Using Customer Journey Maps
to Improve Health Insurance Customer Loyalty

Executive Briefing

Author

Jim Tincher, Principal Consultant, HeartoftheCustomer

Jim@HeartoftheCustomer.com

Editor

Shane White, Director—New Projects, FC Business Intelligence

swhite@fc-bi.com

August, 2014

Overview

It's a time of massive change for the health care industry. The Affordable Care Act accelerated the move to consumerism, requiring more of a focus on customer experience than ever before.

Even payers who have always focused on individual plans have to adjust. At the same time as new competitors enter the consumer market, they also have to support exchanges while their consumers demand more than ever.

The good news is that companies that get the customer experience right are rewarded with growth, adding loyal customers while simultaneously lowering the cost to serve. But get it wrong – hide behind byzantine bureaucracy and incomprehensible rules – and market share drops rapidly as customers flee towards simpler plans.

Watermark Consulting analyzed the stock price impact of customer experience,[1] and found that while the S&P benchmark increased by 14.5% from 2007-2012, customer experience laggards' stock lost 33.9%. At the same time, customer experience leaders saw their stock rise by 43%.

6-Year Stock Performance of CX Index Leaders vs. Laggards, 2007-2012

Source: Watermark Consulting
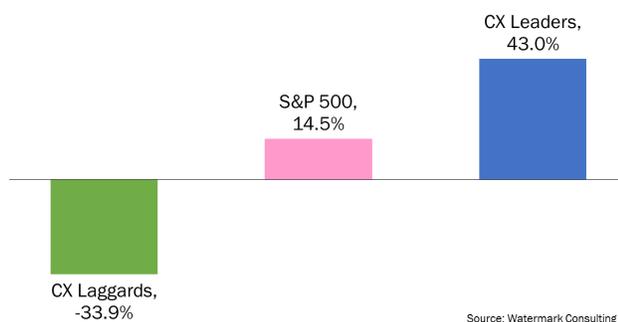
Some health insurance companies have embraced this move to customer experience, reversing trends that ranked payers below cable companies in customer satisfaction rankings. Temkin Group's 2014 survey on customer experience reported that health plans continue to improve their ratings. While Kaiser Permanente leads all payers Humana was one of the biggest gainers in any industry.[2] In a move that would have been unthinkable two years ago, the Customer Experience Professionals Association (CXPA) recently hosted a best practices visit to UnitedHealthcare.

Unfortunately, not every payer is doing so well. Health plans hold the bottom four spots in the Temkin survey, ranking even below Comcast and Charter Communications. Large gains by some players were offset by significant lower rankings for others.

These ratings are important. In 2011, The Temkin Group analyzed the impact of improving customer experience ratings. In the health insurance industry. they found that for a $1 billion payer, a 10% increase in customer experience ratings resulted in $179 million of additional revenue over three years.[3]

A cornerstone of customer experience success is greater ease of use for all stakeholders – employers, consumers brokers and providers. Ease of use increases loyalty while simultaneously eliminating costly phone calls explaining policies and programs. Great companies create this ease of use by breaking down silos to create simple, integrated experiences.

Successful improvement relies upon a clear understanding of the experience from a customer's eyes. This allows companies to identify, prioritize and eliminate pain points that threaten loyalty. **Customer journey mapping** has emerged as a popular tool to discover, document and share these experiences, highlighting the moments that matter.

This briefing will introduce customer journey mapping to health insurance leaders, including best practices and case studies from the industry today.

Customer Journey Mapping

A journey map is a visual display of an experience *as a customer sees it*. See *Elements of a Journey Map* on page 5 for an example. This customer view is what makes them so useful. Unlike a process map, steps that do not resonate with customers are left out, while other steps that do not directly involve the sponsoring company are included.

