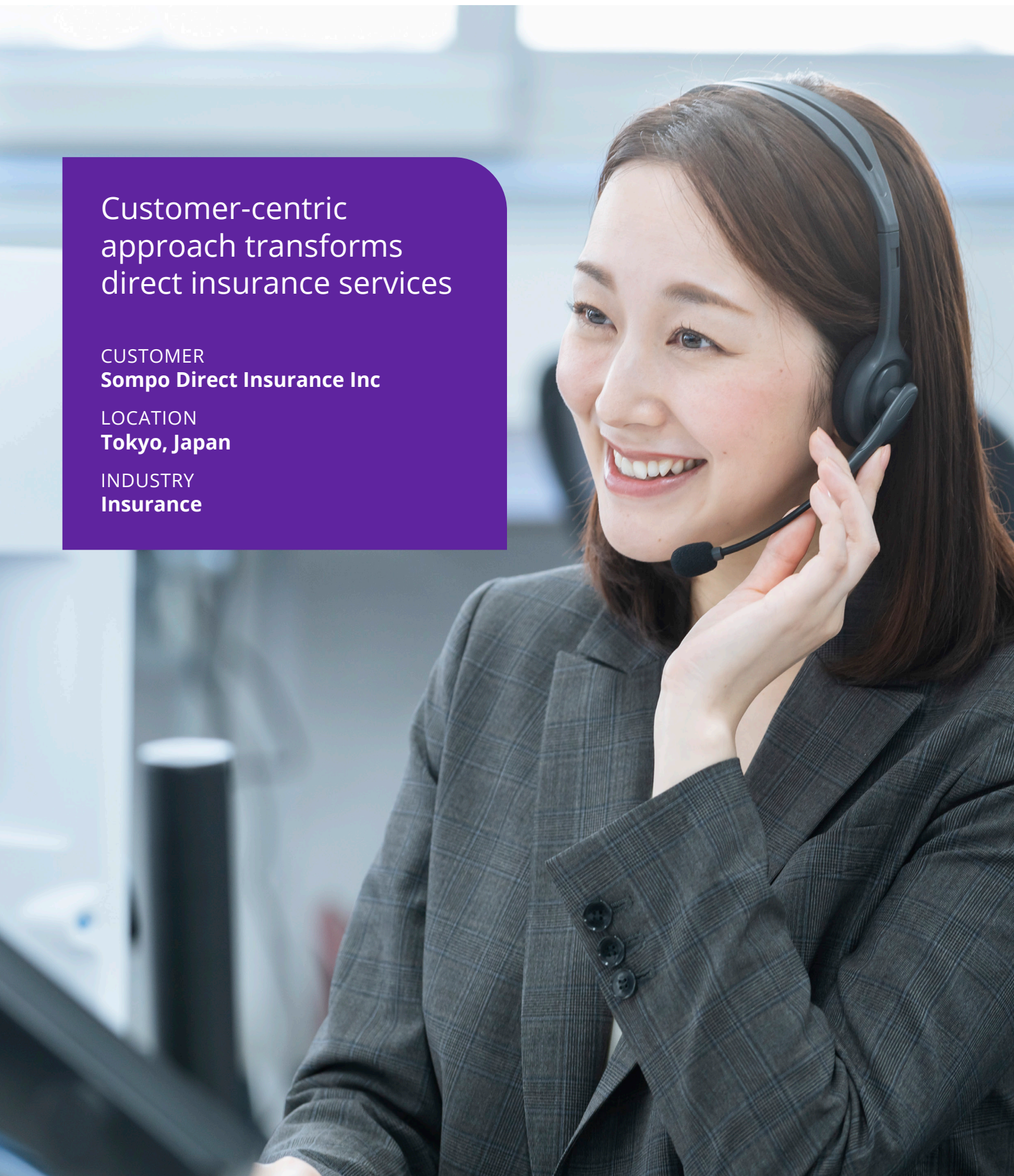


Customer-centric
approach transforms
direct insurance services

CUSTOMER
Sompo Direct Insurance Inc

LOCATION
Tokyo, Japan

INDUSTRY
Insurance





Challenge

- Evolve to a leading direct insurance organisation providing quality customer service
- Migrate customer information from multiple systems into an integrated customer contact portal
- Real-time data linkage to aggregate customer-related information



Solution

- Salesforce Financial Services Cloud Customer Relationship Management (CRM)
- Proprietary Customer Data Platform (CDP) built on Amazon Web Services (AWS)
- Talend, a data integration and management solution (a Qlik company)
- Precisely Trillium, a cleansing and name-based aggregation tool
- Design, build and support by DXC Advisory and Delivery teams



Results

- Immediate access to customer information improves the quality of customer service
- Streamlined call center/accident reception center operations with improved business processes
- Consulting and cross-selling/up-selling is optimized according to each customer's needs



Customer-centric approach transforms direct insurance services

Sompo Direct Insurance Inc (Sompo Direct) is a direct insurance company established in 1982. Headquartered in Toshima-ku, Tokyo, the company employs over 900 people. The company, part of the SOMPO Group, focuses on direct (mail-order) non-life insurance.



