



Allianz created an AI-powered virtual assistant

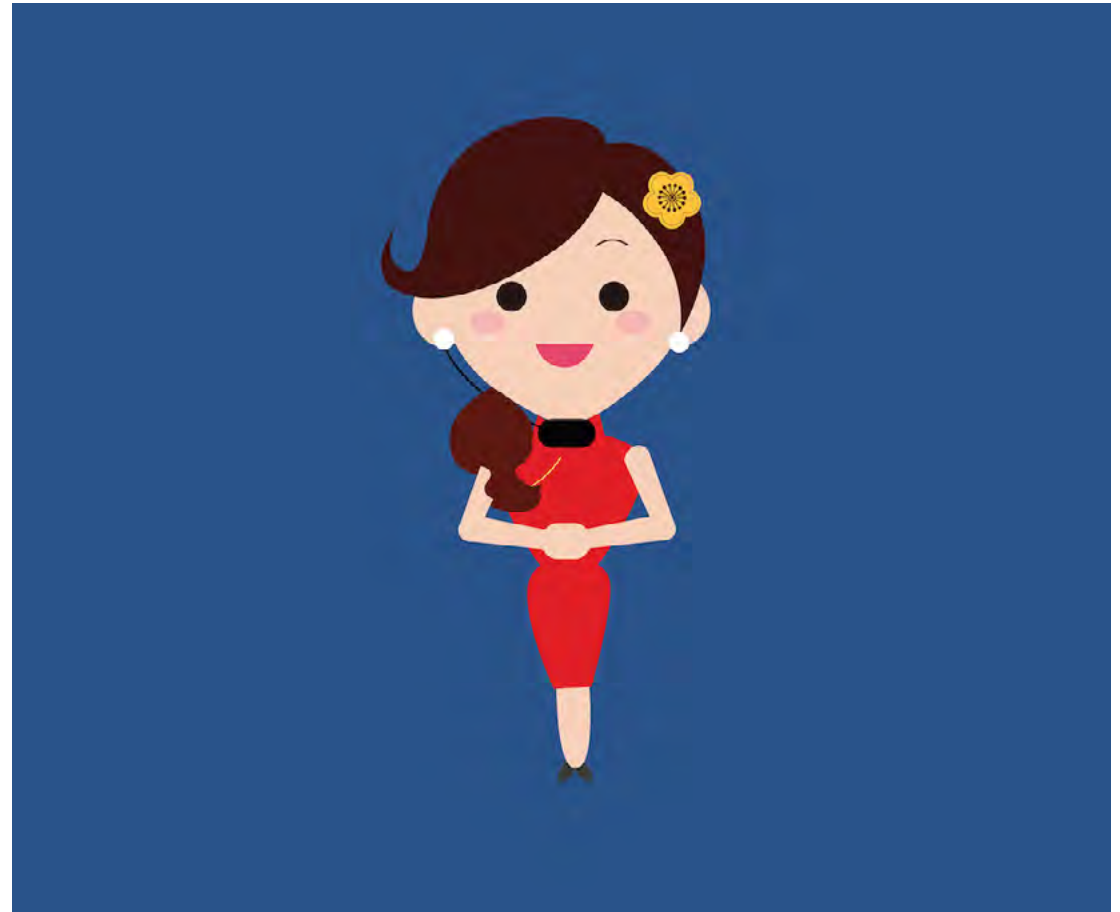
“Allie” uses IBM Watson
Assistant on IBM Cloud

by Caroline Poser
4-minute read

For Allianz Taiwan Life Insurance Co. Ltd., 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.

Business leaders at Allianz believe that Taiwan has a very tech-savvy population and is keen to try new things. The company is always striving to explore new innovations to keep up with the demands of its 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 % of the customer requests Allianz gets through Allie are received outside of call center hours, so the company is providing a higher level of service by better meeting its 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% 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.

Issues that customers
most frequently present
to call centers

80%

resolution

Common customer
service requests
resolved in

1 - 2

minutes

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 [IBM Watson® Assistant](#) service. Unlike most chatbots, the IBM 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.

Allianz wanted to position Allie almost like a human. Customers can reach her 24x7 for any insurance-related questions, but 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 through 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

IBM Cloud with Humix allowed Allianz to avoid any security or regulatory issues by keeping customer data on premises, which was key for the company.

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 IBM 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." IBM Watson Assistant technology 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 one-time password confirmation) without

using the cloud, thereby protecting data privacy.

Business leaders at Allianz think that IBM Watson is one of the strongest AI engines on the market, but a key factor in the decision to go with IBM was the technology: IBM Cloud with Humix. From a regulatory and legal point of view, it is perceived as a very smooth solution for Allianz.

The open-source platform allows Allianz to maintain and build new scenarios on their own, so they can focus on more complex and exciting projects with IBM, and not waste resources on simple tasks.

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% 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 ROI and key performance indicators (KPIs) are not the only measure of success for digital innovation projects like Allie.

Companies that are coming up with truly innovative new ideas are not solely focused on the return: They're exploring to see what works, what is possible. This is more the principal Allianz is following.



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.

Allianz is also 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.



About Allianz Taiwan Life Insurance Co. Ltd.

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.

Solution components

- IBM Cloud®
- IBM Watson® Assistant

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