



MORE THAN LUCK:
Leading a Marketing Team

Tara Russell
Lexington Insurance

Jenny Hodge
American Integrity

PCI Joint Marketing and Underwriting Seminar
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Agenda



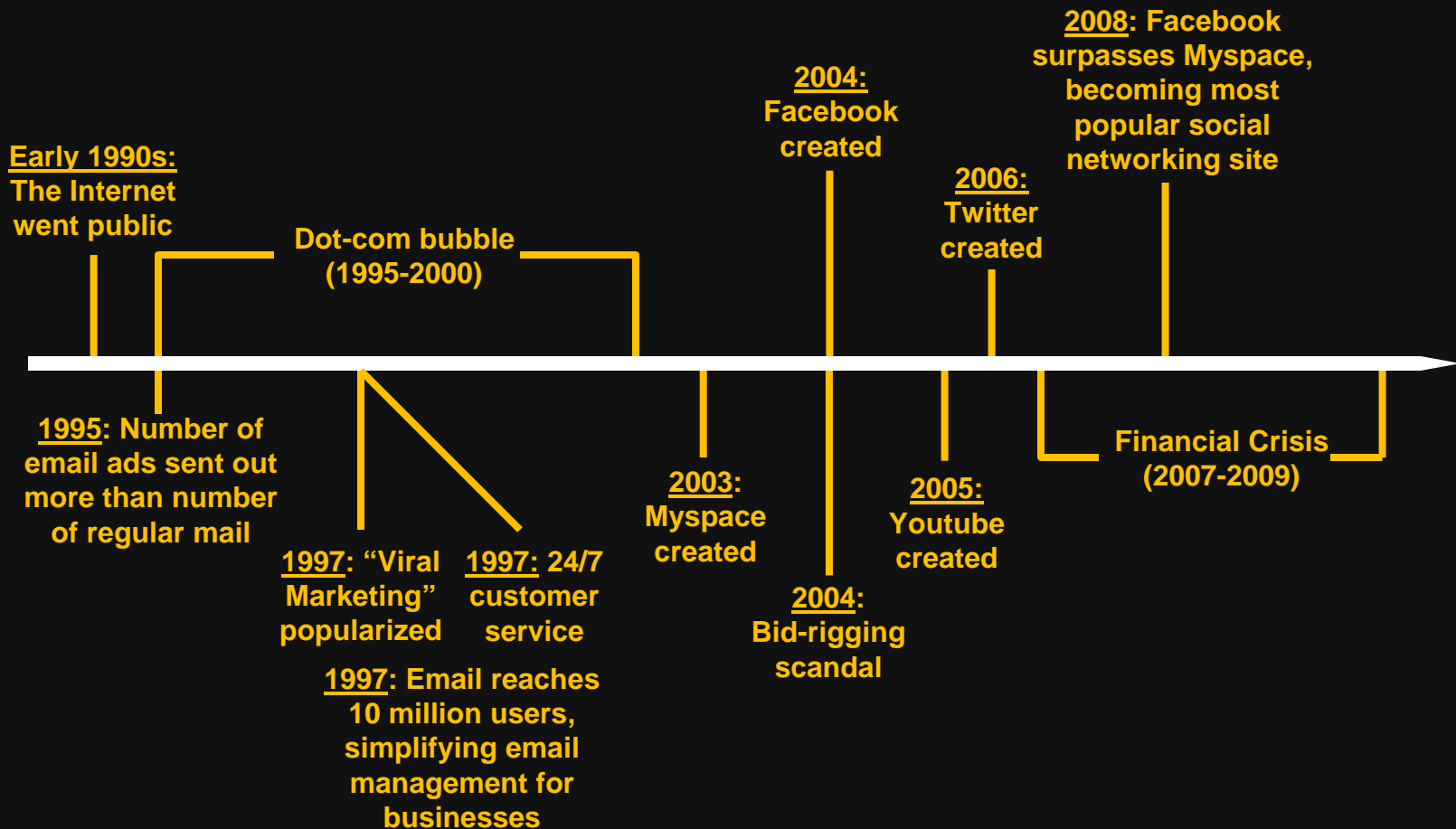
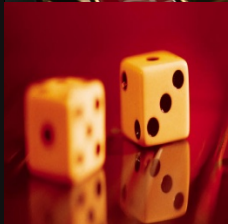
- Changing Role of Marketing
- Leading the Marketing Team
- Measurement of Marketing
- Looking to the Future

In the Old Days...



