Insurance Marketers On The Wrong Track

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Insurance marketers overlook existing biz

Too focused on acquisitions or new accounts

Study by Chief Marketing Officer Council

Many insurance providers are overlooking opportunities to multiply their business with existing customers and focusing on merely acquiring or poaching new accounts.

A study by the Chief Marketing Officer (CMO) Council found over 55% of consumers polled has held to their existing insurance policies for more than five years and are generally open to receiving information from their trusted providers on new or complimentary services.

Additionally, 21% of consumers have purchased or increased the value of their existing policies after being approached through different modes of communication.

However, only 7% of insurance marketers value up-sell and cross sell tactics as a way of gaining revenue.

"Without a doubt, marketing is being called upon to deliver greater value and return, but there are still those marketers who focus on the top strata of accounts and ask what can be done to squeeze more loyalty from these large accounts," Donovan Neale-May, executive director of the CMO Council said, adding that they are overlooking "the gold mine" that's available below that key account line.

According to 42% of insurance marketers, their customers are going online and are demanding for more self-service and always-on options. However, they appreciate convenience, easy-to-understand policies, statements and contracts more.

"Insurance marketers must refrain from just looking at the surface measures of policy size and key accounts as the exclusive for retention marketing and reactivation strategy. The greatest opportunity to grow businesses resides within their own policy holder and agent channel base," Neale-May added.

Rohan Vaidya, general manager for Asia Pacific South at InfoPrint Solutions Company said insurance marketers in Singapore have the favourable circumstances to break away from the cycle of data stagnancy as their customers are familiar with them and trust them.

Marketers will have to start working on it today, Vaidya said.
"We must leverage the invitation being issued by customers and target relevant offers, information and content to them in order to extract every once of value from the relationship."

By Kristie Thong, Singapore

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