

# Selling the Intangible for a Tangible ROI!

## *Inbound X-sell: How to turn a Cost Center into Profit Center*

Presented by

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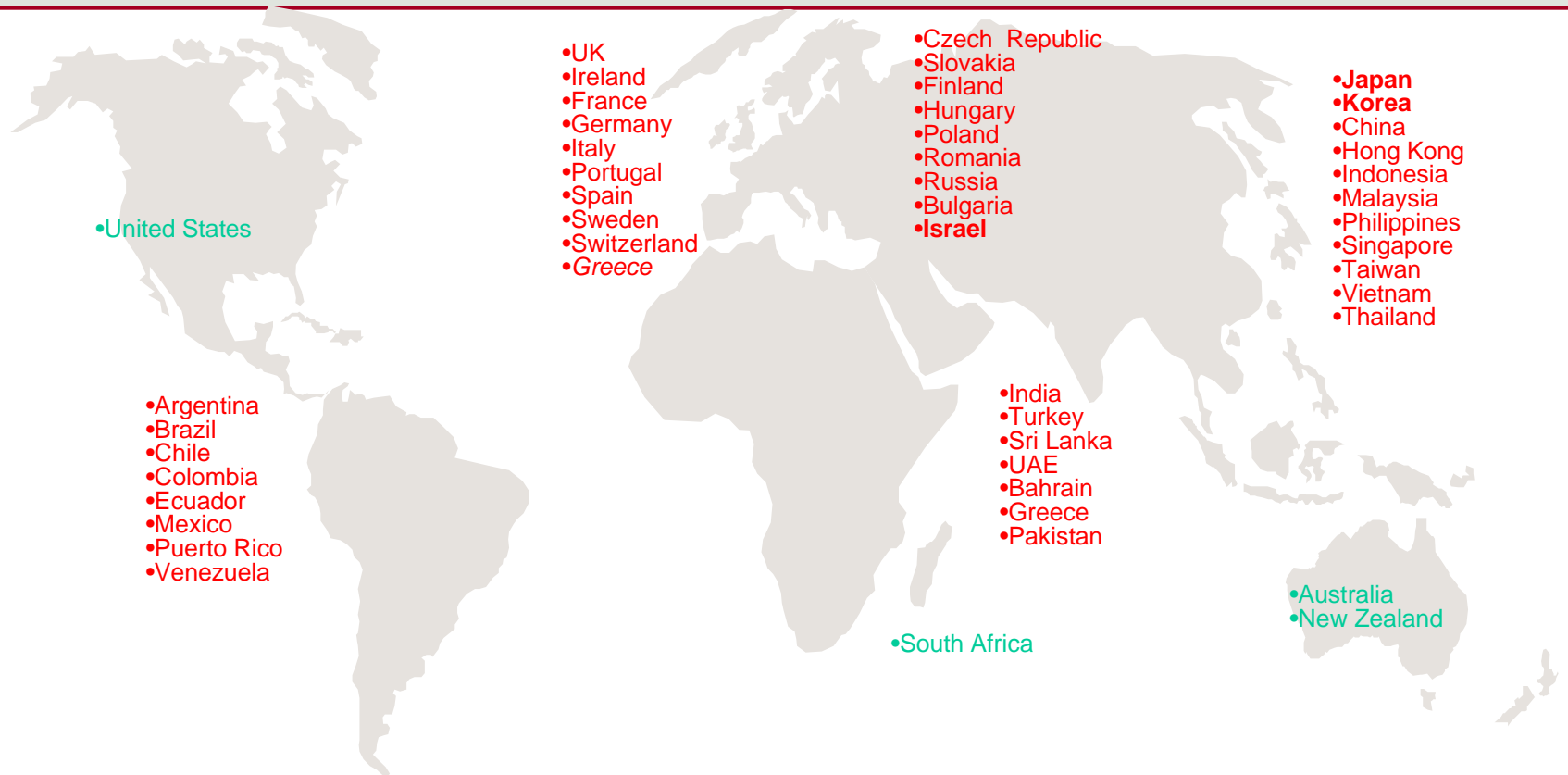


# Chartis: Direct operations footprint

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Direct Operations in 48 Markets

