

## Case Study

# Firstsource helps leading UK motor insurance company improve 'bottom line' and enhance customer service and sales



"We have a longstanding relationship with Firstsource. Their support has helped improve staff retention in the UK. They help towards the 'bottom line' as evidenced in part by their breakdown sales. I feel they are worthy winners of the Supplier of the year 2008 award."

Client's Outsource Manager

### Background

A FTSE 100 Motor insurance company wanted to improve its customer service operations by reducing costs and increasing revenues, enhancing customer service, improving efficiency and reducing employee attrition.

### The Solution

Firstsource delivered extensive product and process training to the advisors and implemented multi-skilling module to allow operational efficiency at reduced costs. It added value to the client by up-selling ancillary services and investing in a new VOIP technology platform for improving customer service.

### Key Benefits

Firstsource innovative approach provided the client significant financial savings (estimated to be around £4 million p.a.), additional revenues through up-selling, enhanced customer service levels, and 'less than industry' in-house staff attrition.

### ► Background

The client is one of the UK's fastest growing motor insurance companies with revenues of more than £700 million and over 2000 employees. The FTSE 100 listed company offers a range of motor insurance and associated products across multiple brands and has over one million policy holders. As a fast-growing operator in a sector generally under considerable margin pressure, the client was looking for cost savings, enhance customer service, efficiency improvements and opportunities to increase revenues and hence needed a partner who could provide them with the appropriate solution.

Firstsource originally started working for this client in June 2001 with 17 people providing inbound sales and now there are over 200 people supporting this client with voice and back office processing. As the relationship has developed, the client has increasingly sought to create a customer service environment providing seamless operations between the outsourced and in-house service delivery. This has been reinforced by Firstsource's investment of over £900,000 in a VOIP telephony platform that replicates the client's in-house system.

### ► The Challenge

Peak time customer calls for insurance usually take place during evenings or weekends, which are unpopular working hours and tend to:

- Reduce the employee satisfaction levels, with consequent increases in the attrition rates, which ultimately impacts customer service levels
- Increase the cost of service, as premium salaries and overtime payments are expected by staff working these shifts
- Increase training overhead, with a higher number of number staff requiring training

### ► The Solution

Having established a good working relationship with Firstsource, the client decided to outsource its inbound customer services during the peak call hours. Firstsource now handles just under 40% of the client's call volumes and not only undertakes voice based customer services but also a significant amount of back office processing, taking advantage of the time zone difference to improve paperwork turnaround times.

Firstsource delivered enhanced customer service levels through the following:

- Associates have been trained and tested on the Data Protection Act, according to Financial Services Authority (FSA) requirements. They are also given training on money laundering and its consequent effect on the organisation
- Team Leaders/Team Coaches have been up-skilled in line with their in-house equivalent roles to empower them with equal underwriting and decision making authority. This provides seamless customer service for customers regardless of when they contact their insurer
- Continuous extensive product and process training for the associates to ensure knowledge of complex insurance claims handling processes
- Multitasking introduced to allow associates to work across multiple brands, so that agents can support different brands within the client's portfolio during busy periods, providing greater flexibility

Firstsource has also added value to the client through:

- Up-selling ancillary services such as breakdown insurance which adds to client's revenue
- Firstsource has demonstrated its commitment to improving the client's customer service operations by investing £900,000 in a new VOIP technical platform in line with the client's technology migration programme. This VOIP platform facilitates a seamless operating environment across multiple sites
- Developing and implementing a client specific Intranet to provide advisors with more intuitive and timely access to the in-house knowledge base, thus improving advisor responsiveness and the overall customer experience
- Development of proprietary electronic tools - E notepad and SmartStart to ensure a paperless environment and protect customer data

According to the client's Outsource Manager: *"In the year to date, Firstsource has dealt with 1.19 million calls, which is 38.5% of all of our inbound customer service calls, whilst fulfilling our expectations of the level of service, and ensuring the call answer rate and service levels required are adhered to."*

### ▶ The Benefits

- Firstsource sold an additional 11,000 breakdown covers in 2007, which the client acknowledges makes a significant contribution to its overall revenues .
- The client has now reduced in-house staff attrition to less than 20% - less than the industry average in the customer service business. Operational window was extended from 8 hours x 5 days to 14 hours x 7 days
- Outsourcing out of standard working hours customer service to Firstsource has also provided a significant financial saving to the client – estimated to be in the region of over £4 million per year
- Improved workforce management and forecasting led to increased response rates ranging from 105 per cent to 116 per cent

The client has recognized Firstsource's contribution to its business by awarding the accolade of "Supplier of the Year 2008" to the Firstsource team.

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a global provider of BPO (business process outsourcing) services headquartered in India. Firstsource provides customized business process management to global leaders in the Banking & Financial Services, Telecom & Media and Healthcare sectors. Its clients include Fortune 500 Financial Services, Telecommunications and Healthcare companies. Firstsource has a global delivery model with operations in India, US, UK, Argentina and Philippines. ([www.firstsource.com](http://www.firstsource.com))