



BUSINESS CHALLENGE I

BOSTON CONSULTING GROUP

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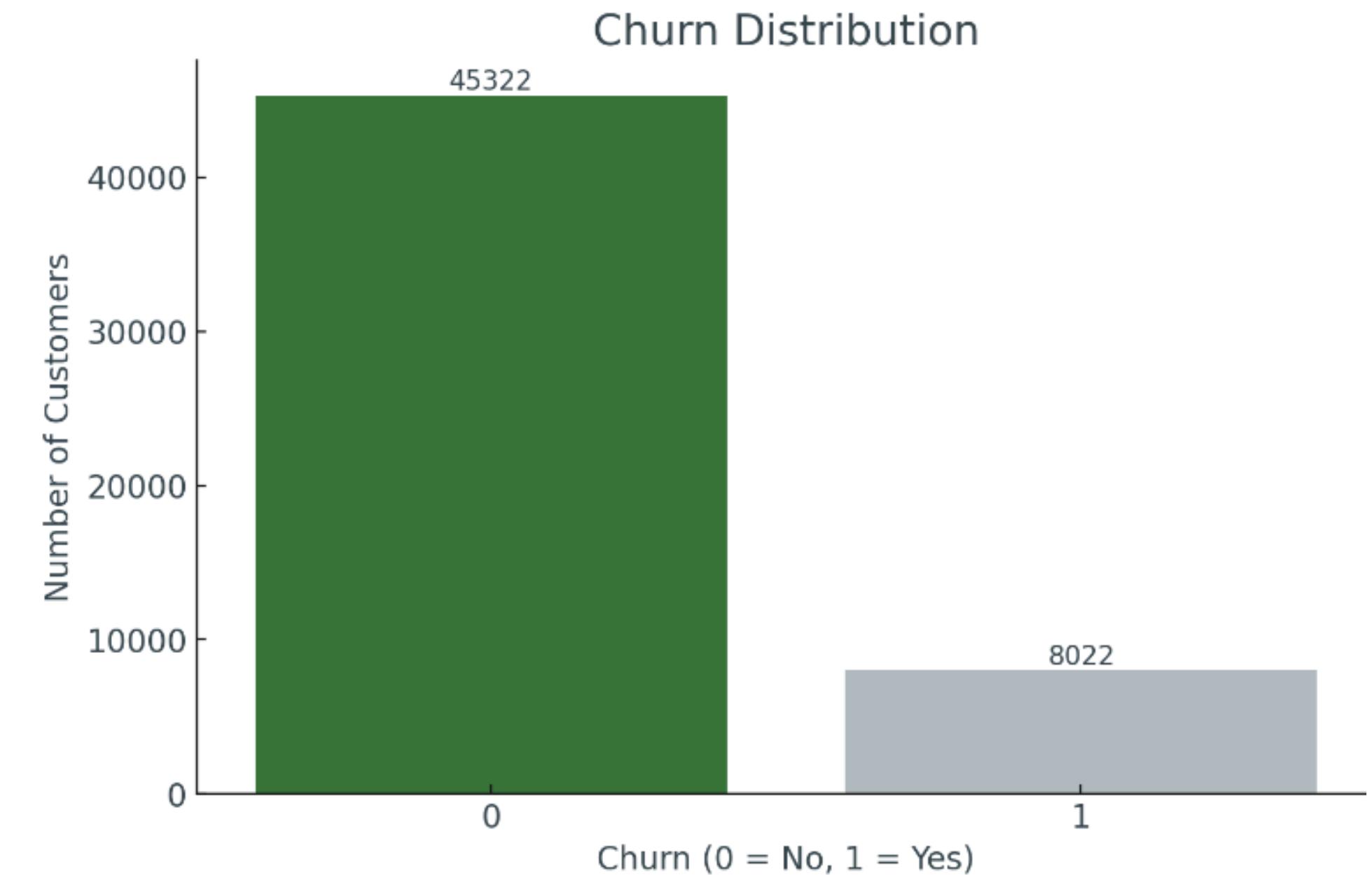
CUSTOMER CHURN PREVENTION

Impact:

- **Revenue**
- **Customer loyalty**
- **Growth opportunities**

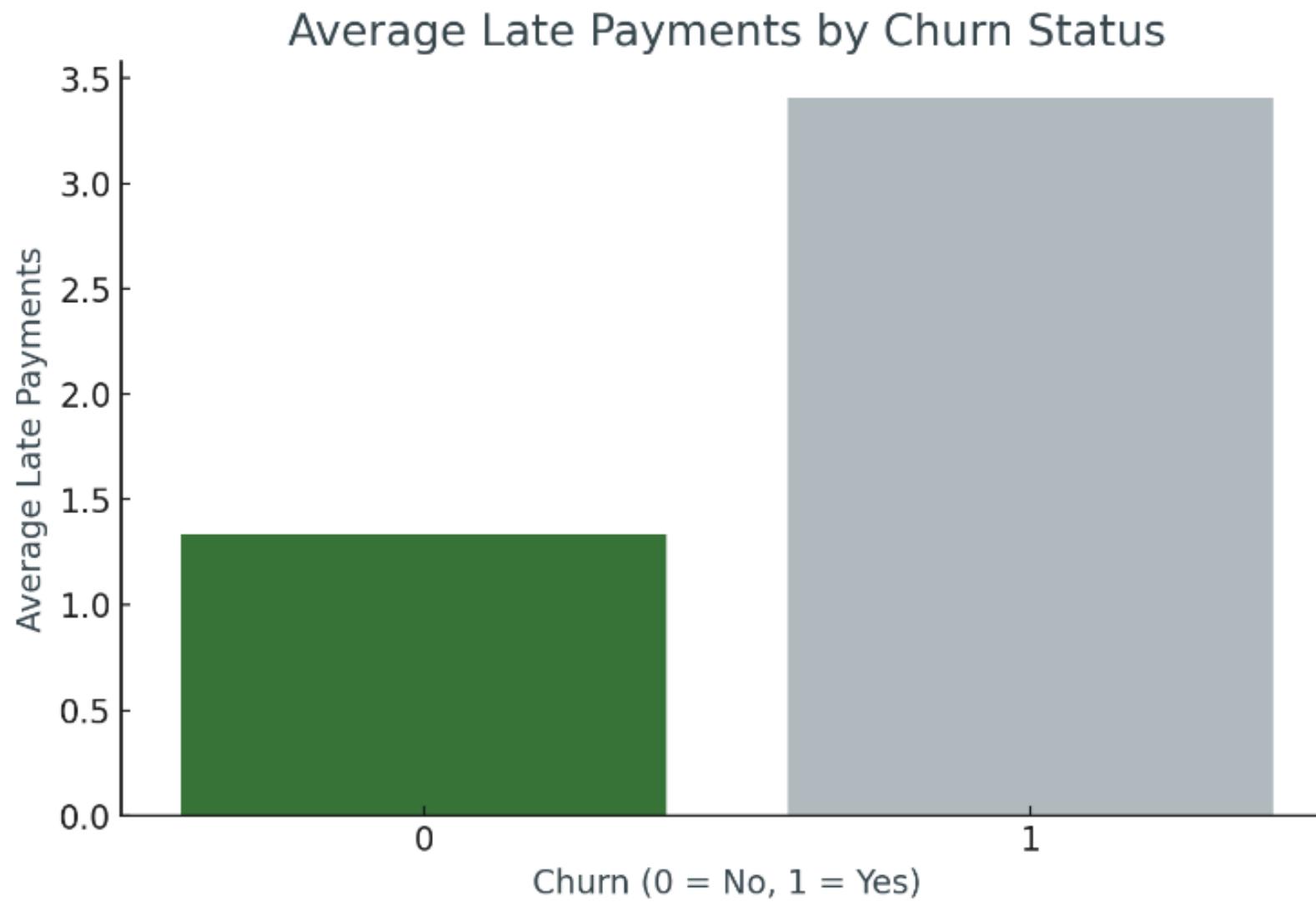
Approach

Data Exploration

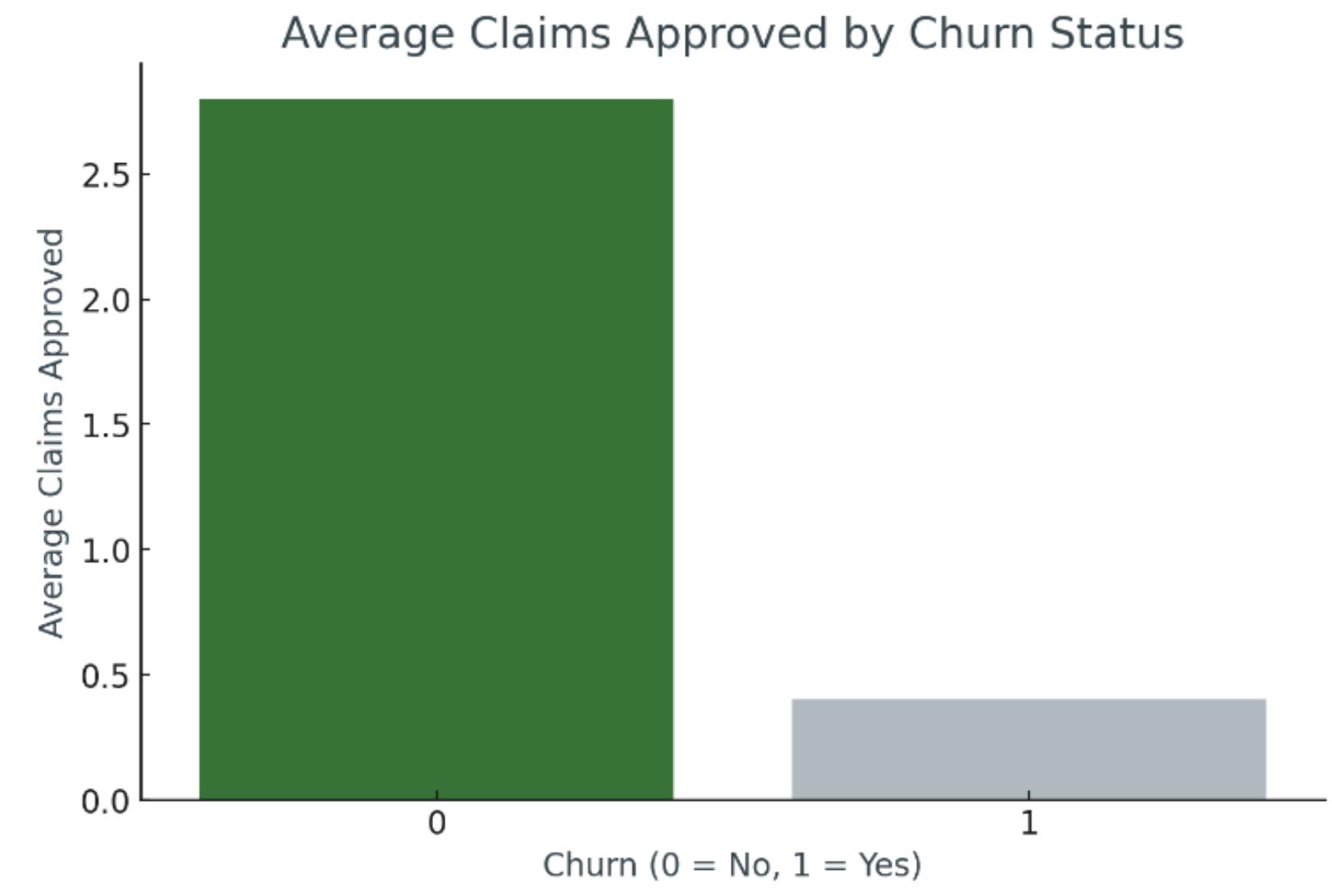


DATA INSIGHTS

KEY DRIVERS OF CHURN

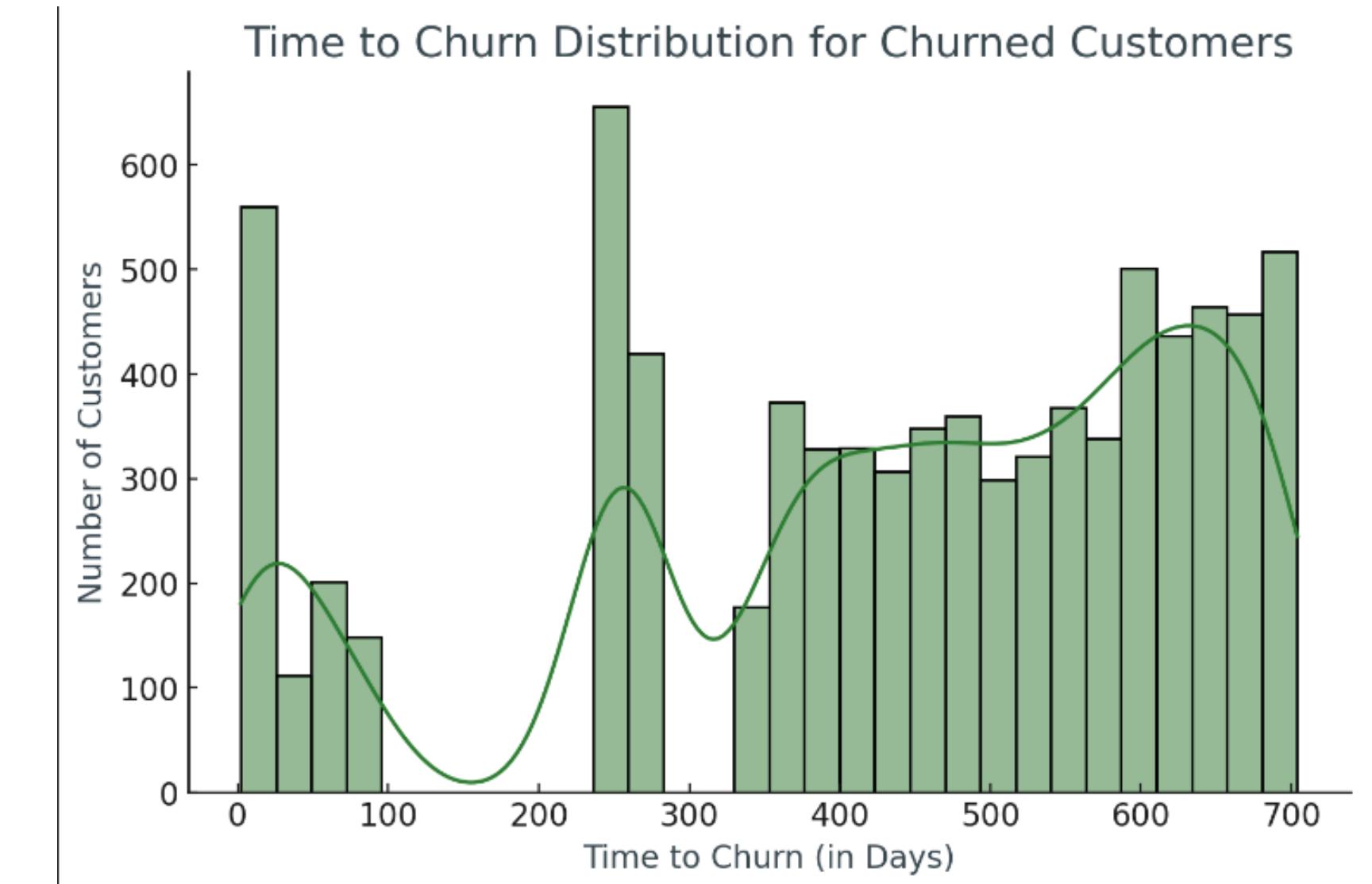
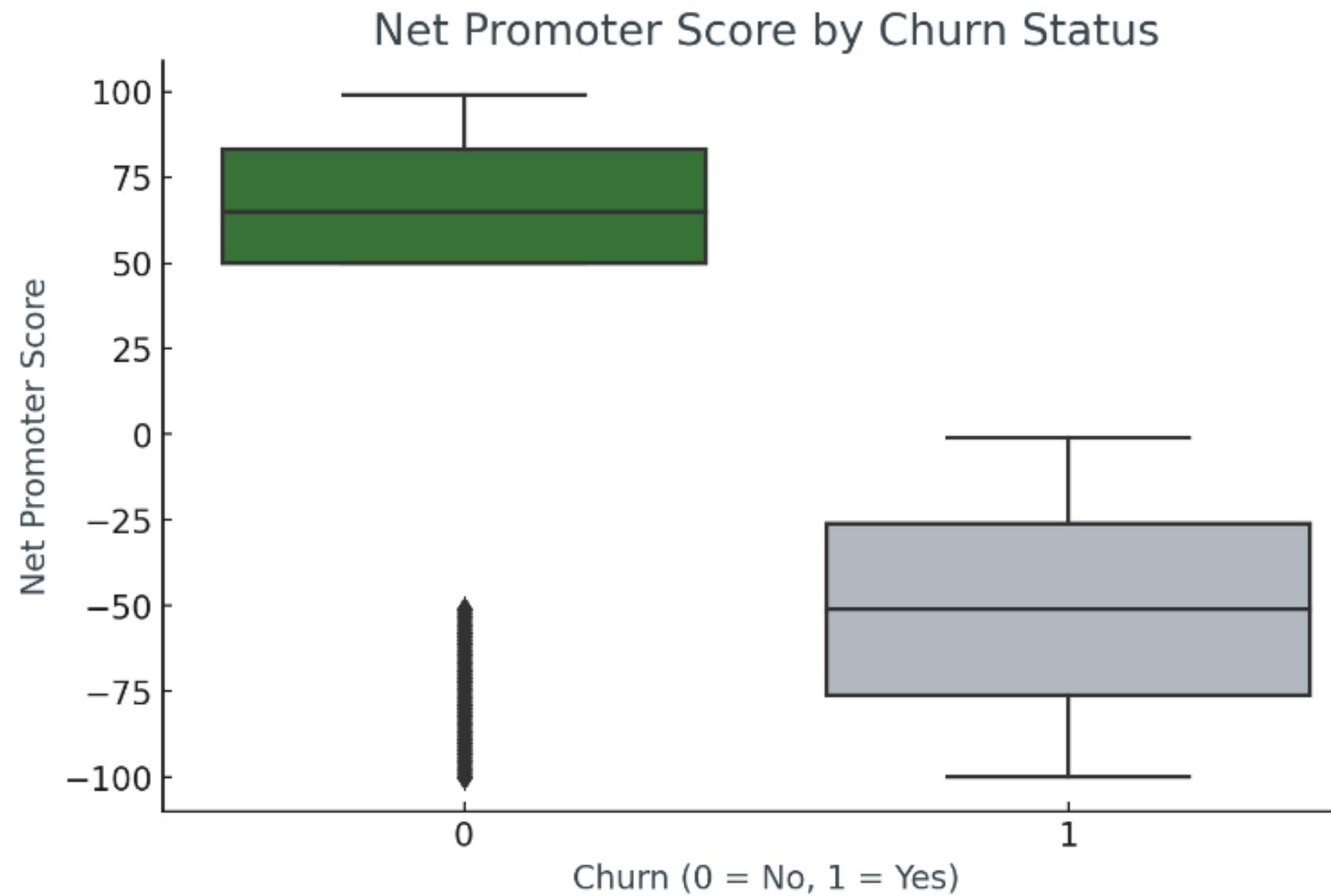


Payments (Missed or Late)



Claims (Approved or Rejected)

CHURN DESCRIPTIVE

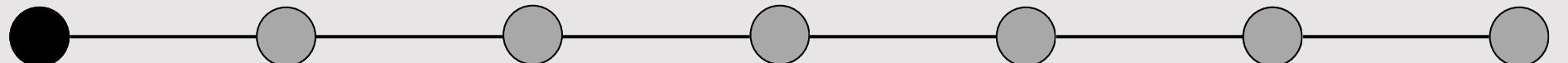


CUSTOMER PERSONA

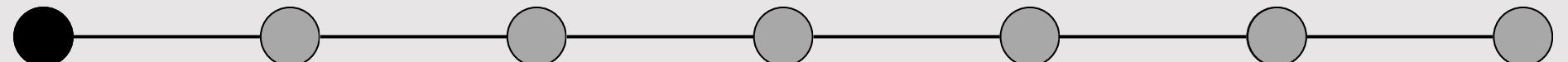
Customer Personality Slider



Payment Missed



Customer Complaints



Net Promoter Score



Claims Approval



Maria

Loyal and Engaged

Profile

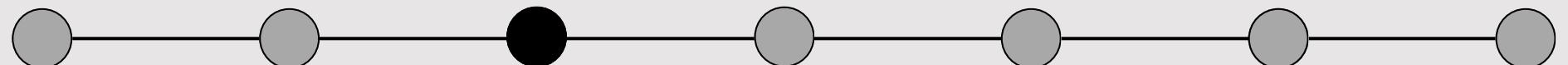


- Highly engaged with the platform
- Premium subscriptions
- Positive overall experience

Customer Personality Slider



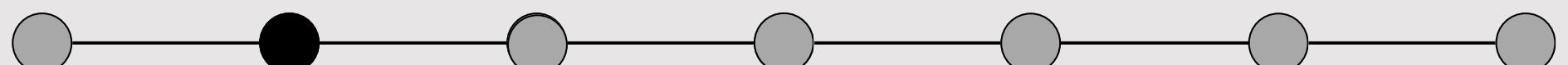
Payment Missed



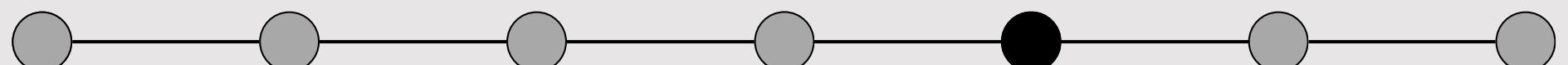
Customer Complaints



Net Promoter Score



Claims Approval



Charles

Struggling and Frustrated

Profile

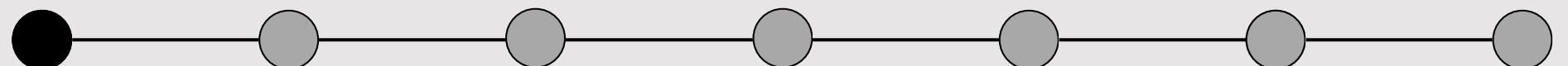


- Moderated engagement, with friction points
- Primarily use of family suscriptions
- “Claims” being their frequently drop off pages

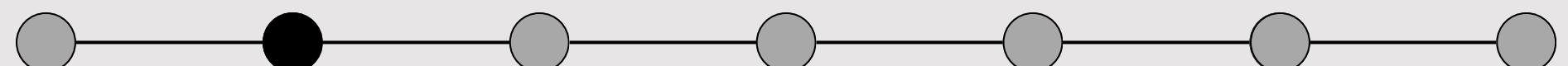
Customer Personality Slider



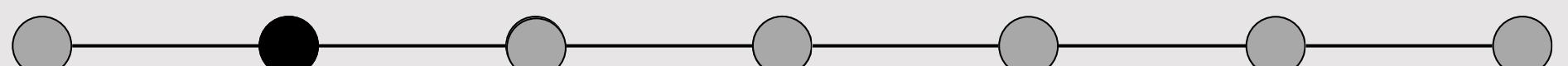
Payment Missed



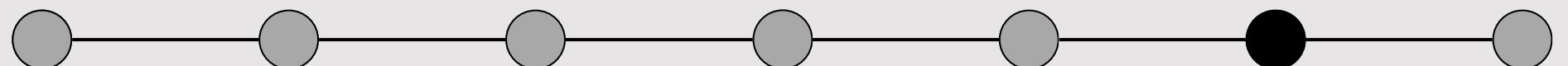
Customer Complaints



Net Promoter Score



Claims Approval



John

Moderately Engaged but Dissatisfied

Profile

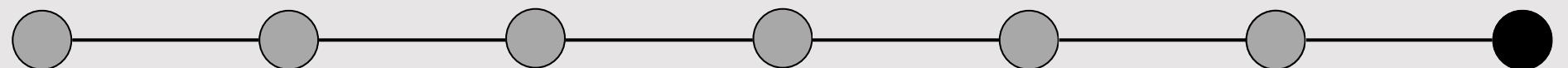


- Low churning risk but strong dissatisfaction
- Free subscriptions
- Rely heavily on online channels

