



Digital Video Transformation for Insurers

**SUCCESSFULLY IMPLEMENT  
LIVE VIDEO INTO  
THE CLAIMS PROCESS**



2020



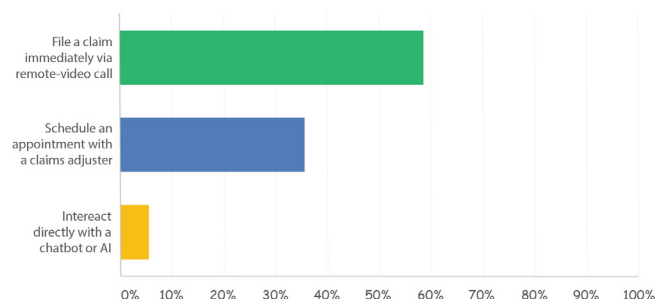
## “How can insurers assimilate InsurTech startups and technologies into their value chains?”

This question was recently posed by Matteo Carbone in his book, *All the Insurance Players will be InsurTech; A wave of innovation is finally reshaping the insurance industry*. Participating in the success of digital transformation for global insurance carriers like [Allianz](#), AG Insurance, and [AXA](#), I have seen firsthand how this question can be answered. The aforementioned carriers have completely transformed the way they interact with millions of customers from FNOL to repair by embracing video technology. In this white paper, we'll share the best practices and lessons learned along the road to claims transformation. Our focus will be on using remote video to replace onsite claims assessments.

Today, video technology designed for integrating remote expertise capabilities is mature and proven. In the last year alone, over 100,000 unique users connected to the SightCall remote video assistance platform to assess claims, provide technical expertise, perform remote inspections, or simply see what the customer sees. We see that InsurTech platforms are being accepted at a rapid pace by European carriers and customers, while America falls behind. In interviews with over 20 U.S. Claims Directors, we learned that some implementations are failing due to a lack of following the fundamental steps that are required in digital transformation, and fear that their customers are not ready.

In May 2018 we conducted a survey and found that an overwhelming amount of U.S. consumers are indeed ready for digital change. 68% of respondents would like for their insurance company to give them the option to choose between a video assessment or onsite claim and 22% answered maybe. This is a total of 90% of customers open to video claims. In this same population, 59% believe that an immediate remote video assessment is the ideal way to file a claim and 37% would rather schedule an appointment for a video or in person assessment. Only 5% of them expressed that they would prefer a chatbot interaction. 69% also report having never been given the option to file a claim using photo or video.

Which of these would be your ideal way to file an insurance claim?



If the consumers are ready, it is up to the insurance companies to listen and provide the adequate solution. The challenge is now to overcome the transformation of the claims process and the way insurance, third party adjusters and independent adjusters work.

In this White Paper, we provide a set of best practices aimed to help this transformation.

