Marketing insurance products and services

945 October 2014 edition

Web update 2: 5 November 2015

Please note the following updates (amendments in **bold** type) to your copy of the October 2014 edition of the 945: Marketing insurance products and services study text:

**Chapter 3, section A1, page 3/3**

Add the following at the end of the section:

**Useful websites**

Big Data and social media have become reliable sources of information. The data which insurance companies gather from their many operations helps them to understand the exposures which they insure, so that they can digest, process, model and manage risk.


See [www.boughtbymany.com](http://www.boughtbymany.com) to find out about the insurance broker, Bought by Many, which uses social media analytics to monitor trends and identify risk specific niche groups for whom appropriate insurance products are designed. Also refer to ‘Making social media pay’, *Insurance Times*, 23 September 2015 (available at [www.insurancetimes.co.uk](http://www.insurancetimes.co.uk)).*

* Please note that CII members can access these articles via Knowledge Services.

**Chapter 3, section B1, page 3/7**

Add the following sentence before Figure 3.1:

Examples of competitors lurking in surprising places include Google, which launched Google Compare for car insurance, and Metromile, which partnered with Uber to offer pay-per-mile insurance to its drivers.

**Chapter 5, section B, page 5/7**

Insert the following at the end of the section:

**Be aware**

A thematic review carried out by the FCA in 2015 criticised several insurance companies and brokers over delegated authority arrangements which failed to treat customers fairly. Some insurers did not carry out conduct-focused due diligence and some brokers did not recognise the extent of their responsibilities. This shows the importance of risk assessment and the need to include regulation compliance.

**Chapter 5, section C, page 5/8**

Add the following text at the end of the third paragraph on this page:

MyCustomer, a customer relationship management expert, published a review in 2015 in which it stated that customer experience management in the insurance industry is bland and undistinguished. Consumers are consequently forced to make decisions which are based solely on price. Direct Line Group is one example of an insurance company which is trying to make the customer claims experience smoother by using social media to simplify the claims process.
Chapter 6, section A3C, page 6/6

Add the following text at the end of the section:

**Millennials**

Members of today’s millennial generation, who range from 18 to 35 years old, start their insurance buying research online. They value multi-channel interaction, as they use websites to compare prices, consult social media and mobile apps, and also like the option to speak to advisers.

However, millennials are acutely aware that social media is used to track and trend customers’ behaviour, and are cautious of the privacy and security issues which may dissuade some from making certain disclosures online. The use of technology by insurance companies, such as through the embedding of sensors in cars and homes, may in itself influence choice, particularly when linked to poor customer experience.

Chapter 7, section A2, page 7/3

Insert the following at the end of the section:

**Useful websites**

The following articles demonstrate instances in which business culture has possibly led to poor decision making:

- RSA’s Irish accounting scandal of late 2013 – [www.ft.com/cms/s/0/c2539de6-792a-11e3-91ac-00144feabdc0.html#axzz3nyCj50](http://www.ft.com/cms/s/0/c2539de6-792a-11e3-91ac-00144feabdc0.html#axzz3nyCj50)
- Tesco’s overstatement of profits in 2014 – [blog.moorestephens.co.uk/category/restructuring-insolvency/tesco-confirms-overstatement-profits-years](blog.moorestephens.co.uk/category/restructuring-insolvency/tesco-confirms-overstatement-profits-years)
- The Volkswagen emissions scandal of 2015 – [www.ft.com/cms/s/0/63401920-6392-11e5-9846-de406cc37212.html#axzz3nR14kwBy](http://www.ft.com/cms/s/0/63401920-6392-11e5-9846-de406cc37212.html#axzz3nR14kwBy)

Please note that CII members can obtain copies of the Financial Times via Knowledge Services.

Chapter 8, section B3, page 8/8

Replace the Useful website with the following:

**Useful websites**

[www.simplybusiness.co.uk](http://www.simplybusiness.co.uk)

Simply Business is a UK online insurance broker that was eager to grow even more than its success to date. Content marketing had played an important part, producing new content daily addressing ways to help SMEs grow. Simply Business had built a mine of unused customer data. It felt that, with effective analysis, interesting insights could be identified to help with customer trends and topics to drive online traffic. A test was carried out on a small segment using data cross-referenced with previous years to highlight trends and to identify strong stories supported by case studies, press releases and infographics. Chosen content was released during 2012 to current customers, online communities and social media using blogs, features and video.

Performance measures such as web traffic, search engine optimisation (SEO), quote numbers, conversions and revenue showed the campaign exceeded expectations. The campaign generated 265 items of media cover, including a full page article in a national broadsheet newspaper, achieving total readership over 300 million. Traffic to the Simply Business website ‘Knowledge and Community’ section grew by 86% in the year, SEO ranking increased, website links increased by over 150%, and new business worth £56,000 was produced. Additional benefits included repeatable content and heightened brand recognition.

Also see [www.stickycontent.com](http://www.stickycontent.com) for examples and guides on content marketing.

Chapter 8, section C1, page 8/10

Add the following text at the end of the section:

**Programmatic marketing** is a progression of digital marketing, which enables marketers to use software to automatically start a campaign based on a particular event. It is most effective when used with mobile technology, as it targets customers through their known preferences and uses factors, such as location. For example, Kronenbourg ran a summer beer promotion, in which they paid only for targeted customer mobiles in the right location and if the temperature exceeded 25 degrees.