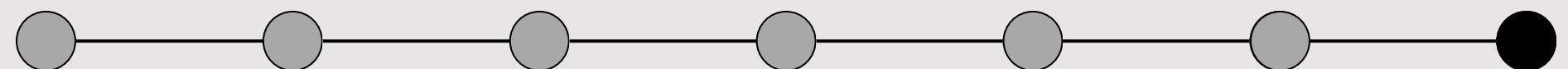
Customer Personality Slider



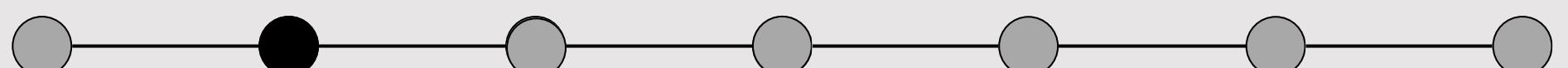
Payment Missed



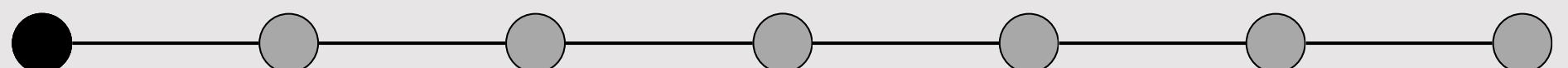
Customer Complaints



Net Promoter Score



Claims Approval



Regina

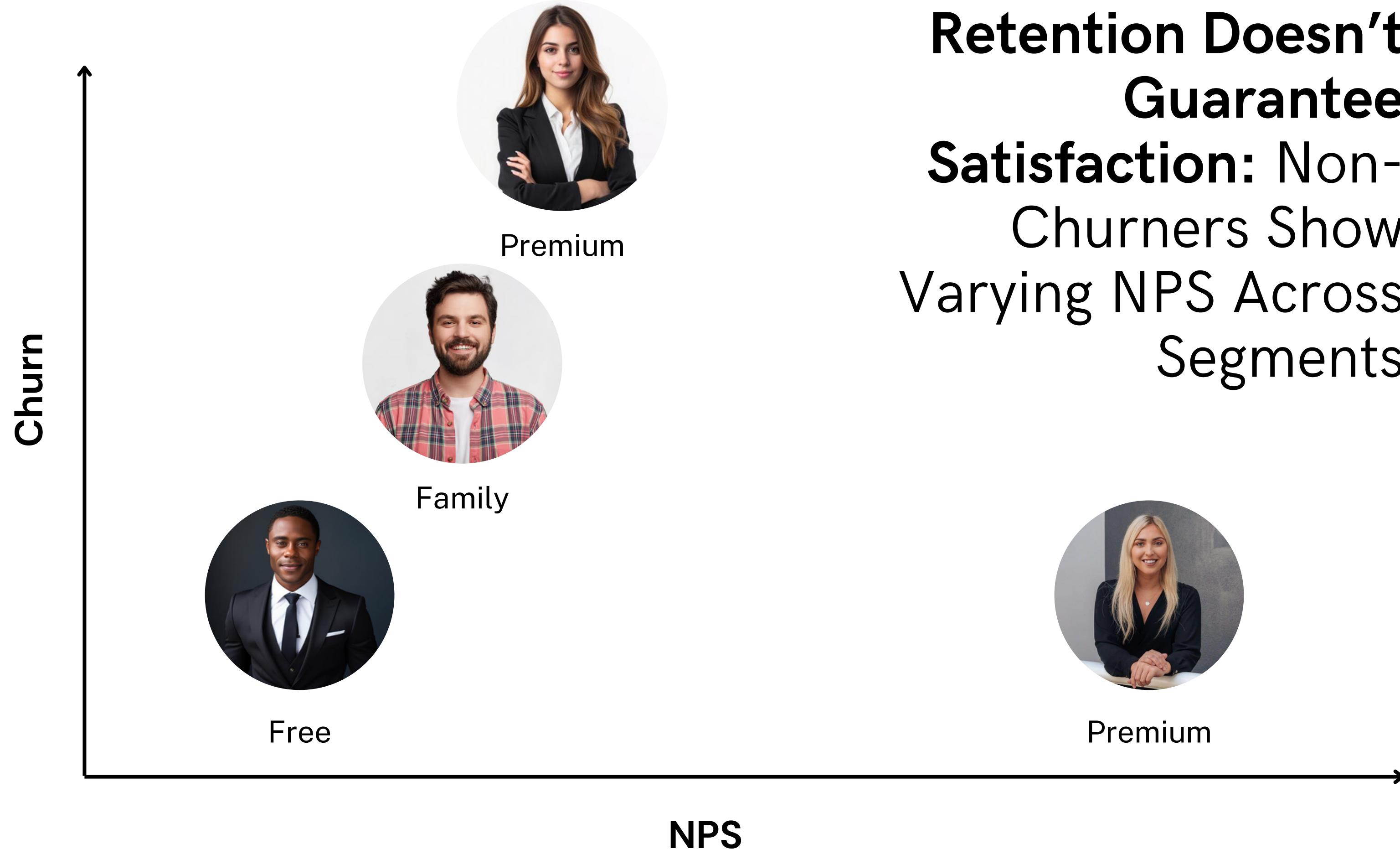
High Risk Churner

Profile

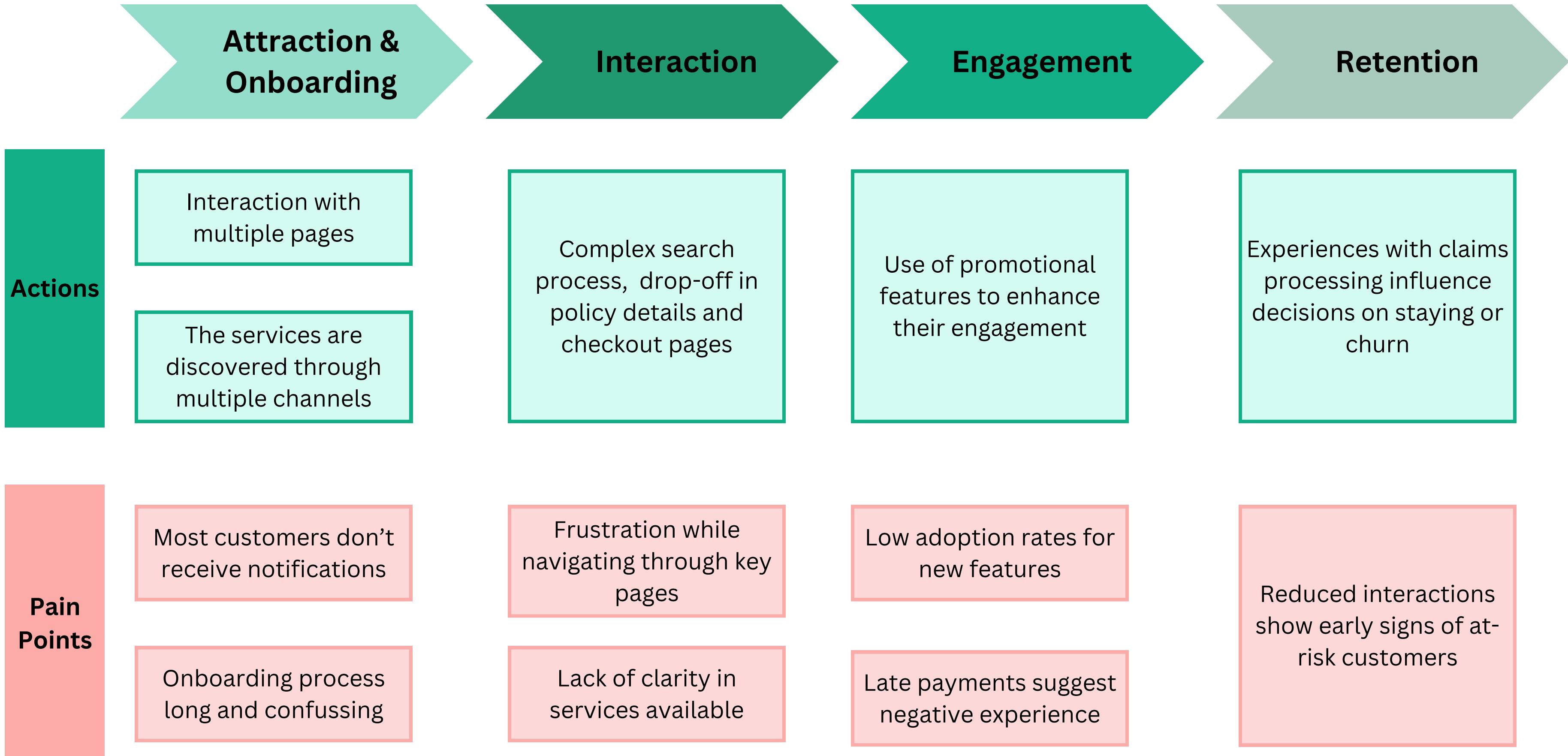


- Users face significant challenges
- Predominantly low-tier subscriptions
- There is engagement with the platform

Retention Doesn't Guarantee Satisfaction: Non-Churners Show Varying NPS Across Segments



CUSTOMER JOURNEY



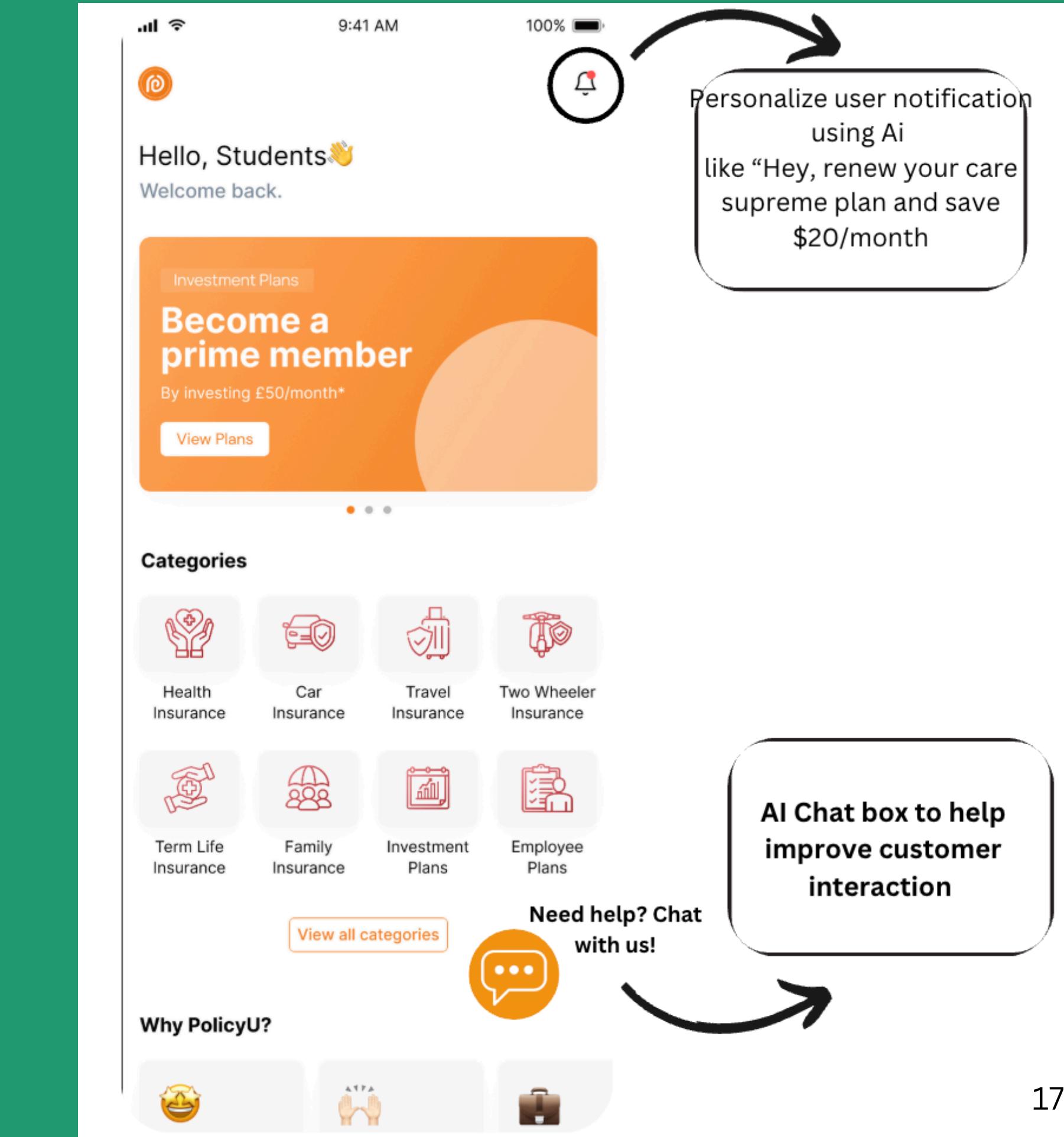
PROTOTYPE ANALYSIS

"Customer experience is a fundamental way to drive growth and core business outcomes." — Boston Consulting Group



PolicyU

App Fixes and UX Improvements



App Fixes and UX Improvements

The diagram illustrates the flow and feedback loop between two mobile application screens for PolicyU.

Left Screen: Your Claims

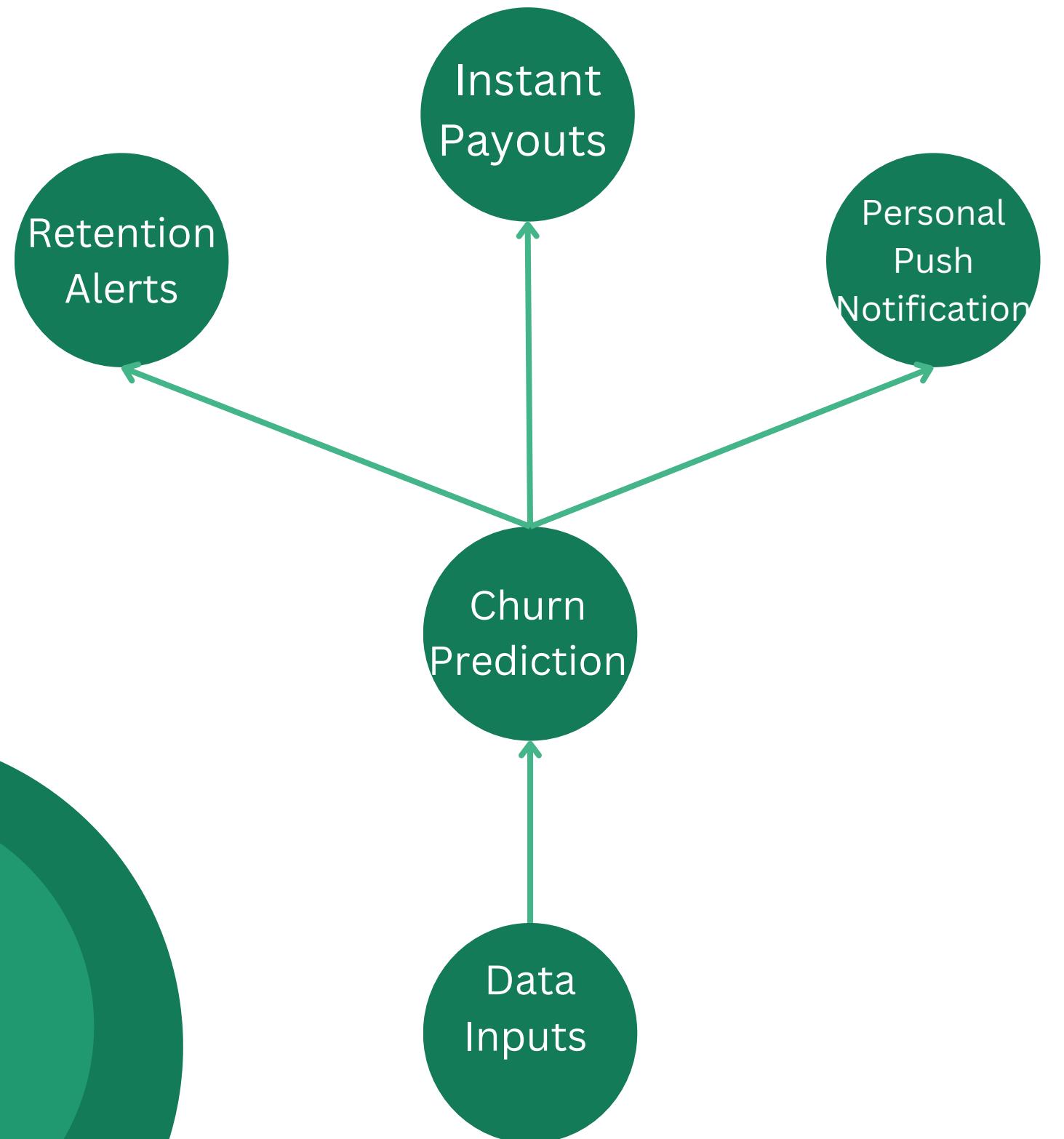
- Header: PolicyU, 9:41 AM, 100% battery.
- Section: Your Claims
- Text: List of Claims, No claims found.
- Text: undefined, Uncaught TypeError: Cannot read property 'toUpperCase' of undefined.
- Three horizontal progress bars (gray, green, red) with diagonal hatching.
- Bottom button: Go Back.

