

# From Insurance Agent to Trusted Advisor: How to Cultivate Customer Loyalty



financial services cloud

## Introduction

Policyholders' expectations have changed. No longer are they satisfied with an adequate service experience from their insurance agent – they're looking for a trusted advisor who can walk them through the lifelong process of protecting assets and managing risk.

Trusted advisors must engage with their customers when it matters most, nurturing those relationships at key moments in their lives, including marriage and retirement. It's this kind of high-touch relationship management that's distinguishing successful insurance companies – those that can retain customers – from those that struggle to earn their customers' trust long-term.

These evolving expectations, coupled with industry and demographic changes, create a unique opportunity for insurance companies to engage their policyholders on a deeper level. Smart companies are acting fast, embracing digital technologies to stand out in the marketplace with a concierge-level of service that puts customer satisfaction at the focus of every interaction.

*“According to Accenture, 75% of policyholders would switch insurers to get more personalized service.”*



Imagine a world where insurance agents are constantly raising the bar for customer service – providing seamless engagements that are both cost-effective and scalable across any channel. In this e-book, we'll explore how insurance companies can empower their agents to move beyond day-to-day tasks, develop lifelong customer relationships, and ultimately become **trusted advisors**. To do this, insurers need to follow the new rules of engagement, including:

1. Deliver personalized customer journeys
2. Adapt to a shifting industry climate
3. Opt into a digital transformation

By the end of this e-book, you will learn how to adapt to the evolving industry and embrace your own digital transformation.

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# Deliver Personalized Customer Journeys

It's a critical time for every type of business. Customers are looking for more customized, digital services – across all industries – and on channels of their choice, including email, phone, chat, and social media.

This same level of connectivity has also made people more informed, more demanding, and more involved in their experiences as modern consumers. Successful insurance companies need to think differently about their customer engagements – they must go beyond individual conversations and provide tailored advice through end-to-end journeys.



Agents who can take a customer's financial goals and activate them through a series of meaningful engagements will create stronger customer relationships. Insurers have a great opportunity to grow with their customers *and their families* by providing tailored advice as they reach key milestones in their lives such as planning for a baby or buying a home. Whether those engagements occur over email, mobile devices or in person, what matters most is that the customer is at the center of every interaction along an established journey.

That takes us to a recent Salesforce report, which found that [63 percent](#) of customers want to collaborate with their financial advisor. Customers want to work closely with their agent, sharing personal information and collaboratively planning for a future. With this kind of personalized information at hand, agents can become trusted advisors and guide their customers along a journey to meet their protection, investment, and retirement goals.