Journey maps are used for both business and consumer customers, although the research methods vary between the two audiences. Journey maps are used for experience design by many players in the healthcare industry, from the Mayo Clinic[4] to UnitedHealthcare.[5]

McKinsey & Company analyzed the importance of managing entire journeys versus managing individual touch points (such as the website or call center).[6] They found that industry performance on journeys is "20% to 30% more strongly correlated with business outcomes, such as high revenue, repeat purchase, low customer churn, and positive word of mouth."

The example map on page 5 shows a representative journey for a segment of consumers purchasing health insurance. Notice that eight of the first nine consumer steps do not involve Coolsure Insurance's (a mythical health plan) people or systems. This is often the case in a purchasing journey, as consumers or employers use other resources for their research. Unfortunately, these steps often have more influence over whether the customer eventually buys than does a company's website or its sales force.

A typical journey mapping project analyzes separate customer segments, with a unique map created for each. For example, a Fortune 100 company implements a new health care plan very differently than a 50-person software company. Trying to encapsulate both experiences as one journey results in a watered-down map that doesn't accurately represent either customer segment.

See *Uncovering the Healthcare Purchase Journey* on page 6 for a consumer example of mapping multiple segments.

Journey maps communicate a customer's changing emotions throughout the journey. In the example map, Amanda (an archetype persona representing a segment of customers) experiences both highs and lows.

She finds relief when speaking with a call center representative, sandwiched between two lows: waiting on hold and wondering whether the enrollment process was successful. Traditional call center surveys would miss both her frustration with the website and the anxiety she felt after the phone call, unsure whether the enrollment process worked.

Critically, most maps show the journey across organizational silos – in this example, both the website and the call center are included.

Most customer journeys include two types of moments that matter:

- **Friction Points.** Steps in the journey causing frustration and dissatisfaction.
- **Moments of Truth.** Decision points with a disproportionate impact on the rest of the journey. Unsuccessful execution may cause customers to exit from the journey. In the sample journey map, when Amanda is overwhelmed by the eight plans, she may quickly decide to remove Coolsure as an option, moving on to competitors with a simpler array of plans.

These moments that matter are discovered through qualitative research. The process is not a design methodology in itself, but is often used as an input to service or product design.

Journey maps are commonly used to create alignment on a customer's journey, to prioritize investment, as input to design, and as a training and onboarding tool.

Elements of a Journey Map

On the next page is an example journey map of a health insurance purchasing process. It shows the story of Amanda, a composite persona. No "Amanda" exists – she is an archetype representing multiple similar customers. In this case, she represents families purchasing individual plans. Her back story helps to engage the reader, giving context for why she experiences such highs and lows. A different persona may have an experience with fewer extreme highs and lows than Amanda.

The design of journey maps vary depending on the nature of the journey, but some of the key features include:

Persona. Different customer segments may experience the same journey very differently. Whereas Amanda has multiple highs and lows, a corporate employee would have a flatter experience, and use different touch points. See *Uncovering the Healthcare Purchase Journey* for an example of a project that maps multiple segments.

Verbatims. While not strictly required, verbatims help communicate a customer's emotions. A best practice is to share audio or video clips demonstrating some of these emotions in conjunction with the introduction of a journey map.

Stages of the Experience. Most journeys can be divided into phases with specific **Customer Goals** for each. These communicate how the journey changes over time. For example, in a purchase journey the first stages often have to do with research and learning more about the topic, whereas later stages involve developing criteria and eliminating options.

Steps in a journey. These are the steps as a customer sees them – which may vary substantially from the company's view. Steps that client companies spend substantial time on (for example, explanation of benefits or educational websites) may be relevant for a customer, whereas areas that companies do not focus on (such as looking for reviews, asking friends for advice, or an expectation that a contact center agent can continue a web-based transaction) may be included.

Moments of truth. Each journey has a few steps that matter more than the rest. Typically, these moments of truth determine whether a customer abandons or continues with a journey. For example, if a customer tries finding out whether their health club is covered under their wellness program, a confusing website may cause a participant to either abandon the effort, or to make a costly call instead.

