



# USING CO-CREATION TO DESIGN NEW PRODUCTS, SERVICES, AND EXPERIENCES WITH MILLENNIAL CONSUMERS

## **EXECUTIVE SUMMARY**

CoCreate is a movement of Millennials throughout Wisconsin working hand-in-hand with Network Health to create a better health insurance industry. By sharing ideas and designing new products and services together, the company and consumers are creating change in an industry that's due for a makeover.



#### **ASSIGNMENT**

Understand Millennial consumers' expectations and attitudes toward health insurance companies and design new products, services, or experiences together through co-creation.



#### **CHALLENGE**

The health insurance industry had recently hit a 10-year low on the American Customer Satisfaction Index. And, the industry was designing customer experiences from the inside out, when what they needed was genuine input from, and authentic relationships with, their consumers.



#### **RESULTS**

- 900% brand growth in online community engagement
- At 92%, Network Health exceeded both Wisconsin and national customer satisfaction levels
- Earned Media and recognition by the AMA, Insight Innovation Exchange, Health Plan Alliance, Huffington Post, Innovation Learning Network, and more
- Technical Insight from Millennials for new mobile health delivery solution led to a 2016 Digital Health Award

## **CONSUMER ENGAGEMENT**

People everywhere find the health insurance industry confusing and intimidating, which is what you get from years of design from the inside out. At Network Health, the company sought to cut that confusion and put consumers at ease by engaging Millennials to better understand their changing health insurance needs and establish authentic relationships with them.

The health insurance industry just hit a 10-year low on the America Customer Satisfaction Index. Why? The answer's pretty simple. According to Melanie Draheim, director of marketing at Network Health, "Health insurance as an industry is way behind in terms of customer experience," she said. "And it's because no one ever asks customers what they want."

That's a major problem for any industry, especially one that's courting Millennials as they deal with new and complicated products.

Founded over 30 years ago, Network Health partnered with the top health care providers in Wisconsin to cover thousands of families and help local businesses manage their health care costs and keep their employees healthy.

Leadership at Network Health started realizing that they, like most of their industry peers, were assuming far too much about what their customers wanted. They were designing customer experiences from the inside out when what they needed was genuine input from their customers and non-customers.

Something had to change. Especially with an expansion in the company's products and services on the horizon.

Therefore, Network Health hired AE Marketing Group to launch the CoCreate Wisconsin Movement, which empowered consumers across the state to share their ideas and work hand-in-hand with the company to improve the health insurance experience from the outside in.

# 4,000 MILES ON THE ROAD

The movement began with nearly thirty members of the CoCreate team embarking upon a roadshow tour to talk with Millennials across Wisconsin. Before they began, the team had no clue what they might find, Draheim said.

"Are people going to talk to us? Are they going to care? Do Millennials even care about health insurance?"

Turns out they do. And the insights gained from engaging with them - after 4,200 miles of travel, gaining insight from 24 Wisconsin towns, and putting on four roadshows - were transformational.

The first thing Draheim noticed was that the Millennials she spoke with had never been asked about their health insurance before. That's when she knew the team was onto something:

"The Millennials I spoke with (who weren't our customers) wished their health insurance company would ask their opinion," Draheim said.

"So we drilled down and asked them more about their pain points: What can health plans do better? What would you like to see? What don't you like?"

After 900 hours of one-on-one interviews with hundreds of Millennials, three major themes quickly emerged from the roadshows:



## **TURNING IDEAS INTO ACTION**

After the roadshows, CoCreate invited many of the same Millennials inside the walls of Network Health for ideation lab sessions led by AE Marketing Group CEO, Brian Walker.

"Traditional marketing and research methods are less effective with today's consumer," said Walker. "Unlike a focus group, co-creation gives customers a seat at the design table to build together as partners."

The ideation labs consisted of groups of Millennials and employees bringing ideas to action, together. However, Walker had additional motives. "I wanted Network Health to build a culture of customer empathy, and Millennials to see that health insurance employees are actually good people."

The main roadshow themes were broken down over the course of three labs.

#### **One-on-one Communication**

Too many companies assume Millennials want everything online. Hundreds of interactions on the CoCreate roadshow tour proved this assumption wrong.

"It was the exact opposite," said Draheim, a Millennial herself. "Almost universally, Millennials wanted to talk with a real person right away who could answer their questions."

"Network Health was already a leader in customer service in this regard. Instead of a lengthy touchtone menu, customers get a real person right away when they call. There was talk of switching to the former model as the company grew, but those plans were quickly discarded when results started streaming in from the CoCreate team.

#### Wellness

Something that came up again and again among Millennials was the fact that health plans send a lot of letters to customers telling them what to do to stay healthy. However, companies never let the customer know when he or she is doing well.