Right Screen: Your Account

- Header: PolicyU, 9:41 AM, 100% battery.
- Section: Your Account
- Text: This process should also include Editing Your Account page to include the Account information.
- Text: <No account options available>
- Icon: A calculator with a dollar sign inside it.
- Bottom button: Go Back.

Annotations and Flow

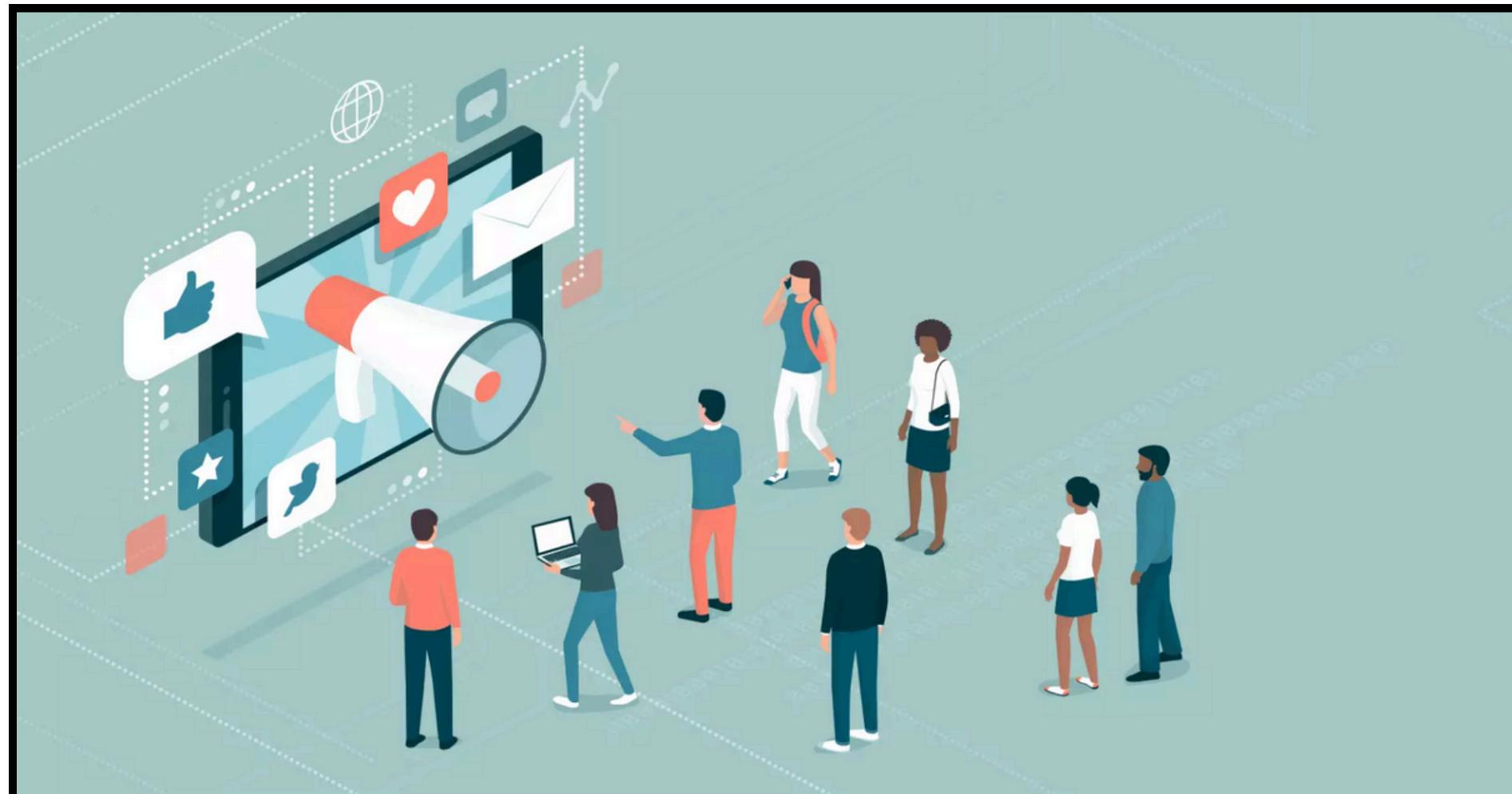
- A curved arrow points from the "Your Account" screen back to the "Your Claims" screen.
- A curved arrow points from the "Your Claims" screen to the "Your Account" screen.
- A callout bubble on the "Your Account" screen states: "To enhance user experience, fixing the TypeError bug in the claims section is critical to ensure smooth functionality and eliminate disruptions during claims management".
- A callout bubble on the "Your Account" screen states: "This process should also include Editing Your Account page to include the Account information".
- A callout bubble on the "Your Account" screen states: "<No account options available>".

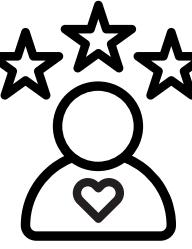


CHURN PREDICTION MODELS

Example: "We've noticed you might need help managing your policy. Talk to us to avoid disruptions."

ENHANCING ENGAGEMENT



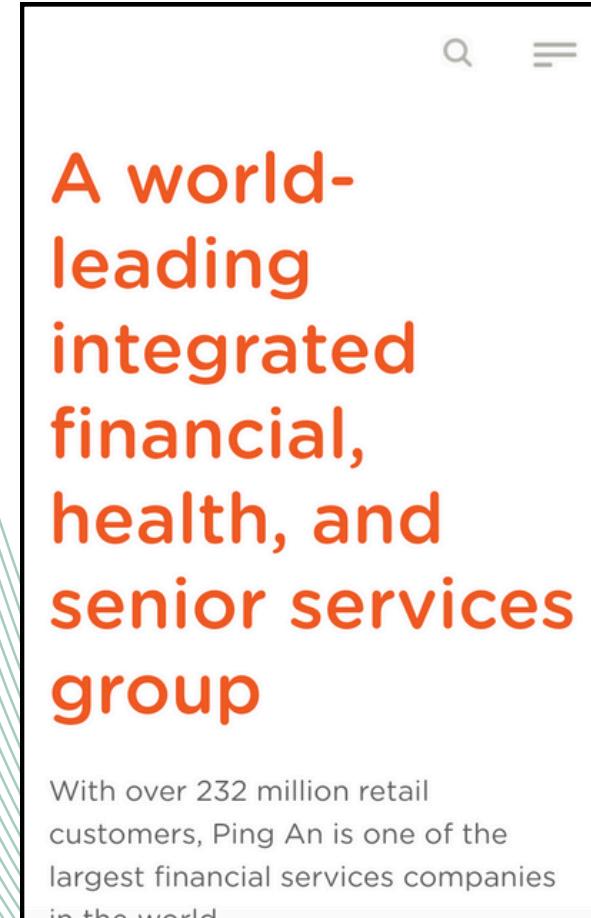
-  → Gamify Experience by establishing reward system
-  → Health and activity rewards
-  → Tiered reward system for long term users
-  → Build your own Coverage
-  → Pay as you go options

Going beyond insurance to build loyalty by doing telehealth Integration allowing users to consult doctors virtually through the APP

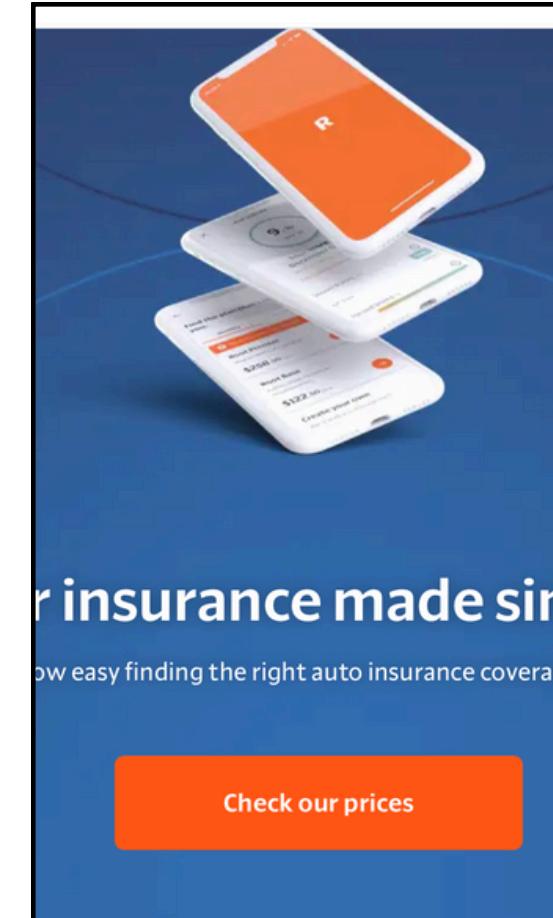
BEST PRACTICES FROM COMPETITORS



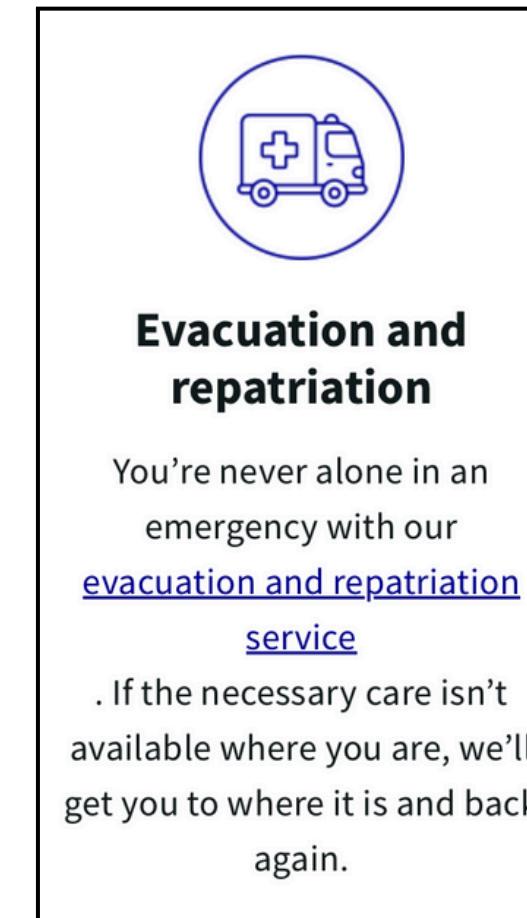
Lemonade donates unused premiums to charities chosen by customers, promoting a **socially responsible model**.



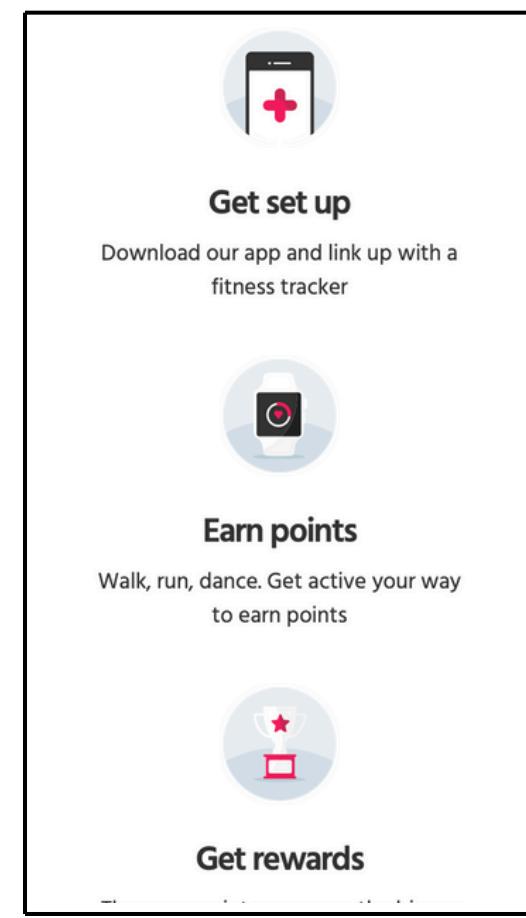
Ping An integrates **AI-based health diagnostics** within its app, allowing users to identify medical conditions early.