Friction points. These are the steps in the journey that frustrate customers. Friction points often vary for different segments of customers.

Related research or analytics. Journey maps are more powerful when they bring in existing research or analytics. In fact, journey maps often provide the color to help understand why the analytics or other research are the way they are.

See *Creating a Customer-Focused Journey Map White Paper* (http://www.heartofthecustomer.com/wp-content/uploads/2013/05/Creating-a-Customer-Focused-Customer-Experience-Map-White-Paper1.pdf) for more details on journey map best practices.

Persona

Meet Amanda

Amanda is a freelance graphic designer with two kids. Her husband Mike recently lost his job, and their health insurance is about to run out. Amanda needs to find a plan that will protect her kids and ease her mind. She's never shopped for health insurance before, and finds the thought of it overwhelming.

They don't have a lot of money but it's very important that she has the right healthcare for her kids, especially Jacob, who suffers from asthma.

Quick Research	◆	Thorough Research
Researches Online		Prefers Personal Contact
Low Cost Plan	◆	Comprehensive Offering

Customer verbatims

"We had a plan a few years ago that didn't cover Jacob's inhaler. It was terrible that my insurance company didn't think it was important. Of course we paid for it. But I hate having to make these kinds of choices about my kids' health."

"When I shop for auto insurance it's really easy. I put in my information and up pops three quotes. But choosing health insurance is a job—and one I don't enjoy!"

Stages of the experience

Customer goals

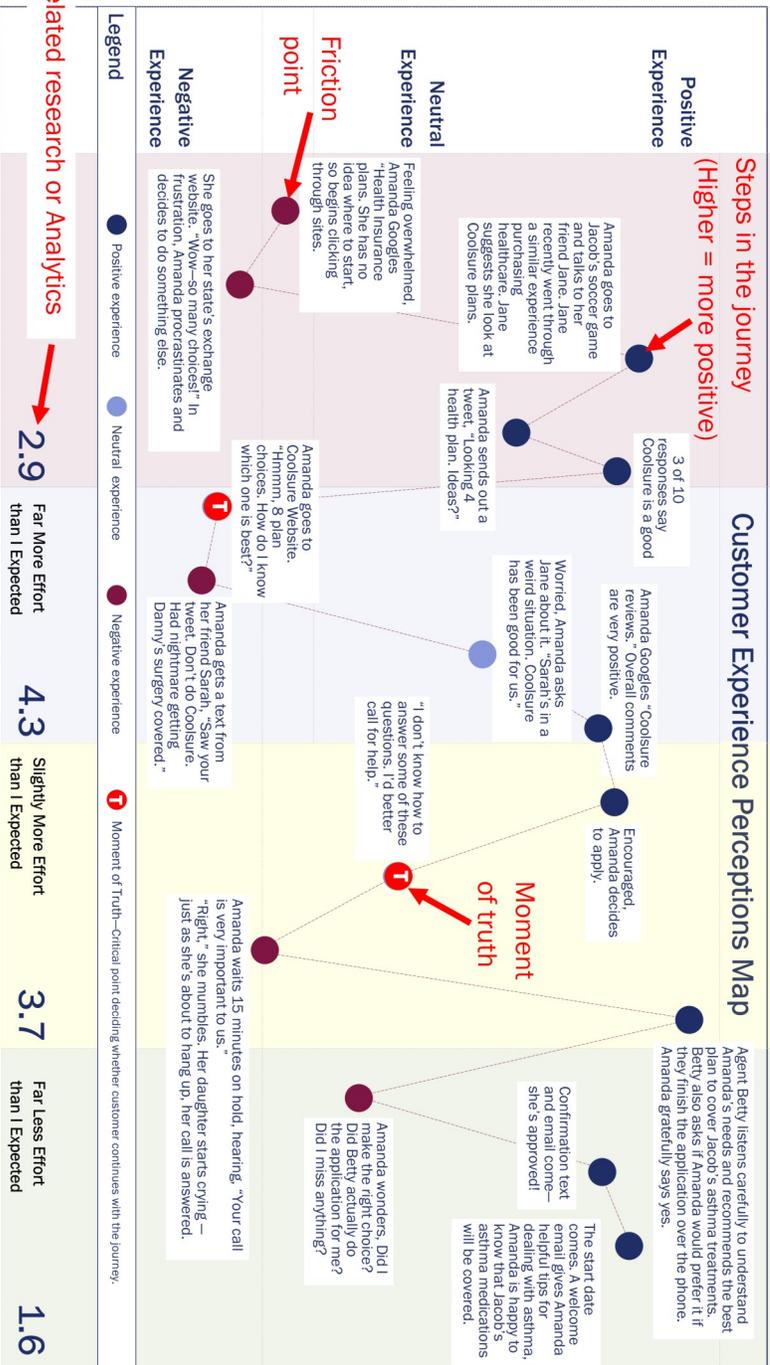# Selecting a Health Insurance Plan Journey with Coolsure Health Insurance

