to-message workflow gives customers the ability to resolve their problems instantly on their smartphones, while freeing up representatives to dedicate more time to customers who do need live help.

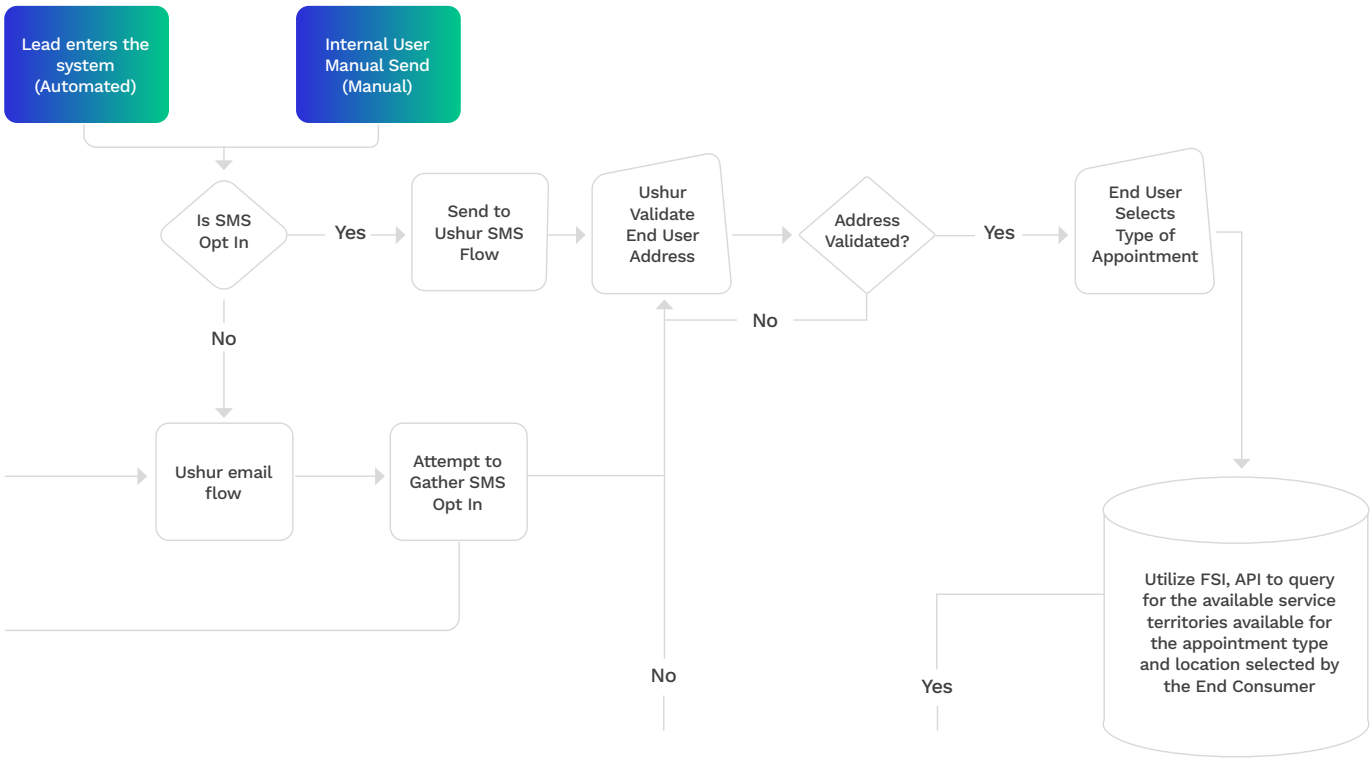
This is just one example of an automated call deflection workflow—if you're curious, you can learn more ways to use call-to-message in our blog post.

Phase I: Kick-off

The vendor will visualize both the pre- and post-automation journeys through workflow diagrams. Workflow diagrams are business flow charts that map out the customer's path for a given use case. After this initial practice with the vendor, teams using low-code/no-code solutions will be able to spin up workflow diagrams on their own any time they want.

