Customer Communications and Email

Email marketing may not be quite as effective as it once was. The proliferation of spam and reactionary spam filtering, the ease with which retail consumers (vs. businesses) can change email addresses, migration to text messaging and social networking, and just plain old email overload are all contributory factors. Having said that, the low cost of email still means that email marketing campaigns continue to have very high ROI; it still makes sense to use email as a delivery mechanism for customer development initiatives.

Campaigns directed at customers should be different than email campaigns for lead or new customer development. There is a defensive aspect to customer communications; you want to retain them, for instance, not an objective with prospect communications. The development component - more income and product relationships for each account, and soliciting referrals - looms much larger with customers because, by definition, you don't have to entice them to *become* customers.

Moreover, the CAN-SPAM act of 2003* places certain compliance burdens on businesses using email that are not applicable with customer emails or email to prospects who have inquired about your agency's products or services. But just because you aren't constrained by CAN-SPAM compliance when emailing customers doesn't mean you shouldn't impose certain voluntary restrictions on your email practices. Email doesn't have to meet the letter of the legal definition of spam to be perceived as spam by the recipient. Observing a few key practices with your customer email will make your communications welcome and maximize the effectiveness of those emails.

Frequency

Email too infrequently, and customers forget about you and your newsletters loose effectiveness. Email too often, and your communications end up being blocked, deleted, or never viewed. Monthly is a safe interval between communications. You need to remember that you may have other types of customer communications taking place like traditional mailers, annual review contacts, or other outbound calls you may require of your service staff. The complete mix of communications may mean your interval between communications is shorter than 30 days. Twenty-five days in between contacts may be OK, but a 10 day layoff is too short.

Content by Segment

Targeted emails are far better than generic messages, and far less likely to be perceived as a nuisance. Segmenting your customer base can be done incrementally, over time. Personal Insurance customers vs. Business Insurance customers is a good rough cut and an easy place for most of us to start. Segments will share similar needs and concerns (e.g., high net worth personal customers, or retailers, e.g.). Likewise, agency objectives will differ by segment (retain and get referrals, round account with

policy sales, etc.). Start off small with your segmentation and build on it. At first you will use information already in your agency management system to segment accounts, like age of home or years in business.   Eventually, thinking about customers in segments defined by common issues or agency objectives will lead you to capture additional account information that will allow for refined segmentation in the future.

Gathering and Maintaining Customer Email Addresses

How ever many customer email addresses your agency may have, 5%, 50%, or 95%, you should be making use of them. But even if you are using customer email addresses, there will always be more email addresses for you to gather and verify. And for that, no matter how many email addresses you have, you need a few systematic processes for maintaining and updating that contact information.

Your Baseline
How many email addresses do you now have? What will be your goal this year? Next year? Where do you keep email addresses? The answer for most agencies, and the most sensible place to store email addresses, is with other contact information like phone numbers and street mailing addresses. You should be able to run a customer record report from your agency management system, including the email data field. A simple Excel data sort on that field will split customer records into those that include email and those that don't.

Email Communication Policy
How do you use email addresses today? How will you use email addresses in the future? If you are changing, you need to communicate this to customers. If customers are unaccustomed to receiving emails from you they should be forewarned via some other medium (mail, phone, voice broadcasting) about your intentions to begin using email. Let customers know the approximate frequency with which they will receive your emails and ask them to 'white list' your email domain with any spam filter they may use.

It's a good idea to let customers know the reasons you will be emailing them, and not just the frequency. This will amount to an agency email policy. Here's a sample policy you may use or adapt:

Sample Email Use Policy Statement
The Most Excellent Insurance Agency is sensitive to the quantity of email we all receive; and we are sympathetic to the amount of spam many of us have to contend with. We may email you routine update and safety information, but at most at monthly intervals. We may also send you email to advise you of significant legislative or insurance company policy changes that may affect your insurance protection or options. In the event of serious weather or other disasters, we have found email to be the most reliable way of reaching our customers to apprise them of special insurance claim contact and other emergency information. If you use spam filtering on the email account you have provided us, please 'white list' email coming from abcinsurance.com. Feel free to contact us anytime at info@abcinsurance.com, or 888.888.8888, if we may answer any

questions of if you have suggestions related to our Email Use Policy. You may also update your email address or other contact information on the Most Excellent Insurance Agency website (example: https://www.cfluent.com/plins/forms/indexfb.php?id=350&agencyid=demo1).