- Marketing was:
 - Business development/sales
 - Brochures
 - Website
 - Tradeshows
 - Event management
 - Advertising
 - Public relations
 - Direct mail
- Viewed as:
cost center, afterthought, order taker, not critical,
second class support citizenship

Timeline of Events...



Implication of Events

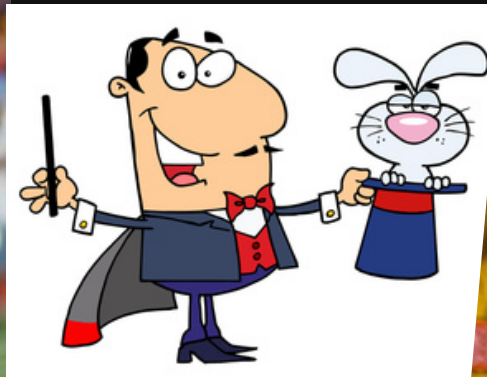


Need for:

- Transparency
- Strategic communications strategy
- Crisis management / PR
- Branding
- Rebuilding of trust and loyalty

Today Marketing Is

- At the Executive table
- Strategic, Communicators, Researchers, Sales Support, Innovators
- And...



Leading the Team



- Hierarchy of customer(s)
 - Opportunities and problems
 - “Want” versus “need”
 - Level of engagement
- Build the plan
 - Budget and resources
 - Three elements
 - Goals
 - Measures
 - Accountabilities

Leading the Team

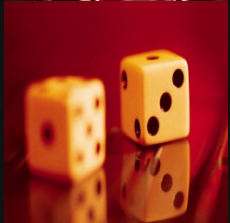
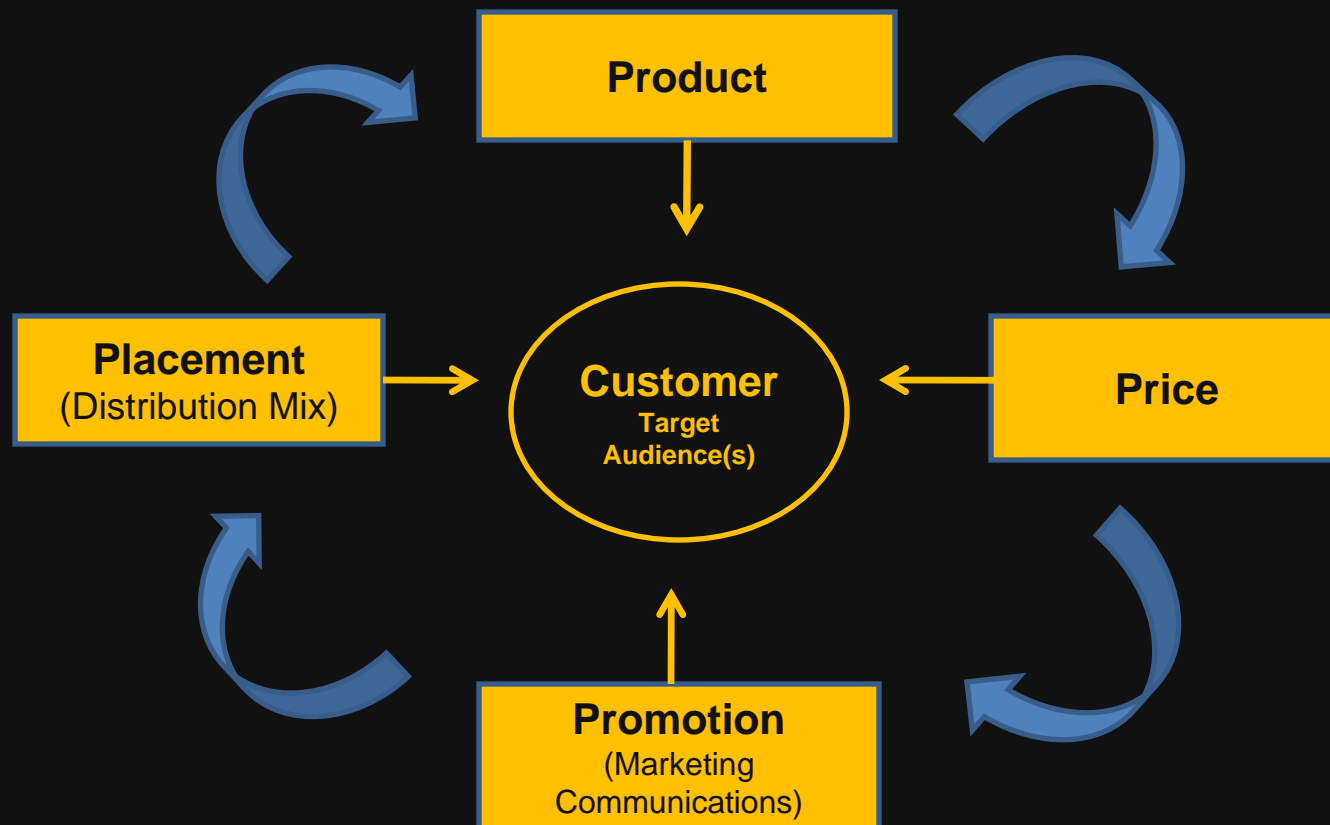


