

# Customer retention

Keeping them engaged and protected



Did you know the cost to acquire a new life insurance customer is 7 times or more than the cost to keep an existing one?<sup>1</sup> Insurers fight hard to win customers, and lose too many of them, often due to irrational decisions. Finding ways to keep customers longer is a secret to driving profitable long-term growth and creating more “moments like this”.

“I can’t afford it.” “I don’t really need it anymore.” “What value am I getting?” You hear it and see it every day. Customers disengage. They lose sight of why they purchased their policy in the first place. They lapse or cancel and lose valuable protection, and you lose a hard won customer.

With an active program to manage your inforce business and create a more engaging customer experience, insurers can mitigate those losses. Working together with our clients, we have demonstrated great success in improving customer loyalty and driving more profitable long-term growth.

### Our approach

We have a range of tailored services to build our clients’ retention capabilities that range from strategic to tactical. We can offer either:

- An end-to-end strategic review which involves benchmarking against our best practice model to identify profit opportunities and improvement areas, followed by an actionable plan and support

- A tactical approach that reviews your planned retention campaign and helps you optimise its results by sharing our learnings on what works best for various scenarios.

If your method of retention means reacting to customers who’ve already made an exit decision, we can help you build a best in class retention management approach.

If you already have a more comprehensive approach to address customer behaviour and defer lapse decisions, our specialised services can help you pinpoint areas for further improvement. Changes can be big or small – from a comprehensive analysis of lapse propensity to a low-cost customer messaging campaign -- we can help make a meaningful difference.

### Australian client sees 30% improvement

Our client, a large Australian insurer, had one of the highest lapse rates in the industry and its retention efforts had become static. Swiss Re performed a diagnostic review and identified opportunities to improve lapse cycle processes, retention campaigns, agent controls, customer communications and helped to train its client-facing staff. Together we created and executed a plan that improved results by 30% over 12 months which translated into an increased \$11 million profit. Encouraging results!

If you wish to unlock more value in your inforce business speak now with your Swiss Re representative and let’s explore the possibilities.

### We’re smarter together

<sup>1</sup> Scott Gillum, “Mining the Gold in Existing Customers,” Forbes, August 8, 2011, accessed December 23, 2014. <http://www.forbes.com/sites/gyro/2011/08/08/mining-the-gold-in-existing-customers>

### Just a few of our services to optimise results:

- Strategy design and insights
- Process reengineering
- Behavioural economics input
- Lapse analytics and modelling
- Call centre training
- Data analytics & lapse propensity insight
- Optimising customer communications

