Case Study:
LexisNexis Lead Optimizer Enables Life Carrier to Focus on Leads that are up to Thirty-five Times More Likely to Convert

Background

Lead validation can be a pain point for any insurance marketer in auto, life or other lines of business. While marketing leads are rarely in short supply, they are often plagued with problems such as false or missing information or duplication. This can be the case for purchased leads as well as organic leads generated from a carrier’s own website.

Despite the vast number of leads insurers receive, lead filtering is often left to agents and call center staff. Verifying leads is a laborious process, costing much time and effort. Often agents and call center staff don’t have the tools to help them get the job done. LexisNexis® Lead Optimizer automates the lead verification process by applying advanced analytics to filter and score leads, empowering marketers to make effective decisions with minimal delay.

Situation and Challenge

A leading multi-line carrier was facing significant issues in verifying leads within its life insurance line of business. The company had worked hard to develop a lead generation program, and even though a large number of leads were coming in through the company’s website, the contact information was often incomplete or inaccurate. The company’s agents were spending considerable time and energy trying to contact potential customers with sporadic success. This process was proving both costly and inefficient.

Solution

As a first step in solving this problem, LexisNexis analyzed two years worth of historical leads, tens of thousands in all, to determine characteristics indicative of the best quality leads.

Using LexID®, our unique identifier for every individual, LexisNexis was able to identify, link and organize lead information, including aliases, name and address changes.

Drilling down even further, the leads were analyzed to determine if the identity components fit together ensuring a prescribed level of identity verification.

The insurer also wanted to expand beyond a general clean up and take advantage of the robust lead and insurance-specific qualifying capabilities of Lead Optimizer. To do this, the insurer incorporated additional LexisNexis predictive models into their configuration of Lead Optimizer. This provided valuable insight on predicted quoting and conversion behavior, helping the insurer maximize their marketing ROI.

CLIENT BACKGROUND

A national multi-line writer of auto, home, life and umbrella insurance. The carrier writes in excess of $1.5 billion in premium.
Results

In all, 25% of organic leads were rejected, enabling the carrier to focus marketing efforts on the remaining 75%—leads that were inherently of higher quality.

Further analysis of the rejected leads revealed a conversion rate of 521:1 (for every successful lead, there were over 500 leads that failed to convert to a policy). In startling contrast, the policy conversion rate for accepted leads was 15:1.

Going forward, the carrier elected to take the capabilities of Lead Optimizer to the next level and append the leads with models that further predict quoting and converting behavior. LexisNexis® Marketing Risk Classifier provides the ability to segment marketing campaigns and prioritize incoming leads based on the risk of the identified population. In this particular case, leads identified with the lowest mortality risk had a policy conversion rate of just under 10 percent. At the other end of the spectrum, leads with the highest mortality risk converted to a policy less than four times out of one hundred.

With Lead Optimizer, insurers can not only validate each lead for accuracy, they can also prioritize marketing and communications activities. Ask us how Lead Optimizer can even help identify leads more likely to convert. Lead Optimizer provides a more complete picture of a lead’s true potential, thereby making efficient use of valuable resources while driving new revenue and better business.

For more information:
Call 800.458.9197 or email insurance.sales@lexisnexis.com

About LexisNexis Risk Solutions
LexisNexis Risk Solutions (www.lexisnexis.com/risk) is a leader in providing essential information that helps customers across all industries and government assess, predict and manage risk. Combining cutting-edge technology, unique data and advanced analytics, LexisNexis Risk Solutions provides products and services that address evolving client needs in the risk sector while upholding the highest standards of security and privacy. LexisNexis Risk Solutions is part of RELX Group plc, a world-leading provider of information and analytics for professional and business customers across industries.

Our insurance solutions assist insurers with automating and improving the performance of critical workflow processes to reduce expenses, improve service and position customers for growth.