

# [Marketing strategies in the uk car insurance market assignment](https://assignbuster.com/marketing-strategies-in-the-uk-car-insurance-market-assignment/)

[Art & Culture](https://assignbuster.com/essay-subjects/art-n-culture/)

? Marketing? strategies? in? the? UK? car? insurance? market? Marketing? of? Financial? Services? ? ? 31/06/2011? ? ? ? ? ? Anne? Sophie? de? Zuttere??? George? Koussis? 070007618? Kyriakos? Tyllis? 100039290? Neophytos? Stylianides? 100059219? ? ? ? ? 1. 0? Introduction? ? Due? to? the? high? level? of? regulation? that? exists? in? the? insurance? industry? differentiation? is? limited? as? products? and? services? need? to? be? compliant.? In? regards? to? car? insurance,? where? competition? is? intense,? insurance? premiums? and? policies? are? similar.? Marketing? of? insurance? products? should? e? carefully? designed? so? that? the? main? message? about? various? insurance? services? would? be? easily? understandable? to? the? potential? customer,? appealing? with? interest? and? trust? but? at? the? same? time? not? being? annoying. 1? Due? to? low? customer? loyalty? that? exists? in? the? sector,? any? marketing? communications? tend? to? raise? consumer’s? awareness? not? only? on? the? advertised? product,? but? on? competitive? products? as? well.? As? the? product? itself? is? intangible,? it? lacks? overall? understanding? by? the? general? public.? Consequently,? the? customer’s? ecision? making? process? is? of? high? importance.? The? AIDA? model? is? therefore? used? to? illustrate? the? four? stages? (Awareness,? Interest,? Desire? and? Action),? that? marketing? communications? should? move? through? a? potential? customer. 2?? Furthermore? there? are? two? types? of? marketing,? known? as? tactical? marketing? (short? term)? and? strategic? marketing? (long? term).? The? former? focuses? mainly? on? awareness,? price? and? promotional? activity,? thus? creating? brand? awareness? and? increase? in? sales,? whereas? the? latter? focuses? on? changing? attitudes/feelings? nd? establish? perceptions? of? quality? and? brand,? resulting? in? adding? value? to? the? company. 3?? As? insurance? market? develops? and? competition? becomes? fierce,? marketing? of? insurance? products? and? services? has? changed? creating? its? own? rules,? targets? and? strategies.? When? dealing? with? insurance? products? (i. e.? car? insurance),? unique? approaches? and? strategies? are? required? considering? the? target? market.? Nowadays,? different? marketing? strategies? are? successfully? implemented? upon? marketing? insurance? products.? Direct? marketing? strategies? applied? have? ailed? to? meet? any? significant? success? due? to? high? costs? and? the? uncertainty? that? arises? from? the? intangibility? of? the? product.? Furthermore,? due? to? increased? number? of? internet? users,? online? insurance? brokers? (aggregators)? provide? an? efficient? and? profitable? method? that? influences? a? constantly? growing? market? mainly? for? comparison? purposes. 4?? ? ????????????????????????????????????????????????????????????? 1 2 ? Insurance? marketing? http://www. insurancemarketing123. org/? ? David? Pickton,? Amanda? Broderick? Integrated? Marketing? Communications? (2005)? ? Dr? Greg? Harris? Marketing? of? Financial? Services? lecture? slides? 4 ? Insurance? marketing? Consequently,? increased? consumer? choices? force? insurers? to? think? on? their? positioning? strategy? and? their? sources? of? differentiation.? Each? company? will? need? to? claim? its? market? share? by? offering? value? for? money? and? as? Porter? believes,? brand? share? can? be? explained? by? looking? at? brand? quality.? Combining? various? marketing? techniques? and? creating? innovative? advertisements? gives? insurers? the? opportunity? to? standout? and? relate? their? products? to? rand? quality,? by? emphasizing? on? those? factors? that? differentiate? them? from? competitors. 5? Notably,? car? insurers? do? not? usually? produce? creative? campaigns? and? apply? marketing? mostly? to? increase? awareness.? In? order? to? give? a? better? illustration,? the? marketing? strategies? of? three? well? established? companies? in? the? UK? car? insurance? market? will? be? analysed.?????? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ? ????????????????????????????????????????????????????????????? 5 ? Insurance? marketing? 2. 0? Aviva? ? Paul? Whitehouse,? the? famous? comedian,? stars? in? Aviva’s? dvertising? campaign? for? car? insurance,? thus? enabling? the? customer? to? put? a? familiar? face? on? Aviva’s? products.? The? particular? campaign? aimed? at? creating? product? recall? and? maximise? customer? impact.? The? ‘ Green? Army’6? advert? was? supported? by? an? innovative,? online? contest? asking? football? fans? all? over? UK? to? post? their? “ away? day”? videos,? rewarding? the? best? video? every? week.? This? showed? that? Aviva? has? positioned? its? product? by? focusing? on? specific? demographic? and? psychographic? consumer? profiles;? football? fans? and? consequently? men.?

