



Enhancing Revenue Growth with Improved Value Propositions and Sales Processes

Issues

A midsize mutual life insurance company with nominal historical growth needed to increase revenues significantly as a way to fund investments in new products and infrastructure. The growth needed to be achieved in a market that had been, and was projected to remain, flat.

Approach

The first step of the project researched how people buy life insurance and what criteria they use to select the best policy for their needs. The joint team collected data through focus groups, interviews, and surveys of consumers and agents. Two major findings emerged from the research. First, generally, the insurance agent, not the consumer, makes brand decisions for life insurance. Second, agents promote policies from companies that are financially sound, act responsively to their needs, provide good collateral materials, and are easier to sell.

Based on those findings, the team concluded the quickest way to increase sales was to provide better service to agents. The new agent value proposition was developed, which included:

- Enhanced collateral marketing materials.
- Improved support agent services.
- Decreased response time to agent questions, proposals, and requests for information.
- Increased customized policies for unique insurance situations.

An initial meeting of both company employees and agents took place to introduce the agent value proposition. The meeting focused on educating employees on how their actions could affect agent success and on developing an understanding of agents' selling and marketing needs. In addition, an agent steering committee was developed to provide guidance on service levels, product improvements, and marketing efforts.

Results

Sales increased by 17 percent in a twelve-month period in a flat growth industry. This was accomplished without new products, increased commission rates, or additional employees.

As a result of the level of agent support provided by the mutual company, the firm became a preferred life insurance provider for independent life insurance agents.

Greater focus on supporting agent needs freed up sales time and enabled many agents to increase sales productivity by 10% or more.