**Thomas Cottreau**  
SightCall - Founder and CEO

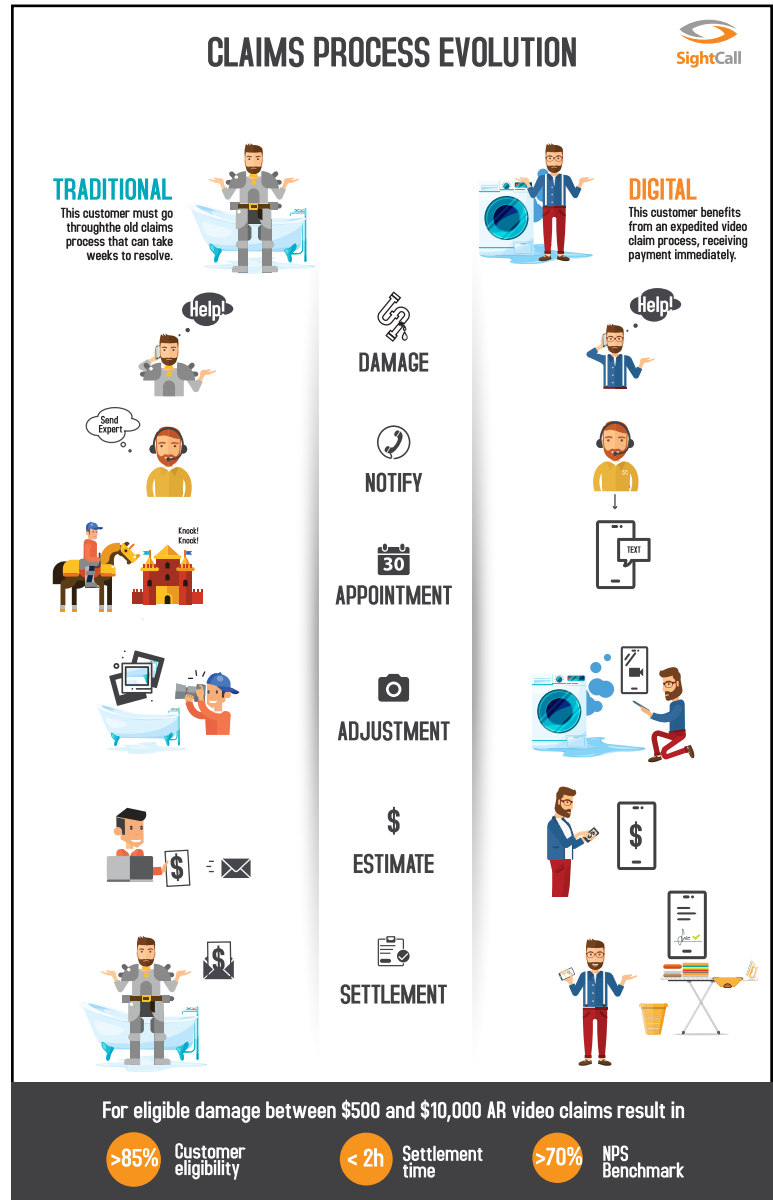


# THE LIFECYCLE OF AN INSURANCE CLAIM

Throughout the lifecycle of an insurance claim, there are key moments where remote video assistance and augmented reality can impact the speed and accuracy of traditional processes.

- Collecting Customer Information
- Informing the Customer
- FNOL
- Damage Assessment with the Customer, Field Adjuster or Repair Shop
- Repair Pre-Visit
- Estimate Explanation
- Supplemental Claims
- Repair Expertise

In this white paper, we will focus on the use of videos for claims and assessments.



## What are video assessments?

The term video assessments or video claims refers to the process of replacing an onsite claims adjustment with video. During a video claim, the adjuster is able to inspect and document damage through the camera on the insuree's mobile device.





# IT'S TIME TO REIMAGINE THE CLAIMS PROCESS

When estimating damages and losses, not much has changed. Most insurers are still hitting the road to physically visit the site of the qualifying event. These onsite assessments are time consuming, labor intensive and completely counter-intuitive to the technologies that are available in a digital society.

Sending an adjuster to file a claim results in automatic loss of productivity and money. In addition to loss associated with onsite visits, there are also losses garnered from taking too long to file a claim, or from filing a claim without a clear visual of the damage. These losses include:

## Productivity Loss

Time spent on the road and in traffic takes away from the adjuster's ability to answer calls, handle other claims and perform desk activities. Desk adjusters suffer from documenting claims based on elements provided by another person (Field adjuster, repair technician or customer).

## Monetary Loss

Road travel is a money pit mired in lack of productivity, gas expenses, vehicle wear and tear, and time spent in transit. In addition, the traditional asynchronous claims process involves multiple delays and time to correlate information and collect missing details. The entire Loss Adjustment Expense (LAE) gets improved with live video assessment.

## Insurance Fraud

Almost half (45 percent) of 143 U.S. insurers surveyed by the Property Casualty Insurers Association of America and FICO (a predictive analytics provider) said that fraud accounts for 5 to 10 percent of their claims costs. \*Staged accidents, padding, and inflating actual claims can be avoided with access to better technology.

## Avoidable Damage

Water leaks, weather damage and auto damage are all losses subject to further expenses if they do not move quickly enough to the repair process, or are repaired incorrectly.