Steps in the journey
(Higher = more positive)

Customer Experience Perceptions Map

	Initial Research	**Deeper Research**	**Application**	**Approval and Onboarding**
Phase	Typical time: 1 day to 1 week	Typical time: 1-2 weeks	Goal: 30 minutes	
Goal	Your potential customers starts by gathering ideas. In this stage, companies are discovered and discarded until 1-3 are left to consider. Losing here takes you out of the picture the rest of the way.	As this phase, your customer researches 1-3 companies to find the best match. About half use social to help with their decision-making.	The application process is a moment of truth—if this fails, it has long-term impact on your relationship. Some members quit complicated processes and go elsewhere.	The onboarding process sets the stage for membership. Positive experiences help members make the best use of their plan, setting the stage for renewal. Negative experiences result in attrition.

Friction point

Amanda goes to Jacob's soccer game and talks to her friend Jane. Jane recently went through a similar experience purchasing healthcare. Jane suggests she look at Coolsure plans.

Amanda sends out a tweet, "Looking 4 health plan. Ideas?"

3 of 10 responses say Coolsure is a good

Feeling overwhelmed, Amanda Googles "Health Insurance plans. She has no idea where to start, so begins clicking through sites.

She goes to her state's exchange website. "Wow–so many choices!" In frustration, Amanda procrastinates and decides to do something else.

Amanda goes to Coolsure Website. "Hmmm, 8 plan choices. How do I know which one is best?"

Worried, Amanda asks Jane about it. "Sarah's in a weird situation. Coolsure has been good for us."

Amanda Googles "Coolsure reviews." Overall comments are very positive.

Amanda gets a text from her friend Sarah, "Saw your tweet. Don't do Coolsure. Had nightmare getting Danny's surgery covered."

"I don't know how to answer some of these questions, I'd better call for help."

Moment of truth

Encouraged, Amanda decides to apply.

Amanda waits 15 minutes on hold, hearing, "Your call is very important to us." "Right," she mumbles. Her daughter starts crying – just as she's about to hang up, her call is answered.

Agent Betty listens carefully to understand Amanda's needs and recommends the best plan to cover Jacob's asthma treatments. Betty also asks if Amanda would prefer it if they finish the application over the phone. Amanda gratefully says yes.

Confirmation text and email come— she's approved!

Amanda wonders. Did I make the right choice? Did Betty actually do the application for me? Did I miss anything?

The start date comes. A welcome email gives Amanda helpful tips for dealing with asthma, Amanda is happy to know that Jacob's asthma medications will be covered.

Related research or Analytics

Legend					Far More Effort than I Expected	Slightly More Effort than I Expected		Far Less Effort than I Expected
	● Positive experience				2.9	4.3	3.7	1.6
Neutral Experience	● Neutral experience							
Negative Experience	● Negative experience							
	Ⓣ Moment of Truth—Critical point deciding whether customer continues with the journey.							

