



# How insurance companies can ditch the green screen, go digital and transform the customer experience

An Sdx white paper

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## Foreword



It is no secret that the insurance industry needs to embrace digital technologies. Challenger brands are using technology as a point of differentiation and established players appreciate the economies that can be gained through digital strategies. But going digital is not easy for those insurance providers that still rely on legacy or ‘green screen’ systems for operations. Ripping out and replacing the entire back end of the business is not a task that can be undertaken lightly.

For those companies that are unable or unwilling to embark on a wholesale replacement of their IT systems, the only option until recently was to watch as more nimble digital competitors captured more market share. But now there is an alternative. The Sdx platform introduced in this paper provides insurers with a simple and cost-effective way to deliver the latest digital services and applications without having to touch the legacy systems that power the business.

Deploying Sdx can improve the customer and agent experience while delivering significant bottom-line benefits and improving security and compliance. I believe it can be a key step along the industry’s path toward digital transformation.



### Mark Cliff

Chairman of Hastings Direct, Avid Insurance Services and Bode Insurance Solutions, and non-executive director of Hiscox, Ivernia Insurance and Evolution Claims Management



## Introduction

If working remotely has taught us one thing over the last couple of years, it is that insurers can no longer avoid overhauling their IT systems. The pandemic has expedited our lives online, but even before March 2020, the insurance sector was looking towards digitisation. The race is now on across the industry to provide more digital products and services, marrying insurance processes with modern-world experience.

Given the advances in technology we have seen in recent years, it is surprising how many insurers continue to rely on dated computer systems. Flickering green screens and ageing back-end systems will simply not do moving through 2022 and beyond. Ensuring customers are offered the right products and services at the right time is key.

This paper examines the challenges of continuing to rely on ageing computer systems for customer interactions, and the low-risk solutions now available to help insurers deliver digital services that improve engagement and response.



## Digitisation in the insurance industry

Disruption is a word that most insurers shy away from, and for good reason. Insurance companies are in the comfort business; if something goes wrong, they are on standby to buffer the pain. However, this global £4 trillion industry<sup>1</sup> is seeing huge disruption in terms of technology. Digital signatures, mobile wallets, online payments, and instant messaging are not even the future—they are the now.

Legacy insurers that use old systems and fail to provide fully digitised services for customer interaction are at risk of losing their competitive edge in the market. On the other hand, taking a technological leap of faith is very much in the industry's favour. The Insurance Times's Digital Transformation Report 2021 found that digitisation has been positively transforming the insurance business, with 74% of survey respondents noting improved efficiency.<sup>2</sup>

The report found that brokers saw 'streamlining organisational processes' as the most crucial factor in delivering digital transformation. Understandably, though, the concerns for long-standing insurers facing technological upgrades are real. There is a natural wariness of prohibitive costs, untrained staff, confused customers, the need to upgrade quickly and worries that data could be lost.

But the reality is that the platforms currently underpinning the insurance sector do not need to be abandoned in the quest for digital services. Instead, there is a means of keeping green screens running in the background while making sure customers are better served and are thereby more often retained.

## Wave goodbye to green screen-based customer interaction

Sdx offers a digital customer engagement platform that can easily be integrated into any legacy IT platform, simplifying interactions between people and organisations with technology that users can understand, and developers can integrate with ease. The Sdx platform allows insurers to embrace a wide range of digital applications, such as switching to paperless forms, creating mobile wallets for travel documents, collecting mobile signatures, and sending notifications via text.