*\*<https://www.iii.org/article/background-on-insurance-fraud>*





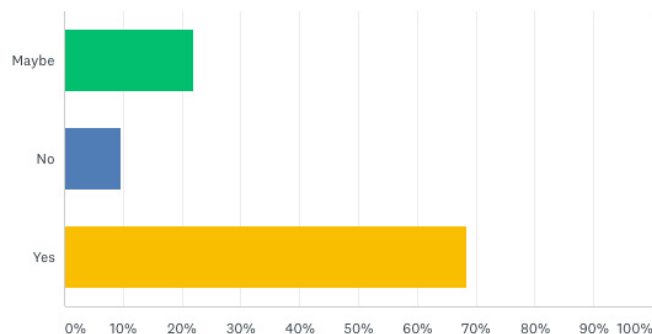
## PUTTING THE CUSTOMER FIRST

Filing an insurance claim marks a stressful life event. Does your process make it easier or more difficult for your customer to be made whole after their loss?

In an uberised society, the new expectation of customer service is fast, digital and convenient. Forcing the customer to schedule an onsite visit by a claims adjuster creates an extra layer of stress that requires the customer to reschedule their work and life activities to meet the needs of the insurance company.

In May 2018, SightCall conducted a research survey to understand the overall readiness of consumers for new claims technology. When asked if they would like the option between an onsite visit or a video claim, 73% of respondents surveyed in the US said Yes, 22% said Maybe, and only 9% said No. While not all customers may choose the option of a video claim, we know that they want the choice.

When filing an insurance claim, would you like for your insurance company to give you the option to choose between an onsite visit or a video claim?



Having the option to provide a digital video claim creates a culture that puts the customer first. In the same survey, 58% of respondents said that their ideal way to file an insurance claim would be to file a claim immediately via remote video call with a claims adjuster, while 35% of respondents said that they would prefer to schedule an appointment (live or video). Only 5% of the respondents selected the option of a chatbot/AI.

# VIDEO ASSESSMENTS: A BREAKDOWN

Used as a stand-alone solution or as part of a claims management software, video assessment technologies provide adjusters with the tools that allow them to perform their job as if they were onsite. Although the customer is handling the mobile phone on site, it is actually the adjuster who controls the camera.



## Remotely, the adjuster is able to:



Use **live pointer** to guide the customer and show them what the adjuster needs to see



**Remote zoom** to have an accurate view without asking the customer to move to complex spots



Initiate **remote flashlight** to activate the device's flashlight if exposure is too dark



Take remote **HD pictures**, leveraging the full camera resolution



Use **geolocation** and **time stamp** to provide an accurate location and date for the claim, a fraud prevention measure



**Share** the policy with the customer to explain coverage details



**Save photos** directly into the claim management system using cloud integration

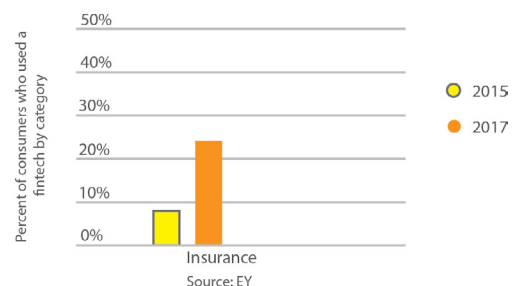


**Pause video** and live annotations to highlight important things, and explain to the customer what will be covered and what will not be



Propose a quick estimate and allow the customer to accept by **signing** on the annotated picture.

The embrace of insurance digitalization  
Consumer adoption of insurtech tripled in two years





# ACHIEVING DIGITAL CLAIMS TRANSFORMATION

## What Does it Mean for Insurance Companies?

Digital transformation is the integration of digital technology into all areas of business, changing how you operate and deliver value to customers. It isn't just a matter of adding new technology - it's a shift that will change the way you measure success, and the way others view your organization.



## Job Transformation

When is the last time the job of an insurance adjuster significantly changed? With video technology integrated into the claims process, an adjuster in New York City can file an auto claim in Kansas, North Carolina and Georgia - all in the same work day. This shift in abilities changes the expectations of a claims adjuster. One of SightCall's clients reported that their claims adjusters spent an average of 5 hours per day in their car to visit 2-3 customers. After implementing SightCall, their adjusters were able to handle an average of 10-12 video claims per day from the office or home. Their job title is the same, but the job they now perform is much different.

