# Presentation of a Digital Transformation Model for Customer Experience in Insurance Products
## (Case Study: Asmari Insurance)

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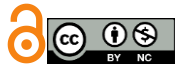* Corresponding author email address: a.heidariyeh@semnaniau.ac.ir

A R T I C L E   I N F O

A B S T R A C T

**Objective:** The aim of this research is to present a digital transformation model for customer experience in insurance products in the insurance industry.

**Methodology:** The present study is considered to be fundamental-applied research in terms of purpose and survey-based in terms of data collection method. The statistical population of the study included all experts in the insurance industry at Asmari Insurance, who were purposefully selected to theoretical saturation, consisting of 179 individuals for the quantitative section and 15 experts from Asmari Insurance for the qualitative section. Data collection was conducted using thematic analysis and interview tools. For data analysis, qualitative data were analyzed using interview and manual coding, while quantitative data utilized the structural equation modeling approach and Smart PLS3.3 software, including confirmatory factor analysis tests.

**Findings:** The research results indicate that in the qualitative section, 2 dimensions including access and awareness, and personalization, along with 12 components in the digital transformation of customer experience for insurance products were identified. After conducting the structural model test and overall fit, the desired pattern was confirmed.

**Conclusion:** It can be concluded that the digital transformation model for customer experience in insurance products has a good fit, and this model can be used in marketing to provide better services to customers.

**Keywords:** *Digital transformation, digital customer experience transformation, insurance products*

## 1   Introduction

Digital transformation for global insurance companies has evolved from an ambiguous future concept to a primary priority. This digital transformation constitutes a continuous and long-term journey, requiring insurance companies to approach it with a phased or incremental strategy (Nazarian-Jashnabadi et al., 2023). Digital

transformation programs need to be widely implemented throughout the organization, encompassing fundamental principles such as innovation management, emphasis on experience, and new models. These principles can create tangible and intangible values such as cost reduction, customer experience improvement, and efficiency in insurance issuance throughout the insurance supply chain (Eckert & Osterrieder, 2020; Guzmán-Ortiz et al., 2020).

Braowski (2018) defines customer experience as "the sum of all consumer interactions with a company's products, services, and brand." While a strong customer experience has been shown to yield significant outcomes - more customers, increased consumption, higher sales, more repeat purchases, and greater loyalty - many companies still struggle to find an "action plan" that drives revenue growth (Yaneva, 2021).

Digital customer experience encompasses those experiences encountered through a digital interface such as a laptop/computer, tablet, or smartphone. Online shopping for a product using a mobile app or via company websites to find needed store information nearest to the location, searching for technical support information on a smartphone, booking travel tickets, movie/concert/event tickets, and insurance online, etc., fall under digital customer experiences. On the other hand, many businesses, like the insurance industry, encounter challenges in searching, implementing, and calculating return on investment (ROI) in customer experience improvement initiatives, as they grapple with issues they're trying to resolve and the need for increased emphasis on digital customer experience. Another point organizations must consider is that "online and offline consumers are birds with very different feathers," meaning online and offline consumers face different challenges and must have different experiences. In the past, digital customer experience and subsequently customer satisfaction in insurance have not been widely discussed as a key indicator for insurance management, and academic research on digital customer experience and service acquisition in the insurance industry is significantly lower compared to other sectors. Nowadays, digitization influences and changes customer behavior, expectations, and needs (McFarlane, 2019).

Customers of insurance companies experience highly transparent and fast service processes compared to other industries (companies such as Amazon that set the benchmark for best practices) and transfer their expectations to the quality of the insurance customer experience. Additionally, the insurance market observes a phenomenon known as "insuretech," which benefits customers as they are

more flexible and streamline innovation processes. Consequently, customer satisfaction management has become more important and challenging for current insurance companies. Moreover, digitization provides significant advantages for insurance companies in this area, bringing policyholders and insurance companies closer together and expanding the role of insurance companies to become risk managers for the insured. Furthermore, digitization may help improve insurance service delivery and customer acquisition, ultimately leading to customer satisfaction (Brenner, 2019).