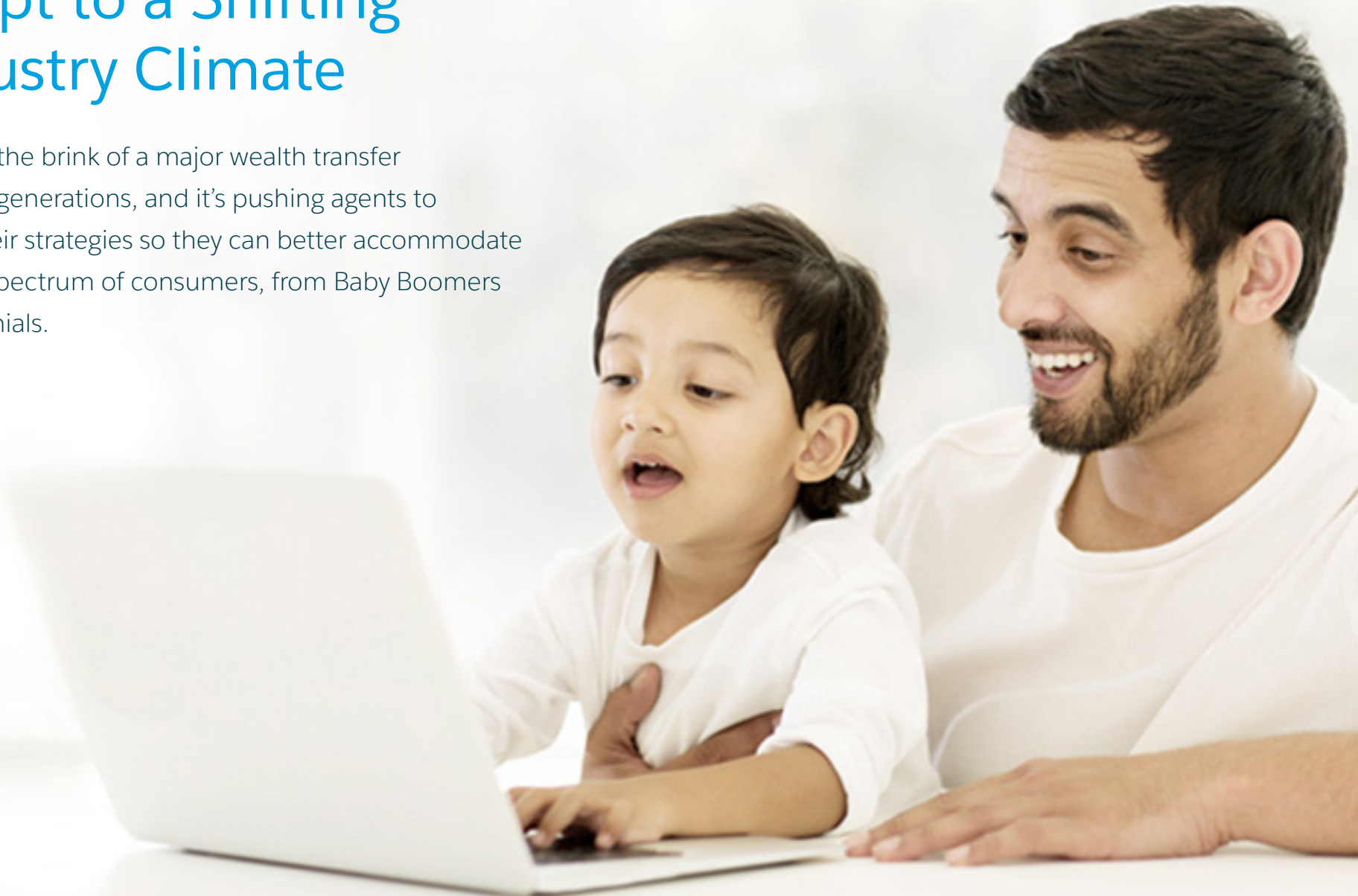
Every customer relationship ties back to a journey. Journeys help agents deliver value-added activities that establish deeper customer connections. The end result: You can effectively develop 1-to-1 relationships, earn trust, and increase loyalty – not only with individual customers but across entire family networks.

*“Some 50% of investors are dissatisfied with their advisor’s ability to meet their needs.”*



## Adapt to a Shifting Industry Climate

We're on the brink of a major wealth transfer between generations, and it's pushing agents to adjust their strategies so they can better accommodate a broad spectrum of consumers, from Baby Boomers to Millennials.



Agents need to prepare for the close to [\\$2 trillion in investable assets](#) that's expected to change hands in the next five years. This is a real opportunity for insurance agents to expand their book of business and attract new customers that are looking to plan for their financial futures. This huge wealth transfer will make a significant impact on the broader industry climate. Insurance companies whose agents have a trusted, life-long relationship with their customers will be at an advantage. Those established customers (and their broader social networks) will be key for agents to attract new customers not only within the household but also through customer referrals.

Meanwhile, a regulatory shift is stirring up the financial services industry. A new Department of Labor regulation now expands the definition of “fiduciary” to generally include insurance agents that make recommendations about retirement investments for a fee. This rule may require agents and brokers to make recommendations in the best interests of the investor. Agents may benefit from a visible process for disclosing fees, providing advice, and helping customers choose the right products to achieve their financial goals. This kind of regulation brings light to a concept long discussed in the insurance industry: customer centricity.

## Industry Regulations

With regards to the Department of Labor Fiduciary Rule, insurance agents and brokers that make certain recommendations regarding retirement investments may be required to put the best interest of the customer first. In general, they may need to:

- Place the customer's best interests at the center of all interactions
- Know more about their customers: their households, goals, life events, and finances
- Increase visibility with clear insights into what advice was given, who was involved, how it was said, and what actions were taken

**Please note:** The information provided in this document is a broad overview and not legal advice or other professional advice, and we urge you to consult with your own counsel to familiarize yourself with the requirements that govern your specific situation.