- Cross-functional nature
 - Communication
 - Collaboration
 - “Surprise mitigation”
- Prioritize
 - Business impact
 - Visibility
 - Is there a problem?

One Structural Approach



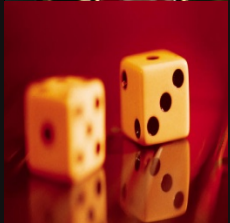
Leading the Team



Leading the Team

In practical terms:

- Executive support is critical
- It takes time
- Educate, educate, educate
- Patience and resilience are required
- Ideas in lots of places
- “Borrow” brains by asking questions
- Out of sight, out of mind?
- Measurable results matter most



Measuring Marketing



- Everything is measurable. Really.

Measuring Marketing



- Quantify the Objective
 - What is the goal of the activity, campaign or project?
 - How would you define success (or failure)?
 - “Flexible Specificity”

Is the goal...
awareness?
conversion?
usage?

Who is the target?

By how much?
At what cost?
Over what time
period?

Measuring Marketing



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awareness?
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Who is the target?

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- Decide what to measure
 - What current measurements does your CEO track?
 - How does your company describe things?
 - Perfection vs. practicality
 - Manage the commitment-phobe
- Ask the skeptics

Measuring Marketing



- Collect the data
 - Perfection may not exist
 - Simple works!
 - Facts on the table
 - Proportional to scope

Measuring Marketing



- Establish a baseline
 - First is first, not worst
 - Provide meaning
- Commit to a measurement plan

