

# What Do The Members Really Need?

## Customer Needs Assessment

Case History

**Category:** *Health Insurance*

**Methods:** *Focus Groups, Affinity Diagramming, Multivariate Analysis, Needs Assessment, Loyalty Measurement*

### Summary

A health insurance carrier sought to get closer to its members by understanding more about their needs related to the consumer experience and the employer experience. They also wanted to know how well they were meeting the needs they identified versus how well their competition was meeting similar needs for its customers.



### Strategic Issues

Consumer-centric strategies were important in distinguishing or differentiating health plans and carriers from their competitors. These strategies were crucial as healthcare became more retail-oriented.

### Research Objectives

The primary objectives of this research were to identify consumer and employer expectations and needs that must be met. In addition, the carrier sought to measure how well its current customer service platform and its competitors' platforms met those needs.

### Research Design and Methods

Five levels of feedback were sought: frontline employees of the insurance carrier, group health members of the carrier and of its competitors, and group health employers of the carrier and of its competitors. Qualitative research was conducted to assess needs from each of the three carrier-centered groups. Respondents explored their needs in focus group environments, then rated the importance of some 30 precoded needs (identified by frontline employees), along with additional needs identified from the focus group. Hundreds of needs were identified by the process. These were narrowed utilizing affinity diagramming.

Next, quantitative needs measurements were conducted and the importance of each need was imputed during data analysis. The process also included a service satisfaction component, which was utilized as a loyalty indicator and then later utilized as a dependent variable in analysis. The results were summarized using quadrant maps displaying needs according to importance and customer perceptions of performance.

## Results

One unanticipated result was that the health plan carrier realized it could relax specific customer service standards, eliminating the need for temporary customer service representatives. This way, only experienced reps dealt with customer inquiries. As a result, the number of times consumers had to call for resolution decreased, satisfaction with the process increased, and costs for the health plan were reduced.

Additionally, the importance and relative performance results allowed sales reps to focus their stories on how the company met and exceeded those most important customer needs, and it allowed health plan management to implement corrective action where needed, prioritized by level of importance. Finally, the product development department was able to utilize results in developing new products that more directly addressed member needs.