Specifically, the rapid adoption of digital tools among agents, brokers, and customers has made insurance companies digitally competitive. Nowadays, 80% of customers switch insurance carriers due to lack of user-friendly interfaces. It's no surprise that the response among insurers prioritizes improving customer experience. Insurers are preparing for a transformative period due to the growth post-COVID-19. However, ongoing challenges of security and changing customer behavior appear more pronounced than ever, presenting the insurance sector with a series of dynamic goals. Expectations in the insurance workforce are also changing. This demand for meaningful work not only requires companies to reinforce their reward systems but also enables them to define a clear brand story that defines the social purpose of their particular products or services. Flourishing in this complex industry environment likely results from adopting a comprehensive digital mindset, which is as much about investing in people as it is about technology strategy. Initially, it's valuable to outline the evolving trends in insurance technology. For an increasing number of consumer needs, digital services are altering what customers want and expect, marking a pivotal shift in insurance experiences. Customer satisfaction now relies on the ability to complete more insurance processes remotely with the assistance of digital tools, indicating that self-service is favored for routine actions (Nejati Rashtabadi et al., 2021; Pourshahabi et al., 2022).

Customer Experience is now one of the critical success metrics for an insurance company. However, despite industry advancements in this field, a recent study by J.D. Power on digital insurance experience indicates that overall customer satisfaction with digital insurance offerings is not satisfactory. To understand this disparity, it is necessary to first comprehend the expectations of insurance customers. These can be broadly categorized into three main areas: value, choice, and security. Given that insurers offer a greater variety of products and services, customers primarily

focus on value. They choose a provider that respects their choices and provides insights and recommendations relevant to their needs. Customers also want to choose how they interact with agents, brokers, and insurers. On one hand, customers desire fully digital, automated, and user-friendly services, especially via mobile devices. On the other hand, they are eager to gain more empathy in interactions with insurers. Ultimately, a fundamental concern is reasonable security. Most customers need and expect their data to be protected, but also logically expect improvements in their access to relevant products and overall experience without excessive requests for consent (Karimi et al., 2020).

Regarding the provision of a digital transformation model and customer experience, especially in the insurance industry, no research has been observed within the country. Furthermore, existing research has been more of a review nature and has not presented a model for digital transformation of customer experience. The present study will provide this innovation in the direction of presenting the desired model. Additionally, within the research population of the present study, no background has been observed regarding digital customer experience, especially in presenting a model in this area. Moreover, the present study will provide a model for digital transformation of customer experience for insurance products using a mixed-method (quantitative-qualitative) approach with thematic analysis. This is also an innovation in the methodology of the present research, which will fill the research gap in the mentioned areas. Also, academic and specialist research focusing on the benefits and opportunities of digital programs and customer acquisition, with an emphasis on main customer touchpoints, is lacking. By including them, the present study will expand previous research, discussing a more technical perspective on implementing digital technologies and customer experience, presenting a model in this regard. The aim of the present research is to provide a model for digital transformation of customer experience for insurance products. The present study attempts to identify the indicators and components of digital transformation of customer experience and test the fit of the model. Therefore, the present research seeks to answer this fundamental question: What is the model of digital transformation of customer experience for insurance products?

## 2    Methods and Materials

The present research is fundamentally applied, and in terms of nature, it employs a mixed-method (quantitative-qualitative) approach. In this study, experts with a doctoral degree and a minimum of ten years of work experience in the field of research objectives, possessing the necessary knowledge and proficiency in digital transformation and digital customer experience, were selected as the statistical population. To select the statistical population in the qualitative research section and create the components of the final model of the pattern, the researcher attempted to continue the snowball sampling method until theoretical saturation and data adequacy were achieved through in-depth interviews with selected experts, managers, and senior industry specialists in the insurance sector. Thus, a sample consisting of 15 insurance experts was invited for interviews. Sampling of stakeholders in this research continues until the process of exploration and analysis reaches theoretical saturation. Additionally, the study population in the quantitative research section, aimed at measuring and confirming the model fit, consisted of managers and specialists in the insurance industry at "Asmari Insurance" company. A specialized formula for structural equation modeling was used to calculate the sample size in the quantitative section. Generally, in the methodology of structural equation modeling, the sample size can be determined between 5 to 15 observations per measured variable. Accordingly, and in proportion to the number of questionnaire items, an appropriate sample size of at least 60 to 180 questionnaires was determined. For further assurance, 185 questionnaires were randomly distributed (as we had a list of individuals in the population), of which 179 complete and flawless questionnaires were received. Furthermore, the data analysis for model confirmation was conducted using EXCEL, SPSS22, and PLS Smart3 software.