“According to the Pew Research Center, millennials make up the largest share of the U.S. workforce, with only 4% being interested in working in the insurance industry.”

## Attracting Talent

Millennials, who make up 1/3 of today's workforce, are showing little interest in traditional insurance roles. 41%\* of those surveyed by The Institutes expressed no interest at all in insurance as a career, with 44% responding that “the insurance industry sounds boring.” Providing new tools for a generation that leads in digital technology adoption helps insurance compete for the best workforce talent. Video transformation checks boxes that matter most to the millennial generation – live anywhere, work from home, and have minimal impact on the environment. Millennials are also more flexible with work hours. Assessing damage with a customer at 8pm, would not be a problem for a generation that enjoys freedom.

## A Shift in Thinking

Can you remember life before online shopping? The first secure retail transaction over the Web was in 1994 – less than 25 years ago. Can you remember the last time you stepped foot in a music store to purchase a CD? Thanks to companies like Apple and Amazon, we now function successfully without brick-and-mortar stores. Insurance is undergoing the same seismic shift and the top players have already begun the transformation. Soon, consumers will catch on and realize that in 2018, they do not need to wait 24-48 hours for an insurance adjuster when there are companies that will settle their claim digitally, without causing unnecessary stress in their life.

## How do you succeed at Digital Transformation?

- ▶ Unlock the opportunities created by technology, and articulate a clear vision of how video can transform your business and customer experience.
- ▶ Embrace practical tactics to drive tangible, measurable results
- ▶ Engage stakeholders at all levels of your organization
- ▶ Reach company-wide adoption

\*<https://www.theinstitutes.org/doc/Millennial-Generation-Survey-Report.pdf>



## STEP #1 –

# DEFINE YOUR VISION STATEMENT

According to a recent study by Gartner\*, growth and digital transformation are the top priorities for CEOs in 2018. While 56% of CEOs can report that digital transformation has increased profits, half of CEOs have no metric for what constitutes a digital transformation.

The first step to successful digital transformation is to start with a defined vision statement that stakeholders can agree upon. In this statement, define how your company's digital experience will win, serve and retain customers. Next, adapt your vision to your company's culture and map your vision to your objectives.

## Example

"We envision to transform our claims process with video, because we believe that in 2018, it no longer makes sense to dispatch an adjuster to the field. We believe that video will never cover 100% of the situations, but will reduce onsite visits by 50% in 2020. We believe that this is good for our customers because it is faster and less intrusive than an onsite visit. We believe that the technology is ready and mature enough for us to embrace it at scale. We believe that less field adjusters will be needed, but that they will convert to new jobs that bring more value. We believe that the personal relationship with our customers is important and that AR and video will play together in improving the customer experience. We also believe that cutting down on field adjustments is good for our planet."



\*<https://www.techrepublic.com/article/report-56-of-ceos-say-digital-transformation-has-increased-profits/>



# GET STAKEHOLDERS TO EMBRACE THE VISION

Once your vision has been clearly defined, it is imperative to get the feedback and involvement of all levels of stakeholders.

## Engage the Front Lines

Digital Transformation will not be successful without engagement and buy-in from your adjusters. Stimulate ideas and knowledge-share from your early adopters, and echo their concerns, ideas and discoveries to upper level management. This process is iterative and feedback is important. If you don't consider the feedback from adjusters, there may be a gap in the process that will go unseen.

## Identify High Level Sponsorship

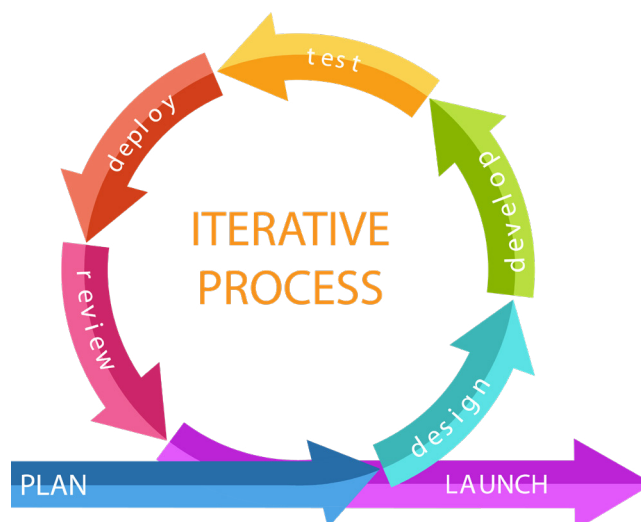
Changing jobs that people have held for decades will not come without pushback. Digital transformation will have highs and lows that require a high level of sponsorship from executives that will support the process for users who are afraid of change. Implementing video claims is a process that has already been mastered by major insurance players around the world. Get in the mindset that there is no room for total failure - only trial, error and reiteration that will lead to success.

