



Multi-Touch Campaign Drives Increased Customer Retention

Challenge

Despite strong sales, customer retention was a challenge for a large supplemental insurance client. With no customer communications program, agents typically did not communicate with new customers beyond the point of sale. As a result, the company saw high lapse rates. They needed to improve their first-year persistency scores – the percentage of newly sold policies that remained active – by reinforcing the purchase decision and keeping new customers engaged.

Solution

Taylor developed a communications program that reached each new customer immediately after the purchase and continued with additional contacts throughout the first year. The primary goal of the program was to reinforce the new customer's purchase decision, provide ongoing reminders of the product's value and defuse potential buyer's remorse. Communications included personalized postcards, letter packages with keepsake items, a quarterly newsletter and a holiday greeting card as well as referral requests and a handy customer care magnet.

Results

The multi-touch communications campaign created and managed by Taylor dramatically outperformed expectations and measurably decreased lapse rates.



CUSTOMER RETENTION

A control group proved that customer retention increased 9% versus a program goal of 3%.



RELATIONSHIP BUILDING

Households receiving the communications held 36% more policies than the control group.



INCREASED REVENUE

The estimated lift in retention increased the client's annual premium values by nearly \$7 million.