## 3    Findings and Results

Table 1 presents a summary of interview samples conducted as part of this study. The interviews aimed to explore various aspects of digital transformation in the insurance industry, particularly focusing on enhancing the digital customer experience. Each interviewee provided valuable insights into different strategies and technologies utilized to personalize insurance products, engage customers across multiple channels, and improve overall customer satisfaction. The table outlines key points from the interviews, including the use of artificial intelligence and machine learning for personalization, the importance of consistent service delivery across channels, and the

significance of content marketing in the insurance sector. Additionally, it highlights customers' expectations regarding the accessibility of information, personalized recommendations, and the need for empathy and human interaction from insurance providers. These insights serve as valuable contributions to understanding the evolving landscape of digitalization in the insurance industry and its impact on customer experience.

**Table 1**

*Interview Samples*

| Interviewee Code | Summary |
|---|---|
| 1 | Using digital technologies such as artificial intelligence and machine learning to personalize insurance product information according to customers' needs and circumstances. |
| 2 | Having the capability to identify customers across multiple channels and provide consistent services through these channels. |
| 3 | Utilizing digital technologies to create comparative tools between different insurance products to assist customers in making the best choice. |
| 4 | The first stage of the digital customer journey is awareness. This stage involves creating awareness of the brand and attracting potential customers to the insurance company's products and services. Insurance companies can utilize digital marketing channels such as social media, search engine optimization, and email marketing to reach potential customers and create brand awareness. Insurance companies can reach their target audience through targeted campaigns and educate them about the benefits of their products and services. Percentage of customers who feel that the insurance product information provided is comprehensive and complete. |
| 5 | Using digital technologies to create online insurance platforms that allow customers to easily and fully access information related to insurance products. |
| 6 | Content marketing and providing appropriate educational and advertising content tailored to the insurance industry is a method that helps the insurance industry create targeted and valuable content to attract and engage customers and increase profitability. |
| 7 | Percentage of customers who feel that the offered insurance products meet their needs. |
| 8 | Percentage of customers satisfied with personalized recommendations about insurance products. |
| 9 | Customers are asked to provide their suggestions for improving services and rate customers' ideas through digital technology. |
| 10 | Percentage of customers who can easily find the necessary information about insurance products. |
| 11 | In addition to personal coverage schemes, it is more important for customers to feel that the insurer understands their pains and concerns, that they can trust their insurer as a reliable partner, and that the insurer stands by them to overcome any challenges in the event of an incident. In other words, customers expect empathy and human interaction from their insurance providers. |

Table 2 presents an analysis of key themes extracted from the intersection of universal concepts, organizing themes, and basic concepts in the context of insurance management. These themes encompass various aspects crucial for understanding and improving insurance services, particularly in the digital age.

Under the category of Universal Concepts, fundamental notions such as Accessibility and Awareness are explored, highlighting the importance of easy access to insurance product information facilitated by digital technologies. Ease of Interactions across multiple channels and the provision of Educational and Industry-specific Content emerge as pivotal factors in enhancing customer engagement and profitability.

Organizing Themes shed light on strategies aimed at Comprehensive Awareness of Features and Benefits of Insurance Products through Digital Technologies. This includes leveraging digital marketing channels to create brand awareness and educate customers about insurance offerings. Additionally, the creation of Comparative Tools Between Different Insurance Products and Online Insurance Platforms for Customers is discussed to assist customers in making informed decisions.

The Basic Concepts section delves into Personalization, emphasizing the need to tailor insurance product information according to individual customer needs. It also addresses the significance of providing Personalized Recommendations for Insurance Products and fostering Customer-centric Innovation through customer feedback and digital technology.

Furthermore, the table underscores the role of Artificial Intelligence and Machine Learning in enhancing personalization and customer experience. It also emphasizes the importance of Trust in Digital Technology, where customers expect empathy and reliability from their insurers.

Lastly, the Presentation of Customer Analytics-based Insights is highlighted as a means to maximize data value and create engaging customer journeys.

