



Business challenge

Allianz Taiwan Life Insurance Co. Ltd. sought innovative new technologies to bring higher levels of customer service to a mobile and connected generation of customers.

Transformation

Meet Allie, an AI-powered virtual assistant that connects with customers in a very human way. Allianz wanted a mobile assistant solution that worked across platforms to better serve customers. Using IBM® Cloud™ and IBM Watson® Assistant, Allie can field 80 percent of the company's most frequent customer requests—for real help in real time.



Leo Frey
Head of Digital Platforms
Allianz Taiwan Life
Insurance Co. Ltd.

Results

Resolves 80% of issues

that customers most frequently present to call centers

1 – 2 minute resolution times

to update policy information, change an address or request a policy loan

Seamless customer experience

across multiple platforms for support around the clock

Allianz Taiwan Life Insurance Co. Ltd.

No bot—this smart, social virtual assistant connects with customers like a local

Allianz provides a full range of life insurance protection and savings products and services to customers throughout Taiwan through its extensive network of agents and business partners. In 2017, according to the Life Insurance Association of Taiwan, Allianz was the largest foreign life insurance company in Taiwan overall based on total premium income. The company provides innovative solutions that help customers meet their long-term financial goals and is committed to corporate social responsibility.

“IBM Cloud with Humix allowed us to avoid any security or regulatory issues by keeping customer data on premises. That was key for us.”

—Leo Frey, Head of Digital Platforms, Allianz Taiwan Life Insurance Co. Ltd.

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A customer assistant that connects in a mobile world

For Allianz, digital innovation is a global initiative. The company is an entity of insurance leader the Allianz Group, where a broad transformation is underway in more than 70 countries to ensure seamless and personalized digital experiences that are tailored to customers' needs.

Leo Frey, Head of Digital Platforms at Allianz, oversees projects that explore new ways to connect with digital natives. "Taiwan has a very tech-savvy population and is keen to try new things," says Frey. "We're always striving to explore new innovations to keep up with the demands of our customers."

Allie is Allianz's latest innovation. More than a chatbot, Allie is an AI-powered virtual assistant. She works seamlessly across the company's website, customer portal, Allianz Engage app and Facebook to meet customers where they live, work and play—on their smartphones. With natural language processing (NLP) and a knowledge base built from hundreds of real-life scripts, Allie interacts with customers in a very human way—meaning, she doesn't simply chat. She interprets complex insurance questions, responds to policy inquiries, makes policy

changes and, like any good customer-care professional, is a whiz at small talk.

"Nearly 50 percent of the customer requests we get through Allie are received outside of our call center hours (9 a.m. – 6 p.m.)," says Frey. "So we're providing a higher level of service by better meeting our customers' needs."

Allianz set out with a very broad vision for Allie. The company wanted a virtual, social and seamless customer assistant that could manage 80 percent of its customers' most frequent requests. But as the largest international life insurance provider in Taiwan, it also required a solution that helped address regulatory requirements and security.

Smart, secure and almost human

Allie is undeniably cute—a feature that, like her capabilities, is the result of thoughtful design and a sophisticated technology solution built with IBM Cloud and the Watson Assistant service. Unlike most chatbots, the Watson Assistant service uses NLP to understand context and subtleties of language, so Allie not only understands but interprets language variation and nuance while she continues to learn.

"We want to position Allie almost like a human," says Frey. "You can reach her 24x7 for any insurance-related questions, but you can also ask her

about the weather in Taipei. She has small talk capabilities that give her a human touch."

Allianz worked with IBM to build a knowledge base for Allie with more than 400 real-life scripts, based on data collected from a year of customer requests to its call centers. Fluent in Mandarin, Allie was trained to understand and interpret different phrasings of questions via a wealth of intents (what a customer wants), entities (which provide context for intents) and key words. It's this rich knowledge base that enables her to explain even the most complex life-insurance topics using simple language and visual tools.

To help Allianz comply with strict regulatory guidelines regarding customer information and privacy, IBM tailored an IBM Cloud solution with Watson Assistant and Humix, an open-source robot framework that acts as a middle-layer and helps protect sensitive customer information.

Say a customer wants to change the home address on her policy: She tells Allie "I want to change my address." Watson Assistant is able to interpret the customer's intent (what she wants to do) and transfer a clear instruction (change address) to Humix. Humix then executes the command (asks for the new address, updates the new address on the core insurance system, and sends a confirmation via a one-time password) without using the Cloud, thereby protecting data privacy.

"IBM Watson is one of the strongest AI engines on the market," says Frey. "But a key factor in our decision to go with IBM was the technology solution they provided: IBM Cloud with Humix. From a regulatory and legal point of view, this is a very smooth solution for us."

"The open-source platform allows us to maintain and build new scenarios on our own," says Frey, "so we can focus on more complex and exciting projects with IBM, and not waste resources on the simple stuff."

In seven months, Allianz and IBM launched their first minimum viable product (MVP) and had already reached their project goal. Allie was live, social and able to provide coverage for 80 percent of the company's most frequent call center requests.

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Future forward with Andy

Allie has received very positive feedback from both Allianz customers as well as agents and bankers. Allie has a customer rating of 4.5 out of 5 stars. And since the launch, the company's Net Promoter Score (NPS) has been steadily on the rise. But Frey is quick to say that he feels ROI and key performance indicators (KPIs) are the wrong measure of success for digital innovation projects like Allie.

"If you go to companies that are coming up with truly innovative new ideas, they're not solely focused on the return," says Frey. "They're exploring to see what works, what is possible. This is more the principal we're following at Allianz."

That said, Allie is fast. She can help customers with simple policy changes—such as a policy loan or an address change—in 1 – 2 minutes, which is about the time it takes just to dial in to a call center. While Allianz has seen a decrease of inbound calls to its call center, Frey feels it might be too early to tell if this is entirely related to Allie.

This year, Allianz is working closely with IBM to develop a new AI-powered virtual assistant—called Andy—that will help serve the needs of agents, brokers, and bankers. Together, Allie and Andy will provide a full omnichannel solution for the company and around-the-clock service that's always just a click away.

Solution components

- IBM® Cloud™
- IBM Watson® Assistant

Take the next step

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