

THE COMPUTERWORLD HONORS PROGRAM

CASE STUDY

LOCATION:
Dublin, Ohio, United States

YEAR:
2006

STATUS:
Laureate

CATEGORY:
*Finance, Insurance and Real
Estate*

NOMINATING COMPANY:
AT&T

ORGANIZATION:

Nationwide Insurance

PROJECT NAME:

AT&T VoiceTone

Summary

Following any significant emergency, such as hurricane Katrina, insurance companies receive a massive influx of calls. These calls are too often directed to a customer service telephone network that is either not built to handle large scale emergencies, leaving clients waiting in frustration, or one that simply fails, forcing clients to try again and again. Recognizing the importance of customer service in an emergency, Nationwide Insurance worked with AT&T to develop a smarter network, aimed at simplifying caller interaction, making the process of filing a claim significantly easier for those who have recently suffered hardship and loss. Through the AT&T VoiceTone®, a 'natural language' prompting system designed around the clients' needs rather than the insurer's corporate structure, emergency calls can quickly and easily be identified and processed, even in large quantities.

Introductory Overview

For the claims department of Nationwide Insurance, the challenge was a common one. To remain accessible for their clients, Nationwide widely publicizes a single toll-free number for property and casualty claims, whether it involves auto, home, commercial or worker's compensation. The challenge here is that Nationwide has to somehow sort out all those calls and connect them correctly. And when there's a large scale emergency or disaster, the situation gets magnified.

The nature of Nationwide's business requires a highly elastic capacity for their claims contacts. On a typical weekday they might receive a mere 1200 calls per hour. But during a hurricane, tornado or similar catastrophe situation, Nationwide can easily receive 3,000 or more calls per hour. Adding to the complexity, the Nationwide Catastrophe Plan activates additional contact centers within their network to assist, diverting callers around the nation. And their Property and Casualty claims requirements are so specialized that a call arriving on their claims number might have more than 70 possible termination points at 10 widely dispersed physical locations, depending on where the client lives, the type of coverage involved and precisely what the caller needs.



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To accurately route all of these calls, Nationwide had been using the conventional solution: a system of voice prompts based in the network. But they eventually ended up with so many layers of nested prompts that it all became difficult to manage, and taxed the practical limits of prompt menus. The average caller needed 90 seconds to navigate the maze of prompts, with some taking up to two minutes. Understandably, more and more callers looked for ways to bypass the menus, which resulted in high numbers of calls that had to be answered and routed to a default group staffed by multi-skilled agents. The last thing clients want to deal with in an emergency is slow response to insurance claims.

Nationwide wanted to reduce the time it took to connect callers with the Customer Service Representative, (CSR), who could best handle their needs, increasing the accuracy of call routing to improve each client's experience. When Nationwide presented the problem to AT&T, they recommended AT&T VoiceTone to simplify caller interaction dramatically.

This technology meant there was an automated application that would simply ask each client 'Please tell me the reason for your call, and I'll get someone to help you' and the callers could respond by speaking, rather than pressing keys. The system interprets their answers, and routes the call accordingly. It would essentially interact with the caller much like a live attendant would...more natural, more conversational. Additionally, CSRs are prompted before the client is patched through with what's called a 'whisper' greeting feature, meaning CSRs are told through their headset that it's an auto or property claim, and it's also on their telephone display screen.

An additional feature built in to the natural language solution is empathy, meaning that if a caller says they need to file an auto claim, the system will say "I'm sorry, I'll direct your call." It also apologizes for mistakes made. Again, Nationwide is trying to reduce stress in an already very stressful situation.

With the new system in place, Nationwide significantly reduced the number of callers who were connected to the wrong location. They were also able to reduce their average talk times, since the CSRs no longer needed to 'break the ice' with each caller, and have them recount their needs. The Nationwide representatives were also able to tailor their greetings for each caller, and conclude the transaction sooner. For those enduring an emergency, smooth, quick and efficient transactions are key and help to alleviate some stress in an already stressful situation.

Benefits

Nationwide's broader benefit was taking one more level of hassle out of the process of dealing with an emergency and creating a better client experience. Specifically, clients are able to reach the right CSR an average of about 40 seconds more quickly than before the company introduced natural language technology. Calls are now delivered to the right agents with improved accuracy, resulting in shorter calls since the agent is better prepared to help the caller.

One clear advantage of the natural language system, is that it can separate agents out from regular policy holders, and process claims differently, getting faster service for the agents and ultimately, their clients, by saving them from needing to get through the prompts. By routing the agents differently, approximately twenty thousand (20,000) calls per month are not clogging the system and slowing other client's down.



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The Importance of Technology

Reliability of service, security of information and business continuity in any type of disaster are mission critical to Nationwide so they opted for a fully managed solution from AT&T. This solution wouldn't be possible without natural language technology, which is essential to making it easier for clients to obtain the assistance they need. Natural language helps put callers at ease with natural, conversational speech that listens and responds like a live agent. This is particularly helpful to clients in a stressful situation. Callers can make a request or ask a question – avoiding time consuming menus and touch-tone prompts. Intelligent intent determination can quickly and accurately understand what callers are trying to accomplish and respond to their precise needs.