Tadashi Yamanaka
Operating Officer and
Director of Information
Systems, Sompo Direct
Insurance Inc

The organisation is currently enjoying popularity for its automobile insurance, which boasts one of the highest growth rates in the industry; and self-selectable fire insurance, which allows customers to freely design their own coverage.

The company is also active in customer services that utilize digital technology, such as “Hoken note,” which allows customers to manage insurance policies in one place, and “SA-PO·PO,” which supports car, life and disaster prevention.

Business challenge

Sompo Direct has an excellent reputation for its insurance products, having won first place in a third-party customer satisfaction survey. However, competition in the market is intensifying, and it is becoming increasingly difficult for the company to maintain its superiority based on premiums and coverage alone.

Moving forward, the company's aim is to lead the market by improving customer satisfaction through the provision of an optimal mix of product and quality customer service.

“We have been very active in providing services to our customers using digital technology,” says Tadashi Yamanaka, Operating Officer and Director of Information Systems, Sompo Direct Insurance Inc. “The main objective is to create better communication opportunities with customers by utilizing a new CRM system to increase lifetime value through cross-selling and up-selling, and to improve customer satisfaction through the provision of high-quality services.”

“The new CRM system will play an important role in enabling employees at the front line of customer service, such as our call centers and accident reception centers, to provide optimal products and services to our customers,



Tsukasa Ando
General Manager, Analytics
& Engineering Division,
Advisory Department,
DXC Technology Japan

says Yamanaka. “By integrating digital technology with real contact points, we will build better relationships with customers through close communication, while demonstrating our strengths in unique product development capabilities where our expertise in direct insurance can be fully leveraged.”

“These activities will be supported by a new Customer Data Platform (CDP), which will integrate customer-related information handled by multiple systems, such as customer masters, insurance policies, response histories, and claims payment records. It will enable staff in frontline departments that deal with customers to immediately refer to such information,” says Yamanaka.

Solution

To accelerate new customer contact points, increase the number of customers and policies, and improve the quality of customer service, a new CRM system was implemented by DXC Technology Japan. The CRM consists of a front system running on Salesforce Financial Services Cloud serving as a portal for customer contact points, and a proprietary CDP built on Amazon Web Services (AWS).

Having worked with Sampo Direct since 2010, DXC Technology was selected to support the design and build of the new CDP.

Since the partnership began, DXC has been involved in the development and operation of Sampo Direct’s core systems, including the policy administration system. DXC’s team of business analysts are well versed in insurance operations and its team of

engineers have extensive experience in building data integration platforms and in cloud/infrastructure domain. DXC continues to make a significant contribution to the advancement of Sampo Direct’s CRM strategy.

The integration of the CDP into the back end of the new CRM system creates an environment that enables the company to immediately obtain the insurance coverage status of customers, propose products and services best suited to each customer’s life stage, and provide high-quality consulting services tailored to each customer’s needs.

The CDP includes an integrated customer data model providing information in real time to manage all customer service operations, including policy administration, customer response history, and claims payment records.

Implementation

In the initial stage of the project, the selection of customer data to be integrated into the single CDP was carefully carried out through discussions with the relevant business units.

According to Tsukasa Ando, a key member of DXC’s advisory team, to extract the necessary customer-related information from seven systems with different architectures and data models and integrate it into the single CDP, it was necessary for DXC to focus on three main areas:

- Designing an integrated customer data model
- Building a mechanism for detecting updates to the systems to be integrated and linking the latest data



“The ability to view customer-related information on a single screen, has facilitated smooth communication with customers through the call center and accident reception center, leading to shorter response times.”

— **Tadashi Yamanaka**,
Operating Officer and
Director of Information
Systems, Sampo Direct
Insurance Inc

- Implementing a process to collate and consolidate multiple pieces of information related to the same customer, dispersed across different sources

It was essential to have a good understanding of the data models of the existing systems to succeed when designing a CDP that is capable of integrating hundreds of tables. Kazuyuki Namatame of the Insurance Delivery Division, who managed the project for DXC, explains that the basic principles of CDP design applied in this project.

