

## Case Study: Personalized interactive video improves customer engagement at Security First Insurance

### Overview

In a marketplace crowded with regional home insurers offering low-cost policies, Security First Insurance wanted to distinguish itself via the customer experience it provides. In the simplest terms, Security First Insurance wanted to make and keep its customers happy. "And customers get unhappy when their homes are damaged, they need to file a claim, and they don't have the coverage they thought they had," said Ben Bomhoff, Security First Insurance vice president of enterprise systems.

### Business challenge

Densely worded and packed with legal terms and industry jargon, homeowners' policies are difficult for consumers to understand. "The average policy package can run 80 pages long," Bomhoff said. "No one wants to read it." Security First Insurance's marketing vice president Marissa Buckley concurred, adding, "We've conducted focus groups over the last four years and consumers have told us, 'I'd rather stick a needle in my eye than think about homeowners insurance.'"

It's no wonder that consumers sometimes face unpleasant surprises after filing their claims. Bomhoff said that many consumers didn't understand that coverage for "water damage," such as damage caused by a burst pipe, does not include coverage for destruction wrought by flood waters — an important distinction in a hurricane-prone state. Others didn't know about the importance of replacement cost coverage and the difference between actual cash value and replacement value: the cost, for example, to buy a new television after an existing set was stolen. Without replacement cost coverage, items are valued at their depreciated value, or the amount you might expect to earn selling a used TV at a yard sale.

As a customer-focused company, Security First Insurance recognized the need to create a customer experience that was so unique and entertaining that customers would want to take the time to learn about the coverage in their policies.

### Client profile

**Security First Insurance**  
securityfirstflorida.com

- Privately owned Florida insurance company with 125 employees and more than 250,000 policyholders
- Offers homeowners, condominium owners and renters insurance
- Uses technology to improve the customer experience, streamline catastrophe response

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– Ben Bomhoff, Vice President of Enterprise Systems

## Solution

It started with having a corporate culture that allows for creative thinking and investment in innovation and technology. Security First Insurance has developed a reputation for creating several industry-first systems and services, and the company's chief operating officer, Werner Kruck, has led each major initiative. Kruck received an email linking him to a personalized video that described his bundled home telecommunications services and billing. He thought these types of videos could effectively augment insurance policies, explaining each policy's coverage and limitations in consumer-friendly language. He met with key members of the company's executive management team, including Bomhoff and Buckley, to start the discovery process. Bomhoff researched technology companies offering personalized videos, but had difficulty finding one willing to begin with discovery sessions or to start with a single video rather than a series. "Companies didn't want to start with a pilot," Bomhoff said. "They wanted to start with a \$500,000 commitment."

And not all technology companies could meet the project's deadline. Security First Insurance wanted to be the first insurance company to market with personalized videos, but other insurers had videos in the works. Therefore, Security First Insurance's initial video had to be produced in just three months.

Then, Security First Insurance learned about Precisely EngageOne Video. Part of the Precisely Customer Engagement solution suite, EngageOne Video software is used to create personalized interactive videos that organizations can use to deliver tailored communications to their customers. Consumers can control and interact with these videos, determining which parts they'd like to view, and when. Video capabilities can also help drive behavior across the customer lifecycle through targeted "best next engagement" recommendations: directing viewers to read a company's blog, contact one of its sales representatives, or visit an online customer service center, for example.

Precisely and Security First Insurance began their relationship with a low-cost discovery process during which a Precisely team met with Bomhoff, Buckley and other Security First Insurance personnel to develop a clear understanding of the goals for the personal interactive video. Topics discussed included projected costs, the feasibility of meeting the three-month deadline, and how the video could support the insurance company's overall business strategy.

## The first video

With information gleaned from the discovery sessions, Precisely created an animated seven-minute personalized interactive video targeting policyholders insuring single-family houses. The video, which was completed within the three-month timeframe, begins with a friendly spokesperson addressing the user by name and inviting the customer to explore personalized information on coverage types, deductibles, billing processes and available discounts (see Figure 1). The video then discusses the viewer's coverage and limitations. It explains insurance terms such as "ordinance or law coverage," "replacement value" and "hurricane deductibles." Hyperlinked buttons appearing on the screen allow the viewer to navigate from section to section. The conclusion invites viewers to access the company website and home safety blog.

New customers who have purchased insurance for a single-family home receive an email with a link to the personalized interactive video. The company has sent out 52,000 such emails over the last year, Bomhoff said. The open rate is 55 percent, with 76 percent of those opening the email watching the video through to about the four-minute mark, receiving the video's most important coverage messages. This is significant, Buckley said, because consumers will typically only interact with a video for two minutes. Many of Security First Insurance's customers are watching for twice as long. (See Figure 2.)



Figure 1: Security First Insurance's animated personalized interactive video features a friendly spokesperson explaining individual insurance policies in consumer-friendly language.

# 52,000 links to personalized interactive videos emailed



Figure 2: Many viewers are watching Security First Insurance's personal interactive video for four minutes, long enough to absorb the video's most important messages.

## Benefits

Security First Insurance believes that its first personalized interactive video has improved the customer experience by helping consumers better understand their coverage and its limitations. Customer feedback has been "incredible," Buckley said, with policyholders lauding the quality of video information. Just as important, the video has improved customer engagement.

"People are saying, 'I loved your video. I watched it as I had my coffee.' I'm thinking, 'We're having coffee with our customers. Terrific!'" Buckley said. At a deeper level, the video engenders stronger ties between the insurance company and its policyholders by directing viewers to the Security First Insurance customer portal and blog. "We work really hard to publish valuable content for our customers," Buckley said. "If our policyholders find this information valuable, they'll keep touching base with our blog. That makes them more likely to feel loyal to us when it's time to renew their policies."

## Enhancing brand identity

Security First Insurance has also found that the video has enhanced its brand identity. The company has been airing television commercials in Florida since 2008. The commercials have a certain look, flow, and tone. The company wanted to carry these brand elements into its personalized interactive videos.

"We didn't want a disjointed experience," Buckley said. "A lot of video vendors have templates that you can't customize to your branding specifications. Precisely was able to customize our video at every level, down to the smallest elements. For example, the buttons on the embedded video player match the buttons on our website. The animator developed characters similar to the ones we use in our commercials. The voiceover talent and music sounded similar. This helped us maintain brand integrity across platforms."

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- Marissa Buckley,  
Marketing Vice President

### Tailoring the message to suit hard times

Tailoring video messaging to specific events was also important to the company. “Our policyholders are vulnerable to hurricanes,” Buckley said. “We don’t want to send out a friendly, cheerful video when there has been widespread devastation. We need to be able to stop and change messaging quickly so we can accommodate user needs, and so we don’t appear insensitive.”

The EngageOne Video solution offers options to help Security First Insurance effectively manage a variety of situations. The company can choose to simply stop emailing video links to its customers during times of disasters. It can change video content: an alternate video, designed for disaster situations, has been produced. The company may also choose to rearrange information on the video landing page to accommodate likely user need — making the “File a claim” button more prominent, for example.

Building on the success of its video for consumers with single-family homes, Security First has also used EngageOne Video to produce a personalized interactive video for customers buying condominium insurance. It plans to soon produce videos for people buying renter’s insurance and for renewal customers. Eventually, the company hopes to use personalized interactive videos to attract new policyholders, emailing video links to prospects who request quotes via the corporate web site.

“Working with Precisely, we were able to produce a personalized video with a light sense of humor, one that connects with people, one that they actually want to view,” Bomhoff said. “Customers now have a better understanding of their coverage, and that improves the claims experience down the road.”

### Technology used

- EngageOne Video

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