The workflow diagram exercise delivers a few key outcomes:

1. Clear articulation of the gaps in the current process, and where automation will fill in
2. A shared understanding of automation's capabilities and limitations
3. Stakeholder sign off on the optimized customer journey
4. Initial framework for KPIs



2. Assemble a Cross-Functional Team

The PoC team should represent a good mix (50/50) of the stakeholders across the company: business owners to focus on the pain points of the selected use case and IT provide the technical details that support the workflow.

Even representation keeps the team nimble. If business is overrepresented, technical implementation tasks drag on or get missed. A squad teeming with IT people may not have full line of sight into the use case from a customer's perspective, or where to adjust internal processes to maximize the experience.

The PoC team should represent a good mix **(50/50) of the stakeholders** across the company.

PoC teams have two VIPs: the business champion and the project manager. The business champion provides the cultural support critical for adoption. They'll go to the mat for automation: "innovation" or "transformation" is literally in their job title.

The project manager serves as the go-to contact for the vendor and drives internal tasks. Their role is to hold both sides accountable for deliverables, making sure objectives and deadlines are met on time.

3. Set KPIs

You'll track two main types of KPIs during the PoC: qualitative and quantitative.

The vendor is usually responsible for *quantitative* KPIs. These metrics assess the solution's performance for the target use case. Examples include automating a set percentage of routine tasks, decreasing the volume of customer service calls below a certain threshold or reaching a level of AI accuracy comparable to a human.

The enterprise user is responsible for *qualitative* KPIs. Qualitative KPIs are usually internal goals that measure impact of digital transformation. The vendor can contribute to these goals by way of the solution's performance but can't necessarily control them. For instance, customer service automation can help improve NPS and CSAT scores (quantitative) which may influence qualitative goals like more positive customer feedback or brand love on social media.

We've broken down a few sample KPIs (both quantitative and qualitative) based on the type of automation and use case below.

Type of Automation	Use Case	Examples KPIs
Email triage	Offload the customer service inbox	Reduce volume by 50% Cut queues by 15%
Two-way SMS	Shorten claims processing time	Claims processed 8x faster 6x fewer attempts to reach claimants Decreased inbound requests by 60%
AI chatbot	Customer onboarding	90% higher engagement rates Deflect 70% of inbound calls 50% of low value tasks automated

Phase II: Deployment

Phase 2 is when the machine learning magic happens. You'll provide the vendor with a dataset of content that represents your target use case, and the vendor trains its AI to automate the interaction.

1. Prepare the Dataset

You'll start Phase II by giving the vendor a dataset of the interactions you want to automate. The dataset's content will vary depending on the use case: it might be emails, webforms, SMS, texts, or voice messages.

If the initial data is unstructured—that is, if it's written in natural language like an email or an image—your team will need to clean it up before the machine learning (ML) models can understand the context. Unstructured data refers to information that is not organized in a pre-defined manner. For instance, a plain text customer email would be considered unstructured data because it has no intentional format. In the eyes of ML, it's just a bunch of arbitrary words and numbers.

It's important to note that your dataset may contain confidential customer records. Always follow your company's procedures about sharing information with external partners and look for a vendor who will treat this information as carefully as you do. A vendor with rigorous security and compliance standards will take extra measures to ensure no confidential data is exposed, such as redacting personally identifiable information (PII) and sensitive personal information (SPI) before it's fed to the ML model.

2. Train the Dataset

This step represents the core AI process at work. But first, a quick note on the ML models referenced here.

Every vendor will have unique, proprietary AI, as ML models are created by the data they consume. That means the AI's out-of-the-box accuracy depends on several factors: the number of data points it's processed (usually, more data = more accurate) and the content of those data points. If you're targeting a claims automation use case, and the ML model has already trained on a dataset containing common insurance language, you can expect to start with a higher degree of accuracy right out the gate.