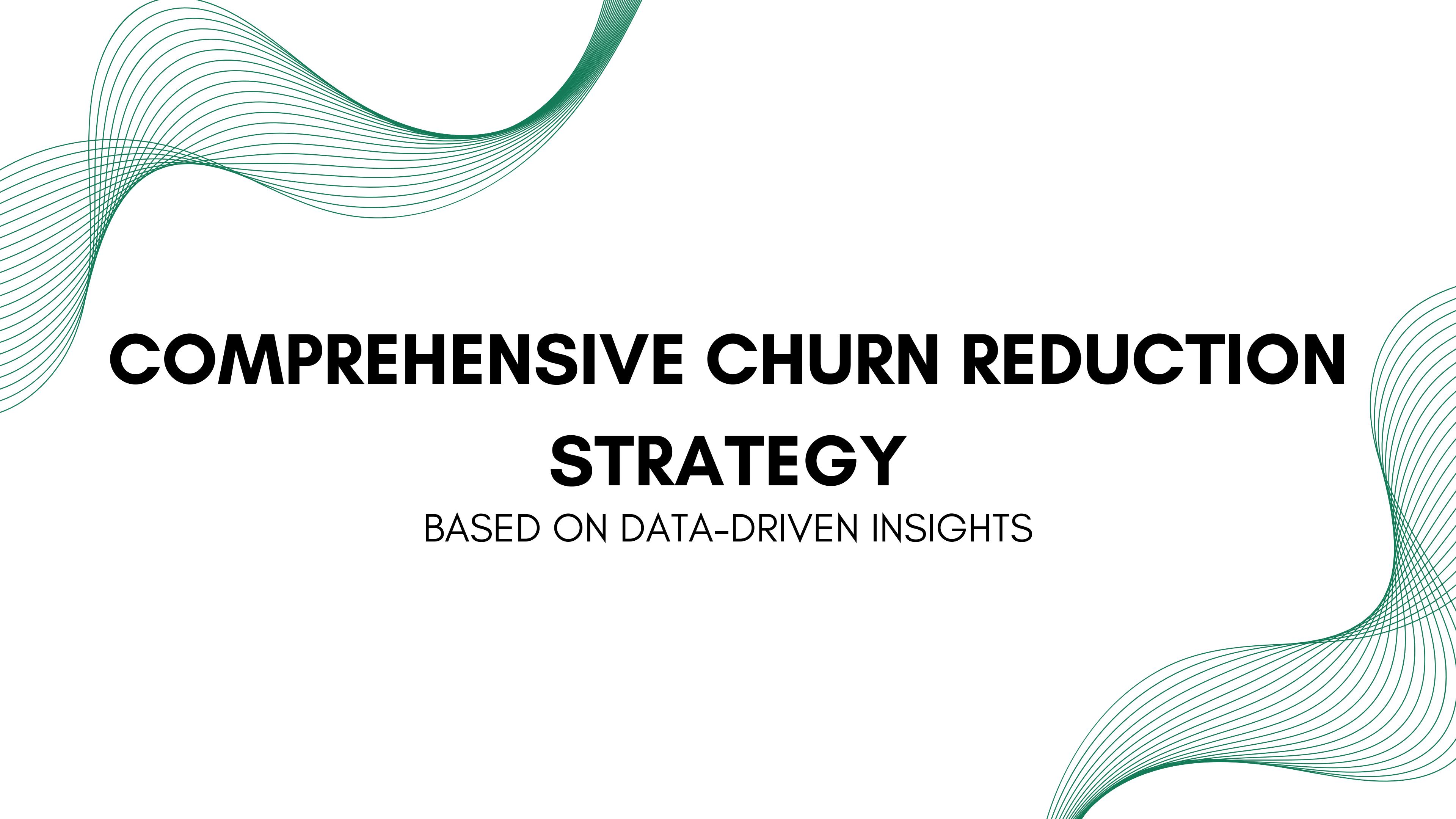
Root uses **telematics (data from mobile sensors) to monitor driving habits**. Premiums are calculated based on actual driving behavior rather than demographics.



AXA offers policies that **pay out automatically** based on **external data triggers**, such as weather conditions for travel insurance.



Vitality Insurance sets a benchmark in customer engagement by offering **health bands and rewarding users** with discounts for maintaining better health.



COMPREHENSIVE CHURN REDUCTION

STRATEGY

BASED ON DATA-DRIVEN INSIGHTS

STRATEGY #1: REDUCING CHURN - IMMEDIATE AND STRATEGIC ACTIONS

| CHURN DRIVER | REACTIVE ACTIONS (QUICK WINS) | PROACTIVE ACTIONS (STRATEGIC PREVENTION) |
|---|---|--|
|  Missed Payments | Multi-channel, automated alerts; gamify payment behaviour | Financial wellness tools, personalised payday reminders/customisations |
|  Late Payments | Tailor follow-up messages based on behavioural data | Introduce tiered affordability plans, monitor pre-payment engagement trends |
|  Customer Complaints | Fast-track resolution, automation | Implement a Voice of the Customer (VoC) platform , resolve complaints ASAP. |
|  Claims Approval Delay | Faster claims approval | Smart survey that pre-filters claim management |

We expect **15-20% churn reduction** in less than 6 months by picking the low-hanging fruit and implementing proactive tools.

STRATEGY #2: IMPROVING FREE TIER TO DRIVE UPSELL OPPORTUNITIES

Why?

-> Free customers represent **≈ 10% of all customers** but **over 20% of all churned customers**

Tactics

- > Introduce **progressive time-limited premium features**
 - + Loyalty rewards + App Gamification
- > **Beyond-app solutions:** telematics, wearable tech, etc.

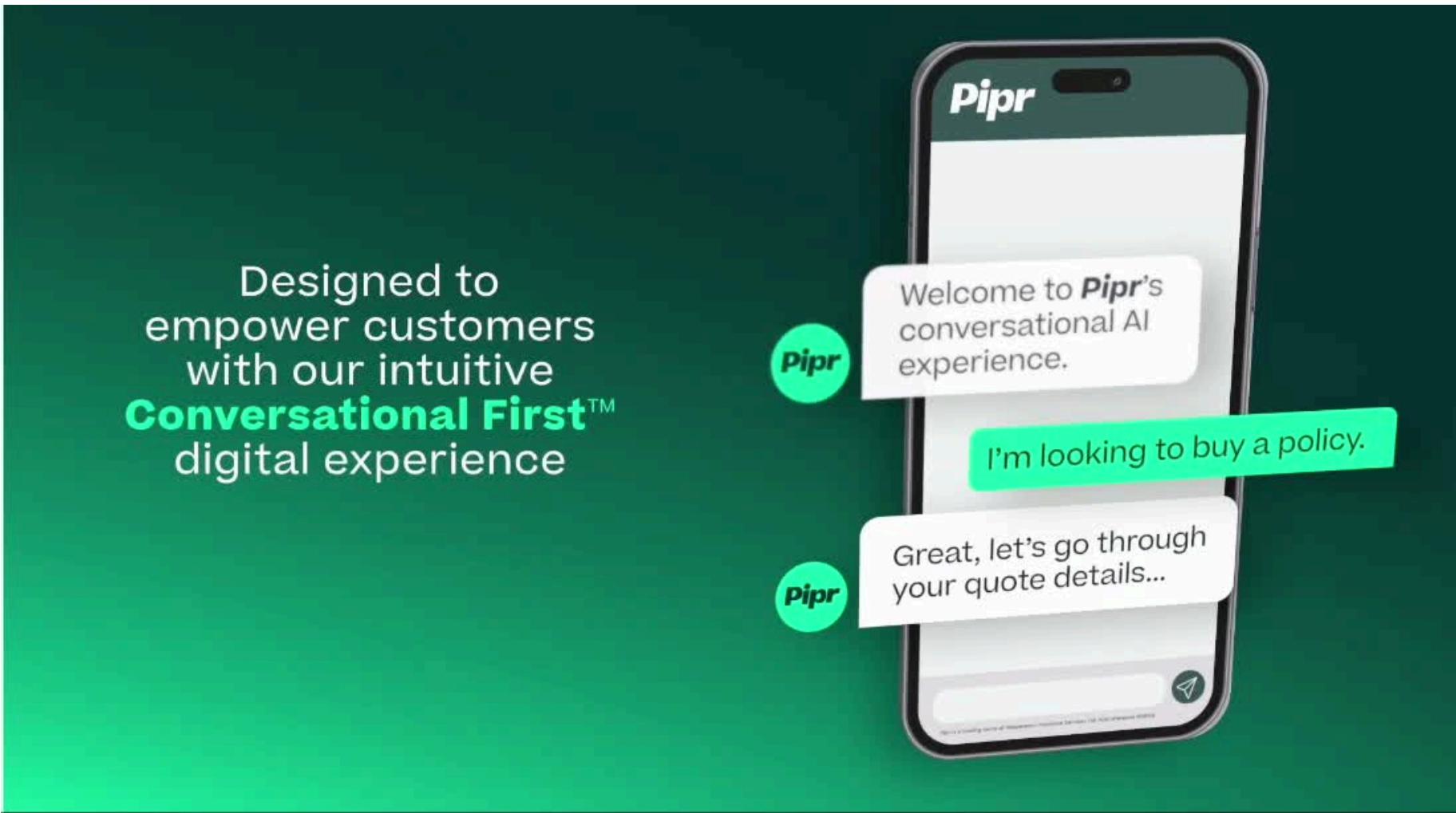
Free-tier issues

- > **Limited features** and incentives for retention
- > Absence of personalised offers or beyond-app value

Target Outcomes

- > **Upsell conversion rate** improvement by **15%**
- > **Reduced-free tier churn** by offering tangible value and beyond-app solutions

STRATEGY #3: UNLOCKING VALUE THROUGH PEPPERCORNAI PARTNERSHIP



Source: [PeppercornAI](#)

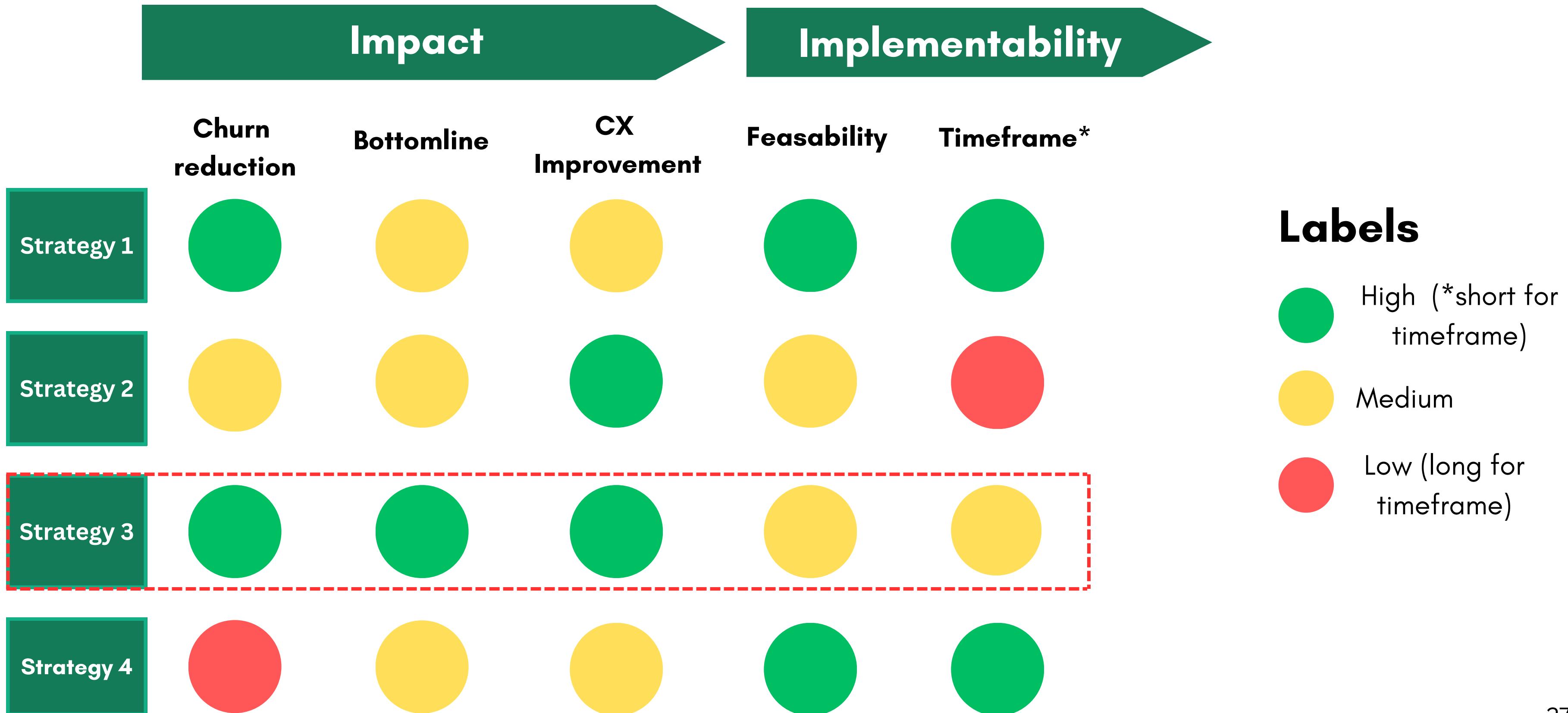
-  → **7 weeks integration** with new PAS
-  → **Low expense ratio: 1:5,000+** agent to policyholders
-  → **4.8 reviews.io rating** (+21k customers) = **Higher NPS**
-  → **100% uptime**
-  → **Lower loss ratios:** Automated pre-sale underwriting