Positive Experience

Moment of truth

Using Journey Maps

Create Alignment. Different parts of the organization view customer needs very differently. Each silo optimizes its part of the journey, often in isolation. The contact center streamlines calls, IT develops a mobile experience, and marketing creates content for the website. But since nobody owns the end-to-end experience, efforts are fragmented and hand-offs are missed.

Journey maps show a customer's needs across departments. Their visual nature clearly shows these missed opportunities, helping to bridge these varied opinions. As a result, they help break down the silos that create customer friction and failed moments of truth.

Prioritize Investment. While they are usually created to address a specific problem, maps are excellent inputs to prioritizing future work.

By researching the most important journeys for the most important customers, they highlight those moments of truth where efforts can have the greatest impact. For example, in the case study highlighted in *Successful Employers Use Different Journeys (page 7)*, the research was initiated to provide direction for a marketing materials update.

It served this purpose, discovering what was missing in existing materials. But it also highlighted a separate need to review how employers accessed materials, ultimately leading to an award-winning employer-facing website paired with education initiatives that were never considered prior to the journey map research.

Case Study: Uncovering the Healthcare Purchase Journey

With the advent of the Affordable Care Act, a health insurance provider needed to better understand how individuals in their existing segments purchase healthcare. They were particularly interested in four of their segments, varying from young and healthy participants to the retired.

In-depth interviews were held with twenty members of each segment – ten who selected the provider and ten who did not. The specific findings are not shareable, although general themes are. The example map is not directly from this research, although Amanda's journey is inspired by it.

The purchasing journey varied significantly between segments. One used only four steps to research and purchase health insurance. Another segment used more than a dozen steps, including the website, call center, brokers and retail locations, taking up to two months to make the decision. A third segment focused extensively on pharmaceuticals, to the point where segment members regularly used the phrase "formulary" without effort.

The journey maps helped this health insurance provider to understand the futility of treating all customers the same. Instead, they learned how specific segments used the same website or call centers very differently, and were able to make adjustments to improve their ability to answer potential customers' questions.

Most importantly, by analyzing each separate segment separately, they discovered why they were having problems selling to one particular segment. This segment needed more personal experience, using the website only as a way of looking up a phone number or asking for a brochure. As a result of their journey map, they were able to update the website to improve this segment's journey.

As Input to Design. Many journey maps are created to give guidance for a specific project, such as updating a website or designing a mobile app. By understanding the current experience, the new experience can be designed to eliminate friction.

Training and Onboarding Tool. A great secondary use for journey maps is for employee training and onboarding. Journey maps bring customers to life, especially for back-end employees, accelerating their learning about customer needs.

A popular new use of journey maps is to create a customer room. As its name suggests, a customer room is a life-size display of a journey. Blue Cross Blue Shield of Michigan won an innovation award from the Customer Experience Professionals Association (CXPA) for their customer room.[7] As a result of their success, many other payers are following in their path.

Case Study: Successful Employers Use Different Journeys

A health savings account (HSA) organization had a very strong analytics program. Their data showed that some clients were vastly more successful implementing the accounts than others, but they could not understand why. In some companies, 95% or more of eligible employees opened their savings accounts, compared to 60% for another set of employers. Health plan designs were similar, and employers contributed to accounts equally in each group, so it was a puzzle as to why results were so different.

In order to complete this puzzle an interview program was implemented with both high- and low-engagement employers to explore these discrepancies. The answer was surprising – the primary reason for the differences were that successful employers followed a very different journey.

Unsuccessful companies took the HSA materials as-is, delivered them to their employees in traditional benefits meetings, then waited for employees to sign up. However, since health savings accounts require more active participation than traditional healthcare, their employees never engaged with the new plans, and those with options reverted to traditional healthcare plans a year later. More importantly, employees as a whole did not manage their healthcare as expected.

