



MRS Awards 2013

Financial Services Research

Finalist

Farzana Qadir, Harris Interactive

**Barbara Wright, AXA PPP
Healthcare**

**Distributor Scope - Nurturing
Symbiotic Intermediary
Relationships**

SUMMARY

In 2009, AXA PPP healthcare reviewed its Distributor Scope programme to ensure it met their business needs. Stakeholder buy-in was critical to the success and impact of the programme, therefore the research process commenced with a stakeholder workshop.

The workshop allowed for anonymous feedback to be immediately debated and ranked, giving each participant an equal stake in driving the future direction of the research.

An annual programme was designed amongst key intermediaries. The objective was to gain an in-depth understanding of how the organisation is perceived within a competitive context to ensure intermediaries feel supported.

In-depth semi structured interviews with senior decision makers and front line staff provide a strategic and tactical steer of intermediary priorities and concerns, alongside assessing the overall relationship. As summarised by Paul Moulton, Intermediary Distribution Director at AXA PPP healthcare:

“AXA PPP healthcare places great store on our ‘voice of customer’ feedback. A very important part of this is the annual Distributor Scope which allows us the opportunity to check the general views and feelings of this critical distribution channel. In addition it provides excellent insight into future healthcare opportunities and feedback on some of our proposition development ideas.”

SYNOPSIS

Background

Successfully managing intermediary relationships is paramount, as they are the interface between the organisation and the end user. It is therefore imperative for healthcare insurers to better understand how intermediaries think and feel towards their organisation, and how their views may influence future behaviour.

At a time when individual and company budgets are stretched, greater emphasis is placed upon the significance of these business relationships in communicating the value and cost justification of private medical insurance to ever increasing price conscious consumers and companies.

It is therefore more important now than ever before to understand performance against competitors and identify improvement areas to ensure intermediaries feel supported and that their service needs are met.

Such a challenge was faced by AXA PPP healthcare, one of the largest private medical insurance providers in the UK.

Solution

Prior to 2009, AXA PPP healthcare gathered intermediary feedback via an online quantitative survey, which failed to meet their business needs. In particular, the challenges faced were small sample sizes, a lack of competitive context alongside little diagnostic evidence to understand what areas of the business needed improvement and why.

AXA PPP healthcare partnered with Harris Interactive to develop and implement a study that the business could buy into: one which not only provided ‘top line’ quantitative measures, but also provided the depth required to make the necessary improvements.

To gain key internal stakeholders’ buy in, an internal workshop was conducted, providing stakeholders with the opportunity to share their views on the direction of the research and what it should deliver.

Utilising Harris Interactive’s Advanced Strategy Lab (ASL) technique, initial feedback was gained anonymously via networked laptops and then debated, categorised and ranked by the wider group.

This allowed us to understand what key internal stakeholders saw as the main drivers of the research, the key issues it needed to address, which intermediaries should be included, the frequency of the research and the most appropriate approach.

Distributor Scope was developed to provide feedback from key intermediaries and place large corporate, SME and individual business.

As well as providing critical business metrics, Distributor Scope is an essential tool which has been helping AXA PPP healthcare’s relationship planning since 2009.

Conducted annually, the overall objective of the programme is to better understand intermediary perceptions of AXA PPP healthcare within a competitive context, and to inform business decisions regarding both service and product investments, with the aim of making AXA PPP healthcare best in class.

More specifically, feedback from the research is used to:

- Provide an overall evaluation of the business across key areas, such as satisfaction, service and products
- Provide an understanding of performance across different intermediary interactions to improve intermediary relationships
- Gain intermediary feedback on emerging areas/industry trends and proposition development.

The research adopts a semi-structured based approach, with in-depth interviews with senior decision makers and front line staff at each key intermediary organisation. The advantage of this approach is the ability to gain a 360 degree perspective of the intermediary relationship, allowing AXA PPP healthcare to ascertain the health and strength of the relationship at both a strategic and tactical level, alongside what improvements need to be made and how it can keep abreast of competitors.

