Fractured View: Using Analytics to Define The Role of Marketing in Life Assurance

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Introduction

Shield Ltd. has established a strong foothold in the Pakistan life insurance industry by providing savings and protection solutions to its customers for over 50 years. It has marketed its business through traditional distribution channels such as sales force, bancassurance and group life. As part of its differentiation and innovation strategy, Shield Ltd. has ventured into online insurance and launched its InsureMe platform where customers can purchase life protection products online.

Term Life Protection, MediSure and CritiCare are small ticket products that provide coverage for one year. These products are pre-underwritten, require no medical tests, and come with a small list of exclusions. There are also three variants for each product, allowing customers to opt for the one that meets their coverage needs and comes at an affordable price. Term Life Protection pays sum assured to policyholder's beneficiaries in case of natural or accidental death. MediSure and CritiCare provide living benefit to the policyholder, where the former reimburses cost of hospitalization up to a predetermined daily benefit amount, and the latter pays out sum assured on diagnosis of a critical illness.

	Term Life Protection		MediSure		CritiCare	
	Premium (PKR)	Sum Assured (PKR)	Premium (PKR)	Sum Assured (PKR)	Premium (PKR)	Sum Assured (PKR)
Silver	2,100	500,000	2,200	5,000	399	50,000
Gold	3,100	750,000	3,300	7,500	599	75,000
Platinum	6,300	1,150,000	4,400	10,000	1,199	150,000

Table 1

Hassan Raza is the Chief Strategy Officer at Shield Ltd. and insisted that customers looking to subscribe to these plans do not drown under paperwork and are able to fill their application quickly on InsureMe without the help of a customer representative. After selecting their desired plan and filling in personal details, customers can choose between two modes of payment. In case of online payment through debit or credit card, premium is received by Shield Ltd. instantly. In case of cash on delivery, Shield Ltd.'s courier partner delivers a cover letter to the customer's home address and collects payment. After receipt of premium in both cases, policy documents are emailed to the customer.

Once customers have filled out the application form, Shield Ltd.'s designated call center resource for InsureMe confirms personal details over the phone and forwards the case to Underwriting department who process the case and prepare policy documents. Hassan Raza prides himself on keeping the subscription process for InsureMe paperless and efficient.

Three months have passed since the launch and Hassan is presented with the following information for policies subscribed through InsureMe.

|	Online Payment	Cash on Delivery	Total
Total Policies subscribed through InsureMe	224	1152	1376
Cases refused during confirmation call	80	296	376
Cases returned through Cash on Delivery	0	392	392
Total Policies successfully issued	144	464	**608**

Table 2

Having reviewed the summary table, Hassan wants to investigate why customers who had subscribed to InsureMe plans by filling out the online application form changed their minds a) at the time of confirmation call, and b) at the time of cash on delivery. Additionally, he is wary of the quality of leads generated through marketing campaigns that have a low rate of conversion. He invites Sofia Tahir, Chief Marketing Officer and Saad Suleman, Digital Marketing Officer to investigate the results of post launch marketing campaign.

Marketing Campaign

The post launch marketing campaign of InsureMe was spread over 45 days. The objectives defined for the campaign are as follows – route maximum traffic to the website, entice audience to register for the products, and encourage intent to buy in the audience. Channels used were social media, blogging, email marketing and on ground activation. Sofia Tahir explained that Facebook users were targeted based on interest and behavior. Users who had marked life insurance, term life insurance, hospitals, sports, shopping, technology, and healthcare in their interests were targeted for InsureMe plans. Also targeted was a custom audience consisting of InsureMe's existing website visitors.

