

Insurance companies: Your customers are giving you new opportunities to communicate and sell EVERY DAY

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Recent articles that I have written explore the fact that many insurance customers positively want to receive more communication from their insurance providers and welcome it when it comes.

After all, insurance is important.

It protects the people and things that are dear and valuable to us in an uncertain world. But because there is no absolute necessity for frequent customer interaction, most insurance companies simply don't communicate enough with their customers.

This means lost value for customers and lost business for insurers.

At Riverside, we see clear evidence of this all the time. We work with insurance companies around the world to build targeted, highly relevant communication programmes for their existing customers.

Many of those customers (especially with long-term life and health policies) might not have heard anything from the insurance company for years on end. But the results we generate demonstrate clearly how welcome such contact is.

For communications offering an upgrade on existing policies held, we typically see:

- **Policy upgrade sales to 10%-30%** of all existing customers included
- **PLUS reduction in lapse rates of between 12% and 30%** across all customers contacted - including those not taking an upgrade.

Results like these are delivered through personalised **“outbound”** communications from the insurance company to carefully targeted selections of their existing customer base.

But, in addition, there are the “inbound” clues that your customers and their data are giving you EVERY DAY...

As I've mentioned above, customers usually interact very rarely with their insurance companies - far less frequently than they do with other major suppliers, such as banks and telecom providers, for example. This means that it's especially important for insurers to spot and take full advantage of the opportunities presented by important “trigger” events. Here are just a few:

- **Inbound service calls.** Insurers with good customer analytics can identify at all times what the “next best product” for each customer is. And there’s no better time to introduce that product than as part of the service, in a great service call.
- **House moves.** Often the stimulus for a wide range of new insurance sales.
- **Birthdays**, especially “big” birthdays: a great opportunity for protection and savings reviews and upgrades. The same applies in many cases to policy anniversaries.
- Most importantly – **claims: the ultimate “moment of truth”** in the relationship between insurer and customer. A well-handled claim can cement the loyalty of any insurance customer and even their family members (especially in life and health business) for many years into the future.

What’s more, all these “trigger” events provide important opportunities for insurance companies to improve the quality of future customer communications - by asking for further customer data, which customers are happy to give if they are confident that it will be of benefit to them.

And finally, providing service that delights your customers (including helpful, relevant communication) also leads to customers becoming advocates: the most loyal of customers, recommending your company to their acquaintances.

All in all, effective customer communication will be a critical success factor for insurance companies of all kinds in the future; especially with the proliferation of communication channels available, both digital and offline.

Riverside’s 8-page guide has been written to help insurers understand the role and value of effective customer communication - and to illustrate our own highly successful approach to unlocking the value of your existing customer base.

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