Whilst the interview is structured to cover off the key elements and provides prompts, there is ample opportunity throughout the interview for intermediaries to set the agenda for the discussion. By gaining a top of mind read, the research identifies the priorities and concerns of intermediaries when working with healthcare providers in meeting the needs of their clients. Over the years, the

content of the interview has evolved to ask about particular industry trends or specific areas of interest.

Adopting a face-to-face approach with senior decision makers ensures we elicit the depth of detail required to understand the strength of the relationship between AXA PPP healthcare and intermediaries, alongside the factors which impact that relationship. Additionally, adopting a face-to-face approach for senior decision makers reflects their seniority and demonstrates the value AXA PPP healthcare places on the relationship and the importance of the feedback, with the programme feeding into a group-wide initiative and global commitment to maximising intermediary satisfaction.

Encouraging participation amongst a select group that is already over-researched presents challenges, but the task is made easier by account managers preparing respondents by explaining the benefits of participation, and promising a summary of the findings and the actions AXA PPP healthcare plans to take. In 2012 the programme was also promoted via formal communications which helped to generate an 80% response rate.

Action

For AXA PPP healthcare, the feedback from Distributor Scope has been instrumental in driving change throughout the business.

The research helps AXA PPP healthcare understand which particular interactions are key to ensuring delivery of the service and proposition, and the consequences of not delivering.

Through careful probing during the discussion, we were able to provide qualitative feedback that uncovers the key moments of truth and what positive or negative experiences are driving perceptions, as well as whether any developments and improvements that could be put in place to ensure excellent service across different business areas.

The findings were debriefed via a full day interactive workshop, involving key, senior stakeholders across the business. The structure of the workshop takes the form of a two-way discussion, presenting back the findings in bite size chunks and allowing for discussion within groups on how the feedback differs from internal perceptions. The workshop culminated in break-out groups with each area establishing action plans, summarising the key points, and detailing what needs to change and how this could be achieved. This covers both service and proposition offering and includes quick wins as well as more long term direction of the organisation.

Over the years and following the actions being identified during the workshop, a number of initiatives have been launched across proposition development and account servicing, which have been communicated to intermediaries. These include:

- Changing the way that accounts are serviced by introducing a more holistic approach to account

management for key intermediary partners. Today, AXA PPP healthcare is dealing with each intermediary as one organisation and having one conversation about their objectives and how AXA PPP healthcare could help them fulfil them.

- Introduction of dedicated account management training each month which included team briefings, product and competitor updates, as well as addressing internal communication between account managers.
- Empowering account managers further to be able to make key decisions.
- Development of a communication strategy in order to be more proactive about informing intermediaries of proposition and service developments. This includes more regular business updates, sharing market expertise, and insight into market trends and future developments in the industry.
- Changes to the proposition including the ability to take a modular approach and providing the ability for intermediaries to tailor the proposition to more closely match the needs of their client.
- Introduction of new services aimed at providing end users with appropriate access to treatment
- Development of new initiatives around treatment for specific illnesses and a fast track appointment service.
- A re-design of the invoicing system including clearer invoices and outputs, more automated electronic output and more effective allocation of payments. Other improvements also included a clearer explanation around invoice content as well as reducing intermediary time and paperwork via the introduction of online tools which made the process more streamlined.
- Enhanced claims handling
- Access to online management information enabling intermediaries to better handle their client relationship.
- Launch of a new online portal where intermediaries can access useful information about AXA PPP healthcare's solutions, bringing all the information together in one place.
- Refresh of the brand and approach – expressing more clearly what AXA PPP healthcare stands for and why intermediaries should partner with them
- Addressing the speed of policy set up and quote turnaround times

In summary, this programme of research has aided in the management of intermediary relationships, as well as strengthened AXA PPP healthcare's service and proposition.

Looking ahead, with the NHS under greater scrutiny and pressures of funding coming to the fore, this presents opportunities for the role of private medical insurance in the future. This could take the form of tax breaks or using private medical insurance as a top up to NHS treatment. Therefore, for AXA PPP healthcare, understanding how it can meet any future potential needs remains at the core of what they do.