This? is? a? clever? choice? because? it? makes? the? brand? friendlier? and? customers? can? identify? themselves? easily? to? the? product? as? football? is? extremely? popular? in? the? UK.? However,? football? was? simply? a? way? of? catching? people’s? attention,? as? the? new? advertising? campaign? with? Paul? Whitehouse? now? in? a? different? role? that? of? a? ballroom? dancer7,? shows? that? Aviva? is? now? trying? to? reach? different? customer? segment.? ? Aviva? has? clearly? built? its? car? insurance? advertising? campaign? based? on? humour,? contrary? to? its? life? insurance? campaign.?

However? it? can? be? noted? that? the? comedian’s? accent? is? hardly? understandable? for? some? people? who? will? simply? ignore? it.? Moreover,? limited? information? is? given? on? the? scope? of? cover,? features? and? benefits.? As? a? result,? for? those? who? do? not? understand? what? the? comedian? is? trying? to? say,? the? advert? does? not? catch? attention? as? it? relies? on? speaking? without? giving? any? written? support.? For? all? the? others,? it? is? simply? amusing? and? funny? to? watch.? Keeping? in? mind? that? this? new? advertising? campaign? differs? from? the? company’s? revious? one8,? where? focus? was? made? on? the? customer? as? an? individual? and? could? potentially? produce? long? term? bonding? with? customers,? the? 2010? campaign? is? based? on? a? humoristic? approach? and? can? be? therefore? difficult? to? achieve? strategic? objectives.? ? After? examining? Aviva’s? approach? it? would? be? safe? to? conclude? that? even? though? they? seem? to? understand? marketing,? they? need? to? have? deeper? understand? of? customer? psychology.? Using? celebrities? to? lead? a? marketing? campaign? is? not? a? bad? idea,? but? they? have? to? be? more? creative? and? ???????????????????????????????????????????????????????????? 6 7 8 ? http://www. youtube. com/watch? v= 5tuVGST\_1gE?? ? http://www. youtube. com/watch? v= sUDaXcYja1I?? ? http://www. youtube. com/watch? v= FSuR60ztYms?? convey? their? message? in? a? more? understandable? way.? Aviva? is? trying? to? raise? awareness? but? should? not? only? focus? on? that.? Instead,? what? would? be? beneficial? for? the? company? is? to? take? advantage? of? their? star? acting? ad? hero? and? create? interest/desire.? This? pull? advertising? strategy? could? then? be? used? to? help? in? creating? push? advertisements,? as? these? two? ethods? are? interlinked.??? 3. 0? Churchill? Insurance? ? The? Royal? Bank? of? Scotland? owned? insurance? company? has? adopted? an? English? bulldog? as? their? mascot? to? lead? the? marketing? campaign? that? was? first? launched? in? 1994.? The? nodding? bulldog? with? the? catchy? phrase? “ oh? yes”,? has? established? a? link? between? customers? and? the? company? through? a? series? of? direct? response? ads? that? have? the? objective? of? increasing? awareness? of? its? complete? product? portfolio.? The? use? of? a? mascot? can? be? characterised? as? a? smart? move,? since? mascots? tend? to? build? a?