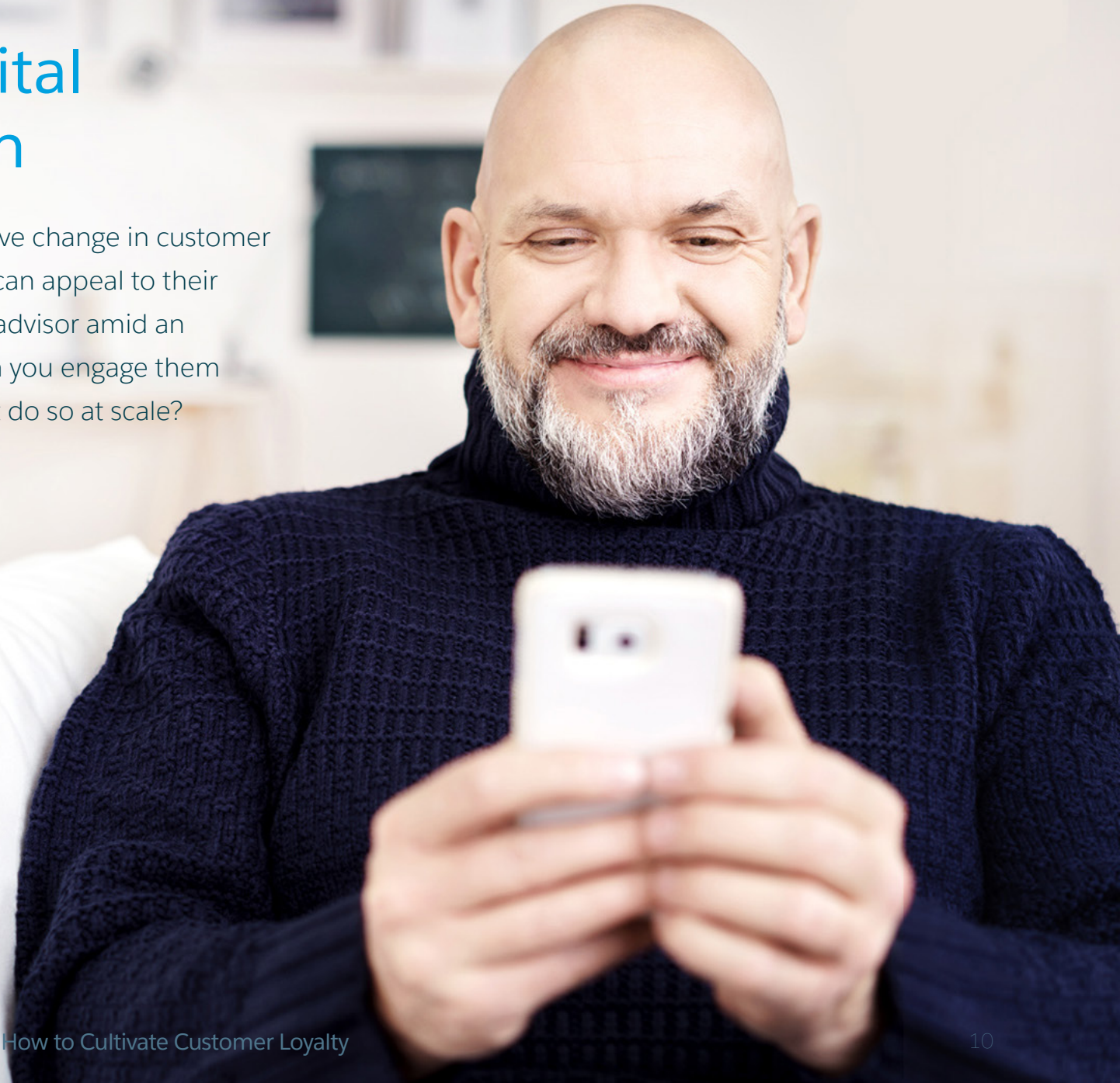
Insurance companies may benefit from smart, auditable and repeatable solutions that can keep up with the complex regulatory environment. Carriers may benefit from tools to make it easy for companies to remain flexible with changing industry regulations while keeping client information protected and safe.

A focus on customer journeys, along with a shifting industry atmosphere, creates an opportunity for insurers to supercharge their engagement models and come out on top in a competitive market. In order to seize this opportunity, insurers must embrace their own digital transformation.

