WNS

Extending Your Enterprise

Industry
Insurance

Process
Analytics

Formulated lifetime model for auto insurance agent's compensation to boost sales productivity

The client is a leading insurer selling auto and home insurance products through a network of independent agents and brokers.

According to the comScore 2011 online automobile insurance report, while the most frequently used method of initial auto insurance policy purchases continues to be going through a local insurance agent in person (43 percent), the Internet is gaining popularity and bagging a larger share of the initial intake market. Although the Internet is fast becoming a popular method of purchasing auto insurance, many consumers still choose to purchase offline. Even consumers who feel comfortable quoting online still purchase through offline modes, with 80 percent of respondents who shopped online stating they then went offline to purchase. Of those who purchase offline after shopping online, 62 percent end up purchasing in person through a local agent and an additional 31 percent purchase with a local agent over the phone.

Faced with a market environment where customers are more aware and increasingly have choice and preferences with regard to channels of interaction, the client wanted to boost productivity of its agents and company's sales teams. The client selected WNS to deliver an analytics solutions in order to develop the right sales and distribution strategies.

The Client's Challenge

To address the challenge of increasing the productivity of its agent and company's sales force, the client was seeking analytics support in order to

- Design a new agent compensation plan
- Assess effectiveness of its channel marketing programs
- Increase the efficiency of engagement between the sales team and the agents
- Develop a better understanding of customer retention drivers at the time of policy renewal

The WNS Solution

WNS provided a comprehensive analytics solution deploying a range of techniques to analyze data including statistical forecasting, time series analysis, regression analysis, trend analysis and segmentation to deliver actionable insights. To meet the client's needs, WNS

- Created a lifetime value model to support the design of the new agent compensation plan. This model calculates the present value of the future cash flows attributed to the agent relationship
- Developed detailed reports used by the sales team in order to monitor and improve the engagement with their agents

- Utilized trend analysis to determine the effectiveness of marketing campaigns including the impact of seasonal factors and macroeconomic conditions on sales

- Deployed predictive analytics to understand customer retention through regression modeling. WNS identified data sources including information on variables such as product, distribution channel, customer demographics, and competitor pricing to determine the likelihood of customer retention

- Generated MIS for insight-based decision-making for the client's senior leadership

Benefits Delivered by the WNS Team

Given that agents are the key distribution channel for the client, it was imperative to increase the productivity of this distribution channel. By deploying the analytics solutions developed by WNS, the client was able to generate actionable insights into its sales and distribution channels and use these insights to formulate appropriate strategies.

- Supported the successful launch of a new compensation plan for its agents

- Assessed the effectiveness of a range of marketing campaigns, thereby helping the client devise future campaigns

- Delivered better insights into agent performance

About WNS

WNS (Holdings) Limited (NYSE: WNS), is a leading global business process outsourcing company. WNS offers business value to 200+ global clients by combining operational excellence with deep domain expertise in key industry verticals, including Travel, Insurance, Banking and Financial Services, Manufacturing, Retail and Consumer Packaged Goods, Shipping and Logistics, Healthcare and Utilities. WNS delivers an entire spectrum of business process outsourcing services such as finance and accounting, customer care, technology solutions, research and analytics and industry-specific back-office and front-office processes. WNS has over 25,000 professionals across 29 delivery centers world-wide, including Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, UK and US

To learn how we can help extend your enterprise, write to us at **marketing@wns.com**