# Insurance: Selling the Intangible

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- Insurance – essential in today's fast-paced world
- Intangible – “With insurance, all we are selling is a piece of paper and a promise”
- Insurance is sold (offer-driven); not bought. No-one wakes up in the morning thinking they need insurance
- Poses some challenges for remote sales process like DM
- Insurance DM: Essential strategy for any entity that owns a customer database

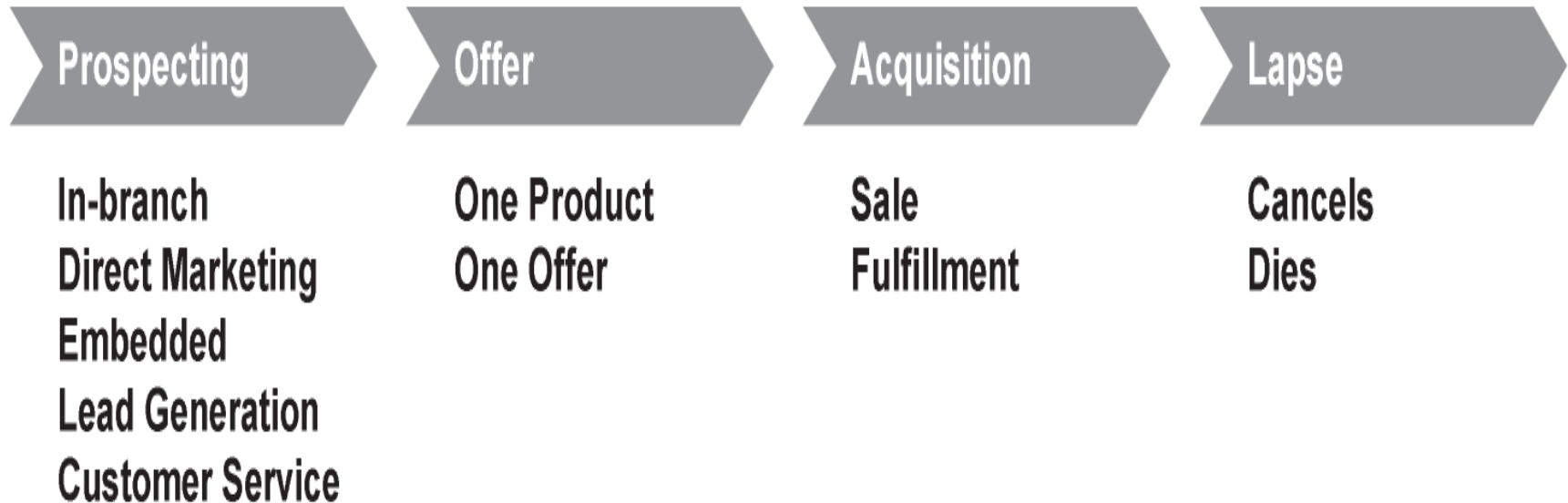
# Traditional Insurance Sales Approach

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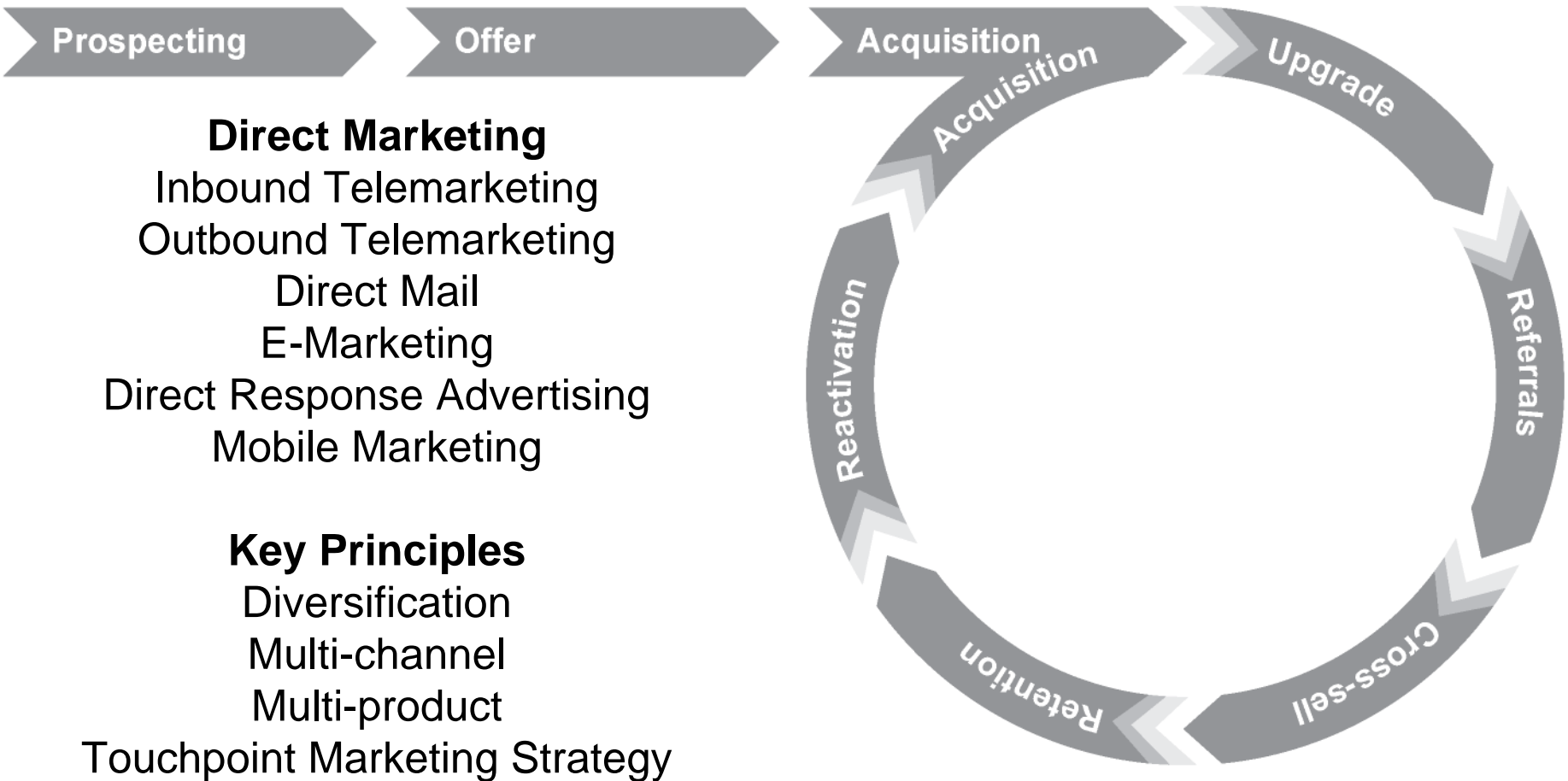
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## Customer acquired ... Customer pays ... Customer leaves



