

Claims Customer Service Report

20 percent of Americans who have filed property or casualty claims during the past three years are not satisfied with the way their insurance companies handle their claims, according to results of a survey released this week by Accenture and SAP. In addition, 67 percent of respondents said they think it is important for their insurance companies to provide the ability to check the status of claims online.

Consumers' dissatisfaction regarding claims service significantly increased with the number of claims representatives they had to speak with during the course of their claims settlements. Survey respondents who spoke to three or more people at their insurance companies during the course of claims were nearly five times as likely to be dissatisfied with their claims experience as those who spoke to only one or two claims personnel – 49 percent versus 10 percent. Three-fourths (75 percent) of respondents said they would prefer to speak to only one person from their insurance companies about their claims.

Respondents with more complex claims experiences were more likely to negatively rate their claims experiences. Negative claims experience ratings were highest for claims that took more than 20 days to be re-

solved (40 percent compared with 20 percent overall); claims that resulted in recovery of less than half of their losses (28 percent); and claims that involved auto-related injuries (39 percent).

"Insurers need to continue to implement new automated claims technology to help further expedite the process and improve the customer experience," said Michael Lucarini, a partner in Accenture's Insurance practice. "The most significant opportunities to improve claims customer satisfaction are reducing the carrier-to-customer interactions required to handle high-frequency, low-severity claims and keeping the customer more informed on longer, more-complex"

"Consumers are demanding easier and more efficient methods for filing their claims," said Peter MacPherson, vice president, Insurance business unit, SAP America, Inc. "Innovative technology is crucial to help insurers meet growing customer demands for simpler claims filing processes. Insurers who leverage the Internet as a tool for consumers to manage their claims will gain a competitive advantage as well as reduce their operational expenses."

Additional survey findings:

-Respondents based their claims satisfaction levels on several elements, giv-

ing top priority to the perceived fairness of the settlement (selected as the top priority by 45 percent of respondents), followed by responsiveness of claim representatives (19 percent) and speed of the settlement (19 percent).

-Eighty-one percent of consumers polled said they would file online if it would expedite the claims settlement process.

-Nearly one in five (17 percent) respondents said their claims experiences would keep them from referring their insurance companies to friends.

-The two most important concerns of respondents when settling property/casualty claims were that premiums would increase because of the claims (42 percent) and that they would not receive the full value of the claims (26 percent).

Accenture and SAP announced the results of the survey this week at the 2005 ACORD LOMA Insurance Systems Forum in Orlando