*“According to Capgemini, 37% of Millennials say they use digital channels at least once a month for their insurance needs.”*

# Opt Into a Digital Transformation

Insurers that recognize the pervasive change in customer expectations are asking how they can appeal to their policyholder's needs for a trusted advisor amid an evolving industry climate. How can you engage them with personalized interactions, but do so at scale?



Smart companies are already leveraging cutting-edge technology to reach customers on a deeper level. And for good reason: according to an Accenture report 50 percent of policyholders recently said they would never use an insurer that didn't offer digital engagement channels (chat, social, mobile, email). This statistic has some insurance companies scrambling. Already, leading insurance companies are making sweeping investments in digital channels to revolutionize the customer journey and compete with top digital players.

[Aegon](#), a multi-national life insurance company that's

been in business since 1831, embarked on a digital transformation to help customers better plan for retirement. With *Retiready*, Aegon's digital retirement planning service, policyholders are notified throughout their customer journey with proactive alerts to keep them on track to reach their retirement goals. With retirement readiness scores and the ability to manage their savings in one place, customers are empowered to take control of their retirement planning all within a seamless digital experience.

*“According to Accenture, 74% of policyholders said their top source of “extreme frustration” with insurers is having to contact them multiple times for the same reason.”*

With that in mind, many insurers are embracing a digital transformation to not only improve the quality of the experience they deliver but also increase overall customer retention. Here are the **top three steps** insurance companies should follow to get on the right path to a [digital transformation](#):

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### 1. Identify your objectives

The most important step in working toward a digital transformation is determining your core objectives. Are you looking to reduce costs and improve agent productivity? Or do you want to grow customer loyalty with a digital service experience? Identifying your objectives from the very beginning is key to any successful digital transformation.

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### 2. Study technology enablers in the market

Leverage key technology enablers in the market – including the cloud, mobility, and cybersecurity. Unlocking the potential of each of these foundational technologies is an essential step and will serve as a strong starting point as your company shifts to the digital era.

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### 3. Envision the future platform for digital business

Once you've defined your transformation objectives and learned more about key technology enablers, it's time to establish your own ecosystem of on-demand services with a powerful combination of technologies. Take a holistic look at how you can integrate different front-end

and back-end objectives into one cohesive platform for digital business. For instance, perhaps a robust data analytics initiative coupled with intelligent automation will help bridge the divide between your company's IT needs and core business objectives.