**Table 2**

*First Step of Thematic Analysis*

| Universal Concepts | Organizing Themes | Basic Concepts |
|---|---|---|
| Accessibility and Awareness | Easy access to insurance product information through digital technologies | Percentage of customers who can easily find the necessary information about insurance products. |
| Ease of Interactions | Ability to recognize customers across multiple channels and provide consistent services across these channels. | - |
| Provision of Educational and Industry-specific Content | Content marketing and providing appropriate educational and advertising content specific to the insurance industry. | Content marketing and providing appropriate educational and advertising content specific to the insurance industry to engage customers and increase profitability. |
| Comprehensive Awareness of Features and Benefits of Insurance Products Through Digital Technologies | The first stage of the digital customer journey is awareness. This stage includes creating awareness of the brand and attracting potential customers to the insurance company's products and services. Insurance companies can use digital marketing channels such as social media, search engine optimization, and email marketing to reach potential customers and create brand awareness. Insurance companies can use targeted campaigns to reach their target audience and educate them about the benefits of their products and services. | Percentage of customers who feel that the provided insurance product information is comprehensive and complete. |
| Creation of Comparative Tools Between Different Insurance Products | Use of digital technologies to create comparative tools between different insurance products to help customers make the best choice. | - |
| Creation of Online Insurance Platforms for Customers | Use of digital technologies to create online insurance platforms that allow customers to easily and fully access information about insurance products. | - |
| Personalization | Customization of insurance product information according to the needs and individual conditions of customers. | Percentage of customers who feel that the provided insurance products are tailored to their needs. |
| Provision of Personalized Recommendations for Insurance Products | Percentage of customers satisfied with personalized recommendations for insurance products. | - |
| Customer-centric Innovation | Asking customers for their suggestions to improve services and rating customer ideas through digital technology. | - |
| Use of Artificial Intelligence and Machine Learning | Use of digital technologies such as artificial intelligence and machine learning to personalize insurance product information based on customer needs and conditions. | - |
| Trust in Digital Technology | Besides personal coverage schemes, it is more important for customers to feel that the insurer understands their pains and concerns, that they can trust their insurer as a reliable partner, and that the insurer stands by their side to help them overcome difficulties in case of an incident. In other words, customers expect empathy and human interaction from their insurance providers. | - |
| Presentation of Customer Analytics-based Insights | Helps customers maximize data value and create an engaging customer journey. The DCxM solution transforms and processes cross-channel data to provide personalized and meaningful experiences consistently. With a focus on marketing, subscription, and customer services teams, customer analytics-based insights are provided for personalization and engagement. | - |

The provided Table 3 presents the final model of research derived from in-depth interviews with experts in digital transformation focusing on customer experience within the insurance sector. Through these interviews, universal and organizing themes have been identified, providing a comprehensive framework for understanding the key aspects of digital transformation in insurance product offerings.

The universal themes encompass critical elements such as access and awareness, highlighting the importance of easy access to insurance product information, seamless interactions, and the provision of educational content tailored to the insurance industry. Additionally, emphasis is placed on creating tools for comparative analysis between different insurance products and establishing online platforms to enhance accessibility for customers.

On the other hand, the organizing themes delve into the realm of personalization, underscoring the significance of tailoring insurance product information to individual customer needs and conditions. This includes the provision of personalized recommendations, customer-centric innovation leveraging technologies like artificial intelligence and machine learning, and fostering trust in digital technologies among customers. Furthermore, the presentation of insights based on customer analytics is

highlighted as a pivotal aspect of enhancing customer experience and engagement

**Table 3**

*Final Model of Research Extracted from Interviews with Digital Transformation Experts in Customer Experience for Insurance Products*

| Universal Themes | Organizing Themes |
|---|---|
| Access and Awareness | Easy access to insurance product information |
| | Ease of interactions |
| | Provision of educational and industry-specific content |
| | Comprehensive awareness of features and benefits of insurance products |
| | Creation of comparative tools between different insurance products |
| | Creation of online insurance platforms for customers |
| Personalization | Customization of insurance product information according to customer needs and conditions |
| | Provision of personalized recommendations for insurance products |
| | Customer-centric innovation |
| | Utilization of artificial intelligence and machine learning |
| | Trust in digital technology |
| | Presentation of customer analytics-based insights |

Table 4 presents the factor loadings of research constructs derived from the interviews conducted with experts on the digital transformation of customer experience for insurance products. Factor loadings indicate the strength and direction of the relationship between the observed variables (questions) and the underlying constructs (factors).

