

A woman with long dark hair, wearing a white button-down shirt, is smiling and looking at a tablet device. The background is a blurred office setting with a wooden chair and a desk.

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The resilience of the enterprises, both large and small, are being tested like never before during the ongoing global pandemic situation. While stabilizing the company operations was the first order of business when the lockdowns were initially put in place, the companies have quickly moved their focus to client outreach and engagement since then. It is no different in the Insurance industry as well and carriers have been creative in engaging with their clients.

We sat down with two industry leaders and experts, **Paul Tyler**, Chief Marketing Officer, Nassau Financial Group and **Kannan Amaresh**, SVP, Head Of Global Insurance, Infosys to understand the customer mindset and priority during these challenging times, how going digital is no longer an option but a necessity and also how InsurTechs will play a key role in revolutionizing client engagement.

Kannan:

They say, extraordinary times call for extraordinary measures. Obviously we are amidst extraordinary time now. What are your thoughts on what's going on, how the Insurance companies are handling the at-COVID and preparing for the post COVID scenarios?

Paul:

I think this has pushed us five years ahead, in terms of appetite for digital transformation. Certainly, some carriers were far ahead of the curve and actually prospered. You know, I was just on the phone with a very innovative insurance agency out in Ohio that actually had their best months ever in April and in May, because they were digital and had built a very innovative platform. They picked the right markets to go after and put all their energies including going fully digital for client acquisition and servicing well ahead of the current crisis. The carriers that made a good amount of investments in three things - technology, the business model, and the people - are really the ones who are holding up well during this crisis. The "people" aspect is very important as this situation demands getting the people to behave differently than before.

Kannan:

You are absolutely correct on that. What I also gathered talking to multiple carriers is that the call center volume has surged by three to five times. Obviously, the gap in the digital interface or the interaction has created this surge in the call volumes. From a customer

standpoint, what do you see changing in their requirements or behavior during this situation?

Paul:

From a Life Insurance and Annuity perspective, I see a massive shift in terms of values and focus. People are looking for carriers who demonstrate simplicity, trust, security and stability more than ever. I think people are spending a lot more time with their families these days. So, protecting the family, protecting the parents and kids are at the forefront of people's mind. This mindset is good for our business. However, in the short term, there are a lot of people worried about their jobs, their income etc. A lot of these people put a pause on any long-term financial decisions such as Insurance or Annuities. Their focus is more on paying mortgages, paying for kid's college and other similar things. There has also increased customer interest in taking money out, for example - from home equity loans, hardship withdrawals from 401K and life insurance policy loans. However, I do believe that this shift in family values is good for our industry in the long term.

Kannan:

Switching to the topic of InsurTech's, which is also one of your favorite topics, what is the fallout on this Industry? Do you see more funding going their way or is there an increased stress on this sector?

Paul:

I would say if anything, it has accelerated investments in the InsurTechs. We had our investor event in Hartford on February 28

and we had a lot of VCs there, some very big names. I've gone back and talked to every single one of them since COVID lockdowns started and got the feedback that they haven't slowed down at all. In fact, it feels like it's accelerated now. However, the difficulty has been the access to the carriers. We have all had to go virtual since COVID has started. How do you drive innovation and build a relationship with these carrier, without in-person interaction? Also, many of these large carriers are preoccupied with putting out fires that has slowed the engagement with InsurTechs in the short term. In my opinion, if you had an InsurTech that was viable with some nice features before the COVID situation, suddenly those have now become must have features. I came across an InsurTech from Chicago who has a value proposition of providing software based clinical evaluation services, basically eliminating the need for a medical examiner coming to your home for Life Insurance medical evaluation. This was a nice feature before, but now this is a most sought-after capability today.

Kannan:

That is very true. I also feel that there is lot of opportunity for InsurTechs to revolutionize the whole advisor/agency business. I personally feel it's based on old technology. People are still so reliant on human to human interaction. Not that we are saying that we have to remove the human out of the equation, but how do you make human-digital interaction come together like the way we are having this discussion today.

Paul:

I think it's bigger than ever. How do you find a client? How do I prospect if I had a business where I was doing seminars? If that's the case, I'm dead in the water right now. If I had a referral-based business, I'm in a much, much stronger position. But then how do I get the referrals? For any company or InsurTech that can potentially help agents prospect, the interest has gotten way up right now.

Kannan:

Paul, during this period of COVID and all the uncertainties, we've seen that the volatility of life has gone up and down so high, so is the case for the Enterprises. So our (Infosys) theme is really around being resilient. For example, the oldest pencil maker in the world I think is Faber Castell and its been in existence for more than 250 years. That company has seen it all. Lot of ups and

downs, world wars, depressions etc., right? Considering your marketing background, how do you convey resilience of the enterprise to a potential customer? Or how would a customer or potential client look at any product or any career from a resilience level?

Paul:

That's a great question. From an Insurance perspective, what is the resilience of an Insurance company? For most of our products, customers must place trust in us that we will be there in some form 20-30 years down the road. That is a very long time. A lot of things have changed in just last 5 years! Just the longevity of the company no longer shows the resilience of the company to their customers and the prospects. Ultimately, it's really comes down to the individuals behind the company. People have more confidence and trust in people.

Companies brand their people. Look what Steve Jobs did for Apple or John Legere did for T-Mobile brand. From a marketing perspective, I think the people are the brand. Resilience of the company needs to be sold through the people, especially in the Life and Annuity Insurance world. It is not those nice, slick, graphic advertisements that convince the customer.

Kannan:

Paul, Thank you. This has been a very insightful discussion. While the Industry will go through significant changes in the months to come, it is very evident that there are exciting opportunities awaiting to be unlocked. I agree with you that the digital acceleration is inevitable especially in the area of transforming the client engagement. Your perspective on how "People" are the brand that reflect the company's resilience is really an interesting observation you made.



About the Authors



Kannan Amaresh

Senior Vice President & Global Head – Insurance

Kannan Amaresh, is a Senior Vice President and Head of Global Insurance at Infosys. He has more than 25 years of experience in the areas of Banking, Finance and Risk Management. As a part of his current role at Infosys as the global industry head for Insurance, he manages global client relationships across Europe and North America.



Paul Tyler

CMO - Nassau Financial Group

Paul Tyler, is a CMO at Nassau Financial Group. He leads the Branding strategy and Marketing efforts of Nassau Re and is responsible for driving digital and Insurtech initiatives. He is currently building a new Life Insurance brand, reengaging independent agents, and building a direct-to-consumer channel.

For more information, contact askus@infosys.com



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