Omni-Channel-Management Framework

A BearingPoint Accelerator

The Omni-Channel-Management-Framework (OCM Framework) consists of seven components and serves as a basis for the strategy development as well as the operationalization of a firm-wide Omni-Channel-Management. Therefore, it enables, especially insurance companies, to build and subsequently reinforce their Omni-Channel capabilities.
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Market Drivers

Three main market drivers for the OCM-Framework:

**Consumer behavior**
- Has changed significantly over the past decades and it has evolved into a multi-channel customer attitude
- Behavior patterns are characterized by multidimensionality, individualization, sovereignty, mobility and an increased sense of entitlement

**Technological requirements**
- Technological innovations and the spread of ICT-technologies (e.g. mobile phones) lead to an increase in electronic data exchange between companies and consumers
- Digitalization increases the potential number of customer touch points, and thus enables a multiplication of marketing and sales channels

**Market and environment**
- Saturation of markets, intensified competition, increasing harmonization of products and services
- Traditional “product competition” is increasingly superseded by the “communication competition”

Insurance companies are especially lagging behind in realigning their businesses to the digital era
- An average agent cannot comprehensively serve more than 300 - 500 high net worth private clients
- Approx. 70% of customers do not have enough contact with agents, and thus have a high cancellation risk
- As a consequence, insurance companies need to act immediately and improve their customer communication across all relevant channels due to leveraging mobile technology and functionalities
Our Approach

- The approach serves as a basis for the strategy development as well as the operationalization of a firm-wide Omni-Channel-Management
- The standardized OCM-Framework contains seven different components, which cover all relevant business segments and processes
- Ready-to-go solution by means of templates and strategy roadmaps
- Adaptation and integration of both existing and new software solutions (e.g. CRM systems) to meet OCM requirements
- End-to-end assessment of sales and marketing processes
- Development of a functional OCM system architecture
- Short implementation cycles to ensure flexibility
- Identified benefit and cost effects for different OCM outputs
- OCM services also include thematically related fields like campaign or Lead-Management
Our Approach
Development and Implementation of a Digital Omni-Channel-Management Strategy

**Strategy**
- Development of the strategy aiming at an improved digital customer interaction
- Conduction of a market analysis, considering competitors, as well as customers, in order to validate and further steer project direction

**Conception**
- Identification of concrete customer interaction measures in cooperation with the product, marketing and sales departments
- Road map and rollout plan creation, coordination of subprojects
- Continuous alignment with control functions and IT in order to ensure legal, as well as technical, feasibility
- Creation of the functional specifications concept, in collaboration with IT and control functions

**Implementation**
- Establishment of a controlled process by combining several hubs to an integrated IT landscape
- Realization of identified measures through newly established processes and IT
- Establishment of a customer frontend allowing individual configuration
- Assuring acceptancy through a firm-wide communication and change management program

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**OCM Framework** | A BearingPoint Accelerator
Our Approach
BearingPoint Omni-Channel-Management Framework

Omni-Channel-Management Framework

1. Strategy
   - Business Strategy
     - Product/pricing strategy
     - Risk underwriting strategy
     - Market and competitive analysis
     - Regulations
     - Early detection of trends
     - Targeting
   - Customer Strategy
     - Customer classification
     - Customer analysis
     - Customer contact strategy in life cycle
     - 360° customer view

2. Organization
   - Anchoring the Omni-Channel-Management organization
     - Description of roles, responsibilities and organizational migration paths

3. Communication/Sales Channels
   - Communication channels:
     - Personal talks
     - Telephone
     - Letters
     - E-mail
     - SMS
     - Websites
     - App
   - Via different Sales channels:
     - Exclusive Organization
     - Direct Sales
     - Other

4. Processes
   - Processes with customer contact:
     - Campaign Management
     - Lead Management
     - Consulting/Sales
     - Service
     - Management
     - BI and Reporting

5. Business Case / KPIs
   - OCM BC (Cost / Benefit Case) and KPI Finances
   - KPIs related to:
     - Finance
     - Processes
     - Customers
     - Employees

6. Change Management
   - Communication, mobilization and training

7. IT-Infrastructure
   - CRM System
   - DWH and analysis tools
   - Other IT-Infrastructure
   - Back Office Systems (asset, damages, etc.)
Client Benefits

- Omni-Channel-Framework considers all relevant elements for the client specific development of Omni-Channel capabilities
- Cost-saving potential due to efficiency improvements especially for the Sales, Marketing and Customer Service processes
- Holistic approach to incorporate the requirements of all relevant stakeholders
- Optimization of the Omni-Channel Mix and creation of seamless digital customer interactions: combining strengths of digital channel competencies of the insurance group with the strengths of the field staff
References
Client success story

Major German Insurance Group

Scope
Development of firm wide Omni-Channel-Management (OCM) capabilities by formulating an Omni-Channel strategy as well as its operationalization later in scope
Efficiency improvements Especially for the Sales, Marketing and Customer Service processes
Optimization of the Omni-Channel-Mix and promoting of seamless digital customer interactions

Project Examples
The main instrument is the Omni-Channel-Management Framework, that covers all affected areas: Customer, Channel, Brands and Market. It serves as starting point for the optimization of (digital) customer interaction
Continuous Engagement
Successful execution of several sub-projects to operationalize the defined Omni-Channel strategy in up and downstream phases:
E.g. pre study, software selection process, proof of concept, CRM system implementation, pre study Release 2

Project Results
The final OCM concept includes a comprehensive explanation of OCM, as well as a detailed cross-project roadmap that considers the components of the Omni-Channel-Management Framework
Preparation and adoption of a firm wide Omni-Channel agreement that contains six different service packages related to the stakeholder groups
Integration of the direct insurance group
Restructuring of Lead and Campaign-Management aligned to OCM concept
Business Case shows how investments for OCM will amortize in the future
References

The client is a major German insurance group, headquartered in the city of Cologne. BearingPoint supports the client to structure and execute the Omni-Channel-Management implementation projects.

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<th>Business needs</th>
<th>Our approach</th>
<th>Client’s result</th>
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<td>In 2012 the client decided to start an initiative to reach company wide Omni-Channel capability. The first step of this initiative was the introduction of a modern customer relationship management (CRM) system as basis for the Omni-Channel-Management capability. Based on the top management decision to reach Omni-Channel-Management capability, a corresponding strategy, which has to be implemented now, was developed. The client founded four sub-projects to implement the Omni-Channel-Management strategy, which need close cross-project steering.</td>
<td>Support the detailing and operationalization of the Omni-Channel strategy. • Identification of and reply to open project questions. • Coordination of and reply to open cross-project questions. • Development of a list of measures for each sub-project and cross-project. Overall the collected Omni-Channel measures are integrated into a cross-project roadmap. BearingPoint particularly supports the structuring and controlling of the overall project.</td>
<td>Creation of a company wide and Omni-Channel Lead and Campaign Management. Integration of the direct insurance group. Implementation of back office support for the field staff. Combining the electronic channel competencies of the direct insurance group with the strength of the field staff.</td>
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About BearingPoint

BearingPoint consultants understand that the world of business changes constantly and that the resulting complexities demand intelligent and adaptive solutions. Our clients, whether in commercial or financial industries or in government, experience real results when they work with us. We combine industry, operational and technology skills with relevant proprietary and other assets in order to tailor solutions for each client’s individual challenges. This adaptive approach is at the heart of our culture and has led to long-standing relationships with many of the world’s leading companies and organizations. Our global consulting network of 9,700 people serves clients in more than 70 countries and engages with them for measurable results and long-lasting success.

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