The factor loadings represent the correlation coefficients between the observed variables (questions) and the latent constructs (factors) extracted from the interview data. These coefficients range from -1 to 1, where values closer to 1 indicate a strong positive relationship, values closer to -1 indicate a strong negative relationship, and values close to 0 indicate no relationship.

For example, consider the variable "Digital Transformation of Customer Experience" (q31, q32, q33). The factor loadings are 0.910588, 0.902431, and 0.892698, respectively. These high factor loadings suggest a strong

positive relationship between the observed variables and the underlying construct of digital transformation of customer experience. The corresponding t statistics are 68.12922, 64.24357, and 61.21005, respectively, all of which are highly significant (p < 0.0001), indicating that the observed variables significantly contribute to the digital transformation construct.

Similarly, for the variable "Complete Awareness of Insurance Product Features," the factor loading is 0.895378, with a t statistic of 79.4211 (p < 0.0001), indicating a strong positive relationship between awareness of product features and the digital transformation of customer experience.

Overall, the high factor loadings and significant t statistics across all variables underscore the importance of digital transformation in shaping customer experience and awareness of insurance product features in the contemporary insurance industry.

**Table 4**

*Factor Loadings of Research Constructs*

| Variables | Factor Loading | Standard Deviation | t Statistic | P Values |
|---|---|---|---|---|
| Digital Transformation of Customer Experience | 0.910588 | 0.013366 | 68.12922 | 0.0000 |
| Digital Transformation of Customer Experience | 0.902431 | 0.014047 | 64.24357 | 0.0000 |
| Digital Transformation of Customer Experience | 0.892698 | 0.014584 | 61.21005 | 0.0000 |
| Complete Awareness of Insurance Product Features | 0.895378 | 0.011274 | 79.4211 | 0.0000 |
| Provision of Customer Analytical Insights | 0.89115 | 0.014642 | 60.86356 | 0.0000 |
| Personalized Recommendations | 0.843663 | 0.023084 | 36.54713 | 0.0000 |
| Provision of Industry-Specific Educational Content | 0.874829 | 0.016172 | 54.09583 | 0.0000 |
| Utilization of Artificial Intelligence and Machine Learning | 0.774866 | 0.031046 | 24.95897 | 0.0000 |
| Trust in Digital Technology | 0.900633 | 0.012884 | 69.90061 | 0.0000 |
| Creation of Comparative Tools between Different Insurance Products | 0.881397 | 0.014396 | 61.22453 | 0.0000 |
| Development of Online Insurance Platforms for Customers | 0.832025 | 0.022285 | 37.33489 | 0.0000 |
| Easy Access to Insurance Product Information | 0.884203 | 0.015109 | 58.52041 | 0.0000 |

| | | | | |
|---|---|---|---|---|
| Facilitation of Interactions | 0.834225 | 0.020592 | 40.51114 | 0.0000 |
| Tailoring of Insurance Product Information | 0.874123 | 0.014924 | 58.57314 | 0.0000 |
| Customer-Centric Innovation | 0.830669 | 0.023619 | 35.16947 | 0.0000 |

Table 6 presents the results of reliability analysis for the research constructs in the study, including Cronbach's alpha coefficient, composite reliability (CR), and average variance extracted (AVE). These measures are essential for assessing the internal consistency and validity of the constructs.

For the construct "Digital Transformation of Customer Experience," the Cronbach's alpha coefficient is 0.885, indicating high internal consistency among the items measuring this construct. The composite reliability (CR) is 0.929, exceeding the recommended threshold of 0.7, which further confirms the reliability of the construct. Additionally, the average variance extracted (AVE) is 0.813, surpassing the minimum acceptable value of 0.5, demonstrating convergent validity.

Similarly, for the construct "Access and Awareness," the Cronbach's alpha coefficient is 0.934, indicating excellent internal consistency. The composite reliability (CR) of 0.948 and the average variance extracted (AVE) of 0.725 both exceed the recommended thresholds, demonstrating the reliability and convergent validity of this construct.

Lastly, for the construct "Personalization," the Cronbach's alpha coefficient is 0.925, indicating high internal consistency. The composite reliability (CR) of 0.941 and the average variance extracted (AVE) of 0.729 meet the recommended criteria, indicating the reliability and convergent validity of this construct.