Sdx supports insurers' digital plans in four main ways:

### Compliance and security

With Sdx, all communications, including text messages, emails, and documents, are uniquely identified, encrypted and traced throughout their lifecycle. As customers interact with the information sent to them, Sdx enforces the terms and conditions expressed by the information owner and builds and

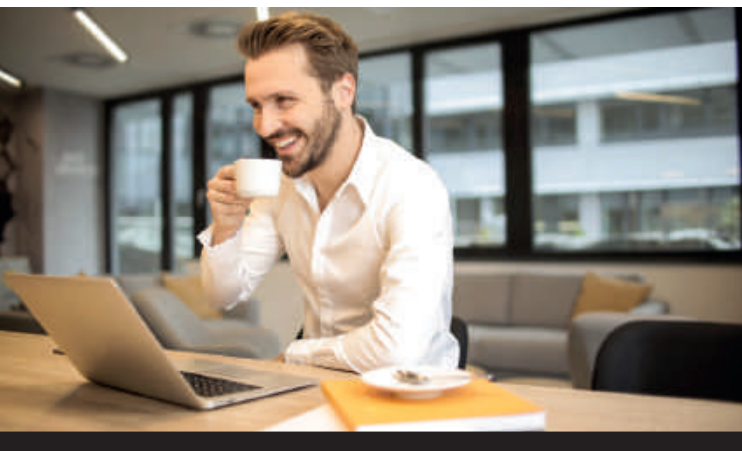
<sup>1</sup> Statista, 2022: Gross premiums written by the insurance industry worldwide 2000 to 2020 (in trillion U.S. dollars). Available at <https://www.statista.com/statistics/273156/gross-premiums-generated-by-the-insurance-industry-worldwide-since-2006/>.

<sup>2</sup> Savan Shah, Insurance Times, March 2, 2021: The Insurance Times 2021 Digital Transformation Report is now available. Available at <https://www.insurancetimes.co.uk/insight/the-insurance-times-2021-digital-transformation-report-is-now-available/1436630.article>.



maintains a comprehensive audit trail.

Not only does this help ensure compliance with standards such as the General Data Protection Regulation law, but also it provides a level of management intelligence far beyond that offered by standard packages such as Google Analytics.



#### **Process Automation**

Sdx integrates with existing systems so insurers can start delivering documentation immediately to a customer's device of choice. In one case, Sdx worked to provide a fully-featured document delivery and collection portal for a company that used a green screen insurance system. Customer interactions were optimised for mobile phone delivery even though the company had no web capabilities of its own. Remarkably, no green screen system source code changes were needed, and the entire project was delivered in five weeks.

#### **Application integration**

The Sdx platform has a REST API that makes integration quick and easy. Typical insurance workflows such as 'Quote and Buy' and 'Renewals' can be implemented in hours or days, rather than weeks or months, so digital services can be introduced speedily and with zero impact on existing business operations.

#### **Customer engagement**

Sdx platforms engage customers on multiple

channels simultaneously, supporting all touchpoints and tracking all customer interactions. In a call centre environment, for example, Sdx can support communication across print, web, email, and mobile using QR codes to deliver environmentally friendly print-and-post services.

#### **The benefits of Sdx**

Sdx is trusted by more than 70 leading enterprises across more than 300 project implementations and has delivered 30 million digital customer engagements in the last 15 years.

Working with some of the world's largest data handlers, Sdx ensures that all security and data compliance is trustworthy and dependable. Since going live in 2016, Sdx Cloud Edition has achieved 99.998% availability.

**Key benefits of adopting the Sdx platform include:**

- Eradicating time-consuming paper documentation and making customer onboarding simpler and faster.
- Reacting quickly to changes by setting up and deploying new services in a matter of days.
- Reaching more customers, allowing any mobile phone user to access services.
- Ensuring regulatory compliance with an audit trail for every process.
- Saving time and money by integrating easily with existing systems.

As well as improving insurance operations and customer engagement, the Sdx platform can help insurers reduce their carbon footprint by:

- Reducing the waste linked to paper and travel by employing digital signatures, online forms, and safe document sharing.
- Eliminating the significant environmental costs of printing, storing, and distributing paper documents.
- Taking away the need for travel associated with face-to-face visits.



