To Buy or Not To Buy … Modeling the Tipping Point

*LIMRA used **Applied Analytics** to help a Member Company continue to grow its business and improve performance — while giving consumers the opportunity to better their financial outlook and reduce risk — by creating a profile of the life insurance shopper "most likely to buy."*

Applied Analytics

Information is not knowledge.
—— Albert Einstein

As the premier aggregator of industry data, LIMRA's extensive member relationships position us at the center of emerging trends. We serve not only as an information clearinghouse, but also as an innovation greenhouse.

LIMRA is uniquely qualified to help integrate your systems management data — *plus our industry metrics* — into insightful, actionable intelligence … with the potential to transform the way you do business.

With the powerful, graphical, data-driven insights of **Applied Analytics** you can identify and act on opportunities to improve the client experience, increase growth and profitability, focus business development initiatives, and build additional revenue channels.

Overview

Founded more than 150 years ago, **Member Company** is one of America's leading financial services providers with 2.8 million customers and more than $200 billion in assets under management.

To continue to grow its business and improve performance, Member Company turned to us to help identify consumers from three different segments indicating a likelihood to recognize the protection and risk-reduction value of life insurance and to purchase coverage.

The Challenge

Member Company wants to continue on its path of growth and high performance and serve consumers who value the protections of life insurance. To this end, they want to find more consumers who are likely to purchase coverage.

To develop a significant population of qualified prospects, the Member Company requested we use our proprietary survey data to build models to analyze, validate and profile three demographic segments:

- Ages 45-60 with $100k–300k in investable assets
- Ages 30-47 with $100k–300k in investable assets
- Ages 30-45 with $50k–100k in investable assets

The Solution

To help Member Company achieve its objectives, we developed and delivered a three-phase analysis and modeling solution:

I. Filter the designated groups by relevant criteria, such as recognizing a need for insurance, having a financial advisor, currently owning life insurance, and more.

II. Analyze the behaviors and attitudes of these groups given their survey responses, such as demographics, journey through the purchase funnel, financial situation and attitudes, life events, reasons for purchase, and barriers to purchase.

III. Build predictive models to profile these groups and provide analysis on their likelihood of both recognizing a need for life insurance and buying coverage.

LIMRA®

The Impact

The powerful, graphical, data-driven insights of **Data Analytics** enable the Member Company to:

Extend existing relationships — since a subset of our survey respondents that already have life insurance indicated an openness to purchasing additional coverage, the Member Company now has an opportunity not only to cross-sell to existing relationships, but also to capture new clients.

Serve the client's best interests — the Member Company now has a meaningful head start in helping consumers enhance their financial security and better protect against risk through adequate insurance coverage.

Increase growth and profitability — the Member Company now has a substantial population of qualified prospects who have indicated that they understand the financial and risk-mitigation benefits of life insurance and also signaled an openness to purchasing coverage. This analyzed and modeled data represents a significant opportunity to develop new and retain existing relationships.

Target business development initiatives — the Member Company can now focus its marketing and sales resources on initiatives and communications targeted to three pre-qualified consumer segments that have indicated a high likelihood to purchase new or additional life insurance coverage.

Next Steps

The possibilities of **Applied Analytics** *Plus* are limited only by our cooperative ability to imagine a new way of working.

About LIMRA

Serving the industry since 1916, LIMRA is a worldwide research, consulting and professional development not-for-profit trade association. Nearly 600 insurance and financial services companies in 64 countries rely on LIMRA's research and educational solutions as the trusted source of industry knowledge to help them make bottom-line decisions with greater confidence. Companies look to LIMRA for its unique ability to help them understand their customers, markets, distribution channels and competitors to give them leverage on developing realistic business solutions.

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