Overall, the results suggest that the measurement model exhibits satisfactory reliability and validity, supporting the robustness of the research constructs in capturing the intended theoretical concepts.

**Table 5**

*Cronbach's Alpha Coefficient, Composite Reliability, and Average Variance Extracted (AVE) of Research Constructs*

| Variable | Cronbach's Alpha | Composite Reliability (CR) | Extracted Mean Variance (AVE) |
|---|---|---|---|
| Digital Transformation of Customer Experience | 0.885 | 0.929 | 0.813 |
| Access and Awareness | 0.934 | 0.948 | 0.725 |
| Personalization | 0.925 | 0.941 | 0.729 |

Table 7 displays the Formell-Larcker Criterion, a measure used to assess the discriminant validity of research constructs in our study. Discriminant validity ensures that each construct measures a distinct concept and is not simply a duplicate of another construct. This is essential for the validity of our research findings.

The diagonal values in the table represent the square root of the Average Variance Extracted (AVE) for each construct. The AVE reflects the amount of variance captured by the items in a construct relative to the amount of variance due to measurement error. It serves as an indicator of convergent validity, demonstrating how well the items within each construct correlate with each other.

The off-diagonal values represent the correlations between constructs. These values indicate the extent of the relationship between pairs of constructs in our study.

To meet the Formell-Larcker Criterion, the square root of the AVE for each construct should be greater than the correlations between that construct and other constructs. This ensures that each construct shares more variance with its respective items than with items from other constructs, supporting the discriminant validity of the measurement model.

In our table, we observe that the diagonal values (the square roots of AVE) for each construct exceed the correlations between that construct and other constructs, indicating that the Formell-Larcker Criterion is met. Specifically:

- The square root of the AVE for "Digital Transformation of Customer Experience" is 0.902, which is greater than all the correlations involving this construct.
- Similarly, for "Access and Awareness," the square root of the AVE is 0.867, and for "Personalization," it is 0.854, both exceeding the correlations involving their respective constructs.

This suggests that our measurement model demonstrates satisfactory discriminant validity, implying that each construct in our study captures a unique aspect of the

phenomenon under investigation, thereby strengthening the robustness of our research findings.

**Table 6**

*Formell-Larcker Criterion*

|  | Digital Transformation of Customer Experience | Access and Awareness | Personalization |
|---|---|---|---|
| Digital Transformation of Customer Experience | 0.902 |  |  |
| Access and Awareness | 0.694 | 0.867 |  |
| Personalization | 0.741 | 0.853 | 0.854 |

Table 8 presents the coefficients of determination for the variables in the structural model of the research. The coefficient of determination, denoted as R Square, represents the proportion of the variance in the dependent variable that is predictable from the independent variables in the model. The adjusted coefficient of determination (R Square Adjusted) is a modified version of R Square that adjusts for the number of predictors in the model, providing a more accurate measure of the model's goodness of fit.

In this table, we observe the coefficients of determination for two key variables: "Access and Awareness" and "Personalization." For "Access and Awareness," the R Square value is 0.480, indicating that approximately 48.0% of the variance in this variable is explained by the independent variables in the model. Similarly, for "Personalization," the R Square value is 0.548, indicating that approximately 54.8% of the variance in this variable is explained by the independent variables.

These coefficients provide insights into the extent to which the independent variables contribute to explaining the variability in the dependent variables, shedding light on the overall explanatory power of the structural model in our research.

**Table 7**

*Coefficients of Determination in the Structural Model*

| Coefficient of Determination (R Square) | Adjusted Coefficient of Determination (R Square Adjusted) | Variable |
|---|---|---|
| 0.480 | 0.482 | Access and Awareness |
| 0.548 | 0.549 | Personalization |

Table 8 displays the $Q^2$ results for inner constructs. $Q^2$, calculated as $1 - SSE/SSO$, measures the predictive relevance of the endogenous constructs in the model.

For the construct "Access and Awareness," the $Q^2$ value is 0.545, indicating that the model can predict 54.5% of the variance in this construct. Similarly, for the construct "Personalization," the $Q^2$ value is 0.581, suggesting that the model can predict 58.1% of the variance in this construct.

These results provide insights into the predictive power of the inner constructs in the structural model, indicating the extent to which they contribute to explaining the variance in the observed data.