## Digital engagement in practice

### Doing away with postal services

FBD Insurance, founded in 1969, is one of the most established names in the Irish insurance market. It has traditionally relied on legacy channels—phone and post—to communicate with customers. At the end of 2019, Ireland’s new Consumer Insurance Contracts Act obliged FBD Insurance to give customers greater levels of pre- and post-purchase information.

And shortly after it came into force a bigger challenge came into view. COVID-19 lockdowns threatened operations at FBD Insurance’s print distribution partner. FBD suddenly faced the prospect of not being able to rely on the postal system—and had to find a quick solution. The obvious answer was to deliver documents digitally. But FBD’s core systems were not suited to the task and there was no time to upgrade to a new IT core.

Instead, Sdx provided an interface between FBD’s existing systems and the digital devices being used by its customers. Sdx was able to add a mobile-based delivery channel to FBD’s existing IT systems. Ultimately, FBD’s fulfilment partner was able to continue operating, but the insurer rolled out its digital channel anyway, giving customers a more convenient and responsive way of communicating with the company.

Customers can now sign documents digitally, and each customer has a digital wallet. “Our ambition is to improve product delivery and increase engagement,” says Áine Kane, Head of IT Change Delivery at FBD Insurance. “Sdx has delivered consistently to plan and is considered an important strategic partner for FBD.”

### Streamlining travel insurance

Millstream Underwriting, part of the Nexus Global group, provides tailored travel, personal accident, and health insurance products for a wide range of consumer groups, focussing on professional trades such as pilots and the police. Travel insurance is a key product for its corporate customers, but making a claim is not always easy. For example, if your luggage is stolen chances are your insurance documents will have been lost too. Millstream wanted to digitally innovate this area.

To do so, it used the Sdx platform to provide a digital travel wallet that travellers could access on their mobiles. This secure wallet can be used to carry travel documents plus passport and driving licence scans as well as itineraries and booking details. The service helped give Millstream a competitive edge in the market while cementing its relationship with corporate clients. The wallet is a platform that can be used for the delivery of other value-added services, such as document validation services.

“We have enjoyed working with Sdx for years,” says Tim Brangwyn, Group Chief Operating Officer at Nexus Group. “As with all strong partnerships, they listen carefully to understand our objectives and evolve with us whilst offering constructive critique and suggestions to achieve the best possible outcomes for Millstream and our customers.”

## Conclusion

As lifestyles become more tuned to convenience, the insurance industry needs to respond. A survey by **Computer Weekly** showed that 95% of insurance customers want more digital products and services.<sup>3</sup> Implementing customer-friendly changes on a legacy system does not mean the business will topple like a house of cards. In fact, it is the opposite.

Sdx offers a cost-effective, low-risk way to immediately digitise front-end services while insurers set about upgrading their back-end systems at leisure. Ultimately, insurers with more sophisticated IT capabilities will have an advantage over competitors in terms of agility, growth, cost ratio and customer satisfaction. But these capabilities need not await a full overhaul of IT systems. They can be obtained today.

## About Sdx

With a million users worldwide and 15 years of expertise, Sdx is perfectly placed to address your day-to-day pain points and help you service your customers as they navigate today’s digital landscape. To see how you can elevate your customer engagement in just seven days, visit [www.sdxmessaging.com](http://www.sdxmessaging.com) to book a demo.

<sup>3</sup> Karl Flinders, Computer Weekly, September 3, 2020: Insurers accept they were slow to adopt digital. Available at <https://www.computerweekly.com/news/252488548/Insurers-accept-they-were-slow-to-adopt-digital>.



#### **About Secure Digital Exchange Limited**

The Sdx platform simplifies interactions between people and organisations, implementing technology that users can understand and developers can integrate with ease. Since our inception we have been trusted by some of the most demanding industry sectors in the world such as financial services, insurance and customer service organisations.

Suite A 6 Honduras Street London EC1Y 0TH 0208 064 0650 [info@sdxmessaging.com](mailto:info@sdxmessaging.com)