

Build a Compelling Financial Business Case for Modernizing Customer Communications Systems

Making a Link to Key Business Initiatives

Financial justifications for customer communications solutions vary widely since the technology may be applied to many different parts of an insurer's business. The cost/benefit case for Finance may be significantly different for an insurer that's looking for an enterprise-wide solution for digital content creation and delivery versus one that's focused on solving a problem for a specific business unit or functional department like Claims. Even so, there are some general guidelines that often prove useful in putting together the business case for modernizing customer communications systems that demonstrates a strong return on investment to the Finance group.

As in any IT project, the financial business case should link the results directly to key business initiatives and metrics while also identifying the specific cost savings that are expected. The Finance group is likely to look at the "hard" benefits of cost savings first, but the "soft" benefits of contributions to key business initiatives will also factor into the decision. For customer communications projects, there are a number of business initiatives and cost savings that could be included in the business case, depending on the scope of the intended implementation.

Linking to Key Business Initiatives

Modernizing customer communications systems may contribute to one or more important business initiatives, such as:

1. Enhancing the customer/agent experience – by providing well-designed, personalized documents to customers, with the option of e-delivery.
2. Increasing customer satisfaction – producing customer statements, letters and other documents that are accurate, timely and personalized.
3. Reducing claim severities – more frequent communications with claimants to keep them apprised of the status of their claims.
4. Improving billing options and accuracy – providing more readable statements and e-billing options.

Identifying Cost Savings Opportunities

Implementing a modern customer communications solution naturally results in improved employee productivity, reduced paper, optimized print/mail operations and improved compliance. All of these can be translated directly into significant cost savings. The design and automated management of templates plus modern composition tools help reduce the time it takes for customer-facing users to generate and deliver communications that lead to higher productivity. Insurers are beginning to offer more and more options for e-delivery, which reduces paper costs, print/mailroom costs and postage. Modern customer communications solutions that provide advanced tracking of versions and audit trails enable insurers to improve regulatory compliance, which can save tens or even hundreds of thousands of dollars in fines.

Building the financial business case can seem daunting at first, but it doesn't have to be. By working with an experienced customer communications solution provider who has expertise and an installed base in your niche applications, you can rest assured that they will help you build a robust justification. And, whenever possible, it is useful to pilot a new customer communications solution to get specific data on the types of improvements and cost savings that will be possible in your specific environment.

To learn more, visit cincom.com/cds, or give us a call at **800.2CINCOM**.

About Cincom

Cincom delivers the most intuitive, customer communications solution in the industry. By streamlining the design, deployment, delivery and management of high-volume, highly personalized communications, Cincom helps insurers:

- Acquire, strengthen and expand customer relationships
- Minimize compliance and regulatory risks
- Reduce operating costs
- Accelerate time-to-market for all their customer communications

Cincom leads the industry in providing customer communications solutions that are easy to integrate, easy to use and deliver a rapid and continuous return on investment.



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