# Instead ... Continuous Sales Process



### Direct Marketing

- Inbound Telemarketing
- Outbound Telemarketing
- Direct Mail
- E-Marketing
- Direct Response Advertising
- Mobile Marketing

### Key Principles

- Diversification
- Multi-channel
- Multi-product
- Touchpoint Marketing Strategy

## All companies want “sticky” customers

- **Premise:**

- 5x more profitable to spend money retaining customers than acquiring new customers
- Repeat customers spend 33% more than new customers
- Referrals from “sticky” customers much greater than from prospects

- **Touch Point Marketing a key strategy to:**

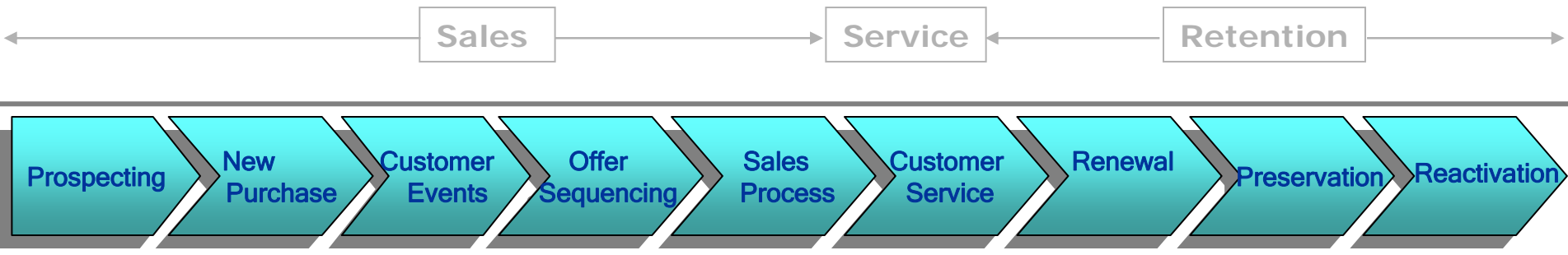
- Sell to existing customers
- Improve retention & customer loyalty
- Generate x- and up-sell revenue