Partnership with PeppercornAI creates a competitive advantage while increasing operational efficiency, reducing cost, and delivering a seamless CX

BCG STRATEGY#4: RE-ENGAGEMENT STRATEGY

| FOCUS AREA | KEY STRATEGY |
|--------------------------------------|--|
| Personalised Communication | Leveraged multi-channel, personalised campaigns based on previous customer segmentation to tailor messages. |
| Value Demonstration | Demonstrate benefits of upgraded services. Target campaigns addressing their pain points. |
| Trust Reinforcement | Highlight real customer testimonials . Provide customers with easy-to-access, blockchain-based records of claims and policy updates. |
| Feedback and Loyalty Programs | Integrate churned customers input and a " You Spoke, We acted " section in the app. Gamify loyalty. |

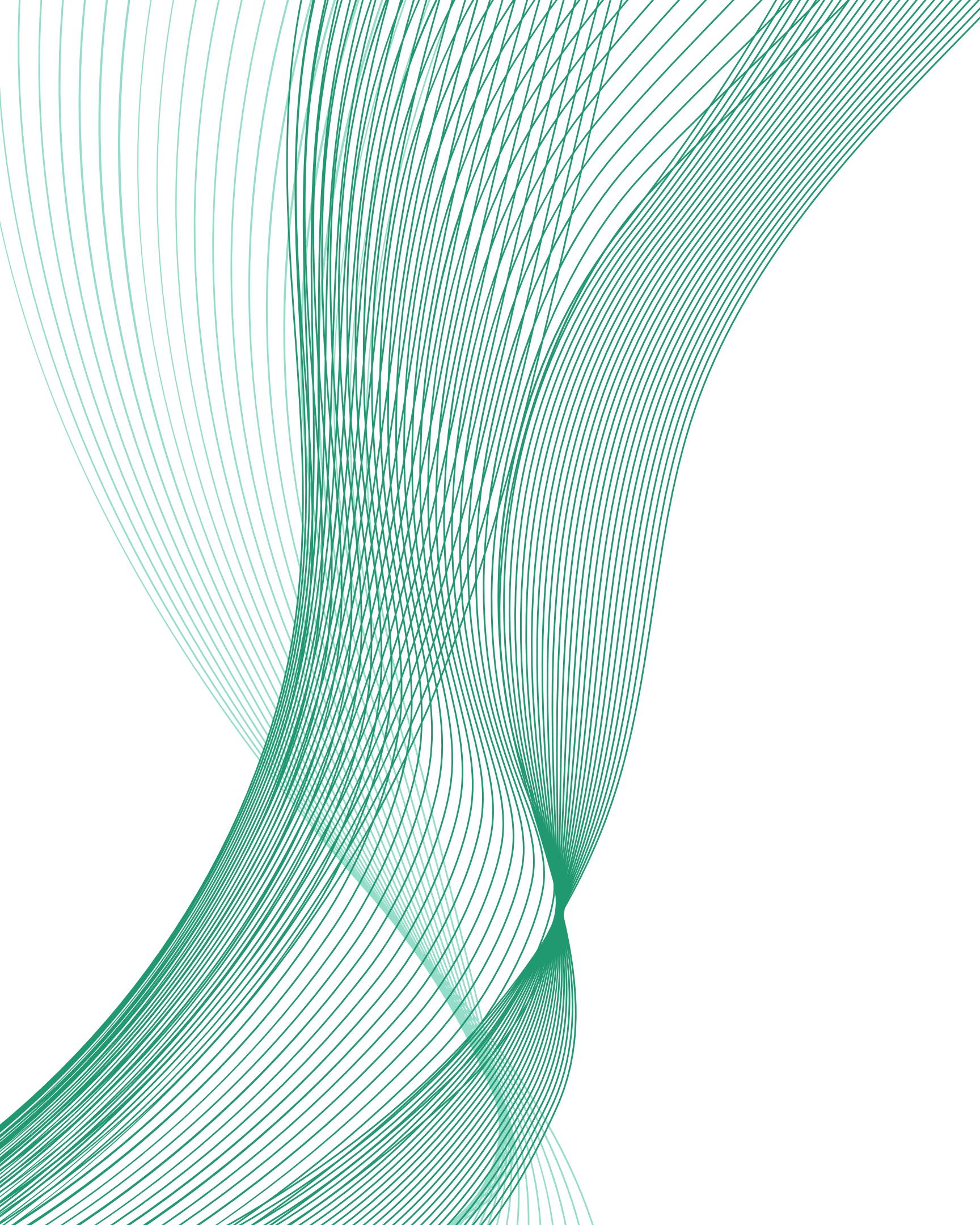
RECOMMENDATIONS SUMMARY



A large, abstract graphic on the left side of the slide consists of numerous thin, light-green lines that curve and overlap, creating a sense of depth and motion. The lines are more concentrated in the lower half of the frame, tapering off towards the top.

THANK YOU |

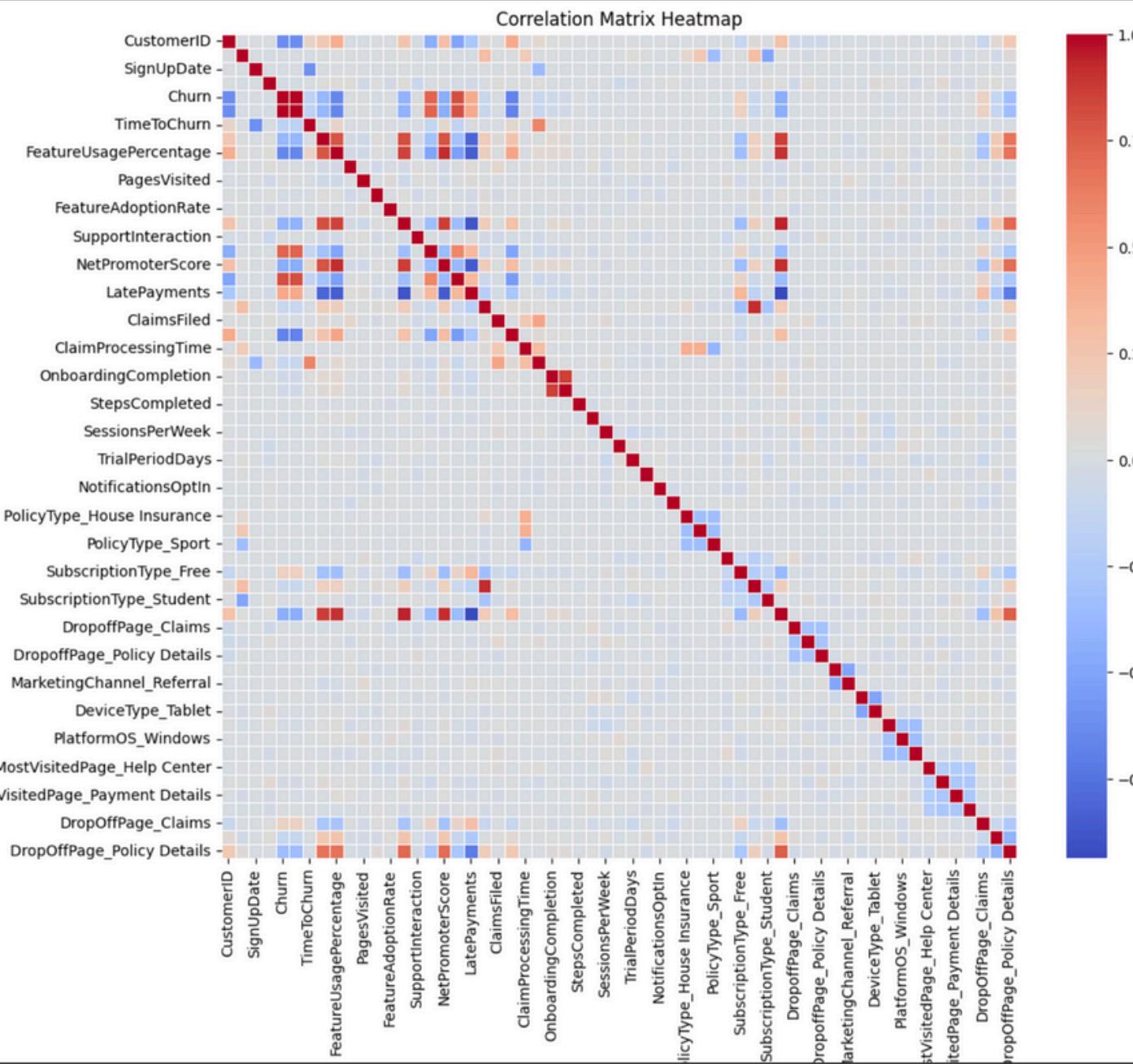
Q&A



APPENDIX |



CORRELATION MATRIX



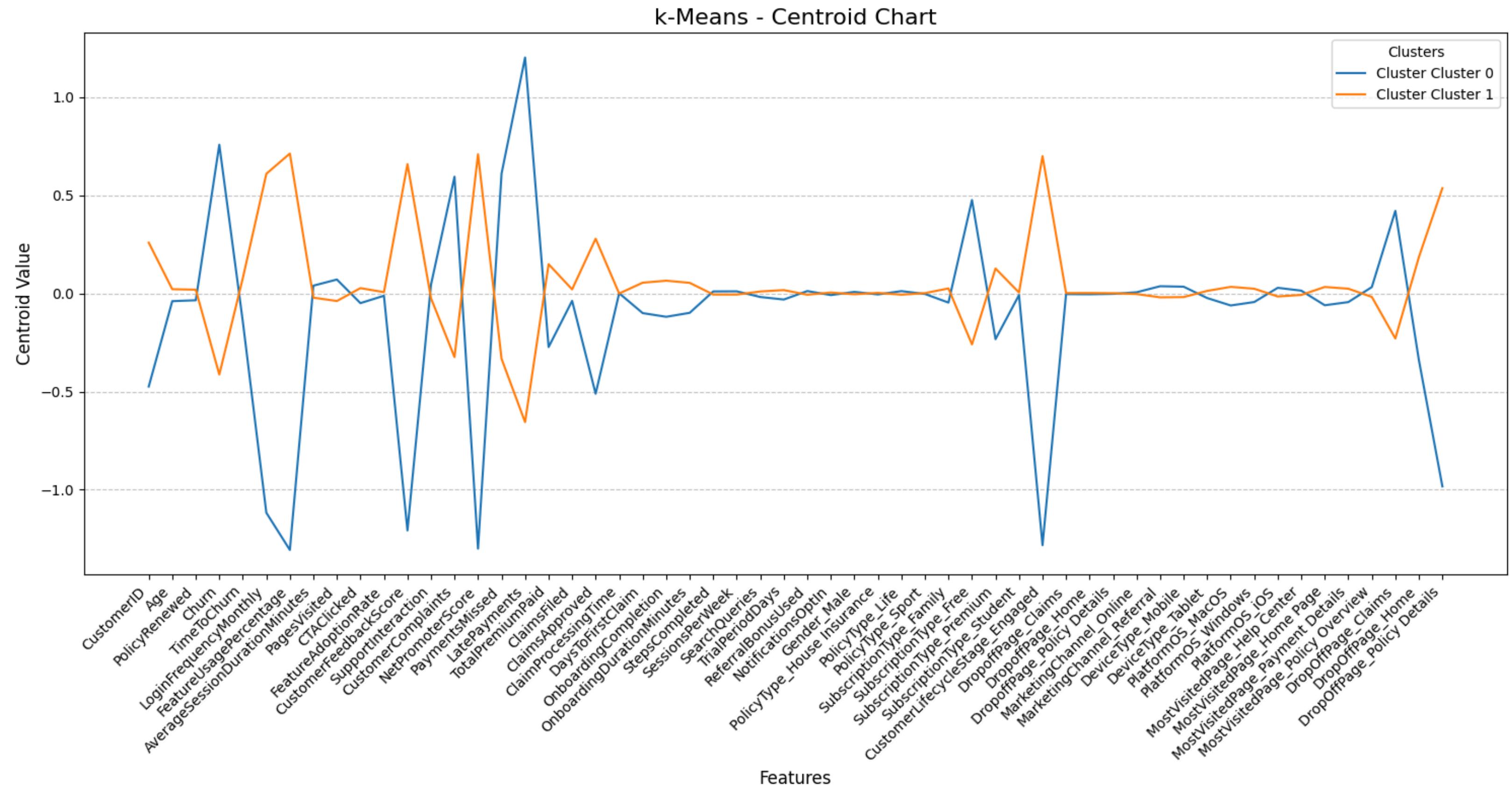
Top 5 correlations with churn:

1. Late Payments (c. 80%)
2. Customer Complaints (c. 74%)
3. Late Payments (c. 42%)
4. Free Subscription Type (c. 17%)
5. Dropoff Page Claims (c. 15%)