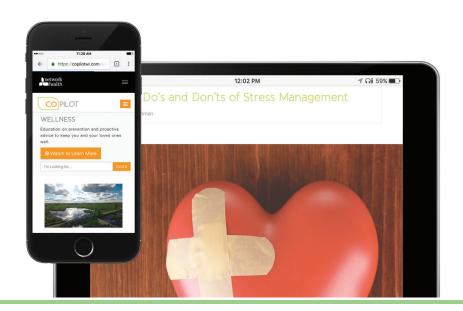
Network Health began to rethink these communications as opportunities to better engage with their customers, rather than simply fulfilling a legal requirement. Now, "instead of having the angle of 'you have to do this,' we tell them what they did well, and then that gives us the opportunity to pivot to other things," Draheim said.

Network Health's communications also became better integrated with the company's wellness plan, which rewards customers for certain activities with up to \$250 in gift cards. On the topic of wellness plans, an even more popular opinion among those interviewed by CoCreate was that wellness plans need to be interactive, easy to use, and engaging. "What we found was that our program was good, but the online portal for it wasn't interactive or easy to use," Draheim said. "People were using the program, but not engaging with it."

"So instead of sitting in a room guessing about what to change, we tested with customers and non-customers. That was a wake-up call, but if you don't ask how you can do better, you'll never improve, regardless of how painful it is."

#### **Mobile Access**

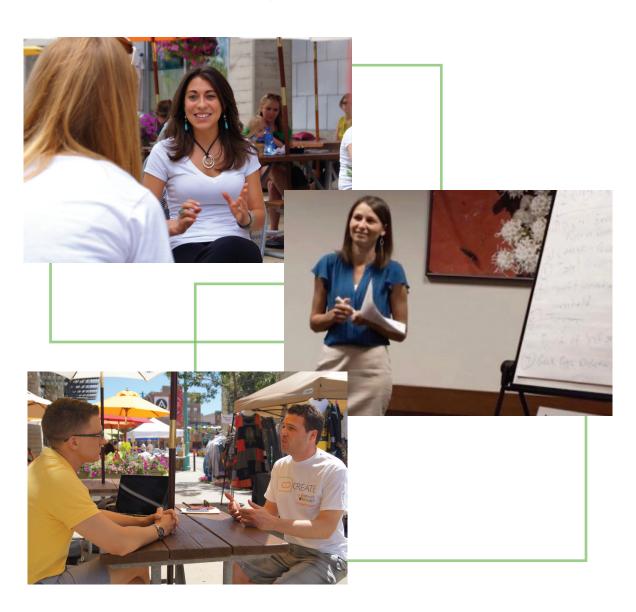
Nearly 80 percent of Millennials spend over two hours a day on their smartphone. One in five Millennials doesn't use a desktop to go online, relying solely on smartphones and tablets. But Network Health's site wasn't fully optimized for mobile. Over the course of a year, they revamped their entire online presence to be mobile-first. With the insights gained from CoCreate, Network Health is also developing a wellness app that customers can use to easily track their progress and submit information about their activities in real time.



## THE FUTURE IS CO-CREATION

Brands today need new strategies - like co-creation - to not just engage with, but to truly understand and partner with consumers. CoCreate Wisconsin continues to build on that mindset. 2016 IBM research of 1,500 global CEOs concluded that "The most successful organizations are those that co-create products and services with consumers. Also, torchbearer CMOs are over 3x more likely to use co-creation than their lagging peers.

In late 2016, CoCreate Wisconsin conducted ideation labs to begin improving the EOB experience, and in 2017 is using co-creation to improve provider relationships.



### MAKING AN IMPACT

Not only has CoCreate Wisconsin been a win for Millennials, the impact on Network Health's brand and customer experience has been equally impressive.

"Our brand promise is that we're your trusted partner," said Penny Ransom, Chief Administrative Officer for Network Health. "And by listening to people from around the state about what we can do differently, or perhaps haven't thought of and then actually implementing those ideas is how we're keeping that promise."

For Network Health, the CoCreate Wisconsin Movement thus far has produced a wealth of insight and new opportunities for communication, wellness, customer service and mobile delivery. Highlights also include:



900% brand growth in digital community engagement online



At 92% Network Health exceeded both Wisconsin (88%) and national **customer satisfaction** levels (87%) *Source: The National Committee for Quality Assurance* 



**Earned Media** and recognition by the AMA, Insight Innovation Exchange, Health Plan Alliance, Huffington Post, Innovation Learning Network, and more for a groundbreaking approach to consumer engagement



**Technical Insight** from Millennials for new mobile health delivery solution led to a 2016 Digital Health Award