**Without increasing the marketing budget!**

# So many opportunities... Make them COUNT!



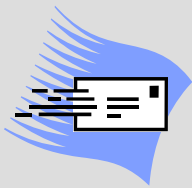
Every customer contact is a chance to reinforce the brand, creating opportunities for sales, referrals, and improved persistency



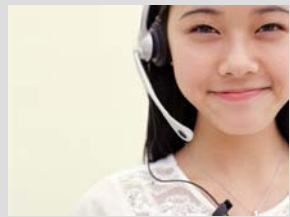
## The Customer "Life Cycle"



Branch staff



Fulfillment & Correspondence



Sales/Service Hotline



Website



Walk-in Services Center

## The Service Layer



- Increased competition, spiraling customer acquisition costs, retention deterioration, changing market dynamics, etc. putting pressure on bottom line
- With increasing consumer protection regulations customers are becoming harder to reach

## But what if customers are contacting us?

- Customer service interfaces under increasing pressure to turn service contacts into service and sales contacts
- Opportunity - *X-sell on the inbound service call* (part of overall Touchpoint marketing strategy)

# Customer Care & Sales – Uneasy bedfellows?

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- Virtually all companies have various customer service contact points, e.g. branches, call centers, etc.
- Service centers generally set up as cost centers
- Primary focus is customer service and maintaining various service standards
- Service centers wary of processes that are “non-service” in nature – perception is they could undermine core function

# Customer Care & Sales – Uneasy bedfellows?

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- Service centers talking daily to the best sales prospects – your existing customers
- Service must continue to be main focus of service centers...but the sales opportunity is too good to miss!
- It can be a mutually beneficial relationship
- All x-sell processes designed to fit in with service culture - some compromise required on both sides



Two options to initiate x-sell:

- 1. Predictive:** Use database marketing techniques backed by data warehouse & effective analysis capability to identify customers with highest propensity to buy

*Result in a more efficient sales process which will also benefit service levels*

- 2. Mass Appeal:** Develop affordable, easy to understand & sell product offer(s) that appeal to a wide customer audience; x- & up-sell with appropriate product “partners”

*Allows you to get off the ground easier and cheaper but requires more active management to ensure service levels are not compromised*



- Start with Initial Sale – broad appeal acquisition product
- Cross-sell with targeted products to specific segments
- Up-sell with lower premium, higher volume upgrades and add ons

***This will result in:***

- Increased share of wallet per customer
- Increased number of products per customer
- Increased retention of customer
- Growth at little extra cost by capitalizing on existing customer base

# Implementation Models

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**Inbound X-sell  
(1-Step)**



**Inbound X-sell  
Hot Transfer**



**Inbound X-sell  
Follow-up**

## **“We sell widgets, why would customers buy insurance from us?”**

- Customers are open to sales pitches in a service call if you:
  - 1<sup>st</sup> solve the customers' problem or need
  - Are sensitive to the customer's needs
- Customers are turned off by:
  - Pushy sales scripts
  - Irrelevant product offers
  - Continue selling even when the customers have said they are not interested