### Tips: Communicate at all levels

**WHY?** – Why does it make sense in your organization? Why now?

**WHAT?** – What are video claims? What are the use cases?

**HOW?** – How will we make the change? What is the plan?



## STEP #2 –

# DEFINE THE FIRST USE CASE

Determining the right context to use a new technology, and how you will propose it, are the next steps to setting your company up for success.

Starting with low hanging fruit, identify any opportunities that will be quick wins, building early success and excitement. Then, identify the departments or teams that you can depend upon to be early adopters, driving the transformation from the ground level.

1. Determine which claims qualify for video
2. Identify a team and analyze their current processes
3. Adapt the video process workflow to your current process
4. Define when and how to engage a customer in a video assessment process
5. Write a script to be used with the customer

## Which Claims Work for Video?

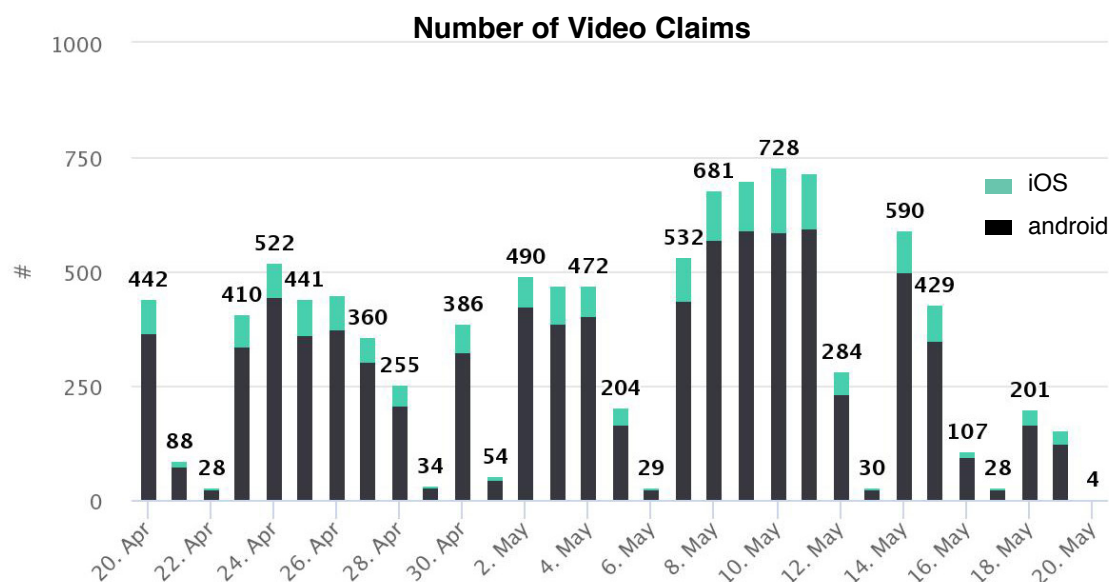
**Deciding which claims will produce quick wins is key to early success. These best practices have been used by our clients in successful digital video transformations.**

- |                     |   |
|---------------------|---|
| ▶ Property Damage   | ✓ |
| ▶ Roof Damage       | ✗ |
| ▶ Water Damage      | ✓ |
| ▶ Minor Collision   | ✓ |
| ▶ Windshield Repair | ✓ |
| ▶ Personal Injury   | ✗ |

## STEP #3 –

### DEFINE METRICS

A data-driven approach is vital to articulating the true impact of digital experience. As your deployment matures, metrics should evolve to measure the entire claim cost difference between onsite and video claims.