Phase II: Deployment

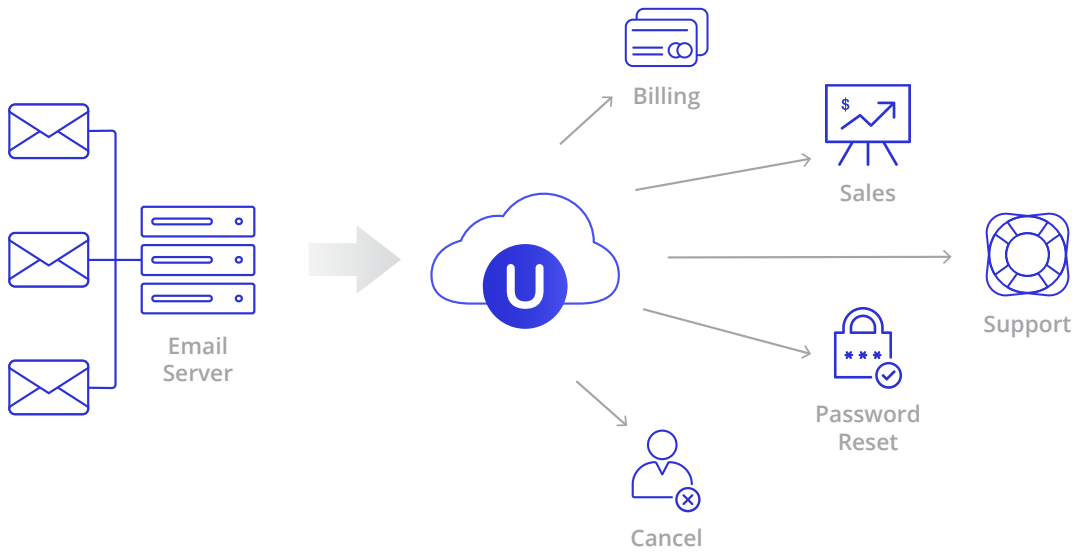
After anonymizing your dataset, the vendor will begin feeding it to the ML model. The model learns to understand the meaning of the interactions, how conversations are structured and how to categorize them. There's a number of AI mechanisms at play here.

To understand the meaning and intent of a message, many customer service automation platforms rely on **conversational AI**.

Conversational AI describes any type of AI-powered technology that can engage in human-like dialogue.

Systems also commonly use ML to identify where critical information is located (e.g. if an email, it would scan for key phrases in the subject line, body and attachments).

ML also helps automation solutions classify and categorize the interactions based on the workflow rules you established in Phase 1. That ensures the customer emailing about a refund gets routed to the right department.



3. Complement Customer Service Staff

Next, you'll make a plan for escalating scenarios that can only be resolved by humans. How can you make sure representatives intervene quickly if a customer interaction with AI goes south?

Make a plan for escalating scenarios that can only be **resolved by humans**.

Using AI to complement customer service representatives is the subject of an entire guide itself, so we'll just provide a few points of inspiration here.

- **X-ray vision**: Modern AI systems provide an "owner view" of the customer's actions across all channels in real time, with user-submitted data stored instantly in a dashboard. That means the representative doesn't have to call the customer for information they've previously volunteered over email, or wait around on the phone while they search for a five-year-old document. The customer can interact with the conversational agent 24/7 on their own time, and with instant 360° visibility into customer workflows, representatives can quickly sign off on processes when needed.
- **Co-pilot**: In this model, the representative "pulls the trigger" while automation does the legwork of capturing information (acting as the representative's co-pilot). Imagine that your representative is on the phone with a customer signing an upsell. The representative needs a signature, so they fire off the document via chatbot while still on the phone with the customer. The customer reviews and signs the doc, all within the conversational interface. The representative can see the signature in their "owner view" and move the process forward.
- **Mediator**: Some AI platforms have keen sentiment analysis that auto-triggers representative intervention when it identifies customer frustration. Intervention is seamless (there's no "you're now chatting with a live representative" message to throw the customer off). The self-service answers the basic questions, preserving the representative's time, while hailing trained staff to the rescue for interactions that require a human touch.

4. Assess KPIs

You'll be ready to check on KPIs towards the end of Phase 2. We know this seems early. Some vendors will say they won't have metrics ready until after the PoC concludes. They do that so they can hide their tracks—while taking your money—in case the PoC doesn't go well.

A vendor should have data to show for KPIs by the **second or third week of the PoC**. Anyone who says otherwise is bluffing.

When it comes to KPIs, measure them early and often. Targeting the wrong objective? Reporting slightly off? Vendors need to catch miscalculations at the beginning so they can correct them before things veer off course.

And sometimes misunderstandings crop up beyond anyone's control. As a buyer, your priorities may shift. You have new pain points. Requirements you forgot to mention during kickoff resurface. Holding frequent check ins helps the vendor make sure all changes get considered so the project stays on target.