The campaign was executed in five phases – Initiation, Awareness, Audience Engagement, Encourage Intent to Buy, and Retargeting.
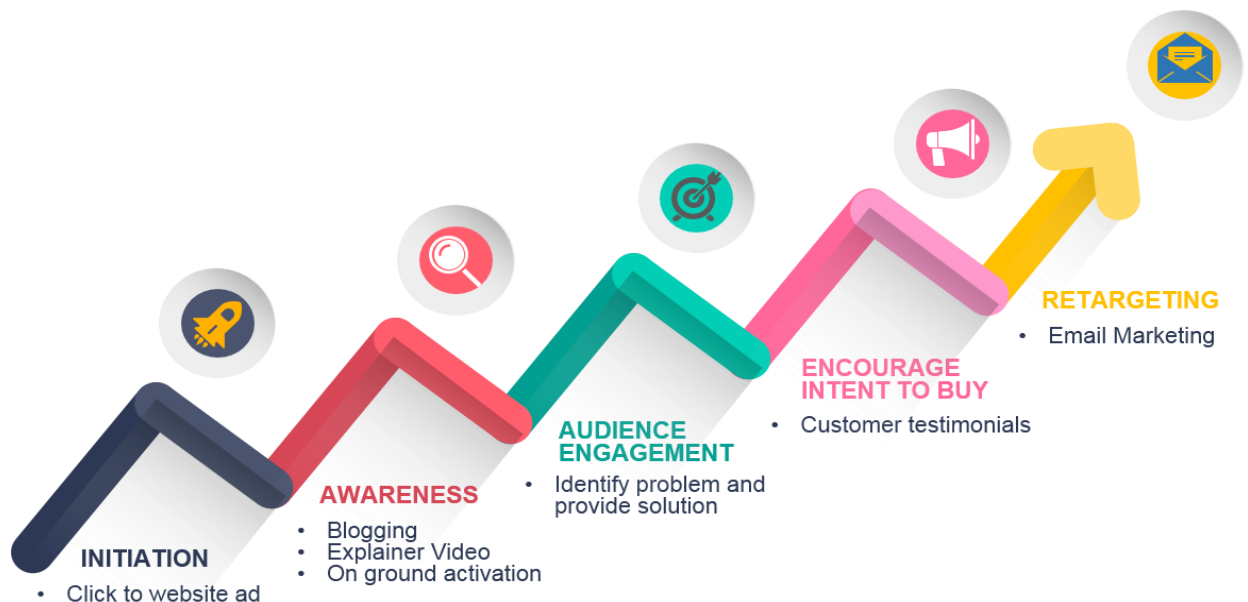
Click to website ads were made live on Facebook in the Initiation phase. Artwork for these ads highlighted the words "instant", "simple" and "hassle-free" and directed users to the website with a button that said "Insure Me".

In the Awareness phase, two sponsored blogs were featured on aggregator websites. Aggregator websites compare financial products from several providers on one platform. The blogs described the three plans and explained subscription process, while also including links to the InsureMe website. A 30 second explainer video was also released on Facebook that ran as an ad in the middle of a video that the target

audience was already watching. Below the line activity planned for this phase was on ground activation of InsureMe at major theatres across the country.

In the Audience Engagement phase, Saad Suleman executed a mini-campaign which highlighted pain points associated with buying insurance that could be resolved through the InsureMe platform. When Encouraging Intent to Buy, marketing efforts were directed towards showcasing real customers' testimonials. Lastly, in the Retargeting phase, InsureMe visitors were influenced through email marketing.

InsureMe BUDGET 15th July - 30th August'18 (45-day plan)

Platforms		
Cost		
Facebook	($)	(PKR)
Promotion (Click to website ads, engagement posts, carousel ads)	71/day	1,083,729
Video Promotion	100/day	104,000
Blogging	($)	(PKR)
Financial Aggregator 1	900/publication	115,199
Financial Aggregator 2	700/publication	89,599
Miscellaneous and giveaways		107,473
Grand Total (incl. of all taxes and commissions)		**1,500,000**

Table 3

Results of the Marketing Campaign

Hassan Raza wants to measure marketing efforts for InsureMe to identify what worked, what did not work, how they can improve, and ultimately implement more of the tactics that worked to improve marketing performance. "The beauty of measuring and analyzing our marketing is that it takes the guesswork out of what to do next. Rather than making blind decisions about whether to continue with a particular program or focus on one channel more than another, our analytics can give us the insight needed to make that decision intelligently," he tells his team.

Leads for InsureMe were collected from five sources. Three months into the launch, Shield Ltd. has collected 22,328 leads. Leads collected from the 'User Log' consist of website visitors who viewed plan details and started filling in personal details in the application form, but abandoned the subscription process midway. User Logs provide basic details such as the name, contact number and email address of a prospective customer, and the plan variant they subsequently chose. The application form on InsureMe is designed such that it collects this crucial information in the first step, so that even if the user abandons the process in the subsequent steps, the call center has the option to ring them up. If a prospective customer went on to fill in other personal and beneficiary details in the application form, this is saved in the system as well. The application form has 5 pages and the User Log shows "Last page visited" for each lead. Hassan Raza has noticed that leads who had explored the application form up to the 4th page had a higher chance of conversion.

Leads collected from 'Let's Tawk' were customers who engaged in live chat with InsureMe's call center resource on the website. Leads collected from 'Facebook' were users who were targeted based on their interests and buying behavior, and clicked on an ad that directed them to a lead generation form within the Facebook app or browser. Leads collected from InsureMe 'Web Queries' consist of website visitors who submitted a written query and explicitly sought help. 'Separate Leads' were collected from below the line activities of varying scale.

