



TARGET AND ACQUIRE THE MULTICHANNEL INSURANCE CONSUMER

Increase Conversion by Applying Real-Time Data Across Channels

Executive Summary

Meet the new insurance consumer, the **multichannel shopper**; they utilize Internet, phone, mail and face-to-face interactions to research and buy insurance. Today's consumer has large amounts of critical decision-making information at their disposal. As a marketer, are you leveraging consumer insight to improve your company's ability to target and acquire the multichannel shopper?

Insurance companies need the right tools to identify, verify and score prospects and customers, as well as improve targeting and messaging to core and emerging markets. While many companies are spending millions of dollars to understand their customers as a means to improve service, only a few are harnessing consumer insight to power their direct marketing and acquisition strategies.

The moment of consumer inquiry is the opportune time to determine not only who is an ideal prospect, but also identify their unique needs and the potential for cross-sell or up-sell opportunities. Maximize the impact of each interaction with the new insurance consumer; you may only get a brief moment to make the best impression. If you do not handle their request correctly, respond to their web inquiry in a timely manner or have the right agent deliver an offer that meets their needs, the sale may be lost forever.

The following paper profiles the new insurance buyer and highlights integrated tactics to be used online, over the phone, in person and through direct mail — all of which lead to increased conversion of the appropriate policyholder.





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Are You Losing Hot Leads?

John initiates contact with your company by calling the 800 number he sees on your TV advertisement. When an agent picks up the line, John spends the first few minutes of the conversation explaining that he is not a current customer and describing his insurance requirements. In the middle of the discussion, John receives a call that he has been waiting for and must pick up the line. Although he has already invested time with your agent, John ends the call without receiving a quote.

On Sunday afternoon, John is surfing the Internet while his wife and twin toddlers are at the mall. He sees one of your online advertisements, however it is an ad targeted at retirees. He is reminded that he needs to purchase insurance, but assumes that the 65+ age group is your core insurance business. John does not click on the ad, but makes a note to call your competitor.

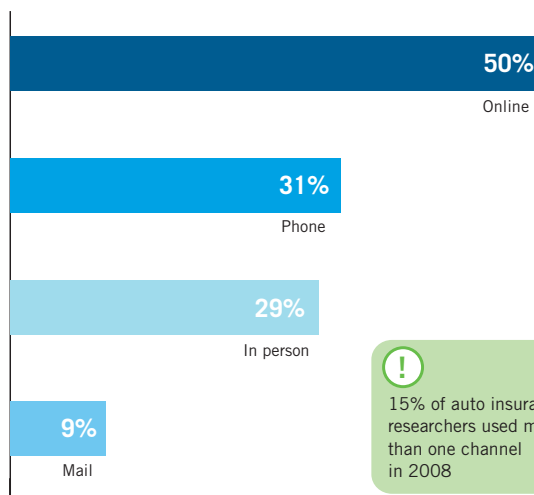
You can assume that John is a prospect who is interested in your products — but can you reach back out to him? Do you have his name? Maybe. Phone number and address? Probably not. Therefore, you cannot call, email or send direct mail to follow up on his request for information. You have lost a hot lead.

Understand the Rise of Multichannel Shoppers

Multichannel customer experiences are a critical focus for the insurance industry — insurance shoppers often use more than one channel to research or purchase a policy. As is true in almost all commerce, the online channel has become a dominating resource.

According to Forrester Research's North American Technographics Benchmark Survey (2009; US, Canada), 50% of all auto insurance shoppers use the web, and 15% use more than one channel when researching.

