



SOCIETY OF ACTUARIES

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# RECAP OF INSURANCE DIRECT MARKETING FORUM 2004

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**A**bout 160 people gathered in Tyson's Corner, Va., on September 13-14, 2004, to participate in the Insurance Direct Marketing Forum 2004 sponsored by the Jackson Consulting Group. The audience represented not only insurance companies, but also direct marketing insurance agencies (including bank representatives) and businesses that provide services to direct marketers.

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While the conference included several case studies relating to company programs and operations, there were also more general presentations. Two actuaries, Charlie Thalheimer and Jay Jaffe, both conducted sessions at the meeting titled, respectively, "The Calculus of Change" and "A Product Development Odyssey."

One of the "take aways" from the meeting was that probably the most successful direct marketed insurance activities in the past several years has been the sale of auto insurance written using direct response. This area has grown materially over the past five years and the general outlook is even further growth in coming years as more people feel comfortable investigating and buying coverage without the direct involvement of an agent.

It was refreshing to hear about many companies and programs, which are finding success and overcoming some of the classic issues that have been raised as concerns about direct marketing. Channel conflict

was one of those topics, and the presentations demonstrated that companies are now finding agents who are willing to participate in direct-marketed programs, because they see the clear advantage of a more complete marketing approach.

As demonstrated by the speakers, multi-channel marketing makes direct marketing a much more efficient distribution system. Companies are asking responders if they want an agent to manage their relationship with the carrier. Believe it or not, many people who contact a company as a result of a brochure or other advertisement find the idea of an agent preferable. It may be that people don't know where to find an agent and the willingness of the company to match prospects and agents may be very comforting to the responder.

One speaker mentioned that agent referrals are limited to the company's most successful agents. Not only are the referrals an added incentive to agents to be active and effective business producers for the company, but the company knows that the leads will be followed up by conscientious agents (rather than being summarily dumped in the "circular file.")

In addition to the formal presentations, the forum included breakfast roundtables on a variety of topics as well as a special session dealing with the development of business models for aggressive expansion. There were a dozen or so exhibitors at the meeting. The SOA NTM Section is also a meeting sponsor.

The entire program is compressed into two days. This is a worthwhile program for any marketer or actuary interested in current activities, problems and solutions pertaining to insurance direct marketing. To be on the mailing list for next year's program, contact Don Jackson at (302) 378-1380 or [donjackson@jcg-ltd.com](mailto:donjackson@jcg-ltd.com).

Next year's meeting is in Philadelphia, September 12-13, 2005, and we hope many readers will consider attending and being active participants in the sessions. ■