

Marketing Strategies, Organisation and Performance Control in Insurance

Arthur Meidan

ABSTRACT

Every insurer must recognise that its "strategic posture" depends partly on the competitive environment, partly on its allocation of marketing resources. This posture should be determined in the light of the insurance firm's strengths, limitations, and corporate objectives. This paper presents eight different marketing strategies for insurers, suggesting that the selection of an appropriate strategy should be based on the internal conditions and external forces facing the firm. The selected strategy should then be implemented by a careful marketing plan. If an insurance marketing strategy is to be effective, due attention should be given to the marketing organisational structure and its departmental responsibilities. Finally the study suggests several alternative control systems that might enable insurers to evaluate the performance of the selected marketing strategy. Under existing dynamic conditions strategic objectives should be under continuous appraisal in order that an insurer might retain the initiative in its market.

The literal meaning of the word strategy is "the art of the general", deriving from the ancient Greek word for General, "strategos". Prior to Napoleon's times the word had a military connotation implying the art and science of directing military forces to defeat an enemy or to mitigate the results of defeat. Although deriving from an ancient heritage, the term strategy has found its way into management literature in the past decade or so. To insurance people the term strategy has come to mean the type of decision made by top insurance managers concerning the relationship between the insurance organisation and its environment. In other words, strategy describes those critical boundary-spanning decisions that define the framework and direction for overall marketing organisation management.

An insurance firm strategy is a plan for action that determines how an insurer can best achieve its goals and objectives in the light of the existing pressures exerted by competition, on the one hand, and its limited resources

Arthur Meidan is a Senior Lecturer in Marketing Management (rank parallel to that of Associate Professor in the United States) and Director of the MBA Programme at Sheffield University, England. He earned his undergraduate degree and M.B.A. from Hebrew University in Israel and his Ph.D. from Bradford University Management Centre in England. Dr. Meidan has spent over fifteen years in management and commerce and has consulted and lectured widely on marketing of services with special reference to insurance marketing. He is an Associate Editor of the *Journal of Enterprise Management* published by Pergamon Press and a member of the Editorial Board of the *Quarterly Review of Marketing* published by the British Institute of Marketing.

on the other hand. The four major stages in the formulation of an insurance marketing strategy (Table 1) are as follows:

1. Identification of target markets and customers' needs.
2. Formulating marketing objectives.
3. Defining constraints on achieving objectives (particularly competitive and environmental constraints) and
4. Allocation of marketing resources.

However, before an insurance marketing strategy can be formulated and a marketing plan drawn up, the major factors that influence and characterise the insurance market have to be considered.

Factors Affecting the Marketing of Insurance

Unlike other products and services, the best an insurer can do is to promise to the customer that by acquiring an insurance policy, he or she will be in a

TABLE 1: Major Stages in Formulating Marketing Strategies
for Insurers

Stages	Examples/Elaboration
1. <u>Identification of target market(s)</u>	Segmentation by customers' occupations, risks and hazards, social class, geographical position, etc.
2. <u>Formulating marketing objective(s)</u>	Satisfaction of customers' needs Sales revenue Profit Risk spreading Department performance
3. <u>Defining constraints (largely noncontrollable by the individual insurer)</u>	Macro environment: Economic, political, social and cultural conditions. Governmental, legal, and technological forces. Competitive situation
4. <u>Allocation of resources (via marketing mix)</u>	
(a) Product	e.g. Types and standards of services Variety of products offered.
(b) Place (distribution)	e.g. Direct channels of distribution Indirect channels of distribution Salespersons, etc.
(c) Promotion (Advertising)	e.g. Advertising in appropriate media Promotional literature Insurer image
(d) Price	e.g. Package deals Special discounts Group discounts, etc.

position no worse and not better than the situation existent before the event against which the service that has been provided has occurred. To the insured, buying insurance means accepting a relative small but definite financial loss, in order to avoid a larger possible loss. The special characteristics that make the marketing of insurance products distinctively different from the manufacturing ones, are as follows:

1. **Perishability.** A large number of the insurance products are direct, i.e. they cannot be inventoried. The perishability of insurance services leaves the manager of an insurer without an important buffer that is available to manufacturing managers, and therefore pricing (as well as other marketing tools, e.g. distribution, advertising, promotion, etc.) has a paramount importance and role.
2. **Inseparability.** A high degree of insurer-insured interaction exists in the production and offering of the insurance cover, which is a mixed blessing. While the customers are indeed a source of productive capacity, the consumers' roles create uncertainty for managers about the service's quality, the accommodation of the consumer's needs, and therefore the need to bring the consumer to the service delivery system [9] (or the system to the consumer). This characteristic might drastically affect pricing via the higher costs of providing an effective/localised insurance distribution system and/or substantial spending in advertising and promotion in order to bring the consumer to the insurance delivery outlet.
3. **Heterogeneity.** Most insurance products are very heterogenic. Although some 15 per cent of *all* business and family expenditures in the United States go for corporate and personal insurances [4], the level of services differentiation — and therefore of competition is very great indeed. For this reason, pricing (as well as the other marketing mix tools) has an important role to play, *especially* on those insurance products that have reached the maturity stage of their life cycle, e.g. individual motor insurance.
4. **Fluctuations in Demand.** Fluctuations in demand in certain (but not all) types of insurance is even more important than in products' markets. The demand for certain of these insurance services is fairly elastic, i.e. a substantial increase/decrease in personal disposable income, leads often to sharp changes in demand, leading to intense competition and the need for using the price tool. Also, accelerated technological sophistication, as well as social and competitive changes continually reshape the existing insurance markets.
5. **Labour Intensive.** Lastly, the insurance industry is labour intensive and therefore generally more difficult to control than other industries. Because it is labour intensive, it is very important to check on salespersons' performances and to try to economise on the use of personnel.
6. **The Impact of Government Legislation.** Legislative requirements and restrictions can exert a considerable influence on the size and scope on the market. This influence can take several forms ranging from control

of the number of offices operating in the market to the types of contract written and even to the detailed policy conditions. In many western countries, however, these types of control are not enforced. Therefore, insurers have a relatively free hand in their operations, as long as all the basic legal requirements have been met. There is relatively limited control in the formulation of contracts and in the granting of agencies, though the insurers have kept a close view on all new financial and insurance Acts to seize any opportunity for designing and implementing the policy at the right time to meet the public's changing needs. [1]

7. *Size and Distribution of the Population and National Income.* Generally the size of the population might be expected to have a particular direct influence on the market for insurance and particularly life assurances. However, this is not necessarily true as other elements such as the density and distribution of the population and demographic and socioeconomic factors should be taken into consideration as well. When real income is increasing rapidly, personal consumption tends to increase. At the same time personal savings are channelled to certain financial institutions like banks, whilst some are channelled to life insurers. Consequently the potential market for life insurance is larger when national income increases. The major problem is the competition with other financial institutions and inflation.
8. *Competition.* Aggressive competition, increasing cost of service and administration have led, on the one hand, to the elimination of small unprofitable insurers and, on the other hand, to difficulty in offering personal service. Thus insurers tended to amalgamate in order to exploit the economies of scale and to invest heavily in computers and other ancillary equipments in order to (1) calculate their cost accurately, (2) achieve lower operational costs and (3) to expand their service capability. In order to combat competition, wider cover for little or no extra premium (pricing policy) is now being offered. Other channels of distribution for reaching the public (e.g. by direct selling or mail orders with more economically package contracts) are being used.
9. *Inflation.* Most of the world has, and still is facing a period of inflation and high taxation which reduces the purchasing power. Many potential insurance customers who believed that inflation could or would be stopped completely were disillusioned, and there is a growing awareness for the need to budget as well as to invest wisely. Accordingly, sales of insurances (and especially of the traditional whole life and endowment policy which was designed to provide for savings), declined. In its place policies with an investment element attached emerged, in order to maintain the future purchasing power of the insured.

