

Insurance Travel Division Head alarmed by **170% spike in customer churn rates**, threatening strongest sales quarter

Why has our customer churn rate suddenly spiked?



Hypothesis: There might be a specific segment driving the increase rather than a uniform rise across all customers.

Findings: International policy churn (**14.2%**) is dramatically higher than domestic (3.6%), with digital acquisitions showing **2.3x higher churn** than agent-sold policies. The problem is concentrated in international policies sold digitally within the last 3–6 months.

Why are international policies seeing such high churn?



Hypothesis: Recent changes to international policies, service issues, or new competitive offerings could be factors.

Findings: **72% of departing customers** cited "inadequate coverage for my needs" with 64% specifically mentioning poor flight delay coverage. 5 months ago, we significantly reduced flight disruption benefits while maintaining premiums.

Why did we reduce flight disruption coverage?



Hypothesis: Financial considerations likely drove the decision, possibly due to increased claims.

Findings: Claims data showed **47% more flight disruption claims** and 38% higher claim amounts, pushing loss ratios to **78%**. We chose to silently reduce coverage while maintaining prices rather than a balanced approach of moderate premium increases with coverage adjustments.

Why didn't we anticipate customer backlash?



Hypothesis: We may have misjudged the competitive landscape or customer priorities.

Findings: Marketing warned that flight disruption ranked as customers' **#1 valued feature (8.7/10)** and competitors were expanding this coverage. Their recommendation against coverage reduction was overruled, with minutes noting "short-term customer satisfaction concerns are outweighed by immediate profitability requirements."

Step	ADC-AI Agent
1. Initiate the Question	User asks in plain English: "Why has churn spiked?" 💡 Self-serve 🕒 <1 min
2. Drill Down for Insights	ADC-AI suggests next questions like: "Why international policies?" 💡 Guided prompts 🕒 Seconds
3. Trace Root Cause	ADC-AI auto-links policy changes (e.g. flight benefit cuts) to churn data. 💡 Autonomous detection 🕒 <1 min
4. Anticipate Backlash	ADC-AI surfaces customer sentiment + ignored internal warnings. 💡 Systemic signals revealed 🕒 Seconds