



Outsourced Print Distribution and Virtual Mail Room



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Introduction

None of us really wants to hear from our insurance companies, right?

Wrong! Many of us do.

It makes sense if you think about it. Policyholders pay their insurance premiums every month, and most want to feel assured that insurance is worth having. Customers particularly welcome helpful tips on how to optimize and personalize their risk coverage. A recent survey revealed that:

63% of policyholders are open to more communications from their insurers.



73% of policyholders are interested in receiving targeted recommendations.



Today, more insurers recognize the wisdom of enlisting scalable, streamlined support for their print and distribution needs. The right tech-enabled insurance business process outsourcing (BPO) partner can provide support with high-volume hardcopy mail handling, digital document scanning, and workflow processing while staying compliant with regulations and staying true to your brand.

In this eBook, we'll explore the benefits, challenges, and best practices associated with outsourcing insurance customer communications by partnering with a seasoned, onshore print and virtual mailroom provider like Covenir.



The Importance – and Challenges – of Policyholder Communications

Your customers are the lifeblood of your insurance business, so it's vital to keep them happy and engaged. Print and mail services play a big role in this. From the initial welcome letter to ongoing service and support, every contact is an opportunity to build rapport and strengthen the relationship.

Keeping in touch with policyholders throughout the year allows you to stay on top of what's going on in their lives. Perhaps a customer with a homeowner's policy recognizes the need to secure a life insurance policy, or a customer with an auto policy has recently acquired a boat that he wants to insure. Regular communication provides your customers with opportunities to ask you product and coverage questions, giving you (not your competitors) the first chance to provide them with new business quotes.

If you're not paying attention to the frequency and quality of your communications with your policyholders, you're running the risk of them leaving you to sign up with a more engaged and responsive insurer.

In addition to the need for timely and accurate communication, there's the constant imperative of regulatory compliance. All of this must be done in a way that is consistent with your customer promise and brand identity.

Another challenge is balancing the merits of migrating to digital delivery to save costs while still accommodating some policyholders' preference to receive traditional paper-based communications. Trying to operate multiple communication methods – and having the infrastructure and personnel required to do so – can burden your organization and divert focus away from the core business.

Outsourcing print and mail operations can be a great way to free up internal resources to focus on other areas of your business. It can also help you improve efficiency and meet compliance and regulatory responsibilities.

The Benefits of Outsourcing Print/Mail Communications

Let's explore in more detail why outsourcing these services makes sense:

► It's Costly and Complex to Do it Yourself

Managing multi-channel document production and delivery in-house isn't easy or cheap. One reason is that technology advances so quickly that equipment often becomes obsolete before it's delivered a return on investment.

Then there are the costs of human resources (such as salaries, benefits, and training) and real estate to factor in. Outsourcing significantly reduces the capital requirements associated with document production and distribution. That means you can invest more capital into your core business, and your internal team of experts can spend their time on other business-critical tasks.

► You Can Scale When You Need To

During busy periods (such as after extreme weather events), you risk negatively affecting policyholders' experiences if document production and delivery aren't among your core competencies. You also risk deepening their anxiety and fear every moment you wait to respond to their questions and deliver effective communications.

In the event of a catastrophe, customers look to their insurers for protection and reassurance, so responding quickly is essential to retaining policyholder confidence. A good insurance outsourcing partner will be able to supply you with additional resources at short notice to help you keep bidirectional communication flowing.

► You Can Remain Compliant ...

If you mishandle incoming mail, fail to send a document, or fail to provide proof of timely mailing, you could end up facing unwelcome legal consequences. Unfortunately, with so much paperwork (both physical and digital) coming and going, it's easy for mistakes to creep in.

A seasoned insurance outsourcing partner can provide resources who are specialized in the compliance aspects of insurance customer communications to ensure you never fall foul of regulations.





► ... And Secure

Insurers have a duty to safeguard their policyholders' privacy.

A trusted outsourcing partner will be familiar with information security best practices – including third-party security certifications – to ensure your customers' data is never lost or compromised.

► It's a Way to Improve Policyholder Satisfaction

Many insurers are tempted to move away from physical mail as it's more time-consuming, costly, and manually intensive. However, many policyholders, especially older, less tech-savvy ones, still prefer to send and receive communications this way.

Rather than wipe out a channel that's still important to many policyholders, a good outsourcing partner can help you reduce costs and optimize the end-to-end communication experience across all delivery channels.

► Outsourcing Partners Specialize in the Art and Science of Customer Communications

By outsourcing to a leader in insurance services like fnol/claims, customer support, advisors, print distribution, and mail room, you'll gain access to advanced features, functionality, equipment, and years of expertise. A proficient partner will guide you toward best practices and suggest new tools and techniques to increase personalization.