Percentage of Auto Insurance Researchers who Researched Through Each Channel



Base: US adults who researched auto insurance last year
Source: North American Technographics® Benchmark Survey, 2009 (US, Canada)





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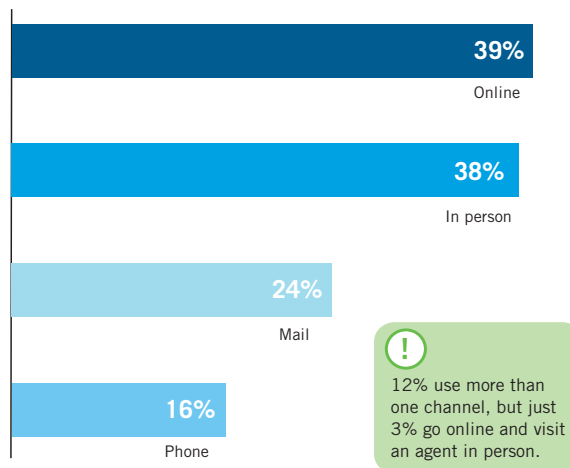
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Auto insurance shoppers utilize online research most frequently, however, consumers split their research efforts for life insurance primarily between the Internet or through an agent.

While online research is used most often by consumers, they still prefer to buy insurance in person, through the mail or over the phone. Despite the fact that comparison shopping continues to grow online, the need for personal interaction with quality customer service is vital.

With so much information and technology at their fingertips, the multichannel consumer can now abandon or switch channels at will. Following a customer or prospect through online and offline marketing channels is critical and underscores the need for all channels to have cohesive messaging and marketing tactics.

Percentage of Life Insurance Researchers who Researched Through Each Channel



Base: US adults who researched life insurance last year
Source: North American Technographics® Benchmark Survey, 2009 (US,Canada)

Online, In Person, Direct Mail and Phone: Use Consumer Insight to Fuel Conversion

Your organization has likely spent significant resources profiling, modeling and segmenting existing customers. Have you used these valuable insights to target your best prospects? Establishing a system that allows your business to better understand both customers and prospects is key to building the right promotion, media and lead generation strategy across all channels: online, in the call center, in person and via direct mail.

The creation of a powerful and actionable set of audience groups that combine your existing customer data with household-level demographic and behavior information on your prospect universe is always a critical first step. By implementing a unified view of both customers and prospects across all your buying channels, you can:

- Assess the opportunity for a given product
- Determine households that are the best targets
- Develop a cohesive message that resonates across all channels

Once your core audience groups have been defined and you have developed a plan for targeting, messaging and acquiring, you must integrate your marketing across all channels.

The following examines how you can apply consumer insights to your marketing efforts in each channel.



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Online



The Internet has changed how consumers buy insurance. It presents not only huge growth opportunities but also potential risk to market share and brand if not effectively leveraged. This section focuses on lead generation and display advertising and how these tactics can be used to identify, target and acquire your core prospects.

Lead Generation

There are many components of an effective lead buying / lead management program for insurance carriers, but two critical aspects are **verification** and **real-time scoring**. The following principles apply not only to leads you purchase from third party generators and aggregators, but also to the lead forms you leverage on your own website.

Verification indicates the contact quality of a lead. Confirming linkage between name, address and phone number to create a complete and contactable consumer profile is the first step in assessing lead quality. The absence of this profile devalues subsequent marketing efforts.

Real-Time Scoring enables companies to determine the value of a given lead according to your unique business rules. Scoring models can be built to predict behaviors including likelihood to convert, lifetime value, likelihood to churn, etc.

Combining verification with real-time scoring, companies are able to optimize lead management with methods that include:

- Developing follow-up strategies to optimize conversions and minimize cost per acquisition
- Routing prospects to the agent best equipped to serve their needs
- Prioritizing outbound efforts to reach the best leads first
- Evaluating third party lead providers based on the quality of the leads they generate in real time

Display Ads and Site Optimization

For years, offline insurance marketers have reached highly qualified audiences via traditional marketing channels by understanding the behaviors of their current customers and applying that knowledge to unknown prospects. Transferring these same insights to the online consumer is the future of online marketing.

A wealth of data is available for online marketers to improve their targeting. Companies can now gain access to audience groups of households sharing similar demographic, lifestyle and product interests. These segments can be used to identify audiences that are more likely to be interested in a product, a brand or service based on a web user's verified offline profile.

The next step in optimizing your display ad dollars is to fully leverage your offline customer and prospect data by bringing these insights online. By serving up the appropriate ad to your online prospect, you can now target consumers with precision no matter the site or context . . . it's like direct mail for the Internet.



