

WHAT'S IN IT 4me

Convert customers into promoters

■ CUSTOMER-centricity has been positioned as a USP by almost all firms in service sectors. This concept is about offering not only great customer service but also a delightful experience, starting from the awareness stage to the purchase process and, finally, through the post-purchase process. The idea has gained traction in recent years as customers have become more empowered and, as a result, have greater service expectations. With advances in technology, customers now have various avenues — online research, social media and the like, besides interactions with peers/friends/family to collect and filter information from—which helps them make an informed decision. Against this backdrop, the situation in the life insurance sector needs to be understood. Life insurance is a business in which the customer and the insurer derive financial value only by staying invested in the relationship over a long period of time. Therefore, the most important priority in this business is to win and keep the customer's trust as well as ensure the highest levels of business delivery. For that, insurers need to have simpler products, seamless processes and simplicity and transparency in communication. Equally important is to "create value for money" for customers, which needs to be clearly demonstrated through a balance of price, product features and service delivery. The key here is to offer customers services that are tailored to suit their individual needs in a manner that is convenient and easily accessible. To keep pace with the fast changing environment, we need to redefine our relationships with our customers. The two key steps to begin with are:

Listen to customers: Most businesses tend to only hear but rarely listen and, hence, lose out on the missing links articulated by their customers. Listening attentively makes customers believe that they are valued at every step of the business interaction, leading to greater customer satisfaction.

Sell what customers need: A better understanding of customers' needs will help insurers in offering them the relevant products, which will reduce chances of mis-selling and surrenders. We need to let customers to be in control by communicating with them at various stages through different mediums and keeping them informed at all times. A way of gauging customer satisfaction across sectors is through the net promoter score framework, a worldwide index to measure the likelihood of customers to recommend the company and its products/services to others. The aim is to convert customers who are less than happy into promoters who will put the word out and allow for increased profits of insurers. This helps in offering better customer experience and boosts employees' performance.

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