

CASE STUDY



Better data boosts customer satisfaction at BGL Group



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Allen Seldon, BGL Group

Overview

BGL Group, known for the meerkats of comparethemarket.com, digital life insurance specialist Beagle Street, the high street and blue-chip brands served through its Junction partnerships business and own insurance brands Budget Insurance and Dial Direct, has grown over the past couple of decades to become one of the UK's largest consumer insurance provider groups.

The business has been a long-standing partner of LexisNexis Risk Solutions®, and was one of the first contributors to the No Claims Discount (NCD) module at launch in 2013. In 2016, BGL Group switched to using the NCD module at point-of-quote for car and van insurance, a move that saw it improve customer service, reduce fraud and increase the accuracy of its pricing.



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The Challenge

BGL Group services millions of motor quotes every year, and needed the ability to confirm that the information provided by the majority of potential customers on their no claims history was accurate. By looking to automate the process, BGL Group looked for a solution that could improve customer service, reduce costs and enable them to focus their resources to drive down fraud.

The Solution

BGL Group had been a supporter of the LexisNexis Risk Solutions No Claims Discount (NCD) Module since its inception. The module is a contributory database of consumer no claims histories supplied by other providers. It operates on a contribute-to-use basis and enables its users to replace a manual process of checking a customer's NCD with an automatic check against a database.

For BGL Group, it had long been apparent that requiring new customers to post in a paper certificate of their no claims discount was not only vulnerable to loss, fraud and error, but was starting the customer experience off on the wrong foot.

“The customer is at the heart of everything we do,” explains James Bice at BGL Group. “Like the rest of the industry, we were asking them to dig out an old paper record and get it in the post – not exactly how our customers, many of whom have grown up on the internet, expect us to be doing things. Unsurprisingly there’s a direct link between a reduction in the quantity of paper a customer has to send in to us, and a major improvement in their satisfaction with our service.”

By replacing the paper trail with the ability to access records supplied by other providers, BGL Group could verify the majority of no claims histories, saving their business and customers’ time and hassle.

Through shifting the use of the module from a post-sale check to instant verification at point-of-quote, BGL Group aimed to further improve customer service and highlight potential discrepancies at the earliest point in the customer sales cycle.

The Results

Operational benefits have been significant; previously BGL Group could only engage in manual NCD checking, which takes up to two minutes per case to process, following the sale of the policy. In addition, the fact that these checks could only occur if the NCD was correctly sent in by the customer meant the whole process could take up to four weeks to complete. The introduction of an automated process has driven both efficiency and effectiveness: BGL Group is able to check NCD on all quotes, which was previously unimaginable, and complete the majority of the validation process at the point of quotation.

“What the database is enabling us to do is focus our counter-fraud activities on those NCD cases which remain unproven or show anomalies. Prior to LexisNexis Risk Solutions, manual processing of the huge volumes of no claims histories a year was diluting our efforts to the point where it was effectively seeking to spot the proverbial needle in the haystack.

“In 2016 BGL Group’s internal brands of Budget Insurance and Dial Direct implemented a pilot where they switched from using the No Claims Discount module as a post-sale check on light commercial vehicle insurance, to an instantaneous look up at point of quote. We began with van insurance owing to the lower volumes and the significant difference no claims history can make for the customer.

“The earlier we verify no claims, the earlier we can be sure of the risk, and in the case of fraudsters – there is much less chance for them to get on our, or our insurers’ books. It also enables us to streamline the customer experience and remove the burden of proof from the customer. Following successful completion of this pilot, we extended the process across our motor book,” said Allen Seldon at BGL Group.

“For us, the next stage is the industry really working together to improve data quality and driving down issues around false positives and errors. The data as it stands today is far beyond what we could ever hope for with the paper process, but that doesn’t mean that there isn’t more that can be done. We’re seeing growing interest across the industry in terms of what can be achieved if we work together,” said Allen Seldon.

BGL Group seeks to make a difference, and the LexisNexis No Claims Discount module is helping it to do just that for insurers, brokers and customers of the insurance industry alike.

With over 75% of the UK insurance industry contributing to the LexisNexis Risk Solutions No Claims Discount module, the service already gives BGL Group the ability to access no claims histories for the vast majority of potential customers.



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Insurance

About LexisNexis Risk Solutions

LexisNexis Risk Solutions (www.lexisnexis.com/risk) is a leader in providing essential information that helps customers across all industries and government assess, predict and manage risk. Combining cutting-edge technology, unique data and advanced analytics, LexisNexis Risk Solutions provides products and services that address evolving client needs in the risk sector while upholding the highest standards of security and privacy. LexisNexis Risk Solutions is part of RELX Group plc, a world-leading provider of information solutions for professional customers across industries. Our insurance solutions assist insurers with automating and improving the performance of critical workflow processes to reduce expenses, improve service and position customers for growth.