“We designed the logic of the CDP, the operational data store, based on the concept that it would be mapped to the data model of the Financial Services Cloud object,” he said.

The key point in the design was to implement data linkage functions for the different data models of the seven systems to be integrated, taking into account the data relationships. The platform was designed to ensure sufficient resources for processing performance, while taking availability and scalability into consideration, since thousands of items needed to be processed.

The data integration solution, Talend, was used for data linkage. Talend’s change data capture function detected new entries, updated and deleted data from the system to be integrated, and automatically collected and linked the existing data. Java Database Connectivity (JDBC) crawling was also employed for data linkage.

Precisely Trillium, a data cleansing and name identification tool with a proven track record in Japanese characters, was used for name-based aggregation. The name-based aggregation process consolidated multiple policies held by the same individual into a policy data group associated to a single customer.

Achieving real-time data integration

“To provide customers with the latest information, the CDP must be constantly updated,” says Yamanaka. “To achieve this, data must be collected and reflected in the CDP at near real-time speed. The major technical challenge was how to accelerate a process as complex as a nervous system, which had to handle hundreds of tables and thousands of items at high speed.”



Kazuyuki Namatame
General Manager, Insurance
Delivery Management
Division, Non-Life Insurance
System Department 3,
DXC Technology Japan

DXC's team of engineers worked to eliminate bottlenecks in the complex data integration process one by one, and increased performance through tuning, without increasing AWS resources.

"As an example, we identified a bottleneck in the processing of table searches," says Namatame. "By optimizing the order of searches, we were able to reduce the processing time significantly. Another effective measure was to consider how to use AWS resources efficiently from the design stage. For instance, we carefully planned to place the storage in such a way so that it would not become a bottleneck when Talend and Precisely Trillium were linked. Through the accumulation of improvements such as these, we were ultimately able to achieve our processing time target."

Customer data integration improves field operations

Since the new CRM went live, Sampo Direct has seen a variety of changes taking place in the field operations performed by its customer service representatives.

"When a customer calls our call center, the call triggers the system to display

the customer's information, such as the customer's policy details, quotation information, response history, and claims payment records", says Yamanaka. "This enables our staff to immediately know who is calling and to smoothly respond to the customer's inquiries or requests. In the previous environment, our staff had to activate multiple systems to retrieve the information they were looking for. With the new CRM system, they no longer have to experience such inefficiency."

"The ability to view customer-related information on a single screen, has facilitated smooth communication with customers through the call center and accident reception center, leading to shorter response times. As they are now able to easily retrieve the information they want to see, the field team's awareness has also changed. As a matter of fact, on their own initiative, the field team have proposed a variety of ideas to improve operations," says Yamanaka with a smile.

The speed and quality of information-sharing among related departments has also improved. This has accelerated cross-departmental business processes, such as accident response, communication with customers, and administrative procedures.



The DXC team fully leveraged its knowledge of insurance operations and technology to complete the project.

“This project was completed thanks to the close collaboration between DXC’s business analysts and engineering team, who are very knowledgeable about the insurance business and have a solid understanding of the data to be integrated.”

— **Tadashi Yamanaka**

Operating Officer and Director
of Information Systems,
Sompo Direct Insurance Inc

“As we become more skilful in using the new CRM system, we will be able to steadily increase the efficiency and speed of our operations”, says Yamanaka. “Our next challenge is to raise our top line as an insurance company through consulting, cross-selling/up-selling, etc, tailored to each customer’s life stage. We have already begun providing information and making proposals to customers using marketing automation.”

The DXC team fully leveraged its knowledge of insurance operations and technology to complete the project. Yamanaka recalls being once again impressed by DXC, including its ability to propose solutions that address Sompo Direct’s business goals and challenges, as well as its technological capability to accelerate the speed of large-scale and complex data integration, and its problem-solving skills when faced with difficulties.

Yamanaka concluded by saying, “This project was completed thanks to the close collaboration between DXC’s business analysts and engineering team, who are very knowledgeable about the insurance business and have a solid understanding of the data to be integrated.”

“The quality of DXC’s proposals were truly exceptional, and to be honest, we were deeply impressed with what they presented to us. We faced various difficulties during the project, but we are grateful to DXC not only for the constant constructive discussions, but also for the overwhelming enthusiasm with which they worked to resolve them.

“With our new CRM system in place, we can now address new business challenges, such as increasing the close rate of multiple policies, our retention rate, and obtaining new policyholders, and we look forward to DXC’s continued support and new proposals in the future.”

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