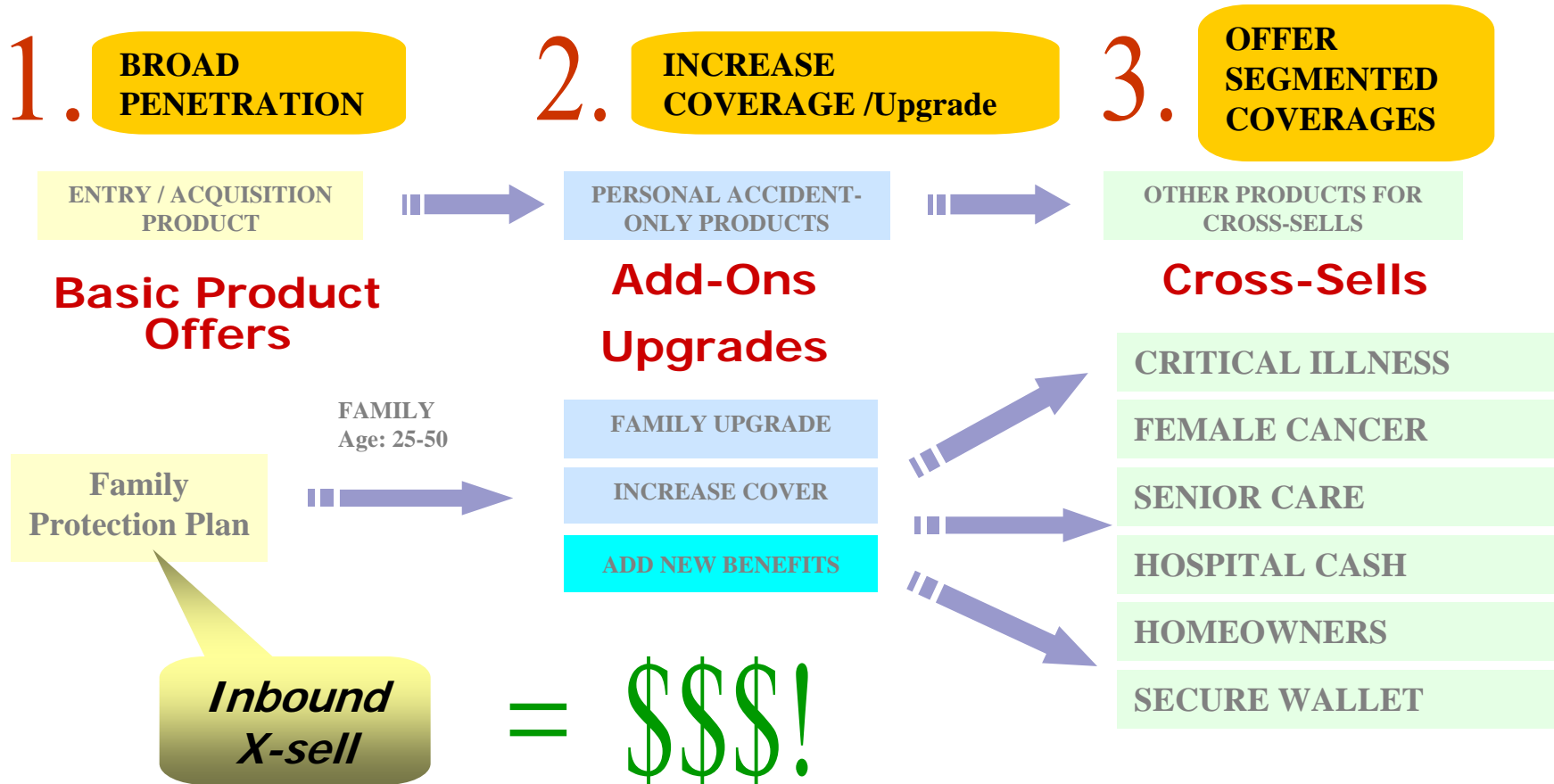
## “But we’re a service call center! We **can’t** sell!”

- Don’t need all Agents to sell – some just can’t
- Some Agents who say they can’t, surprise themselves when they do
- Positive impact on call center environment: increased excitement & job satisfaction, boosts income potential for Agents
- Positive experience for customers – it’s not forced selling

# Typical Product Sequence

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- Turkey
  - Year 1: \$1.95 million
  - Year 2: \$8.6 million
  - Year 3: \$16 million
  - Year 4: \$25 million
  - Year 5: \$32 million
- Israel
- Venezuela
- Mexico
- India
- United Arab Emirates

**= \$\$\$\$! = Without increasing the marketing budget**

- At no additional cost, introduce a new revenue stream – turn a cost center into a profit center
- Enhance your customer loyalty and retention by offering value added products that address the financial security needs of your customers
- Utilize customer touch points to seamlessly make product offers and generate sales
- Easy to implement and maintain – minimal disruption to service environment

- Sell simplified, easy to sell, affordable, mass appeal products to generate large volumes for later x- & up-sell opportunities
- Manage inbound calls to maximize production during lower call volumes with no interruption during high volume periods
- Personal development and supplemental income opportunity for service call center staff



## Q&A

# Thank You!

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