The leads were compiled and forwarded to the call center who rang them up and delivered the sales pitch. Based on the response to the sales pitch, Hassan's team member assigned a status to each lead. Lead Status was either of the following – *Not Answering, Converted, Declined, Traditional Product, Replied to Query, Indecisive, Other, and Unaddressed.*

Source	Total Count	Converted	Declined	Not Answering	Traditional Product	Indecisive	Other	Replied to Query	Un-addressed
Web Queries	3,120	88	152	1,200	424	224	536	400	96
Let's Tawk	3,656	88	264	1,272	320	136	376	1,048	152
Facebook	5,120	136	344	2,032	1,856	176	408	144	24
User Log	9,544	392	1,056	3,088	992	1,672	1,800	320	224
Separate Leads	888	0	288	408	24	96	56	0	16
Total Count	22,328	704	2,104	8,000	3,616	2,304	3,176	1,912	512

Table 4

- 8,000 of 22,328 leads were assigned the *Not Answering* status. These were prospective customers who were contacted at least two times on two working days but did not pick up the phone on any of the four attempts.
- *Converted* leads were customers who subscribed to an InsureMe plan after interacting with the call center.
- *Declined* leads stated that they were not interested in purchasing the plans.
- Leads with *Traditional Product* status were interested in Shield Ltd.'s long term, savings plans and required the services of a financial advisor to purchase a plan that catered to their investment and protection needs.
- Leads with *Replied to Query* status inquired about their policy status for a savings plan previously purchased through a traditional distribution channel – sales force, bancassurance and group life.
- Leads with *Indecisive* status showed interest in the InsureMe plans, but had not been inspired to subscribe to one.
- Leads with *Other* status either submitted invalid contact details or entered dummy data in the application form.
- *Unaddressed* leads had not been contacted by the call center at the time this lead summary table was created.

Putting Marketing Analytics into Action

With specifics of the Marketing campaign before him, Hassan Raza has a fair idea of an InsureMe Buyer's Journey as they become aware of, consider and evaluate, and decide to purchase a plan from InsureMe.

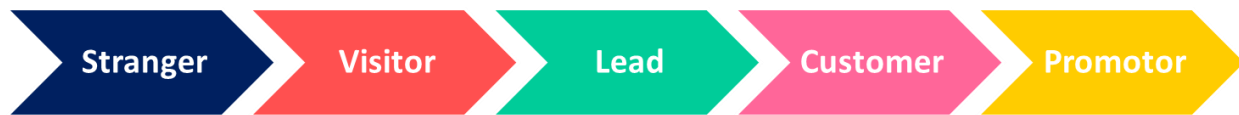| Stranger	Visitor	Lead	Customer	Promotor

Figure 1 - Buyer's Journey

Tables 2 and 4 are pivotal to data-driven decision making as these provide insight into the quality of leads generated through marketing efforts, a proportion of which completed the application form for an InsureMe plan and successfully purchased one.

Hassan Raza invites Sofia Tahir and Saad Suleman of Marketing department to measure the performance of InsureMe's 45-day Marketing Campaign across all channels – social media, blogging, email marketing and on ground activation.

Social Media Marketing

Sofia Tahir reveals that Shield Ltd.'s Facebook page has 1,740,822 likes, the highest for any financial services provider in Pakistan, and is the only page officially verified by Facebook compared to competitors. Number of Facebook followers has grown exponentially in the past 3 years, with over 600,000 joining only in the past year. While impressed with Shield Ltd.'s social media reach, Hassan does not think that that a large social media following should be a goal in and of itself. Rather, it should be treated as a means to an end. The audience must be inspired to take other actions, such as sharing their content, visiting the InsureMe website, signing up for an email newsletter or completing lead generation forms.

Sofia addresses Hassan's concern by elaborating on Shield Ltd.'s social media engagement. She reveals that Click to website ads created for Facebook in the Initiation phase of the campaign generated valuable interaction, as measured by metrics such as Facebook likes, comments, shares, and website traffic. Monitoring engagement on this ad indicated that the content shared on social media is actually interesting and relevant enough to engage audience in that dialogue. By using words such as "instant", "simple" and "hassle-free" in their artwork, it is clear that the Marketing department has a good sense of what kind of content engages their audience. Sofia also monitored all the mentions of their brand over the 45 day campaign period, and found that comments were generally positive.

Hassan proceeds to raise concern on the low conversion rate from leads generated through Facebook, as indicated in Table 4. Despite generating the highest number of leads after User Log, only a select few were inspired to purchase a plan after the sales pitch. Saad pointed out that the high number of leads is due to an overwhelming response on lead generation forms during the Audience Engagement phase of the campaign. Saad Suleman had envisioned a mini-campaign that highlighted pain points associated with buying insurance that could be resolved through InsureMe. From months of analyzing customer feedback, Saad had deduced three factors that deterred people from buying life insurance.

