



V3locity Takes Digital Engagement for Benefit Providers to the Next Level

White Paper

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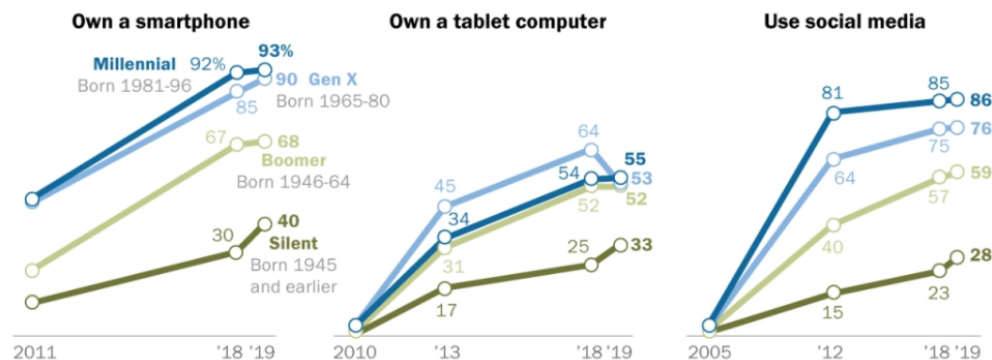
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Introduction

Consumers, from younger generations to Baby Boomers, expect robust digital engagement capabilities from their financial services providers. Nearly 80% of U.S. households now use digital, omni-channel banking, with very limited use of physical bank branches. They expect similar, increasing levels of service convenience from group insurance companies and pension funds using the channels and devices of their choice. Group insurance companies and pension funds ("benefit providers") have made progress with basic digital experience capabilities but need to increase engagement via higher levels of personalization and straight-through processing, while leveraging emerging natural language processing with embedded ML/AI technologies.

Millennials lead on some technology adoption measures, but Boomers and Gen Xers are also heavy adopters

% of U.S. adults in each generation who say they ...

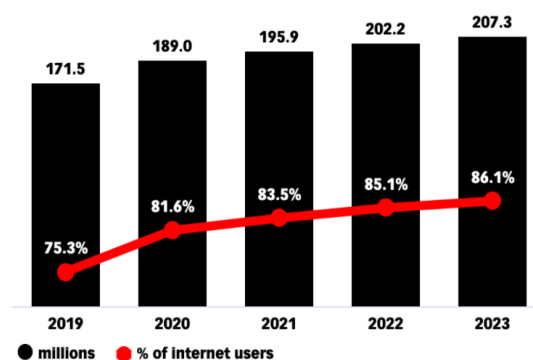


Note: Those who did not give an answer are not shown.
Source: Survey conducted Jan. 8 - Feb. 7, 2019.

PEW RESEARCH CENTER

Digital Banking Users and Penetration

US, 2019-2023



Source: eMarketer, June 2020

1. Insurance Consumers Seek Digital Capabilities

Group insurance companies have made significant progress rolling out employee and employer self-service capabilities over the past ten years. While group insurance self-service offerings have now become common for the employees of larger employers, thirty percent of employees, often from smaller employers, still lack access to even basic self-service functions. Most employees from companies of all sizes lack access to advanced features like a responsive, personalized, and device-optimized user experience and natural language processing with embedded ML/AI technologies.

For Employers' Use 85% or more employers have:	For Employees' Use More than 70% of employers have:
<ul style="list-style-type: none">• Online billing tools• Downloadable forms and documents• Electronic claim submission• Dedicated web portals for benefits administration• Ability to upload employee claims documentation• Online access to employees' application status	<ul style="list-style-type: none">• Downloadable forms to print and complete manually• Online educational materials• Online forms• Electronic claim status updates

LIMRA: North American Group Insurance Benefits Employer Survey, May 2020. 1,430 employers with at least 10 employees.



2. Digital Offerings Lagging Even at Top Tier Carriers

While most group insurance companies now offer a broad range of self-service functionality, adoption and usage lags for all of group insurance companies' constituents: producers, employers, and employees. About half of employers and producers and less than twenty percent of employees log into self-service websites at least monthly.¹ High volume transactions like billing, payments, address changes, claims initiations, and commission reporting still mostly occur offline, driving up costs and lowering satisfaction for all involved. Group insurance companies need to move the highest volume transaction types online and the overall user experience needs to improve significantly through personalization, smart recommendations, and natural language processing with embedded ML/AI technologies to increase adoption, usage, and satisfaction.

Average self-service log-in %'s for 14 of the largest group/life insurance disability insurance companies in North America	Producers Who Log In At Least Monthly	Employers Who Log In At Least Monthly	Employees Who Log In At Least Monthly
	49%	55%	18%

LIMRA: On-line Billing and Self-Service Survey, 2019. 14 of the largest group disability and group life insurance providers surveyed.

