Rapid Digital Transformation in Motor Claims at esure

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A Vision for "The Internet of Claims" - esure's Evolution Towards a Claims Ecosystem Future as Part of Fixing Insurance for Good.

esure, one of the UK's top personal lines insurers is on an ambitious mission to "fix insurance for good." Serving more than 2.3 million policyholders with auto and home policies, and generating £841m in GWP, esure is leading the industry's customer-first digital transformation.

This transformation involved rapidly re-platforming with the EIS customer-first digital platform, creating seamless customer journeys, new propositions, driving powerful new services through third party integrations, and creating better employee experiences.

Claims are often referred to as the moment of truth in insurance, so in early 2022, esure embarked on a journey to revolutionize their claims & fraud transformation. By partnering with EIS and implementing cutting-edge technology, esure sought to create a seamless claims experience, boost efficiency, and improve customer satisfaction.
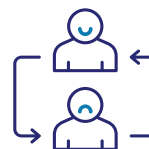
Main challenges related to claims handling processes
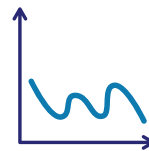
Low adoption rates of 30% for electronic first notification of loss (eFNOL)
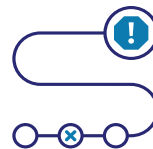
Inefficient data re-entry by claims handler leading to operational inefficiencies

Inconsistent customer experience

To become the leading scale pure-play digital insurer in the UK, esure focused on **motor claims** as the area with the **greatest potential for improvement.**

A bold vision crafted by the esure executive team:

▶ Create a digital claims experience that drives customer advocacy and a low-cost expense ratio.

▶ Achieve best in class in terms of claims cost, TNPS, and loss ratios.

To achieve these objectives, esure established five outcome statements across policyholder, employee, and IT needs that would be measured and monitored to ensure alignment with the objectives:

▶ As a customer, I can self-serve, knowing I can call when I need to.

▶ As a claims specialist, waste and failure are minimized, and I can focus on value activity.

▶ We are settling claims accurately.

▶ We have a powerful data-driven decision-making capability.

▶ We have a low-cost platform.

Approach: esure's journey to claims transformation is unique

Rather than taking a building block approach where the claims process was attacked in a sequential and incremental way, esure took a more holistic end-to-end approach to claims. The approach focused on how and where claims data is captured and what would be required to extract value from the claims data. From here, a business case was developed focusing on the specific value drivers.

Solution: esure implemented EIS microservices-based, cloud-native, event-driven platform, designed to place the customer at the core of the claims journey.

The solution was built upon an ecosystem-oriented, open API-rich coretech platform, featuring a set of smart application programming interfaces to support both employees and customers.

EIS open API core was the centerpiece of the orchestration. These APIs included Amazon Connect to bridge digital, assisted, and live agent support, as well as a campaign management solution (Braze). esure also implemented a market-leading single view of the customer via Twilio Segment, the databricks platform, SmartCOMM solution for outbound customer communications, along with an integrated payment solution for both inbound and outbound payment activities.

The introduction of an agile methodology was critical in effectively managing the total cost of ownership of the solution. This methodology involved providing functional releases using a minimal viable product (MVP) model, which was delivered to a select group of claims handler pioneers for evaluation. The success of this approach led to the methodology's adoption as the new working model for all esure claims transformational updates moving forward.

Results: By June 2022, esure was handling claims on the new EIS platform and by November 2022, they had covered 80% of claim types for customers to notify their claims online.

With EIS as part of the overall ecosystem, esure saw a tremendous opportunity to apply the latest fraud AI tools and improved data-driven fraud detection.

The new platform enabled:

▶ Seamless customer recognition from the esure "myAccount" portal.

▶ Conversational interfaces with adaptive questions.

▶ Automated ingestion of claims into EIS.

▶ Automatic self-serve damage assessment, valuation and settlement offers.

By January 2023, customers could also select a repairer themselves, moving esure closer to end-to-end, straight-through processing.

Impact: As of March 2023, the cost of claims has been reduced by over 30%, and over 50% of claims are now notified electronically.

esure expects this to increase as they make more customers aware of the digital options available. Customers appreciate the modern interface and the ability to report claims 24/7, with TNPS ratings consistently over 60. Customers using self-service dramatically reduces their frustration in waiting to speak to someone, and allows esure's operations team to manage demand into their claims centers via data-science powered self-service tools.

Future plans: esure will continue to evolve its claims handling process, adding more capabilities as part of their 2023 roadmap and building upon their machine learning models currently implemented across damage assessment, fraud controls, and predictive claims.

The company is also working on enabling its full end-to-end home claims solution and starting an automated migration of legacy claims in May 2023, targeting completion by October 2023.

> " Partnering with EIS has been a game-changer for us. With their cloud-native coretech platform we have been able to modernize our legacy systems and accelerate our digital transformation journey. This has not only improved our customer experience but also enabled us to reduce our claims operating costs.

> **– David McMillan**
> CEO of esure

Lessons learned: esure had a ruthless focus on value by maintaining a constant vigilance on claims data to understand what drives value.

The success in claims is helping esure to differentiate itself from other insurance providers in the market and establish itself as a leading digital insurer in the UK. Their success is helping them differentiate themselves from other providers in the UK. Because they now have a customer-centric core, data fluidity, accelerated decisioning capability, and third party integrations through the EIS platform, they're establishing themselves as a leading digital insurer.

Some key lessons learned from esure's rapid digital transformation in motor claims include:

Start with a clear and bold vision: esure's executive team created a clear and ambitious vision that provided a shared understanding of the desired outcomes and helped to align stakeholders towards a common goal.

Take a holistic approach to transformation: Rather than approaching claims handling as a series of incremental improvements, esure took a more end-to-end approach that focused on how and where claims data is captured, and what would be required from a solution and technology standpoint to extract value from the claims data.

Adopt a microservices-based, cloud-native, event-driven platform: esure's choice of EIS, which was designed with the customer at the heart of the claims journey, helped enable the rapid development and deployment of new capabilities and services.

Use an agile methodology: The introduction of an agile methodology, with regular functional releases using a minimal viable product model helped esure quickly evaluate and improve upon the new claims handling process.

Focus on customer experience: esure's emphasis on improving the customer experience, including self-service claims, resulted in high customer satisfaction ratings and increased adoption rates for electronic first notification of loss.

Overall, esure's rapid digital transformation in motor claims serves as a blueprint for other insurance providers looking to improve their claims handling processes and provide a better customer experience. By taking a holistic approach, adopting a modern and flexible platform, and maintaining a focus on value and customer experience, esure achieved impressive results in a short period of time.

> EIS has enabled us to build a more agile and efficient claims operation. Their cloud-based platform has enabled us to automate processes, reduce cycle times, and provide a better experience for our customers. With EIS, we have been able to break down silos and collaborate across different functions to improve our overall claims handling process.
>
> **– James Russell**
> Head of Claims Transformation at esure

Sound interesting? We should chat.

Learn more about how EIS helped esure in their digital transformation of claims.

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