As a result, members were not healthier, the employer's healthcare continued to increase, and employees did not substantially contribute to their health savings accounts – the primary driver of the HSA profitability.

Successful companies take a much more strategic approach. Planning begins months earlier, and communication broader, using newsletters, intranet sites and community events. They also involve company leadership in the rollout, having CEOs or branch managers introduce the new plan and explain why it was so important to the company.

Most critically, these successful companies developed their approach without any outside assistance. Because this HSA had not previously understood the successful implementation journey, they had no ability to share best practices. Once they understood the journeys of successful companies, they quickly educated their sales team and developed a small consulting capability on how to help companies be more successful implementing consumer-directed healthcare.

This research, and the action that followed, enabled the HSA to increase employee participation by over 7%, while increasing average balances by over $300 per account. A huge win was achieved by combining analytics with journey mapping.

6 Steps to Journey Map Success

Effective journey map programs combine internal and external insights in their creation. Six common steps include:

1. Select journeys and customer segments
2. Uncover hypotheses
3. Qualitative research
4. Create the journey maps
5. Journey mapping workshop
6. Action planning

Select the journeys and customer segments

The first step is to narrow the focus to the most important journeys and customers. Journey map programs fail when they try to accomplish too much at once. Mapping all journeys for all customers leads to overwhelming amounts of information.

At Heart of the Customer, we recommend focusing on either one customer type or one journey. Companies targeting a particular customer segment may want to study that segment across multiple journeys. For example, they could study Medicare recipients, solo-practice brokers or multi-product employers across journeys. This allows them to find ways to link the journeys together, anticipating the audience's needs.

Companies focusing on a particular journey will study the experience of multiple segments. For example, implementing a new plan, scheduling a coaching call, or renewing coverage. This allows the company to understand needs for their most important audiences, finding opportunities to simplify and streamline processes. As a result, they can improve the customer experience while simultaneously reducing the cost to serve.

The case studies included here show the most common choice – studying multiple customer segments in a specific experience.

Uncover hypotheses

Overcoming silos is easier if participants from throughout the company (both customer-facing and back-end) document their varied hypotheses.

We start with an initial mapping workshop to use our client's knowledge and the touch points they believe impact customer loyalty to create an initial journey map. This helps members to start thinking of the experience as a cross-silo journey, accelerating change. The Slideshare *Creating a Customer-Focused Customer Experience Journey Map[8]* shows more on Hypothesis Workshops.

Case Study: Paying for Healthcare is Harder than Expected

A health insurance payer wanted to understand where it needed to invest funds to improve the experience of paying for healthcare. The marketing organization lobbied for a new education program, the web team needed funds to improve website navigation, and product management was pushing for new features in a healthcare debit card.

To guide their investment roadmap, the company initiated a project to understand the friction points involved in paying for healthcare. Since the results involved millions of dollars of investment, the payer wanted to go beyond qualitative research to include statistical validation of the results. A two-stage program was designed, beginning with individual interviews followed by 500 surveys.

The results surprised the payer. While both education and navigation needed help, the largest friction point – and a moment of truth – was website login. For many consumers, their journey ended when they couldn't login to the website to discover how much they had in their accounts. Unfortunately, no planned or existing projects addressed this need. However, as a result of this research a quick fix was put in to improve the process while a long-term improvement was fast-tracked. Follow-on research identified that this login issue was a large driver of customer attrition, reinforcing the need for this update.

Qualitative research

The heart of the journey map is qualitative research. The methodology varies, from focus groups to in-depth interviews to ethnographies, depending on the type of customer and journey. But only qualitative research can uncover the emotions that populate a journey map.

Quantitative research such as surveys are frequently used as a follow-up step to validate the work, but starting with individual conversations is critical to uncovering the true moments of truth that impact ongoing loyalty. The *Paying for Healthcare is Harder than Expected* case study on page 8 features a journey map that included follow-up quantitative surveys.

