

Case Study:

Maximizing Property to Auto Cross-Sell Campaign Performance With Predictive Analytics to Achieve a 246% Increase in Policy Conversion



CLIENT BACKGROUND

One of the largest insurers of autos and homes in the US recently deployed LexisNexis® sophisticated predictive and adaptive analytics to cross-sell home coverage to its monoline auto customers.

Overview

One of the nation's largest property and casualty insurers understood that increasing existing customer share-of-wallet by converting customers to bundled policies was an excellent way to achieve sustainable growth. However, the company was struggling to garner a profitable rate of auto to property policy conversions among its current customer base. A significant part of the problem was that the company's traditional marketing campaigns cast a wide net, resulting in low returns and wasted resources.

The Challenge

In examining its marketing process, the carrier realized it faced three challenges:

1. Identifying the most-likely-to-purchase customers
2. Maximizing the value of its customer data
3. Optimizing marketing return on investment

Recognizing there was a better way to deliver the results they needed, the carrier turned to LexisNexis® for their advanced analytic capabilities.

The Goal

The ultimate goal was to improve revenue growth and increase retention rates among existing policy holders. The carrier wanted to improve its ability to consistently target customers, leverage existing policyholder data for new revenue opportunities, and achieve the greatest benefit from its cross-sell and up-sell efforts.

The Process

To get started, LexisNexis provided detailed performance reports on existing programs, this included demographic and other insightful data such as responder profiles.

Engaging LexisNexis® Market Magnifier to delve deeper into these insights, LexisNexis developed analytics to predict how likely auto consumers would be to respond to an invitation to get a property quote and then purchase a policy (the call-to-action of the campaign). This information was developed so that it could be built into successive campaigns.

Once the analysis was complete, LexisNexis helped the carrier design two cross-sell campaigns that offered auto policyholders the opportunity to save money on premiums by adding a homeowner's policy to their existing auto coverage.

The Results

The campaign response rates increased by 7% (with the predictive-based campaign leading) and huge improvements were seen in new policies written as a result. A 246% increase in overall conversion demonstrated that applying predictive analytics to forecast customer behavior can yield new revenue opportunities.

The combination of data and advanced analytics helped this insurer contain costs, streamline critical business processes, and improve their return on marketing spend. With the help of LexisNexis, the carrier will be able to continue to make the right offer at the right time to the right customer.

For more information:

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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 worldleading 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.



7% Overall
increase
in quote rate



246%
Increase in overall
policy sales

LexisNexis® Market Magnifier

Market Magnifier is an advanced and predictive dataset that is designed to help insurance carriers segment and target current and prospective customers. This multi-sourced database integrates proprietary and third-party data with predictive analytics to provide extensive, dependable information on over 200 million individuals in 110 million households across the United States. Our advanced linking technology dynamically connects data from multiple sources to provide a flexible and cost-effective acquisition and retention solution for insurance carriers.



Insurance

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