Additionally, AT&T VoiceTone can be customized to meet the customers needs through technology known as Frequent Speech Updates (FSUs), allowing the system to be tailored to the moment. On the back of an emergency, Nationwide can record an announcement that will play to the caller and then prompt them for input that can segregate emergency traffic from their normal traffic, routing calls relating to the emergency differently. For example, it might say "If your call is related to the hurricane in the Gulf of Mexico", say 1."

This type of feature is accompanied by Automatic Data Distributions Service (ADDS) technology, which allows Nationwide to upload data to the AT&T VoiceTone platform, tailoring service for the agency force which uses the system differently than the average policyholder. Also, this enables the insertion of specialized handling around a crisis, natural disaster etc.

Reliability of the system is of the utmost importance, and AT&T VoiceTone offers availability in the 99.9 percent range, with redundancy between platforms, meaning that sudden high volumes of calls will be handled correctly, which is vital to clients in need.

Nationwide's application is hosted in AT&T's Internet Data Centers, which sit directly on the AT&T backbone network. The calls to the Nationwide toll-free claims number are routed directly to the natural language system – which answers the calls, processes the callers' responses, and routes the calls to the appropriate Nationwide destination. Nationwide essentially receives only routed calls. The application routes to the aforementioned 70 possible termination points at 10 widely dispersed physical locations depending on call types, insurance types and client location. Without AT&T's ability to act as an intermediary, such an operation simply wouldn't be possible.

Originality

While voice activated prompts certainly aren't unique these days, Nationwide's approach to building a system specifically designed to better handle day to day business as well as emergency situations is a new use for the technology. Also key to the originality of Nationwide's approach: the first step was to study the situation from the client's viewpoint. Prompt 'trees' are typically designed around a company's own organizational and processing needs; they're not usually structured around the way clients see things. Thinking from a client perspective is difficult, yet important, when they will be calling from a wide range of mindsets. Nationwide 'walked in their client's shoes' and developed a client focused application from their client's perspective. This would help to minimize some anxiety in a stressful situation and make the call a better experience for clients.



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As an example of how this benefits clients, this process led to an understanding of how providing additional service could go a long way. Through AT&T VoiceTone, Nationwide can recognize policyholders calling from an accident scene, allowing them to dispatch a tow truck service, removing another layer of hassle from the client in a trying situation.

The system is specifically designed to better handle day to day business as well as emergency situations.

Success

Since this solution came online Nationwide has found that the natural language system eliminated an average of 40 seconds from each call; instead of spending 90 seconds or more responding to prompts, the callers reached a representative in just 55 seconds.

Success is also in the new efficiency that ultimately means a quicker and better experience for clients. AT&T VoiceTone streamlines the system by routing the numerous non-claims calls that come into the claims 800 number to the correct destination rather than bouncing them around through the system. In 2005, 500,000 of the 3.5 million calls handled annually were successfully rerouted from the very public claims number, which has existed since 1982. Additionally, calls are warm transferred, meaning callers are handed right to who they need to be sent to rather than given another number.

In addition to the AT&T VoiceTone routing Nationwide can also utilize the capability of routing based on area code and telephone exchange. In the event of a catastrophe or natural disaster, Nationwide can isolate the area codes or exchanges involved and can route those calls to a specific disaster center. All other non-disaster calls are routed away allowing for a centralized handling of disaster calls on a more efficient basis.

“Nationwide is On Your Side[®]” and Nationwide wanted their clients to experience that and this application brought them another step closer to improving their relationship with their clients.

Difficulty

As would be expected with a project geared towards day-to-day business to better handle natural disasters, there were a number of challenges with this project. The greatest was to understand the importance of call analysis and working to really understand how to help a client from their point of view. Additionally, Nationwide had to take into consideration the myriad of accents, dialects, etc. because Nationwide receives calls from all 50 states, the District of Columbia, the Virgin Islands, Guam, Puerto Rico, Canada and parts of Mexico. The other challenge for Nationwide was understanding that the new system wouldn't just be different for clients, but also for the CSRs taking the calls. Clients and employees were going to be impacted by this new application simultaneously when introduced so up-front planning and training needed to occur for Nationwide's employees prior to introducing this to clients.

The greatest issue, however, was changing the system over for clients who were familiar with the existing system and knew their way through the prompts, or who were not technology savvy and were confused by the voice activated system. However, it's worth pointing out that 90% of the complaints about this convenience came from the agency force, rather than directly from clients in need. The Nationwide agents are also clients and their preferences are being addressed



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by introducing the agent pass through (ADDS) routing. Resistance was similar when Nationwide first transferred from live people to an automated touchtone system, and will likely fade quickly.

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