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4. V3locity - A Digital Solution that Enables an Effortless Customer Experience

For the next step with their digital engagement efforts, benefit providers need modern, flexible, pre-integrated technology components to provide an effortless experience to all their constituents: internal users, employer customers, employee customers, members, participants, producers, and health providers. Vitech's V3locity Digital fits this need. Since benefit providers find it difficult to offer highly personalized service to their customers through a wide range of digital channel and device types, Vitech has invested significantly in V3locity Digital, our next generation digital self-service suite that provides highly personalized servicing experiences for all the constituent types.

Vitech has achieved this through a combination of responsive/adaptive user design practices, full accessibility (WCAG 2.1), extensive visual configuration capabilities, flexible branding and theming support, natural language processing with embedded ML/AI technologies, and straight-through processing.

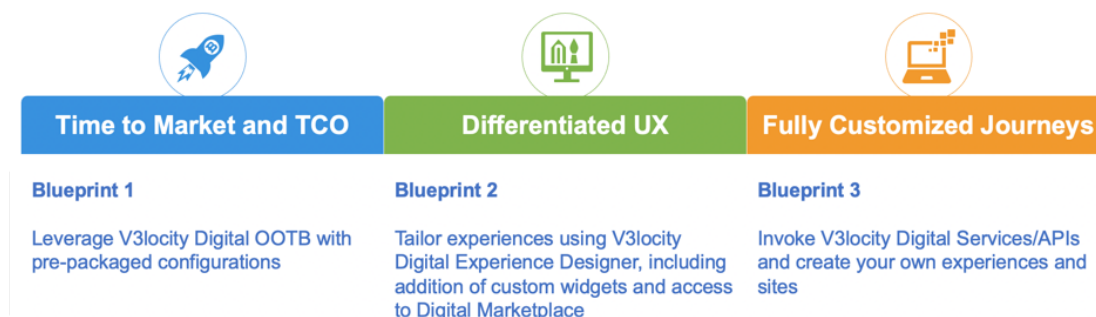
Each constituent type enjoys a user experience specific to them but using the same underlying, real-time data, business rules, and policies defined in V3locity's core administration application, offering the straight-through processing capabilities necessary to make all communications, inquiries, updates, transactions, and analytics activities seamless.

Line of business users at the benefit provider also use the same data, creating real-time data consistency across all user, device, request, and transaction types. Since Vitech has grown organically and not through acquisition, V3locity is a natively built, integrated product for all functions, including all the enterprise functions: self-service, CRM, workflow, imaging, and reporting. This reduces the total cost of ownership, increases agility, and enables straight-through processing and an enjoyable, consistent user experience.

Digital experiences are data-driven and responsive/adaptive by using the industry-standard REACT user experience framework, and analytics-augmented to ensure that each experience is personalized using configurable business rules as well as individuals' preferences. Experiences and components are designed to take advantage of cloud-native elasticity. This includes important experience-enriching capabilities like real-time data streams and full, elastic indexing and search capabilities.

5. V3locity Offers Flexible Options for Configuring User Experiences

V3locity's digital experiences offer a very high level of configurability. Vitech offers a base configuration out-of-the-box that fits basic needs, but we also provide a Digital Experience Designer tool to access additional widgets and further differentiate the relevant portals/digital experiences while V3locity Digital Services APIs allow for integrating with your own portals.



V3locity Digital will complement the Digital Experience Designer tool with a Digital Marketplace in Q1 2021 to provide even more widgets that allow users to perform one or more actions. Widgets allow users to view, add, and edit data as well as other related functions. Widgets, especially those that allow the internal user to create data, are often presented as wizards in V3locity Digital that provide a guided, intuitive way to complete their desired activity.



6. The Future: Hyper-Personalized Digital Experiences Enabled by Cloud Analytics

In the future, V3locity Digital will provide analytics-driven personalized experiences that go beyond user experience design and into the realm of proactive, individualized advice, service, marketing, and product offers. Analytics in the AWS cloud will integrate V3locity's 360-degree view of the customer (employers, employees, producers, members, participants, health providers) with additional contextual information from third party data sources, application browsing patterns, historical trending, and voice pattern recognition to drive the progress toward hyper-personalized digital experiences. This will further increase conversion rates for product offers and overall customer satisfaction.



Conclusion

To remain competitive, benefit providers need to modernize their digital experiences and greatly increase their straight-through processing capabilities. Vitech's V3locity platform provides the modern, flexible, pre-integrated technology components, including the responsive, persona-based design components and the straight-through processing capabilities, to remain competitive over the long term.

ABOUT VITECH

Vitech is a global provider of cloud-based benefit and investment administration software. We help our clients expand their offerings and capabilities, streamline their operations, gain analytical insights, and transform their engagement models. Vitech employs over 1,200 professionals serving over 100 of the world's most successful insurance, retirement and investment organizations. An innovator and visionary, Vitech has been recognized by Gartner as a Magic Quadrant "Leader" for four years running and by Celent as a three-time XCelent award winner. For more information, please contact us at info@vitechinc.com or visit our website at www.vitechinc.com.

ⁱ LIMRA, Online Billing and Self-Service Survey, 2019.

ⁱⁱ Accenture, The Pulse of Pensions: What Members Really Think of Their Pension Plans and Retirement Readiness, December 2018.