

# When Customer Service Needs A Boost

## Measuring Consumer Expectations of Customer Service

Case History

**Category:** *Health Insurance*

**Methods:** *Focus Groups, Telephone Survey, Nonlinear Regression Analysis, Quadrant Mapping, Customer Service*

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### Summary

A national health insurance carrier established a task force to optimize consumers' experience with its customer service operation. Prior to developing a change plan, it was important for the task force to understand the customers' expectations and needs.

### Strategic Issues

Customer service is frequently used as a differentiator between health insurance carriers and health plans. With pressure to differentiate in order to avoid price competition, the carrier decided to redesign the consumer experience with its customer service operation.



### Research Objectives

The primary objectives of this research were to identify consumer expectations and needs related to the customer service experience and to measure how well the carrier's current customer service platform met those needs.

### Research Design and Methods

The research was conducted in two stages, incorporating a vigorous qualitative inquiry followed by a comprehensive nationwide quantitative survey. Using a combination of focus groups and minigroups conducted across the country, members who had utilized the customer service function of the carrier in the past six months were assembled to discuss their experiences and generate a list of needs relative to their experiences.

The list of needs was then divided and the groups broken into two to three minigroups to discuss each need in detail and to provide importance ratings to a master list of needs established by the carrier *a priori*.

The research team used affinity diagramming to narrow the list of needs for testing. The output of these exercises informed the development of a quantitative instrument. The survey was administered to a stratified random sample of carrier members who had utilized customer service functions in the past six months.

Nonlinear regression analysis identified and prioritized (in order of importance) over 50 specific consumer needs relative to the customer service experience. These results were overlaid with performance results based upon satisfaction questions built around each need and presented in the form of quadrant maps of importance versus performance.

## Results

The carrier was able to fully integrate the members' perspective into its planning process for the first time. Priorities were given to high-importance and medium-importance needs. When those important needs had low-performance ratings, immediate action plans were implemented prior to the overall redesign of the consumer experience. The carrier rolled out the final redesign knowing they had addressed key elements identified by the consumers themselves.

