



Insurance Corporation of British Columbia Transforms the Online Claims Experience

Auto Insurer Improves Efficiency and Customer Satisfaction with
a Digital Claims Process

CASE STUDY



“We now have 19% of our FNOL going through the online channel. That’s better than we expected. Customers are enjoying using the online FNOL, and customer satisfaction scores are higher than 80%.”

— Gary Eastwood, Chief Information and Technology Officer, ICBC

As the sole provider of basic auto insurance to the residents of British Columbia, Canada, the mission of the Insurance Corporation of British Columbia (ICBC) is to deliver the best insurance coverage at the lowest possible cost. However, key challenges facing ICBC include the increasing severity of claims, a seasonal spike in claims volume, and higher customer expectations for a seamless online claims experience. To address these challenges, ICBC realized that it needed to create a truly digital online claims capability for its policyholders.

Today, ICBC provides auto insurance to more than 2.6 million policyholders and handles more than 900,000 claims per year, with claims volume increasing significantly during the snowy winter months. This seasonal increase in call volume has created efficiency and operational challenges that also negatively affect the quality of customer experiences. According to Gary Eastwood, ICBC’s Chief Information and Technology Officer, “In winter months on a heavy demand day, a customer might have to wait on the phone for 5, 10, or even 15 minutes to file a claim. For any customer who has gone through an accident, it’s a stressful time. The last thing we want to do is have them wait on the phone for customer service.”

To address these challenges, ICBC sought to develop an online claims system that would be intuitive and easy to use for policyholders. In discussing the reason that ICBC selected Guidewire CustomerEngage™ to power its online claims experience, Eastwood explains, “We wanted to work with somebody who had done this before so we could leverage their experts. We didn’t know what we didn’t know. But we did know that we’d had good success with our Guidewire ClaimCenter™ and Guidewire PolicyCenter™ implementations.”

Eastwood adds, “One of the key benefits we saw in CustomerEngage was that we could pull a lot of the work—those processes that we find already within ClaimCenter—seamlessly through to the digital tools. We weren’t duplicating effort and we weren’t having to manage two full systems going forward. It just made sense for us to go with Guidewire. Today, it’s very much a partnership.”

ICBC: A Customer-Centric Organization

Customer centricity has always been a vital component of the ICBC mission. In reflecting on the success of the ICBC claims implementation, Eastwood highlights the importance of two key factors: speed-to-market and customer input. “Our approach was to get to market quickly with a minimal viable product that would allow us to test and learn. We worked together with Guidewire and completed the implementation against an aggressive timeline.”

Equally important to the development process was the role of customer feedback. Eastwood says, “When it comes to claims, ‘less is more.’ Based on feedback, we optimized to limit the number of core questions and offer users an easy-to-use drop-down ‘pick list’ that lets them proceed quickly through the process. A few open-ended questions allow policyholders to provide as much detail as they wish.”



Headquarters

Vancouver, British Columbia, CA

Operations

British Columbia, CA

Business Lines

Commercial, Personal

Employees

5,200

Website

www.ICBC.CA

Products

- Guidewire CustomerEngage™
- Guidewire ClaimCenter™
- Guidewire PolicyCenter™

Benefits

- 80%+ customer satisfaction scores
- 56% online status check
- 19% online FNOL
- Improved scalability and efficiency

Today, ICBC policyholders are realizing the benefits of the new online claims system. According to Eastwood, “Policyholders who choose to go online are often initiating the claims process more quickly than they would be able to otherwise, and that improves their experience. In addition, because policyholders are entering the data themselves, the online claims system reduces data errors that can occur when a representative must re-key information during a call. All of this improves the accuracy and speed of the claims process.”

For policyholders, an additional benefit of the new online claims system is the way it enables an improved cross-channel customer experience. Eastwood notes, “If a customer starts the FNOL process online and then has a question or wants to stop, they can pick up the phone and call. And when the customer reaches the agent, the representative can pull up that partially completed claim and have the information at hand. The policyholder is not forced to repeat information they’ve already entered into the system. As a result, we can complete that transaction more quickly and deliver a much richer, much better experience for the customer.”

In addition to improving the experience for policyholders who choose to file a claim online, the new capability helps ICBC address the challenge of peak demand periods. According to Eastwood, the online claims channel effectively helps relieve demand that previously flowed entirely to the call center. The result, he says, is better service for those policyholders who call. “Representatives now have more bandwidth to spend time and attention on complex claims situations.”

Test and Learn: The Importance of MVP in Delivering a Successful Claims Implementation

Reflecting on the lessons learned during the successful claims transformation, Eastwood offers a few words of advice for insurers looking to improve their claims experience. “Get started. The critical element is to get a minimal viable product to market and then test and learn,” he says. The benefit of this approach, he adds, is that it “allows an insurer to get ‘real’ user experience, witness how the policyholders use the technology, identify any unmet needs, and optimize. For us, it was critical to get to market and observe how customers chose to interact with the software and then use that as a basis to make improvements. Too many insurers focus on developing the perfect product, and then it’s 18 months later and they’re still mucking about.”

Delivering Results: A Claims Transformation That Exceeds Expectations

In summarizing the early success of the online claims channel, Eastwood notes that policyholder adoption of the channel has exceeded expectations. “Today, the online claims channel accounts for 19% of all ICBC first notice of loss (FNOL) claims submitted by policyholders.” In addition, 56% of all claimants are now checking their claims status online. The online status capability has significant value to policyholders. “Being able to log in directly,” Eastman says, “individuals can now understand where they are in the claims process, who has been assigned the file, and how to contact a stakeholder like the adjuster if needed.” In addition to adoption, customers are expressing satisfaction with the claims experience. “Customer satisfaction scores are higher than 80%,” he explains.

What’s Next for ICBC: Technology-Driven Customer Experience

As he looks forward, Eastwood believes that technology will continue to play an ever-increasing role in how ICBC delivers on its commitment to policyholders. “Our vision is to continue to optimize and deliver a superior customer experience,” he concludes. “Connectivity and data will likely play a larger role in helping connect stakeholders in the insurance ecosystem. Our goal will be to use real-time data to connect with third parties such as auto rental and repair vendors to deliver truly ‘straight-through’ claims processing and make the customer claims experience easier and faster.”

About Guidewire Software

Guidewire delivers the industry platform that Property and Casualty (P&C) insurers rely upon to adapt and succeed in a time of accelerating change. We provide the software, services, and partner ecosystem to enable our customers to run, differentiate, and grow their business. We are privileged to serve more than 350 companies in 40 countries. For more information, please visit www.guidewire.com and follow us on twitter: @Guidewire_PandC.