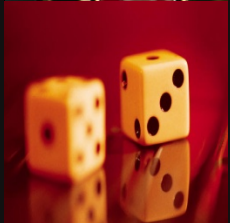
One Company's Scorecard

Marketing Metrics

April 2008

Measurement	Baseline		Actual												YE Goal 2008	Actual		
	Dec-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08		Month	YTD	R-12
Agent Awareness of AMIG	46%	47%	47%	62%	62%	70%												
Average AMIG Casualty Product Awareness		17.75%	17.75%	47.00%	48.00%	50.00%												
Mobile Home - PIF	618,340	634,836	635,302	700,000	710,000	71,001												
Site Built, Homeowners - PIF	131,058	130,892	132,505	250,000	250,001	275,000												
Motorcycle - PIF	132,180	132,643	131,860	150,000	155,000	160,000												
Watercraft - PIF	46,907	37,536	37,459	50,000	55,000	60,000												
Recreational Vehicle - PIF	48,706	51,255	51,219	60,000	60,000	60,000												
Snowmobile - PIF	27,319	27,801	26,501	60,000	60,000	60,000												
Collector Car - PIF	24,070	39,639	40,051	60,000	60,000	600,000												
Total - PIF	1,215,638	1,304,890	1,313,446	1,324,149	1,335,735	1,343,319												
Retention Rate (previous month R-12 expiration period)	72.1%	74.4%	74.7%	74.9%	75.0%	75.1%												
Renewal Rate (previous month R-12 expiration period)	87.6%	88.1%	88.4%	88.6%	88.5%	88.6%												
Total Quotes	29,138	31,482	48,196	51,054	57,232	69,419										69,419	226,003	597,599
modernLINK Quote Growth vs Previous Year	8.8%	12.0%	20.8%	27.5%	6.6%	38.7%										25.0%	38.7%	23.1%
Alternative Marketing Premium	\$ -	\$ 1,100,000	\$ 880,000	\$ 2,190,000	\$ 3,690,000											\$ 14,000,000	#####	\$ 6,760,000
Number of Agent Email Addresses	37,900	46,030	46,030	49,089	49,337													

Data changed for illustrative purposes!



Scorecard Deciphered

From the prior slide:

- Agent awareness
- Policies in-force by line/type
- Total Policies in-force
- Retention Rate (previous month R12)
- Renewal Rate (previous month R12)
- Total Quotes
- Quote Growth versus prior year
- Alternative Marketing Premium
- Number of Agent Email Addresses

- December 2007
- December 2008
- Actual by month
- 2009 YE Goal
- Actuals – monthly, YTD, R12

Other ideas:

- | | | |
|------------------------|--------------------------|-------------------------|
| Premium per employee | No. of Agent Visits | No. of Calls Escalated |
| By state or territory | No. of Media Impressions | Advertising Expense |
| Mail pieces | Web site Traffic | Print clicks |
| Avg. Premium by Policy | New Agents Appointed | Database of “x” growth |
| Quality measures | Overall Call Volume | Coupon/offer redemption |

Match the measurement to the objective.

Measuring Marketing



- Everything is measurable. Really.
- Measure what matters
- Common language
- Precision versus accuracy



Looking to the Future: Ask Yourself

- How are your customers receiving information?
- Are you engaged with your customers or simply pushing them information?
- Are you receiving both positive and negative feedback on a regular basis?
- Are you effectively measuring your efforts?
- Are your customers advocates?
- Do you think social media is just a trend...?

Is Social Media Relevant?



Social Media Benefits



- Engages your customers and brokers
- Promotes your brand
- Generates leads
- Strengthens relationships
- Builds a community
- Tells your story
- Develops advocates

Social Media



- **Is not...**

- Simply setting up a Facebook or LinkedIn page
- A “marketing only” function
- Tuning out complainers
- Blocking employee access
- To be feared or shunned

- **Is...**

- Listening and treating people with respect
- Responding to feedback: Good and Bad
- Educating
- Community building
- Conversation
- Engagement
- Promoting and defending your brand

Social Media ROI



- Broker satisfaction
- Customer retention
- Increased “open rate”
- Opportunity creation
- PR & Market exposure
- Product education
- Building trust and loyalty
- Perception shifting
- Network growth
- Brand association
- \$\$\$

Social Media: Next Steps



- Benchmark current on-line presence: search internal and external activity, competitive analysis
- Create a strategic plan
- Develop guidelines and training to guide employees
- Engage legal counsel early on!
- Every department should play a role
- Monitor and measure your efforts

The Future...



“It is not the strongest of species that survives, nor the most intelligent that survives.

It is the one that is most adaptable to change.”

-Charles Darwin

In Summary



- Changing Role of Marketing
- Leading the Marketing Team
- Measurement of Marketing
- Looking to the Future

Thank you.