Growth Strategies

Two broad categories of insurance marketing strategies exist: (1) growth strategies and (2) competitive marketing strategies. However, whichever

strategy an insurer decides to apply, its characteristics are significantly determined by the market objectives and the target market. The marketing mix would then have to be planned accordingly, whilst external factors would presumably have been given due attention. Examples of this category of strategies are as follows:

- (a) *Geographical Expansion*. As the name implies, such a strategy would seek to expand sales by extending the physical frontiers of its activities. In pursuing this course of action an insurer would no doubt have seriously looked into the commercial viability of establishing agencies in new additional locations.
- (b) *Market Penetration*. The employment of this strategy aims at attracting new customers from the market that it is already in. This is undoubtedly the most popular strategy prevalent amongst insurers. An insurer that had identified its market and the market needs, and has set formal marketing objectives, is then able to plan the marketing mix in the best possible way. Such an insurer would be placed at an advantageous position as a result of its organised promotional operations directed to satisfy his customers' needs. A well planned market penetration strategy would also win new customers through its better understanding of their needs, a situation that allows management to work on important matters such as image, to emphasise the right segments and prices, and to make better sales contacts.
- (c) *New Market Strategy*. This strategy seeks to widen its appeal to attract customers from segments of the market upon which the insurer in the past has not concentrated. Such a strategy may either attempt to receive the new types of customers in addition to its "traditional" ones, or it may resolve to replace its past market segment appeal. Such a decision may have been taken either because its past reliance on certain segments has been found to be not totally satisfactory or because the insurer wants to tap a new market.

Of the marketing mix variables, the most important factors that the insurer should consider when a new market strategy is adopted, are quite obviously the promotions and product variables. In the case of a firm that contemplates "replacing" its market altogether, a thorough plan on the whole of the marketing approach would necessarily have to be thrashed out. But preceding all that, it may also be necessary and worthwhile for the insurer to conduct a market research in order to evaluate or to confirm the potential areas of the market.

- (d) *Cost Cutting Strategy*. One of the questions that the manager of an insurer would continually be asking is — how can cost-efficient operations be obtained so that profitability can be increased? [5] Manufacturing companies can improve operations by leverage; for example, by purchasing faster and more reliable machinery. But most services including insurance are not able to follow this approach. Nevertheless the belief that service businesses are not able to obtain operating leverage is a misconception.

Operating leverage exists in any business organisation — both product and service offering — as long as a change in operations would result in a drop in the relative cost per unit of output. Substitution of capital for labour is the classic method of obtaining such leverage. Capital is used to purchase equipment, e.g. a computer for an insurer, which can produce and sell at a faster rate with more consistent service. Many insurers use the same basic technique but in different ways. The sales task is broken into its component parts of initial contract, presentation, and closing the deal, and have different people perform each function. In each case, the service is further broken down and the aspects that can be performed by less expensive labour are identified. The expensive labour is then free to do those crucial tasks that bring profits to the insurer.

The strategies for growth require information and decision making in question such as:

- a. From what sources does the insurer expect to acquire the additional volume growth? Usually the answer lies in a market research study that investigates potential customers' behaviour, territories, buying preferences, etc.
- b. What is the anticipated rate of growth, i.e. what is, or will be, the company's future market share by sales area and principal lines of coverage? The answer to this question again can be obtained via a forecasting study that should be based on information provided by the marketing research department, often via information systems. [8]
- c. What changes in the salesforce (agents, brokers and company personnel) will be necessary? This information can be supplied by the planning department in conjunction with the training and salesforce management section.
- d. What role will automation play in the future in dealing with issues such as rate making, policy issue, accounting and statistical operations, claims settlement, etc., and the automation influence on future costs and profitability? The various growth and competitive marketing strategies are presented in Figure 1.