When determining how to measure success, consider the alignment between the team compensation and the company goal.

### Reporting Metrics

- Aimed to demonstrate the value of the transformation and report results to sponsors
- Aimed to promote the transformation to other groups and entities

### Operational Metrics

- Used on a day-to-day basis to drive transformation.
- Help identify top transformers and address low adoption.

Using these metrics, the change management team can take action, such as asking the top performers to explain their peers how and why they use the service intensively. The low performers could also benefit from extra coaching and help to overcome their fears and resistance.

## Most Common Metrics

- ▶ Customer Satisfaction and Feedback
- ▶ % of Customers that Selected Video over Onsite Visit
- ▶ Number of Video Sessions per Adjusters per Day/Week/Month
- ▶ Video Session Duration
- ▶ Adjuster Feedback



## STEP #4 -

### GETTING STARTED

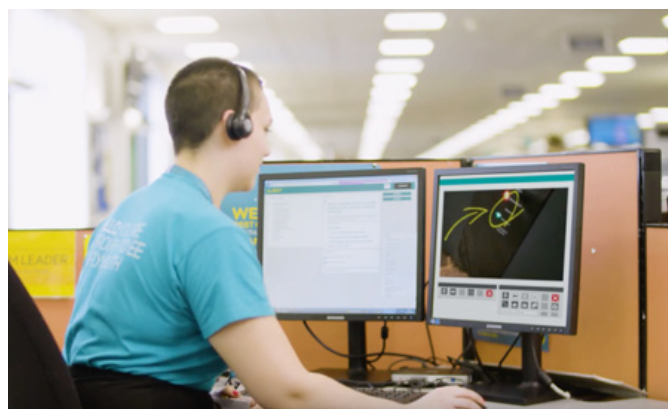
Once you have established your vision and path to success, it's time to verify that your theories will work. Getting started means that your first group of claims adjusters will start using the solution in real situations with real customers. Based on the use cases you have defined, you should be well prepared to find quick success, which will motivate adoption.



In the UK, one of our most successful customers took a clever approach to training his team. Rather than announcing that the team would be required to learn a new technology, he lead them through a brainstorming session with an unexpected twist.

*“Before introducing SightCall at EE, I asked the Broadband Technical Support teams how their fix rate could improve, if they had the ability to see what their customers see. In a brainstorming session, they gave me and the project team some great insight and it began to uncover what an impact a tool like this would make on our FCR (First Contact Resolution) and NPS (Net Promotor Score). After we identified the benefits of video technology, I showed them SightCall, allowing their ideas to become a reality. It really was a game changer for us.”*

**Chris Hakin, EE Technology Manager**



Chris's exercise was a creative way to build a foundation for the introduction of digital transformation. By giving his team the opportunity to think freely about how video technology would impact their ability to serve the customer, he created demand for a product that his team didn't even know existed.

### Follow these steps

- ▶ 1. Identify the initial team
- ▶ 2. Get the team involved
- ▶ 3. Get the team trained
- ▶ 4. Provide coaching
- ▶ 5. Get started with customer