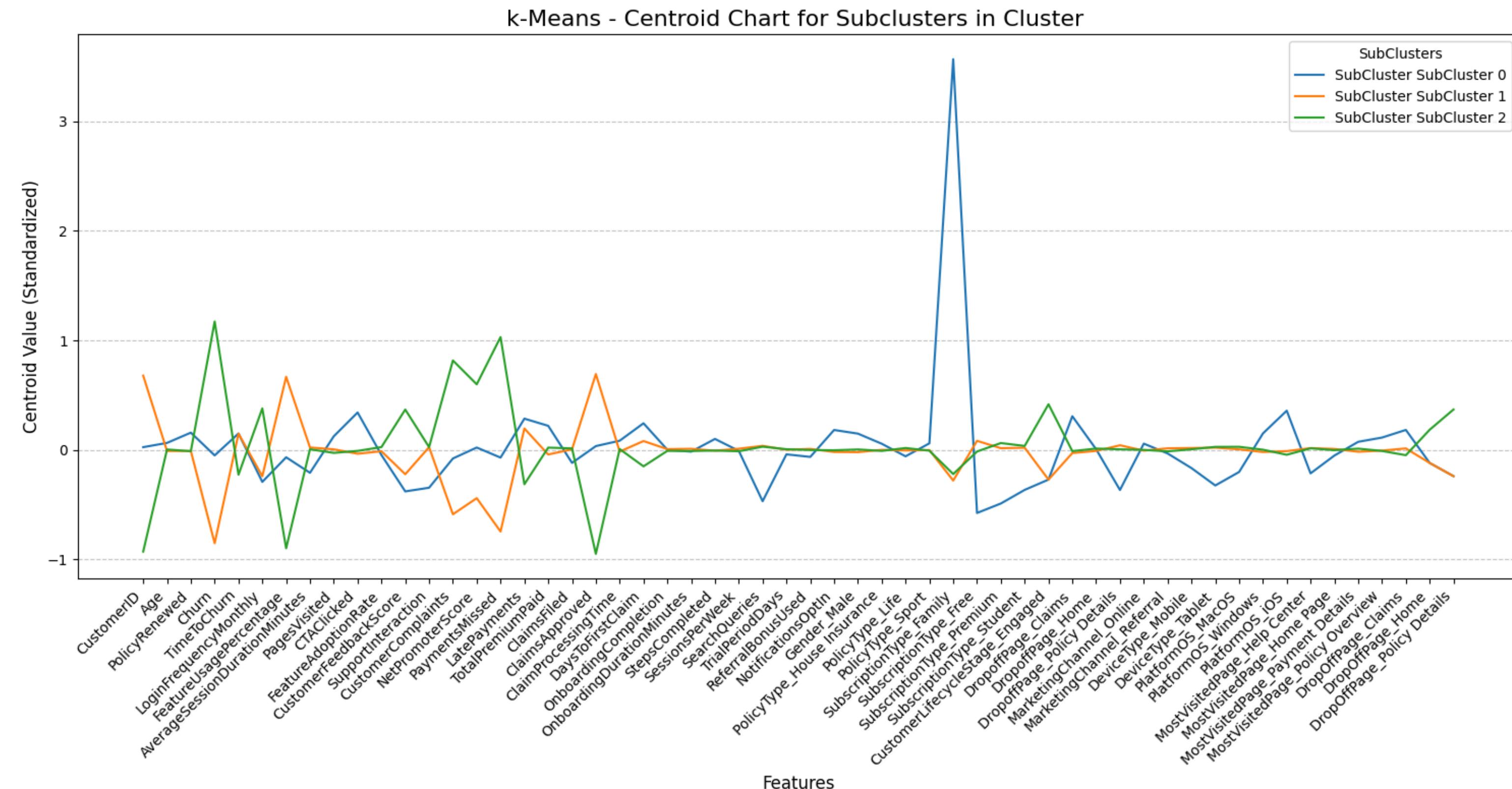
Bottom 5 correlations with churn:

1. Claims Approved (c. 68%)
2. Feature Usage Percentage (c. 63%)
3. Net Promoter Score (c. 46%)
4. Customer Lifecycle Stage Engaged (c. 45%)
5. Customer Feedback Score (c. 42%)

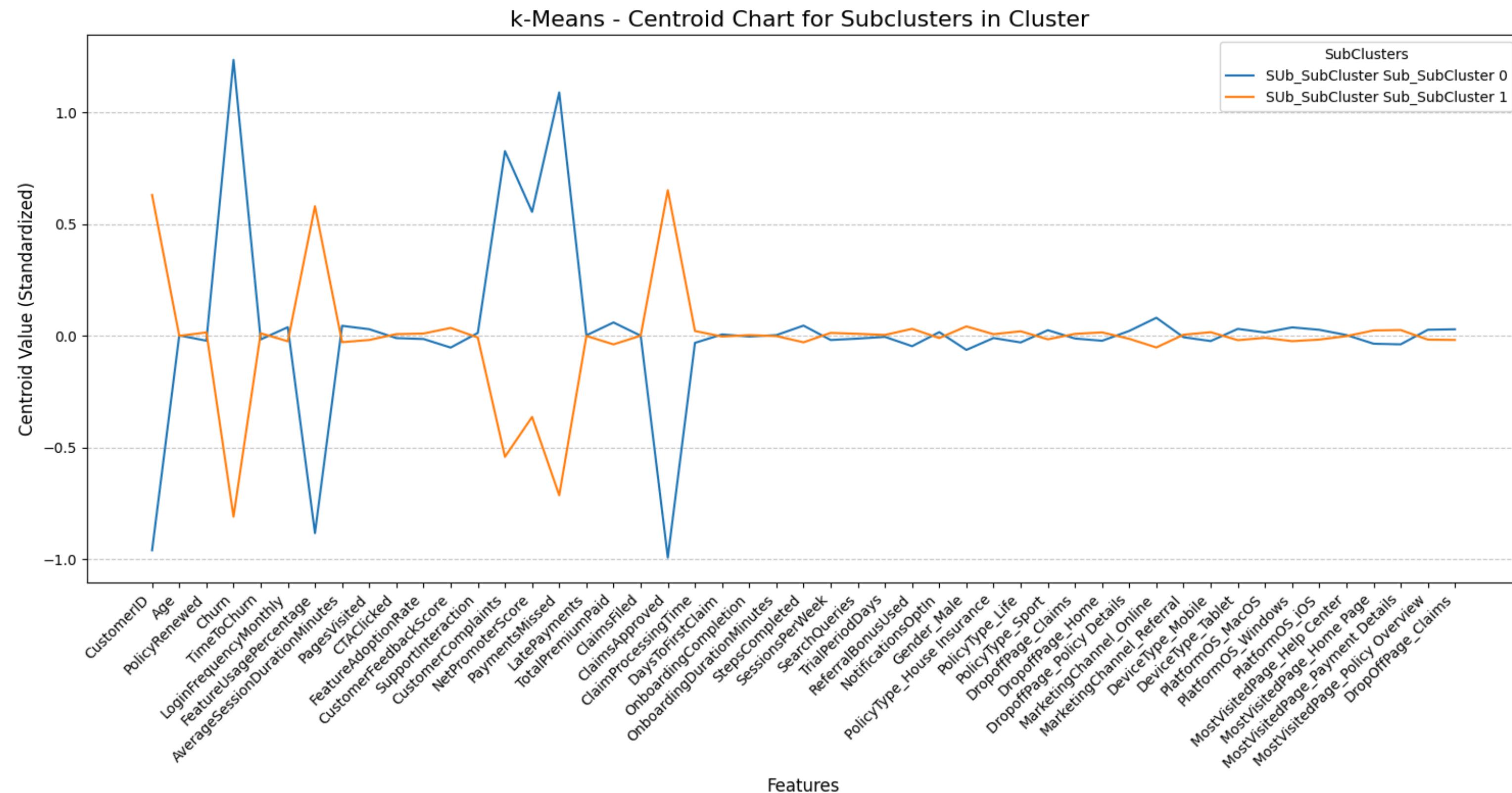
CLUSTERING I



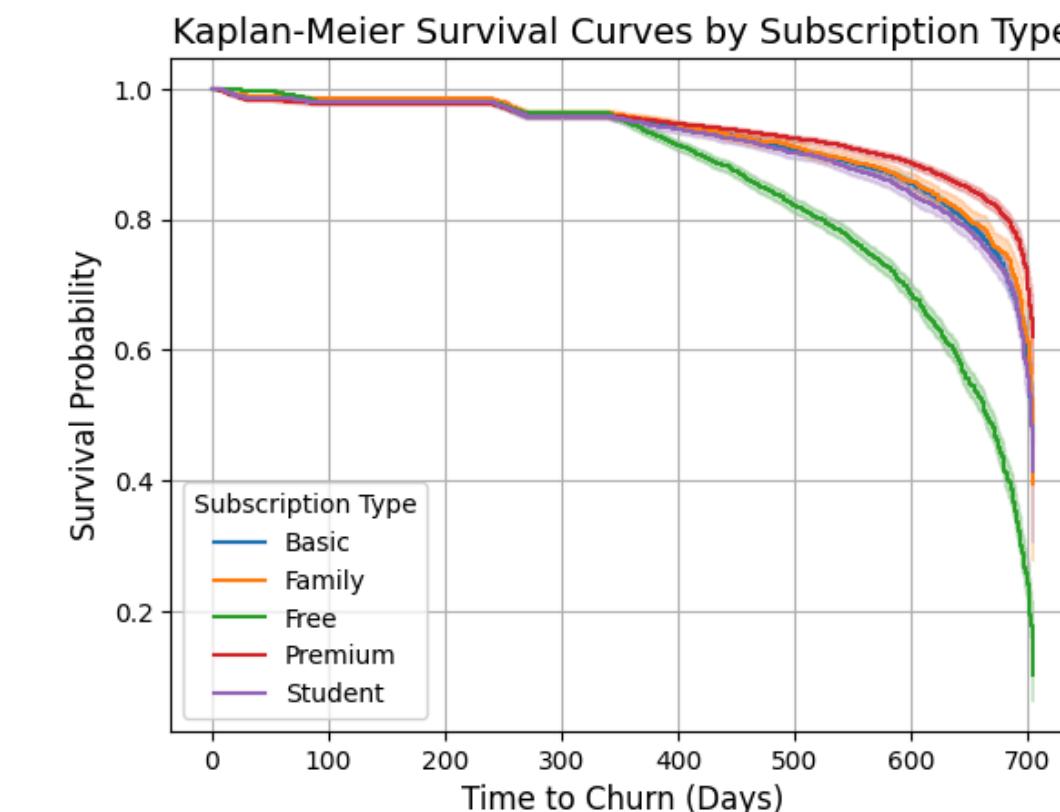
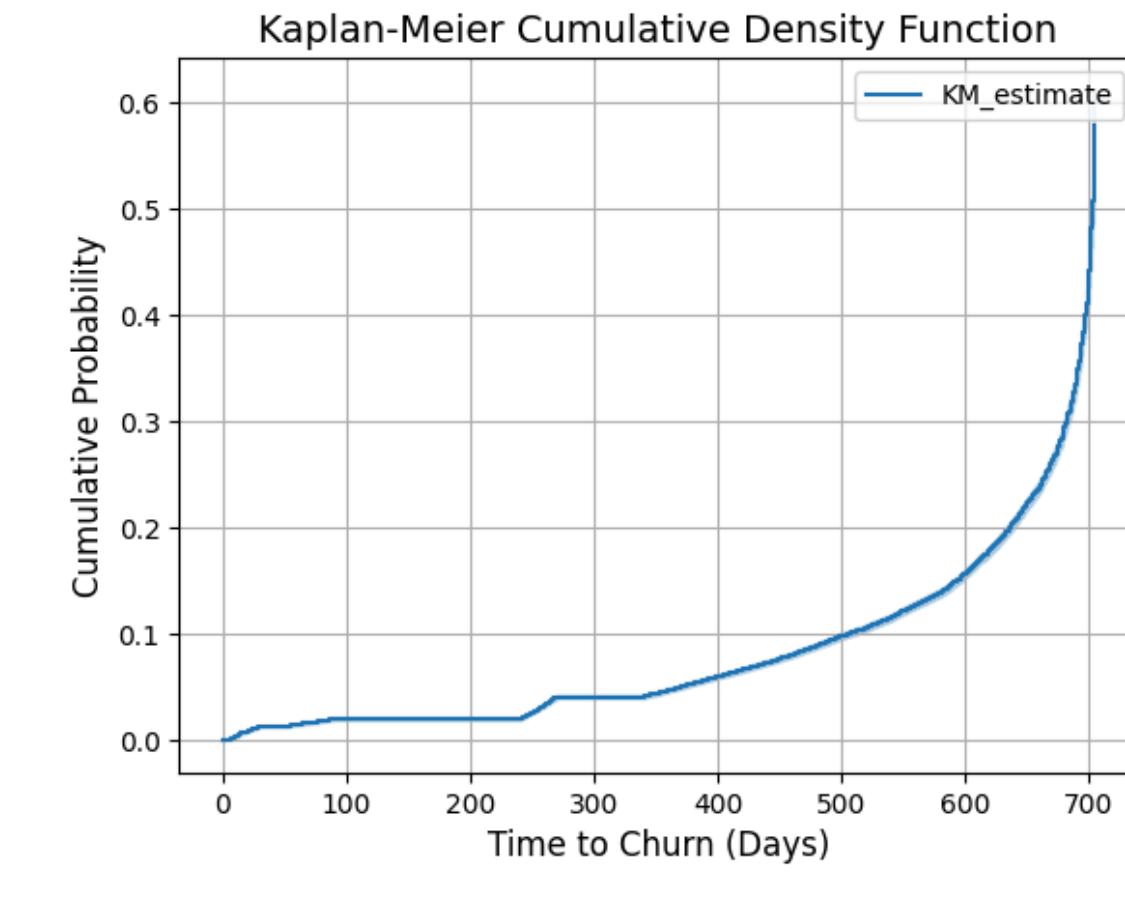
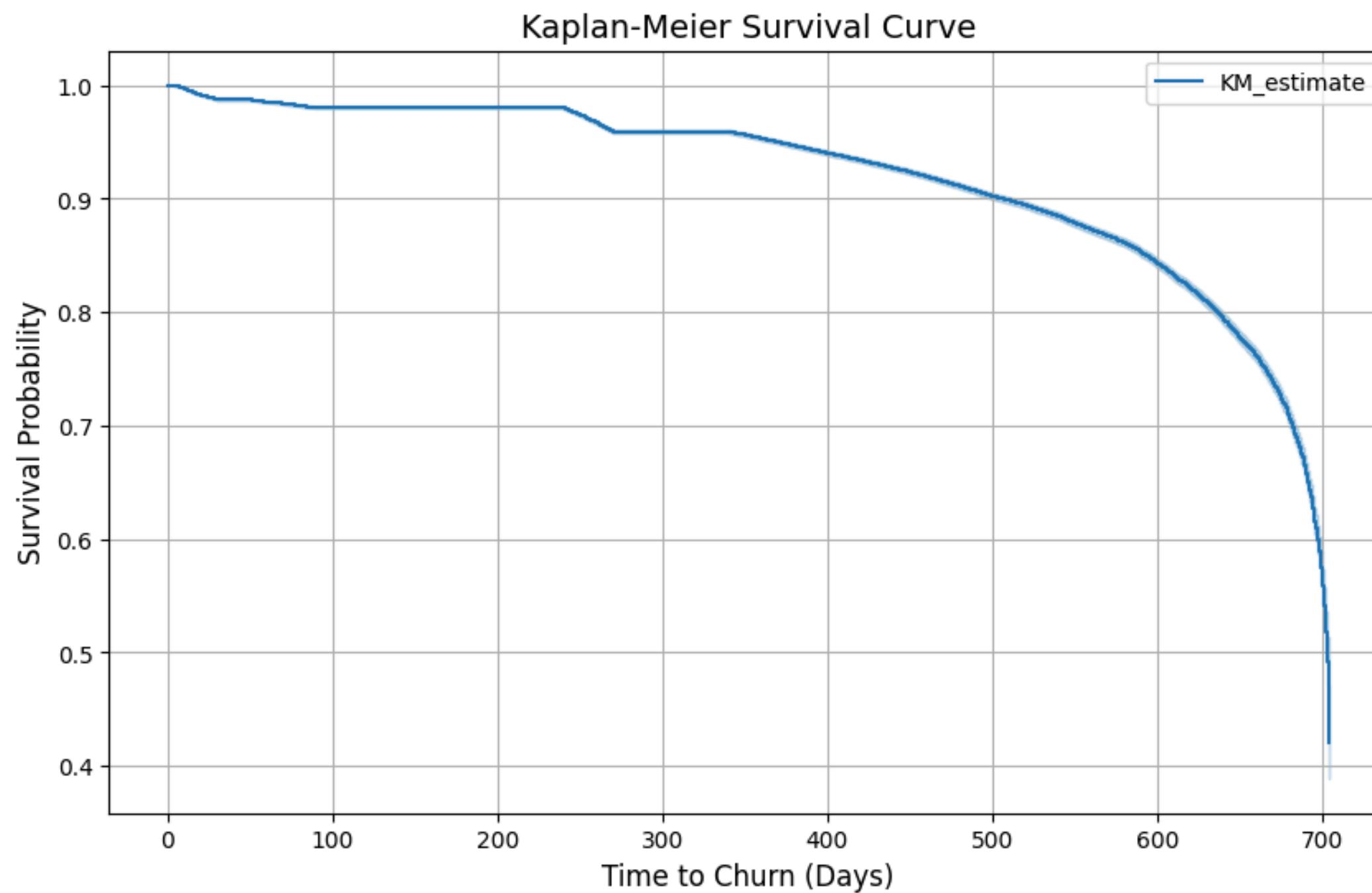
CLUSTERING II