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In Person



Although online shopping is a rising trend, insurance is a product that often needs face-to-face interaction. Leads generated online often end up in the hands of insurance agents in the field, and matching the right consumer with the right agent maximizes the likelihood of a sale.

Gathering information gleaned from shopper habits in other channels can help the agent be better prepared for a face-to-face meeting. This information may include purchase history, household demographics, lifestyle, products of interest, etc. Understanding a prospect's needs in advance of a meeting allows sales agents to better position policies and increase conversion.

Direct Mail



Perhaps no other channel has historically performed better for insurance sales than direct mail. Using trigger files, response and re-quoting models and other methodologies, insurers continue to find new ways to leverage one of the oldest forms of direct marketing. The insurance marketer's progression for making the most out of the direct mail channel is to pinpoint **new movers** and follow up with **tentative hand raisers**.

When consumers move, other life changes may occur simultaneously: new home type, new job, new family structure and new lifestyle. Finding these **new movers** and getting your policy information to them first creates an opportunity for insurers — by reminding prospects that changes in their lives create new needs for insurance.

Tentative hand raisers are prospects who either contact a call center and do not purchase, or visit a website and do not finish the application process. These 'tire kickers' are researching their options, have identified themselves as being in the market for insurance and have shown interest in your product — they are hot prospects you cannot afford to lose. At this point, direct mail is a powerful channel to keep these consumers engaged and can trigger further interaction and an opportunity for conversion.

Phone – Call Centers



Call centers are key to building your brand, and delivering on the company promise to provide superior customer service and sales excellence from the moment a conversation begins. Knowing who is calling and their propensity to be interested in and purchase a given product increases customer satisfaction and encourages brand loyalty.

Inbound

The instant your marketing dollars generate a consumer-initiated response in the form of a phone call, you have a unique opportunity to capture valuable data about the prospect. Based on nothing more than the phone number they call from, you can determine:

- The prospect's name and address
- Whether or not the caller is an existing policyholder
- The likelihood of the prospect to convert and their potential lifetime value
- Which agent is best equipped to convert them
- Where they are calling from (home, work, mobile)





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By implementing caller identification and lead scoring, you can better optimize your inbound call center leads and understand your customers' propensities. At the instant of consumer contact, scoring helps marketers deliver the most compelling offer and boosts the customer service experience.

When you identify and score your inbound leads in real time, you facilitate two basic functions that lead to increased conversion of profitable prospects: **effective selling** and **remarketing**.

Most call centers have ranked agents based on their sales ability, the products they specialize in and their call center experience. What is missing in this ranking is the knowledge about the consumer with whom they will be interacting. This information supports **effective selling**. By collecting prospect or customer profile information in real time, callers can be routed to the agent best equipped to convert them to a policyholder. Companies can customize the message that an agent uses for each consumer profile, thereby improving the overall caller experience and increasing the chance of turning the prospect into a customer.

By automatically capturing the information based on the caller's phone number, you can begin **remarketing** to the hot prospect via direct mail, phone or email — often within 24 hours.

Outbound

Outbound phone contact is an important element of the third party lead generation process — purchasing leads of prospects who *want* to be contacted via phone. These kinds of leads are extremely valuable and present an immediate sales opportunity. When a consumer is in the market for a new or updated insurance policy, companies need to respond quickly to these leads.

But like all leads, phone leads should be verified and prioritized to make sure the best prospects are being followed up on first — lead scoring helps companies prioritize outbound calling efforts. Maximizing speed to lead is critical when multiple insurers are targeting the same prospect.

Partner to Facilitate the Multichannel Onboarding Process

Regardless of channel, a thorough understanding of your audience and how they make purchase decisions is paramount to success. Working with a data partner will provide solutions that identify, verify and score prospects — building blocks necessary to create a robust multichannel system. There must be unified messaging and consistency among the channels, or customer service and sales will suffer.