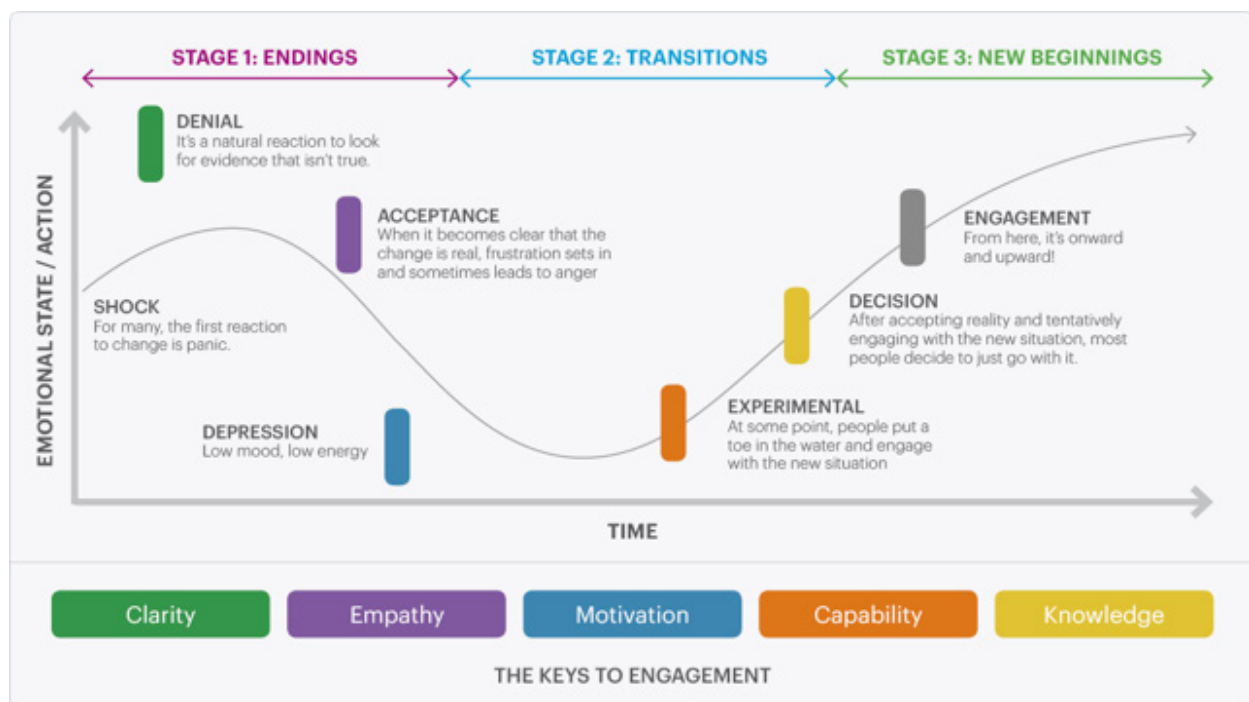


## STEP # 5 -

# MANAGE THE PROCESS

Who are the executive sponsors and stakeholders that have committed to making digital transformation a reality? This is a critical time for them to step up to the plate and guide your project to success.

When starting a digital transformation, you should not expect to get immediate engagement from everyone on the team. Anticipate going through the different steps defined in the Kubler-Ross Change Curve, and be prepared to engage with your employees to achieve adoption. The better you do at managing change, the sooner your company will experience the benefits of digital transformation.



## Tips to Motivate Your Team Through the Process

- ▶ Organize weekly meetings with the team to review achievements and goals. Use these moments to get users to share success and difficulties as a team
- ▶ Provide and share analytics to provide help
  - > Ask the most successful users to share their motivation
  - > Help the less engaged users to become more successful
- ▶ Adjust the targets to make them always challenging and achievable
- ▶ Put an incentive program in place to boost motivation
- ▶ Commit to digital transformation with strong support from internal stakeholders and partners that are able to help support you through to success

## STEP #6 -

### IDENTIFY NEW AREAS FOR GROWTH

Complete digital transformation should be part of your vision for success. If your company chooses to start with a single use case, rollout will be your ultimate goal. Rollout is where you demonstrate success, and scale your vision across your organization to different groups that will embrace it.



Growth requires a strong project and change management team to help the large number of selected users succeed. It also requires you to sell the project internally to adopt more users and integrate it seamlessly into your day-to-day business process.

#### Tips to Help Expansion

- ▶ [Create a video](#) to show how the initial team succeeded in transforming the way they work and interact with customers via live video
- ▶ Help motivate employees with alignment of their objectives
- ▶ Create an incentive program and a leaderboard with awards
- ▶ Mandate contractors to replace onsite visits by live video on X% of claims. (We find that 20% is a good place to start.)



# Authors

**Thomas Cottereau**

thomas.cottereau@sightcall.com

**Katie Smart**

katie.smart@sightcall.com

## Engage in Digital Video Transformation with SightCall

SightCall is a global video cloud platform that provides digital solutions designed to transform the way businesses and customers interact together. Our technology connects our clients with their customers to help them solve problems more efficiently through their smartphones. With over 10 years of experience, we have proven success in Europe, the Americas and Asia with top Fortune 2000 companies. The SightCall team is involved every day with our customers to help them succeed at the great challenge of digital transformation.

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