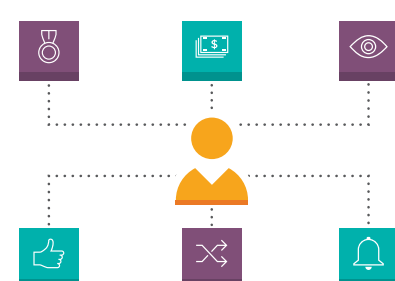# CERTUS
FRESH IDEAS. EXCEPTIONAL OUTCOMES.

Tuning the Sell for Insurers with Watson

A shift in the balance of power has occurred, with customers now able to dictate the purchase process.

The rise of smart mobile devices has opened the door to more information, more alternatives, simplified transactions and more communication.

For insurers, this disruption has created a customer base that demands better products and services tailored to individual needs and behaviours.

Many insurers have failed to adapt and customers have responded by shifting between providers in a bid to find their perfect match.

41% of customers left insurers that were too slow to react to their changing needs.[1]

53% of insurers reported that they were not effectively delivering a personalised experience.[2]

Insurers spend **7x more** to attract a new customer than to retain an existing one.[3]

1/3 of insurance policy holders have switched insurers in the past 2 years.[4]

It's now imperative for insurers to keep up with new demands and expectations from customers by turning to new methods to enhance the way in which they interact with customers and mold offerings to meet customers' needs.


Better Customer Experiences Start with Watson

While customers have benefited from increased access to new information, that doesn't mean insurers can't get in on the act as well – they just need to be able to make sense of this data and that requires a cognitive computing system.

IBM's Watson is the most well-known cognitive system on offer and is breaking new ground by being able to think more like a human than a computer.

2.5 billion Gigabytes of data is generated every day, **80% of it unstructured.**[5]
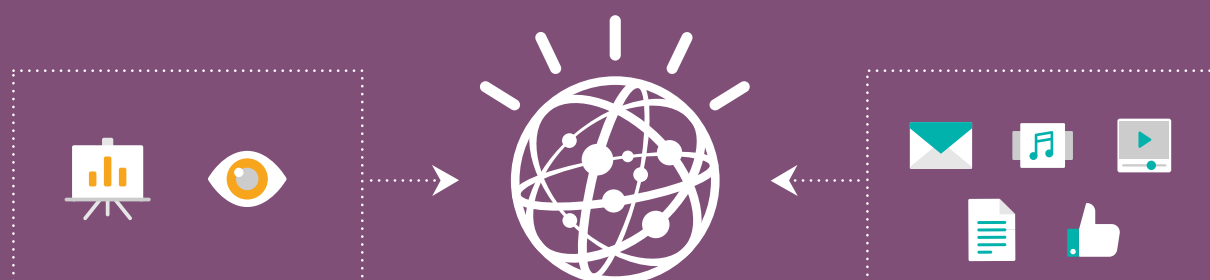
Structured data
- Spreadsheet information
- Data from machine sensors

Unstructured data
- Emails
- Video
- Audio
- Text documents
- Social media

Watson can analyse huge amounts of data, structured or unstructured, **and uncover all-new answers and insights from this data.**

It can understand natural language, enabling users to interact and put questions to Watson as if they were talking to another person. And because it's able to learn from its interactions with data and humans and constantly reprogram itself, Watson gets smarter as you use it, leading to better insights and enhanced decision-making capabilities.

For insurers, Watson opens the door to an increased understanding of customer behaviour which can then be used to modify products and offerings to individuals, improving the overall customer experience.

98% of insurers familiar with cognitive computing believe it will play a disruptive role in the industry.[2]

85% believe it will be critical to the future of their business.[2]

96% say they intend to invest in cognitive capabilities.[2]

Benefits to Insurers using Watson

1. Product predictions
2. Identify, develop, and reward brand advocates
3. Provide relevant content that improves a purchase decision
4. Identify potential fraud
5. Intervene when customers are struggling
6. Rescue at-risk customers before they churn

Increasing customer retention rates by 5% can boost profits by **25%-95%.**[6]


Watson in Action
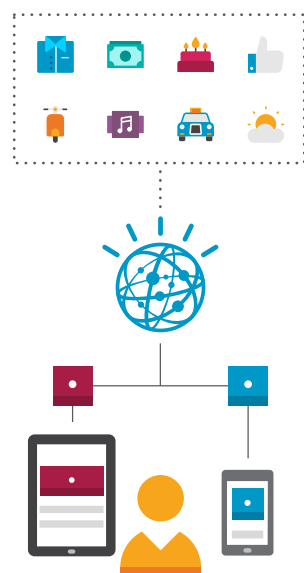
A customer has just publicly announced on Facebook they're about to have their third baby. Watson can interpret this and predict that they'll now be needing a bigger car. Using past interaction data such as product history, types of claims, and other "lookalike" customers, an insurer would look to Watson to help tailor an offering for car insurance (or even a bundle for car, extended life insurance, and medical cover - as they'll now have more responsibilities). This can be served up to the customer their preferred channel at the best time. This might mean, rather than calling them during the working day, offering them those highly-personalised products on social media whilst they are on their bus trip home.

96% of consumers are more likely to do business with brands that allow them to control where, when and how they interact.[7]
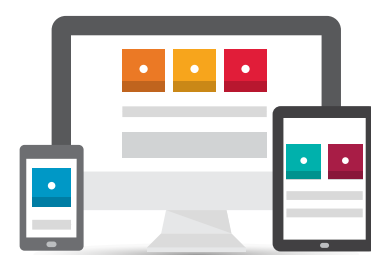
To find out more about how you can harness the power of Watson to deliver exceptional customer experiences

GET IN TOUCH

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