These partnerships can help you create richer, more sophisticated policyholder experiences across several document and delivery channels.

The Challenges of Outsourcing Communications

While outsourcing can offer many benefits, some challenges must be considered. Here are some potential obstacles to successfully outsourcing policyholder communications:

► Trust and Access

To maximize the return on your outsourcing relationship, you need to give your partner the tools and access they need – and they must be willing to use them. Unless they're acquainted with your systems and have permission to access them, they won't have visibility into your policyholder communications ecosystem or be able to create, review, change, and track documents.

Outsourcing relationships can fail if this level of trust and commitment is lacking on the side of either party.

► Maintaining Brand Consistency

Not only does your insurance outsourcing partner need to learn how to use your systems, but they also need to be willing to embrace your unique brand and culture.

The last thing you want is to alienate your internal teams and policyholders by allowing people with the wrong attitudes, beliefs, and standards of ethics into your communications ecosystem.



How to Select the Right BPO Partner

Let's explore some things to look for when choosing an insurance outsourcing partner:

► Proven Processes and Technology

It's important to work with an insurance outsourcing partner that's up-to-speed with the latest insurance technology systems and applies tried and tested processes that work.

They should also be open to accommodating new developments and unafraid to suggest ideas for continuous improvement.

► Ownership

As we touched on in the previous section, you need to feel confident that your BPO partner communication support team will step up and take ownership of your brand.

This will only happen if the BPO partner employees are motivated to learn everything they can about your business and take the initiative.

► Scalability

Outsourcing print and mail services allows you to quickly ramp up the volume and frequency of policyholder communications in line with expected – and unexpected – business needs. For example, during times of the year when catastrophic weather events are common, you might want to intensify your customer communications. If you rely entirely on in-house resources, you might end up with document production and delivery delays.

Look for a BPO partner that can guarantee the availability of additional resources at short notice.



When FIGO switched from one reinsurer to another, documents needed to be reissued. This meant a spike in work, as non-renewals had to be sent out via paper. Covenir stepped up, and the project was completed without burdening FIGO's busy team.



Mistake-Proof Your Communication Processes with Covenir

At Covenir, we understand the importance of accurate and compliant customer communications. We also know how challenging it can be to manage these processes internally.

We offer a complete range of print and distribution services and a virtual mail room solution that can help you mistake-proof your document processes and ensure compliance, efficiency, and accuracy.

Accurate, efficient, and 100% compliant — that's Covenir.

Here's a deeper dive into our Print Distribution and Virtual Mail Room services:

► **Print/Mail Automation**

Covenir's flexible, technology-enabled print and mail capabilities facilitate process automation for all outbound print communications. We work closely with your team to ensure success and look for ways to customize policyholder documents and notices while driving down costs. We take care of the equipment and labor costs, allowing you to redeploy your people on more mission-critical functions.

Here's what the process looks like:

- **Step 1: Queue Your Communication**

By leveraging print automation software, all insurance communication types can easily be grouped and managed regardless of the source systems. Additionally, barcode technology is applied to every document to electronically communicate its processing requirements and ensure it's mailed as intended and when needed.

- **Step 2: Specify Your Requirements**

Next, you can choose the type of mailing needed, including regulatory and proof of mail requirements and the send date.

- **Step 3: Deploy Your Preferred Workflow**

Digital copies of all sent documents are uploaded to policies within your system of record or batched and sent to you.



► **Virtual Mail Room**

Our virtual mail room services can help you put the inefficiencies and delays of manual mail handling behind you through intelligent process automation that scans, digitizes, and processes inbound mail.

Here's how it works:

- **Step 1: Receive**

We receive paper and/or electronic mail from your designated PO Box and/or inboxes. This may include correspondence related to new business, claims, underwriting, and even legal documents.

- **Step 2: Digitize**

Every day, we open mail, transform it into digital artifacts, and process it according to your business rules. We can send daily batches of digital images of your mail for you to process, or we can upload digital files to specific policies in your system of record.

- **Step 3: Respond**

Our team can respond to mail according to your business rules. We can also process returned mail, update policyholder records, send alerts to applicable employees, or kick off premium, underwriting, service, and sales workflows on your behalf.

Ready to let your vision meet execution?
Collaborate with Covenir today.



What Our Clients Have to Say

“Companies in the insurance industry often struggle with three major components: budget, speed to implement, and time and capacity to support implementation and transitions. Covenir met expectations on all points for our print function.”

- Sarah Haylock, VP, Head of Operations at Bluefire

Re-Imagining Print and Mail Operations: A Covenir Success Story. Read the case study [HERE](#).