Create the journey maps

Once the research is complete, the journey maps start to take shape, creating a comprehensive, at-a-glance view of what works, what doesn't, the emotions involved and how those emotions impact customer loyalty.

We strongly recommend using a professional designer to create journey maps. Cluttered maps become difficult for the reader, limiting their impact. An experienced designer will highlight the most important steps, creating the visual impact necessary for success.

Journey mapping workshop

After the maps are created, a journey mapping workshop uncovers all the elements behind those moments of truth – the back-end processes and systems that often cause the customer friction.

In this cross-functional workshop, both customer-facing and backstage employees work together to document the entire customer ecosystem, extending the journey map to include the internal view of the experience. The Slideshare *Creating a Customer-Focused Customer Experience Journey Map*[9] shows more details on running a journey mapping workshop, also called an ecosystem mapping workshop.

Action planning

The final step is action planning – taking all the learning and prioritizing next steps to reduce friction and improve loyalty. Journey maps consistently highlight conflicting incentives or missed steps that can be improved with minimal effort. They also highlight needs for more substantial investment. An action planning workshop prioritizes these to ensure that the research is used to improve ongoing loyalty.

Endnotes

[1] *The Watermark Consulting 2013 Customer Experience ROI Study, http://www.watermarkconsult.net/ blog/2013/04/02/the-watermark-consulting-2013-customer-experience-roi-study/*

[2] *2014 Temkin Experience Ratings,* Temkin Group, 2014

[3] *The Customer Experience-Loyalty Connection,* The Temkin Group, 2011

[4] *Mayo Clinic's James Senior: Leveraging Patient Journey Mapping for Better Healthcare Experiences,* http:// delight.us/mayo-clinic-leverages-patient-journey-mapping-exceptional-healthcare-experiences/

[5] *Journey Mapping Best Practices,* Forrester, May 21, 2014

[6] *The Truth About Customer Experience*, Harvard Business Review, September 2013

[7] *An innovative learning experience designed to help employees walk in customers' shoes,* http://www.pcgfirm.com/ pdf/Blue-Cross-Blue-Shield-Michigan-Customer-Innovation-Contact-Center-Pipeline-Article-June-2013.pdf

[8] *Creating a Customer-Focused Customer Experience Journey Map*, http://www.heartofthecustomer.com/slideshare-creating-a-customer-focused-customer-experience-journey-map/

[9] ibid.

What it means

An improved customer experience results in real, bottom-line results for health insurance companies. By improving ease of use, payers can add more loyal consumers and employers, while simultaneously lowering the costs to serve each customer.

Before a company can improve its customer experience, it needs to understand how that experience looks through its customer's eyes—what are the sources of friction and the moments of truth that impact that journey.

Customer journey maps are a popular method to both discover and clearly communicate the journey as the customer sees it, including which steps have the most impact.

Start by identifying the journeys and customer segments of interest. Then involve members from throughout the company in the process, including both customer-facing and back-end teams. They will guide the process as you reach out to customers, create your journey maps, and implement the change needed to improve your customers loyalty.

Customer Analytics & Engagement in Health Insurance

Using Data Analytics, Product Experience & Innovation to Build a Profitable Customer-Centric Strategy

Chicago | 4-5 December 2014 | Hilton Magnificent Mile Suites

http://www.insurance-health-analytics.com/

About the Author

Jim Tincher, Principal Consultant, HeartoftheCustomer

Jim Tincher sees the world in a special way: through the eyes of customers.

With a lifelong passion for quality customer experiences, Jim founded Heart of the Customer to help companies of all sizes increase customer engagement.

Before launching the company, Jim led customer engagement initiatives at Best Buy, Gallup and UnitedHealth Group. In the process, he became an expert in using Voice of the Customer research to identify unmet needs, develop new products and improve customer service.