New Business
Customer email addresses should be required as part of the new business information gathering process. This is also a good time to let customers know your email use policies. Your agency email policy should be included as part of your new customer welcome package.

Routine Contact
Requiring service staff to ask for email addresses at the end of each service call can be more effective if CSRs and Account Managers can let the customer know why you need their address. That is, what's in it for the customer? (See the email use policy statement.) The ability to use email for customer development has demonstrable profit advantages. Email contacts are virtually cost free and, depending on the email management service you may use, responses can be measured. You might consider sharing some additional profit by rewarding staff for acquiring a certain number of emails each week. But be aware that asking for this information might push some employees out of their comfort zone, and even monetary rewards will not induce some to ask for the information.

Web Assistant Cheat Sheet (download from your Insurance Zone)
The cheat sheet gives service staff a clear reason to get a customer email address: to send a link to an agency website resource like a video or article. Using the cheat sheet can help get the squeamish past their discomfort of asking for information, and the cheat sheet can also save time since it will help wrap up some phone calls.

Annual Updates
Any annual review process should include a verification of contact information, including email addresses. This is another good time to share your email use policy with customers. The verification of contact information can be done at the same time you review risk profile changes, or it can be done separately. You can use the *Customer Contact Update Form* on your website for an update initiative (example https://www.cfluent.com/plins/forms/indexfb.php?id=350&agencyid=demo1). If you wish to add the form to your agency website, choose *Manage Your Website* from the *Insurance Zone*, then select *Forms Management* in the *Quick Hits* box; select the form in the *Miscellaneous Forms* group).

One Time Contest
A one time contest can be an effective way to boost the number of customer email addresses you have. There will be some cost to doing this, of course, in that you will have to fund contest prizes and you may incur print and postage costs to notify customers of your initiative. Here's an outline of a sample contest initiative:

1. Announce the contest on your Home Page. Include a link to the update form there. Add an announcement to your on hold message; encourage callers to visit your home page for updates or to pass information along to an agent while they are on the phone.
2. Use a post card to announce the initiative to customers. Give them the choice of calling or using the link on your website to update their information.
3. Run the campaign for one or two months. Give out a number of small weekly prizes (say, five $10 gift cards), plus a larger monthly prize. Names will be drawn from the customers who update their information.

> *Sample Home Page:*
> Please help us update your customer contact information, and become eligible for gift prizes in the process. We need to be able to quickly communicate emergency information or information that may affect your insurance program. You can call us, or use our convenient online form. We will draw customer names weekly and award five $10 Starbucks cards. We will do a grand prize drawing for a $100 Target gift card at the end of July, and again at the end of August. Click here for a copy of our agency email communication policy.
>
> *Variation for Post Card:*
> Please help us update your customer contact information, and become eligible for gift prizes in the process. We need to be able to quickly communicate emergency information or information that may affect your insurance program. You can call us, or use our convenient online form, which can be found at: www.MostExcellentInsuranceAgent.com. We will draw customer names weekly and award five $10 Starbucks cards. We will do a grand prize drawing for a $100 Target gift card at the end of July, and again at the end of August.
>
> *Variation for On Hold Message:*
> Please help us update your customer contact information, and become eligible for some prizes in the process. We need to be able to quickly communicate emergency information or information that may affect your insurance program. You can call us, or use our convenient online form, which can be found at: www.MostExcellentInsuranceAgent.com. We will draw customer names weekly and award five $10 Starbucks cards. We will do a grand prize drawing for a $100 Target gift card at the end of July, and again at the end of August.

Controlling the Assault of Non-Solicited Pornography And Marketing Act of 2003; requires affirmative opt-in and clear opt-out procedures, as well as other compliance requirements, when emailing to non-customers.