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# MAIL WITH ATTITUDE TO MAXIMIZE MARKETING ROI

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In today's world, it is the intangibles of life that are considered signs of success, and it is attitudinal data that are keys to successfully marketing an intangible product such as insurance. With the change in consumer attitudes has come a change in the direct marketing landscape. Direct marketing has gone from a fertile, prospecting orchard, to a relative drought land where marketers have to work a lot harder to identify and cultivate good prospects and to achieve lifts in response. This has never been truer than it is right now in the insurance and financial services industry.

On one hand, marketers have developed more sophisticated methods for acquiring and retaining the right customers. Through sophisticated modeling and cooperative databases, they've maximized mail order universes, allowing access to the right households, but the gains being achieved are growing smaller and smaller. This is the result of the absence of a critical element of the marketing equation: understanding the hearts and minds of the consumers. To make an ever-critical emotional connection, marketers must understand the values and attitudes of the people with whom they seek to develop and maintain relationships.

Why is this connection so important? It may be painfully obvious, but consumers are increasingly resistant to marketing messages. The poster child for this resistance is the Federal Do Not Call (DNC) Registry. Many industry supporters and veterans complain that the DNC list is duplicative of the state lists and DMA's Telephone Preference Service, *but that's not the point*. More than 62 million consumers have seen the DNC list as an opportunity to communicate their displeasure with marketers' methods and practices. THAT is where marketers – regardless of industry – should be focused. These consumers, roughly the same number who bought through a tele-marketing channel over the last 12 months, took



control – and they sent a message that all marketers need to hear. Consumers told us that we're no longer communicating to them in the right way, not offering them what they want. And they aren't going to accept it anymore.

## The Challenge: Getting into Consumers' Heads

Consumers' heads are in a different place today. The acquisition of "stuff" has lost its allure, replaced instead by a desire for experiential buying. What's more, consumers KNOW how much marketers know about them, thereby changing their expectations. They're still willing to provide information, but they now expect to get something in return for it.

What's the reason for consumers' changes in attitude? Shifting personal priorities coupled with the tremendous overload of marketing messages coming at them in a multitude of media formats. The bottom line: consumers are tired of tactics and ploys, and they're taking matters into their own hands. Unless marketers do things differently, consumer displeasure and push-back will only get worse.

So what are insurance and financial services direct marketers to do? First, they need to dig deeper than ever into customers' lives to understand what motivates and inspires them. What are their core values? What is important to them? Next, they must apply those attitudinal insights to database initiatives.

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| CONTINUED ON PAGE 20 |

Smart marketers are creating messages and offers that spark an emotional connection with consumers. Only by delivering relevant messages and leveraging individual attitudes, motivations, values and passions will a marketer get into the hearts and minds of today's consumer and influence a purchase decision.

## Reaching Hearts and Minds with Attitudinal Versioning

As an example, many aging baby boomers with children are concerned with saving for their children's educational needs. Demographically, these targets are hard to distinguish – similar ages, presence of children, and the like. However, within this target exist some unique groupings of customers with underlying views of the world that are quite different. By targeting and messaging to them differently, response rates increase.

For instance, a group of boomer parents we have identified as “new traditionalists,” are optimists, are very socially active and community focused. They like to provide their children (and themselves) with cultural experiences. This group researches purchases in a variety of ways before buying, so information-rich communications highlighting price – in addition to benefits, brand and company reputation – are important when crafting a marketing message to them.

On the other hand, “family centereds,” another boomer parents group, aren't as connected to new trends/styles and are, therefore, not interested in big excitement. Rather, they tend to be more focused on protecting their families and providing for loved ones. Name brands aren't as important to them as a straightforward offer that demonstrates how the financial services product cares for their family. And interestingly, if that product fills a specific need, the “family centereds” will not be as price sensitive as “new traditionalists.” As you can imagine, speaking to these two distinct groups requires different messages, tones and creative executions.

At a tactical level, versioned direct mail pieces can be developed for an insurance offer targeting various groups. To “new traditionalists,” for example, a direct mail envelope might read, ‘Just rewards for safe, responsible drivers like you... save \$200, \$300, or more on your auto insurance!’

To target “renaissance masters” – an attitudinal group comprised of mature consumers that are outgoing and active – a marketer would be wise to focus on reliability, quality, knowledgeable sales people and solid service, which will win out over a lower price. The envelope teaser copy here might read, “Now it's time for you to cash in on your long-term clean driving record...your financial responsibility...your ability to recognize value and quality.”

The letter targeting “renaissance masters” would encourage the prospect to call a service representative to get the individual service attention they want and need. The “new traditionalist's” letter, however, would drive prospects to the company's Web site to gather the details needed to make a purchase decision.

The versioning may seem subtle, but in our experiences, direct-marketing campaigns following the best practices of attitudinal versioning and targeting have created lifts in response from 15 percent to 60 percent and more!

The insurance and financial services environment of today may be challenging, but not an impossible place to play and win. Those marketers that get consumers to respond through an emotional or attitudinal, appeal – one that goes beyond the benefits of insurance to the intangibles that solve life problems – will be the ones to succeed. ■