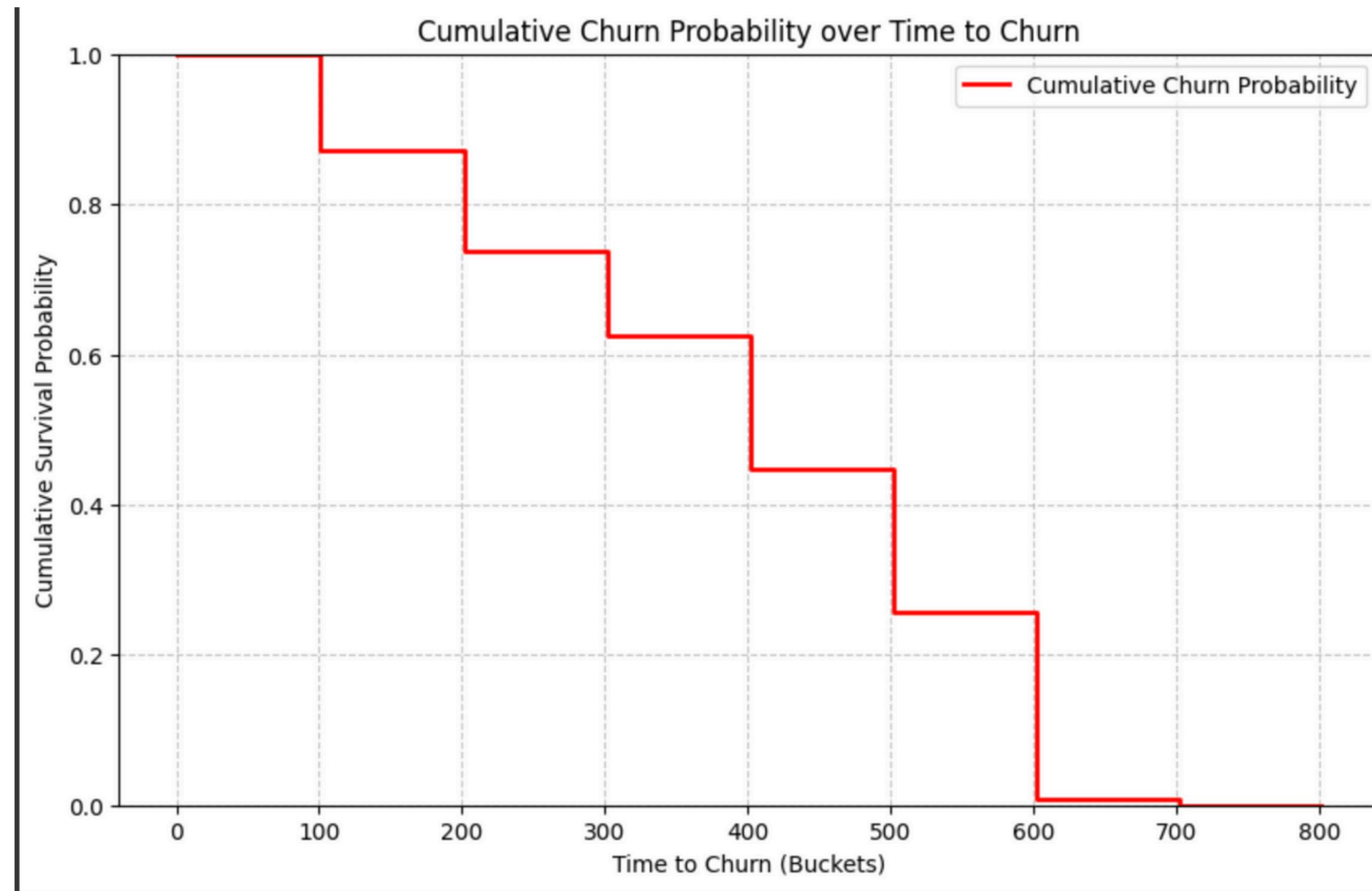
CLUSTERING III



SURVIVAL ANALYSIS



SURVIVAL ANALYSIS II

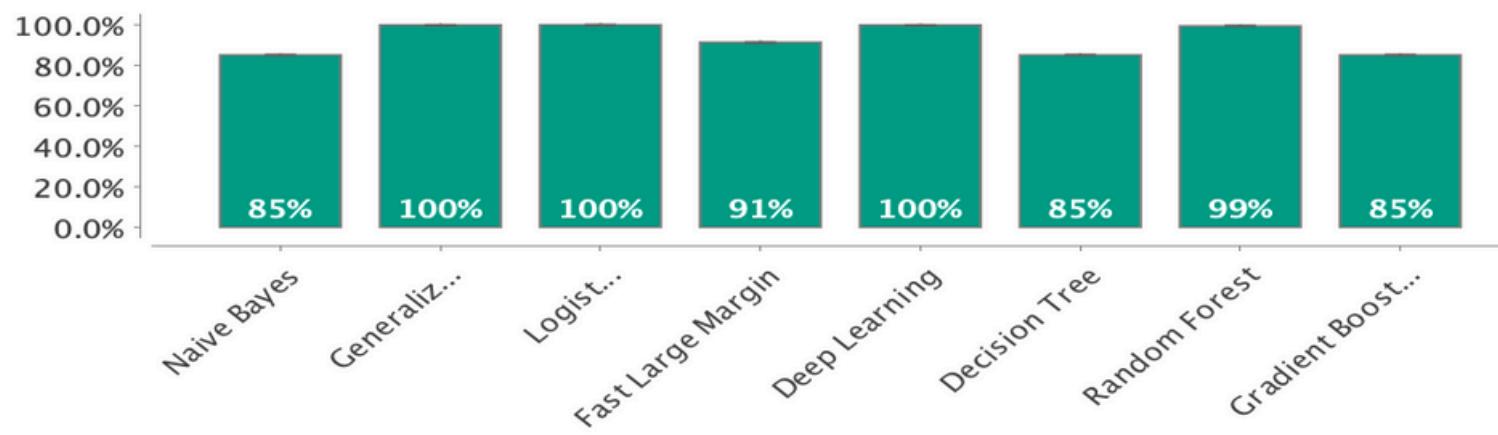


CHURN PREDICTIVE MODELING

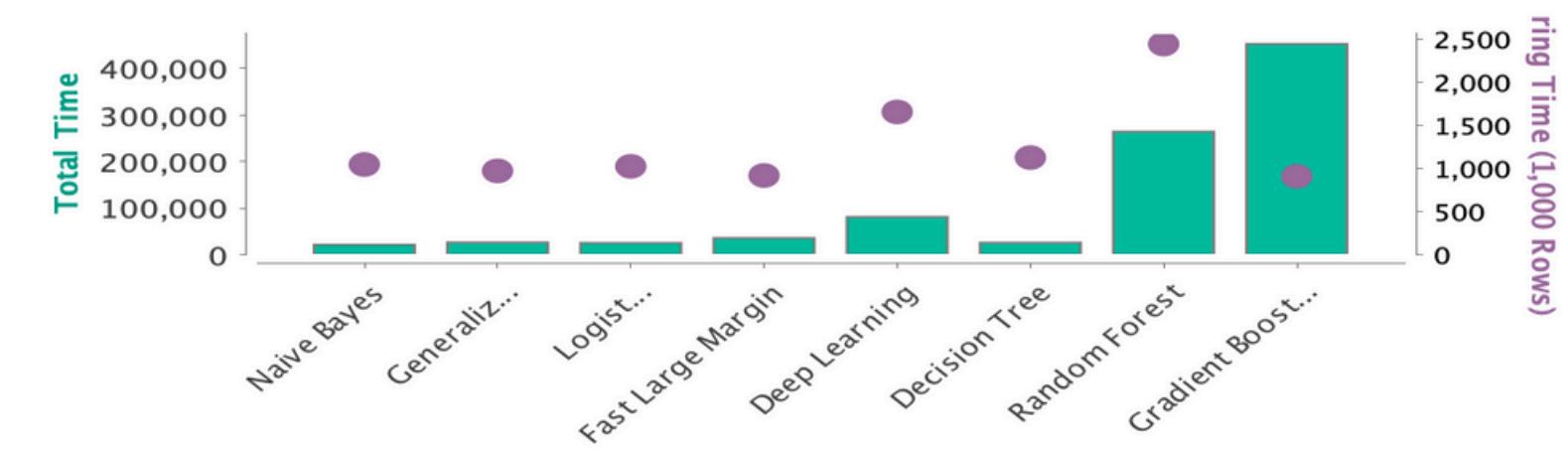
Overview

Number of Models: **168**

Accuracy



Runtimes (ms)



PIPR VS COMPETITORS

Pipr

Generalist competitors

Conversational First™ experience

Chatbot + call centre agents

Designed to specifically improve expense ratios

Designed to save 'generic' customer service costs

Designed to specifically improve risk selection

No

Seamless integration to existing PAS

No

Consumer Duty compliant

No

Unique, live AI-training 'lab'

No

Designed and built by insurtech experts

No

References

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