**Table 8**

*$Q^2$ Results for Inner Constructs*

| Construct | $Q^2$ |
|---|---|
| Access and Awareness | 0.545 |
| Personalization | 0.581 |

The models featuring t-values and standard coefficients are visually presented in the subsequent figures. These figures offer a comprehensive depiction of the statistical significance and magnitude of the coefficients associated with the variables under investigation. By incorporating t-values and standard coefficients, these graphical representations enhance the interpretability of the models, providing valuable insights into the relationships between the variables and their respective impacts on the outcome. These visualizations serve as effective tools for researchers and practitioners to better understand the underlying dynamics of the analyzed phenomena and make informed

decisions based on the empirical evidence presented in the figures.
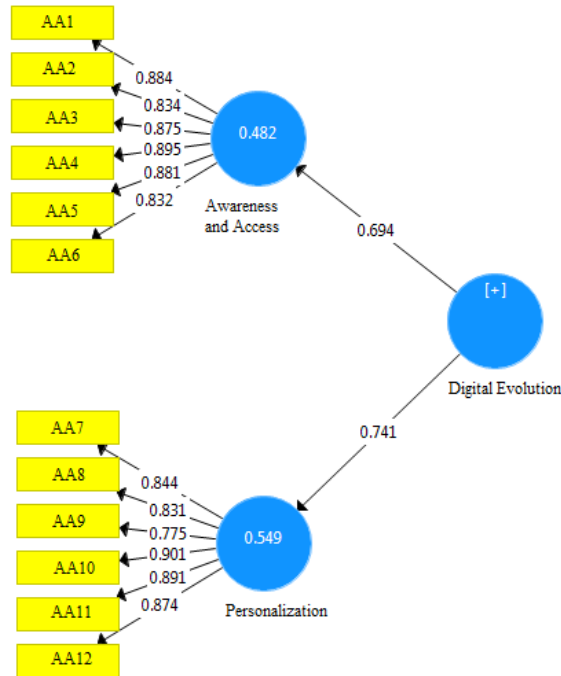
**Figure 1**
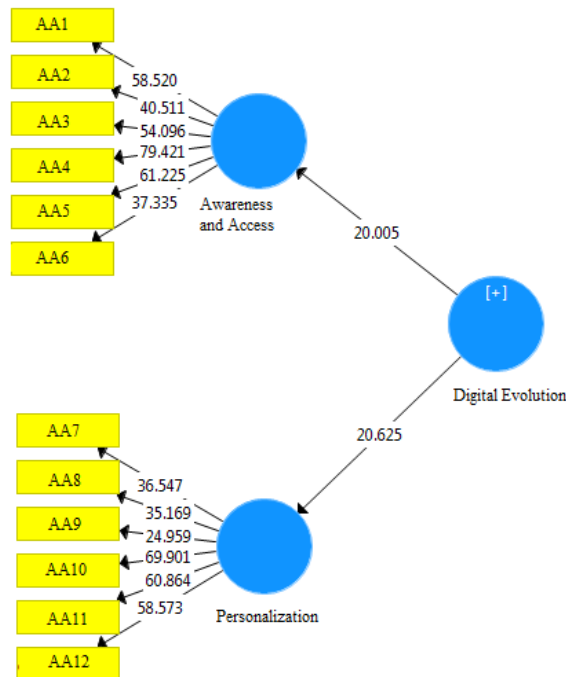
*Model with Standard Coefficients*



**Figure 2**

*Model with T-Values*

## 4 Discussion and Conclusion

Digital transformation has evolved from an ambiguous concept pertaining to the future to a primary priority for insurance companies worldwide. This digital transformation constitutes an ongoing and long-term journey, requiring companies to approach it with a phased or incremental strategy. Digital transformation initiatives should be widely implemented throughout the entire organization, encompassing fundamental principles such as innovation management, emphasis on customer experience, and adoption of new models. These principles can generate tangible and intangible values such as cost reduction, improved customer experience, and efficiency in insurance policy issuance throughout the insurance companies' supply chain.