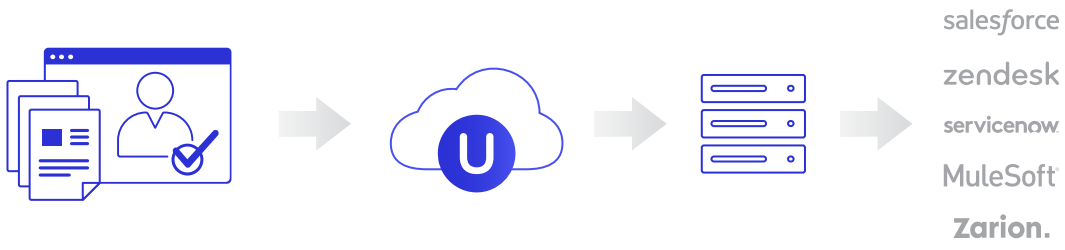
Phase III: Optimization and Expansion

Integrate the automation platform with your backend systems, re-assess KPIs and iterate and improve on the working solution. It's smooth sailing from here on out.

1. Integrate with Backend Systems

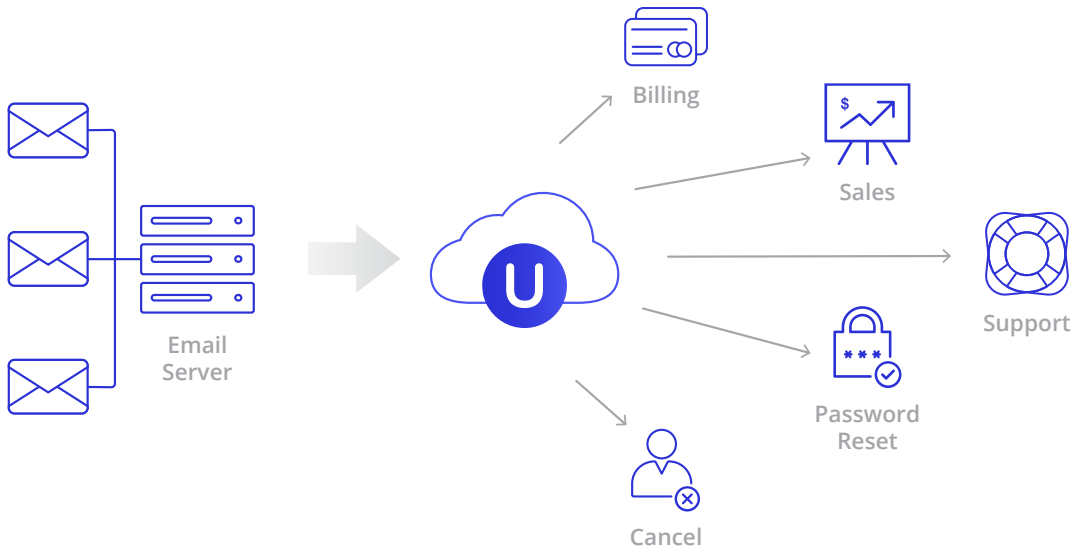
As you map the customer journey in Phase 1, the vendor might introduce the term "straight-through processing." Straight-through processing describes automated workflows that operate without human assistance from start to finish. To deliver a personalized, automated experience from end to end, the platform hooks into your backend systems so it can access the right customer data.

Most vendors offer **managed integration solutions** for popular CRMs and ticketing software, like Salesforce. If they don't have a custom app for your particular tech stack, vendors will set the integration up via API or SDK.



Phase III: Optimization and Expansion

Any use case that involves automating between customer-facing communications and backend systems (such as billing, claims or CRM) requires integration. If you want your AI platform to proactively engage with sales-qualified leads, it needs to sync with your Salesforce instance, for example.



Perhaps you have customers emailing you with important account information and you want to save your employees the manual data entry work. Or perhaps your agents use an Agency Management System (AMS) that converts policy applications and accident reports to PDFs attachments when they send them to you. An integrated solution can extract key information from emails and attachments and auto-populate the corresponding fields in your CRM, policy administration or claims system.