Firstly, due to lack of awareness, many individuals were unable to understand the terms and conditions of coverage. A common perception was that an individual had to schedule a face to face meeting with a financial advisor and fill stacks of paperwork to register. They also thought that a protection plan, which did not give a return on their investment, would be expensive. Lastly, many were dubious of claim servicing at the time of need.

Saad Suleman had played this information to his advantage and created posters which marketed InsureMe's plans as solutions to these problems. These posters were shared on Facebook as ads to entice audience to fill lead generation form. Leads generated from this mini-campaign amounted to 3,712, 1,496 of which were assigned the *Traditional Product* status. Hassan Raza wonders if the ad was boosted on Facebook for the right target audience, since leads generated consisted of high net worth individuals looking to invest in long term savings plans.

Blogging

Using the web analytics program, Sofia Tahir revealed that a large chunk of unique visitors on InsureMe had come from referring URLs. Featured blogs on aggregators' websites had finally paid off.

Aggregators enable customers to learn about financial products, compare offerings from providers and choose the one most suited to their needs. As part of the Awareness phase of the campaign, two aggregators had published articles on their websites that introduced InsureMe's plans and emphasized on the simple subscription process, while also including links to the InsureMe website. The blogs received substantial views and drove 27% of overall traffic to the InsureMe website in the three-month period. Hassan agreed with Sofia's choice of referrers, as the financial aggregators catered to the target market of InsureMe and brought qualified leads to the User Log. Saad concluded that through high quality content that incorporated specific keywords, the blogs were successful in routing traffic to the website.

Email Marketing

22,238 leads made for a sizeable email list. A standard email containing plan description, terms of coverage, eligibility criteria and exclusions was circulated among the email list that contained C*onverted* leads, *Traditional Product* leads, and even those who had *Declined*. Email service provider (ESP) for Shield Ltd. reported an open rate of 19.36% and hard bounce rate of 0.24%.

Measuring click-through rate (CTR) is a cornerstone of email marketing analytics, because the CTR indicates whether the message was relevant and the offer compelling enough to encourage recipients to action. Click-through rate for InsureMe email marketing campaign was 4.02%, slightly lower than the benchmark of 4.19%. The link contained in the email message directed users to "How it works" page on the InsureMe website which merely described the three steps to policy subscription – Product Selection, Register Yourself, and Review & Payment. Conversion rate was also lower than targeted, and Hassan Raza wondered whether conversion rate is dependent on factors beyond the original message, such as the quality of the landing page.

Since the email marketing campaign was run in the last stage of the 45-day campaign, i.e. the Retargeting phases, Hassan notices that the Marketing department failed to take advantage of segmentation intelligence. Behaviors, personas, and demographics can be used to segment the audience in order to send more targeted content and offers based on their individual wants and needs at a given point in the sales process. Marketing automation tools can help identify points of differentiation such as various pages the leads visit, the specific plans they're interested in, their previous activity on the site, their demographic information, and how they are engaging with Shield Ltd.

On ground activation

A generous proportion of the InsureMe campaign budget was used to set up kiosks at major theatres across the country. Gift hampers and merchandise were stocked at these venues to incentivize theatre goers to partake in InsureMe demonstrations. Hassan Raza argued that an on ground activation contradicted the 'paperless and efficient' reputation of InsureMe. Engaging theatre goers in the crucial few minutes before a stage performance was also an impossible task, resulting in 0 conversions as indicated in Table 4. Sofia Tahir responded with the argument that the purpose behind the on ground activation was to raise awareness about InsureMe through face to face interaction. Even if it didn't bring any conversions, the activity had created brand awareness.

Conclusion

According to Hassan Raza, marketing efforts should be directed towards policy subscription. Sofia Tahir believes that marketing is an initiating or enabling factor for a customer and not the deciding factor; marketing campaign for the newly launched online platform had been successful in creating awareness and generating leads. Hassan Raza countered with the perspective that personalized content should be created for people at different stages in the Buyer's Journey to generate leads that have a higher chance of conversion. This personalized content would be pivotal to the customer's decision making and reduce the number of refused and returned cases after subscription.

Marketing analytics certainly revealed many key insights into the Buyer's Journey which Hassan Raza believes should drive policy subscription. But is Sofia correct in her assessment of the figures? Is marketing just an initiating or enabling factor or is Hassan in the right? And does analytics have the power to provide the answer once and for all?