

The Psychology behind Attitudes & Behavior: Implications on the Customer Journey

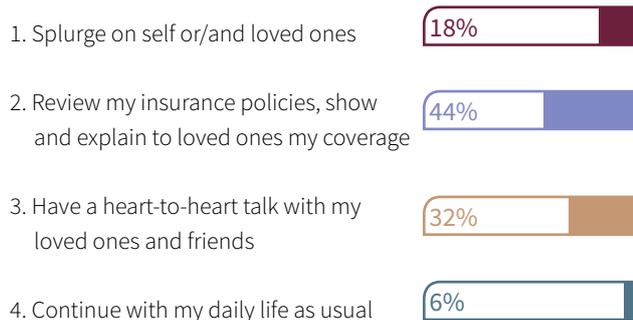
This month's newsletter invites you to explore how a customer journey should be aligned with the inner workings of the mind and behavior. Recently, we conducted a casual survey to see how one would respond to an unforeseen event in their lives and compiled the results below.

Read the following scenario:

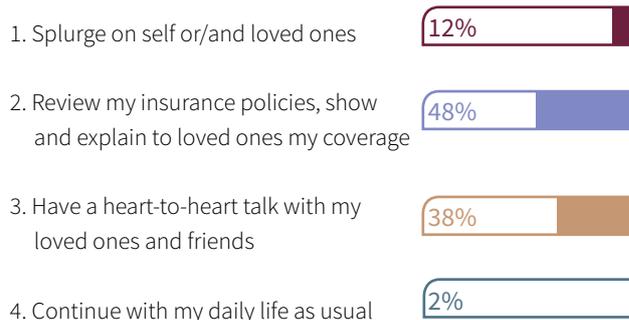
Recently, a 26-year old young healthy adult suffered seizures during a Chinese therapeutic massage and died. She was the only child and key breadwinner in her household, taking care of the family's home mortgage and expenses.



I. If you were to die tomorrow, what would be your greatest priority? Choose one of the following options.



II. Which of the following are you most inspired to act on now? Choose one of the following options.



Tell the story among your friends and ask them the same questions. You might find that those who have never been keen on understanding insurance would start to show some interest in it. They have embarked on what psychologists call a peripheral route in an Elaboration Likelihood Model (ELM).

The ELM explains attitudes change triggered by communication, via two possible information processing routes – central (effortful thinking due to motivation and ability) and peripheral (reliance on superficial cues and general impression). To predict the resulting behavior following the attitude change, the Fogg Behavior Model (FGM) can be referenced. This model describes behavior as a function of motivation, ability and triggers.

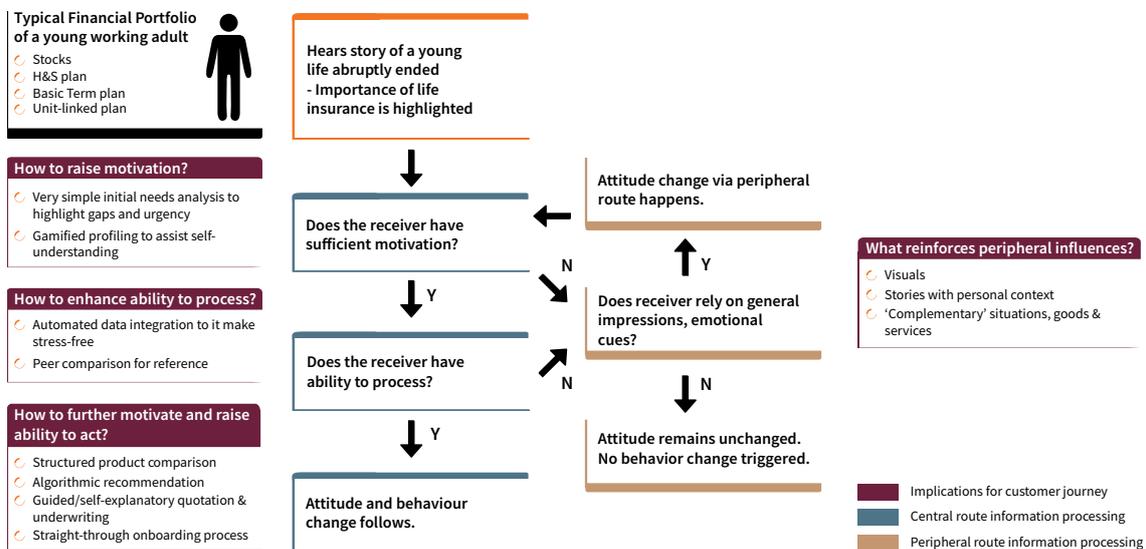
Combining the implications of both ELM and FGM, the following diagram maps out the psychological influences during the customer journey from attitude formation to actual purchase in the context of life insurance.

Having prioritized insurance in earlier questions I and II does not guarantee the action to review one’s insurance portfolio. Behavior is a result of a well-orchestrated distribution model which

takes into consideration how customers process information, become motivated to act and are able to do so. Mapping out the psychological influences throughout the customer journey helps us to understand the benefits and drawbacks of the classical intermediaries and alternative direct distribution methods. It also gives guidance on how marketing campaigns can work in tandem with front-end distribution.

Insurers are rightfully putting in efforts on enhancing the digital journey for customers mainly via User Experience (UX) design. Nonetheless it is important not to lose sight of the objectives – raising motivation and ability to act. One channel may be predisposed to raise motivation more effectively than others, for example due to more intense human touch. Another channel may have an advantage in enabling customers’ ability to process information, for example due to metasearch capabilities.

Over the next newsletters, we will further explore the psyche of consumers, ultimately with the aim to make life insurance a breeze to understand and buy.



Source: Synpulse

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