Phase III: Optimization and Expansion

2. Re-assess KPIs

You know the drill. Every 10 days or so, meet with the vendor to measure KPIs, evaluate the efficacy of the working automation solution and discuss your goals. If KPIs aren't getting met, adjust the strategy and set new targets.

3. Iterate and Improve the Solution

KPIs aren't the only way to measure value. The vendor should also evaluate the month-over-month performance of the ML model itself. Don't be afraid to ask the vendor to fine-tune the solution until it reaches or surpasses target accuracy.

> Don't be afraid to ask the vendor to fine-tune the solution until it **reaches or surpasses** target accuracy.

The initial step in Phase II should hardly be the last time the ML model gets trained on relevant datasets. By even a few weeks into the PoC, the vendor can gather output data on how successfully the AI is completing the use case—for example, how accurately it's identifying intent and categorizing inbound messages. The vendor then reuses this data to train a new version of the model, improving its performance version-by-version.

Phase IV: Future Proof the Strategy

As you close out the PoC, make a plan for expanding use cases and integration—as well as the digital transformation strategy throughout your organization.

1. Review Success Criteria

At this point you can make an easy call on whether the solution solves your pain points. You've tracked its progress nearly every week.

This final measurement step is more intended for the larger team of stakeholders who may not have been involved in the day-to-day. It's a chance to sit down together and determine if the AI meets the longer term quantitative and qualitative KPIs set in Phase I.

AI is a huge investment, and not one to be taken lightly. Luckily, armed with months of vendor reporting, you'll have plenty of data to guide your decision.

2. Expand Use Cases and Integrations

If you move forward with the vendor, you'll end up revisiting a lot of the steps involved in Phase I and II. You'll set longer term KPIs (six months, twelve months, two years), evaluate new use cases, and add integrations. And if your original PoC revealed a high-value solution, you'll likely be moving forward to pilot and then full rollout.

Expanding your strategy might feel like a greenfield project. There's a thousand different opportunities for automation. We recommend taking a modular approach: laying a foundation of agile infrastructure first then gradually adding capabilities.

Here are three tactics to help you identify the next-best automation use cases.

1. **Low-hanging fruit**: Knock out the quickest automation wins. When you solve one, look for the next-adjacent opportunity.
2. **Don't call me, I'll call you**: Proactively deflect as many inbound queries as you can. If the customer has to pick up the phone, you're too late. Let's say you're a health insurance company and your customer just had a baby. Reach out and tell them how to add a new family member to their policy (and include your congratulations).
3. **The Big Three**: Automate the top three inbound drivers across all channels. Billing questions flooding your email inbox, live chat and customer service line? Tackle all things billing. Then, move on to the type of query with the second highest volume.

3. Evangelize Automation

This is the fun part: socialize your success with the rest of your organization. Start with one department you know would benefit from AI. Befriend the decision makers and curious kindred spirits. Hold lunch 'n' learns. Convince management to sponsor different groups for webinars and training.

Think of each automation use case as a cog in your **larger digital transformation initiative.**

Remember that a rising tide lifts all boats: think of each automation use case as a cog in your larger digital transformation initiative or business continuity plan. The more you digitize time and cost-intensive customer interactions, the more resilient and adaptable you'll be to the winds of change.

About Ushur

Ushur is the **complete solution** for intelligent automation.

Designed for high-contact industries like insurance, healthcare, and financial services, Ushur engages customers over AI-powered chatbots, email, SMS and more, using conversational AI and intuitive workflows to understand what people are saying and what to do next.

Our low/no-code automation platform accelerates time-to-value from months to weeks with features like:

- **Free white glove implementation**. All-inclusive PoC led by our engineers—other vendors expect you to conduct your own ML training or upcharge $40K for onboarding.
- **Pre-trained AI**. Conversational AI products typically need to train on 1,000 ML examples to achieve human-comparable accuracy. We pre-train our models on use-case specific industry parlance so they start with 80% accuracy out-of-the-box.
- **User-friendly platform**. Interface built with simple drag-and-drop tools, no code required.
- **Customizable workflows**. Design-your-own automation workflows let you tailor the customer journey to any use case.
- **Military grade security**. SOC 2 Type 2 and HIPAA compliant, complete with AES 256 encryption and multi-factor authentication.

Transform your customer experience with AI-powered digital channels. Contact us for a demo today.