A unified multichannel onboarding strategy results in a host of benefits, culminating in achieving two overarching objectives:

- Increasing the conversion of the right type of policyholder (i.e. the profitable policyholder)
- Decreasing your overall cost per acquisition via improved targeting and acquisition strategies

For maximum benefit, your data partner should be able to provide the following across all channels:

- A rich data repository that offers the greatest coverage, currency and accuracy of contact information (name, address, phone, email, etc.) on the consumer
- The analytical resources to help you leverage existing customer insights and apply them to the prospect base
- The ability to provide identification, verification, scores and other insights within a fraction of a second so they can be leveraged to make decisions during a consumer interaction

To fully leverage the breadth of data available to today's insurance marketer, you need a partner who can not only provide you with the customer and prospect insights to drive strategy, but deliver those insights when they matter most — at the moment of direct interaction with a customer or prospect.



Multichannel Lead Conversion in Action

John initiates contact with your company by calling the 800 number he sees on your TV advertisement. The instant his phone number hits your call center, you're able to **identify whether or not he is an existing policyholder** — he's not.

Simultaneously, you are also able to **score John's likelihood to convert and his probable customer lifetime value**, building a profile that enables you to **route his call to the optimal agent** who stands the best chance to close the sale.

After the call center agent asks a few qualifying questions, John receives a call that he has been waiting for and must pick up the line. Although he has already invested time with your agent, John answers the incoming call without waiting to receive a quote. Will John call back? Maybe. Should you leave it to chance? No way.

There is no better lead than a consumer who has self-identified themselves as being in-market for an insurance policy by reaching out to your call center. It is critical that you do not miss the potential opportunity. Just because he didn't remain on the line long enough to receive a quote, chances are that he's still interested in learning more about your policy options. By incorporating lead identification and scoring intelligence into your sales process, you do not have to worry — the instant John called, you **captured all the data you need** to continue your direct marketing efforts to him across multiple channels. You know his name and address, that he's not a current client, what his likelihood is to purchase, and what type of insurance policy he will most likely be interested in.

Armed with this intelligence about John, you can send him a **targeted direct mail piece** the very next day or **initiate an outbound call** — or even both, if his lead score is high enough to warrant more aggressive marketing.

From that first phone call, you were also able to add **John's call as an attribute in the system that tracks all of his interactions with your company**. This data is updated in real time, which means all the channels have up-to-date information on John's profile.

The next day, John receives the **direct mail postcard from your company with information about the policies he had expressed interest in**. This serves as a reminder for John to talk to his wife about the information he gathered during that phone call. Together they select the policy that is right for them. They want to get a quote, however, they're leaving for vacation the next day, and the postcard gets put in the "to do" pile.

Over the weekend, John sits down to a computer to do a little online shopping. While on his favorite website, **your display ad with targeted messaging** reminds John that you're his best bet for the policy he was looking at. John clicks the ad and is linked to your company's website, where he completes his policy application online.

Congratulations! By **utilizing your direct marketing capabilities and managing your multichannel onboarding in one system**, you have landed John — your former "hot lead" and new profitable policyholder.



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Conclusion

The insurance industry is full of competitive products and brands. Agents and brokers are no longer the sole contacts for consumers, and insurance marketers at the corporate level must become as focused on direct marketing as they are branding.

When consumers are shopping for insurance, they look for the best price, ease of research/purchase and good customer service — preferably all with a brand they know and trust. A strong multichannel marketing strategy fulfills all of these needs, providing the consumer with the information and service they require while allowing insurance companies to respond to the **right prospects** with the **right message** in the **right channel**.

About TARGUSinfo

TARGUSinfo, the trusted provider of On-Demand Insight® to the most recognized brands, links and delivers more than 90 billion real-time attributes a year to drive smarter and more profitable customer interactions on the Web, over the phone and at the point of sale. For more than a decade, Fortune 500 companies have turned to TARGUSinfo to enable improved audience targeting, better customer experiences, higher conversion rates and increased customer lifetime values by using TARGUSinfo identification, verification, scoring and location solutions. TARGUSinfo offers a complete range of solutions to help organizations make better real-time decisions, leveraging patented processes built on a proprietary network of hundreds of data feeds and unique predictive analytics capabilities. A profitable and privately held company, TARGUSinfo is headquartered in Vienna, VA with offices in San Diego, Chicago, San Francisco and New York. For more information, visit www.TARGUSinfo.com or call **800.6.TARGUS** (800.682.7487).