The results of the current study are compared with the research conducted by Yaneva (2022), which investigated the digital transformation in the insurance sector. The subject of this study was the problems related to determining the nature and characteristics of digital transformation in the insurance sector (Yaneva, 2021). Additionally, Shahbazadeh et al. (2020) conducted a study titled "Intelligent Model for Predicting Financial Empowerment in Insurance Companies," and Karimi et al. (2019) conducted a study titled "Designing a Framework for Enhancing Digital Customer Experience in Internet Banking," which are also congruent with the current study (Karimi et al., 2020; Shahbazadeh et al., 2020).

The present research findings demonstrate that the utilization of digital technology can enhance and elevate the customer digital experience in the insurance industry for the following reasons: increasing the percentage of customers who can easily find the necessary information about insurance products, having the capability to identify customers across multiple channels and provide consistent services across these channels, content marketing and the provision of suitable educational and promotional content tailored to the insurance industry contribute to creating targeted and valuable content for attracting and engaging customers and increasing profitability, the first stage of the digital customer journey is awareness. This stage involves creating awareness of the brand and attracting potential customers to the insurance company's products and services. Insurance companies can utilize digital marketing channels such as social media, search engine optimization, and email marketing to access potential customers and create brand awareness. Insurance companies can reach their target audience and educate them about the benefits of their products and services through targeted campaigns, the percentage of customers who feel that the provided information about insurance products is comprehensive and complete, using digital technologies to create comparison tools between different insurance products that help customers make informed choices, using digital technologies to create online insurance platforms that allow customers to easily and fully access information about insurance products, asking customers to provide suggestions for improving services and scoring customer ideas through digital technology, using digital technologies such as artificial intelligence and machine learning to personalize insurance product information based on customer needs and conditions, and most importantly, ensuring that customers feel understood in their concerns and that they can trust their insurer as a reliable partner who can help them overcome challenges in the event of an incident. In other words, customers expect empathy and human interaction from their insurance providers, helping customers maximize the value of their data and creating an engaging customer journey. The DCxM solution transforms cross-channel data for delivering integrated, personalized, and meaningful experiences. This solution, focusing on marketing teams, subscription, and customer services, provides insights based on customer analysis for achieving personalization and communication.

The study offers a series of recommendations aimed at enhancing and improving the digital customer experience within insurance companies. Firstly, it suggests implementing digital technologies to facilitate easy access to information about insurance products, thereby empowering customers with comprehensive knowledge. Secondly, it advocates for the creation of seamless interaction processes to enhance customer engagement and satisfaction. Thirdly, the study emphasizes the importance of providing tailored educational and promotional content specific to the insurance industry, thereby enhancing customer understanding and awareness. Moreover, it underscores the significance of offering personalized recommendations for insurance products based on individual customer needs and preferences. Additionally, the study recommends the development of comparison tools between different insurance products to assist customers in making well-informed decisions. Furthermore, it suggests the establishment of online insurance platforms to provide convenient access to information for customers. The study also highlights the importance of utilizing artificial intelligence and machine learning technologies to

personalize information for customers and enhance their overall experience. Moreover, it stresses the need for insurance companies to build trust in digital technology among customers through transparent and reliable digital services. Finally, the study suggests offering customer-centric insights based on thorough analysis to further improve the digital customer experience in the insurance industry.

The study acknowledges several limitations that may impact the generalizability and robustness of its findings. Firstly, the research primarily focuses on a specific context within the insurance industry, potentially limiting the applicability of its findings to other sectors or regions. Secondly, the study relies on self-reported data from a sample of participants, which may introduce response bias or inaccuracies in the data. Additionally, the cross-sectional nature of the study design limits the ability to establish causal relationships between variables. Moreover, the study's reliance on quantitative data may overlook nuanced qualitative insights that could provide deeper understanding. Furthermore, the study's scope may not fully capture all relevant factors influencing the digital customer experience in the insurance industry, thus warranting further research to explore additional dimensions. Lastly, external factors such as market dynamics or regulatory changes could influence the outcomes but were not explicitly addressed in the study.

## Authors' Contributions

All authors have contributed significantly to the research process and the development of the manuscript.

## Declaration

In order to correct and improve the academic writing of our paper, we have used the language model ChatGPT.

## Transparency Statement

Data are available for research purposes upon reasonable request to the corresponding author.

## Acknowledgments

## Declaration of Interest

The authors report no conflict of interest.

## Funding

## Ethical Considerations

In this research, ethical standards including obtaining informed consent, ensuring privacy and confidentiality were observed.

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