## The Perks

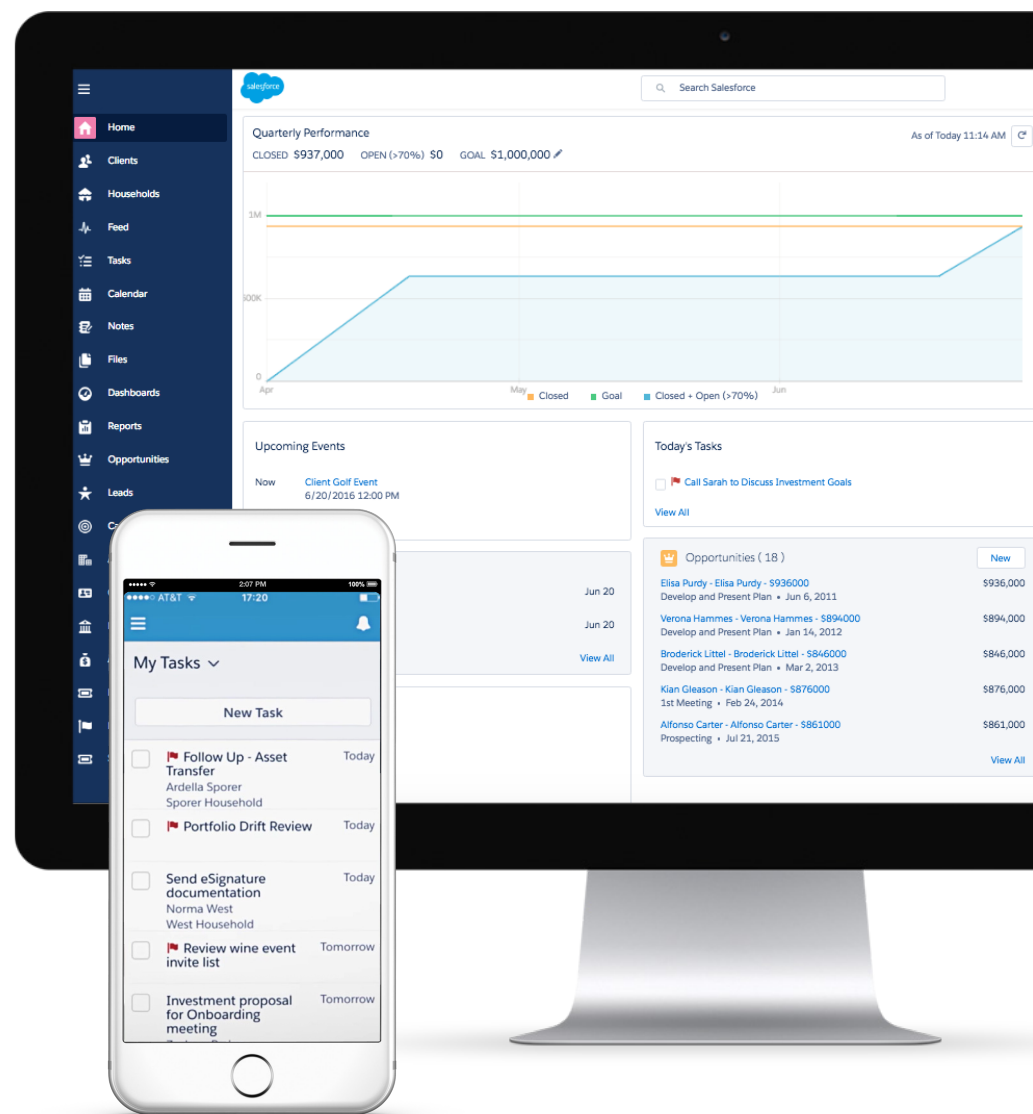
We've given you plenty of good reasons to embark on a digital transformation. And now we're going to explain some of the perks of doing so. Imagine if your business – your sales agents, marketing team, and service reps

– all had a 360-degree view of every customer. Perhaps this sounds like a daunting task given the technological challenges with which insurance companies are all too familiar.

But insurers need to move beyond the constraints of siloed systems of record, which offer fragmented and frustrating customer journeys, to systems of engagement. A system of engagement is exactly what it sounds like: a platform that lets your company provide the personalization your customers demand with an engagement layer that's digital-first.

## The Elements of a System of Engagement:

- Born in the cloud
- Digital-first
- Socially enabled
- Using data science to drive engagement with your service agents and customers
- Optimized for process simplification and digitization



**A system of engagement**, such as [Salesforce for Insurance](#), arms your company with the ability to be agile, data-driven, and collaborative with customers. It's on this common platform that your sales reps can easily upsell or cross-sell, because they have the insight and visibility they need to help customers one-on-one. Plus, your customer information will be housed in one place whether you are in the office or on the go. Each engagement will be visible, auditable and repeatable for all of your agents and you'll have enough flexibility to extend as you scale across channels and products.

## **Salesforce Financial Services Cloud for Insurance**

Financial Services Cloud was built from the ground up to transform insurance agents into trusted advisors. Take a look at how insurance companies are using [Financial Services Cloud](#) to differentiate themselves with best-in-class customer relationship management:

**1-to-1 Policyholder Journeys:** Connect with your customer at key moments throughout their lifetime with access to a 360-degree view including customer financial goals, a full picture of the household, and extended relationship networks.

**Smarter Actions:** Supercharge productivity with real-time analytics and integrated partner apps that can enrich your customer data with portfolio insights and more so you can provide the highly tailored advice your customers expect.

**Always-On Policyholder Engagement:** Instantly respond to customer questions with access to key information on any device and virtually assemble an entire advisory team so you can provide collaborative advice at a moment's notice.

## Conclusion

We know that change can be daunting but there's no need to fall behind. Consider this a real opportunity for your agents to build deeper relationships with customers throughout their lifetime and become trusted advisors by offering personalized protection, retirement, and investment advice. Smart insurance companies are already thinking ahead by developing customer journeys and opting into digital technologies. These kinds of customer-focused investments will help you remain competitive today while securing customer loyalty into the future.





**CONNECT TO YOUR CUSTOMERS  
IN A WHOLE NEW WAY**



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