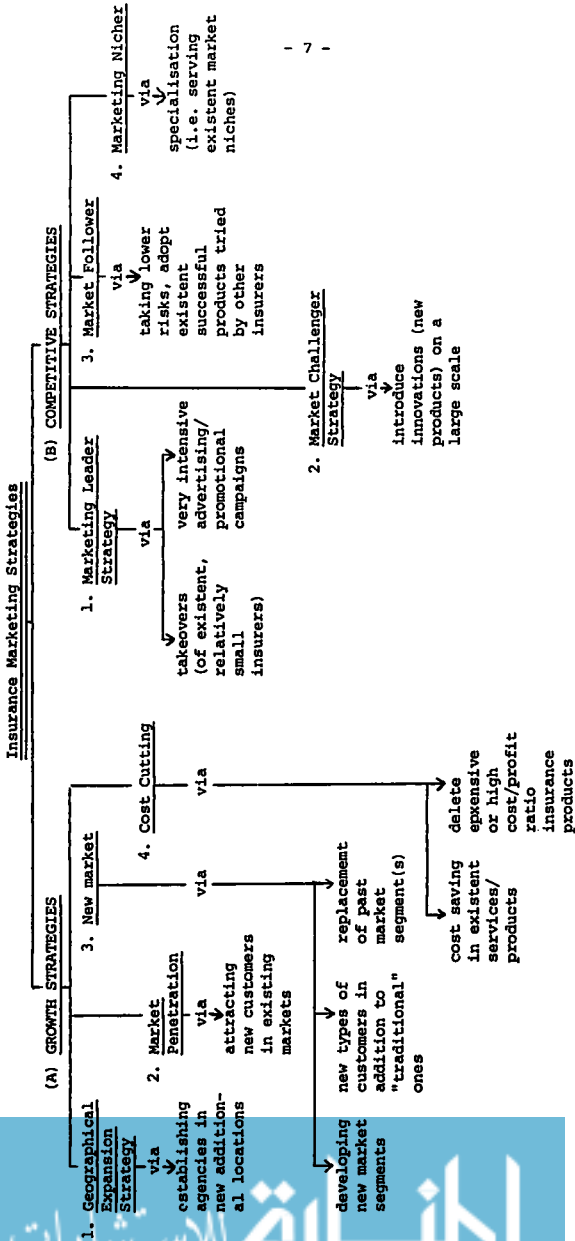
Competitive Marketing Strategies

P. Kotler [7] rightly states that a company's marketing strategy depends on many factors, one of which is its size and position in the market. From this assertion he suggests that one method of classifying marketing strategies is to place the firm in accordance with its competitive position; namely as to whether they are market leaders, challengers, followers, or nichers. In effect these are behavioural strategies ordered in relation to the company's market share.

These four major competitive marketing strategies are as follows:

- 1) *Market-leader strategy*. This strategy can only be employed by very large, dominant insurers. In addition to having a strong distribution network, being large they enjoy the benefits accruable from economies

Figure 1: Alternative Insurance Marketing Strategies



of scale. These benefits in turn allow them either to protect their market share or to expand and become even more dominant.

These dominant insurers have an influential role in the industry by the virtue of their size. Their promotional activities based on a well-established reputation put them in the position as “guardians” of the industry particularly on prices and promotional campaigns.

- 2) *Market-challenger strategy*. This strategy is characterised by the aggressiveness of the marketing tactics. Typically insurers that follow this strategy are ambitiously trying to grow as fast as they can. They tend to be innovative and opportunistic in their marketing approach and are sensitive to changes and developments in their market and in the trade.
- 3) *Market-follower strategy*. Some insurers prefer to adopt more cautious tactics; rather than to be aggressive and attract the attention of the leading firms, these insurers would settle in favour of following the leaders. Others may in any case follow because they are not in a position to behave otherwise. Yet others pursue this strategy but do so with carefully planned paths in order to achieve their long term targets. In general, market followers possess strong management who give priority to profitability, rather than market share.
- 4) *Market-nicher strategy*. As the name suggests, such a strategy aims to take advantage of the niches that exist in the market. This goal is achieved through specialisation. The markets here are relatively small and tend to be beyond the interests of large firms. To the smaller insurer though, it is safe and profitable.

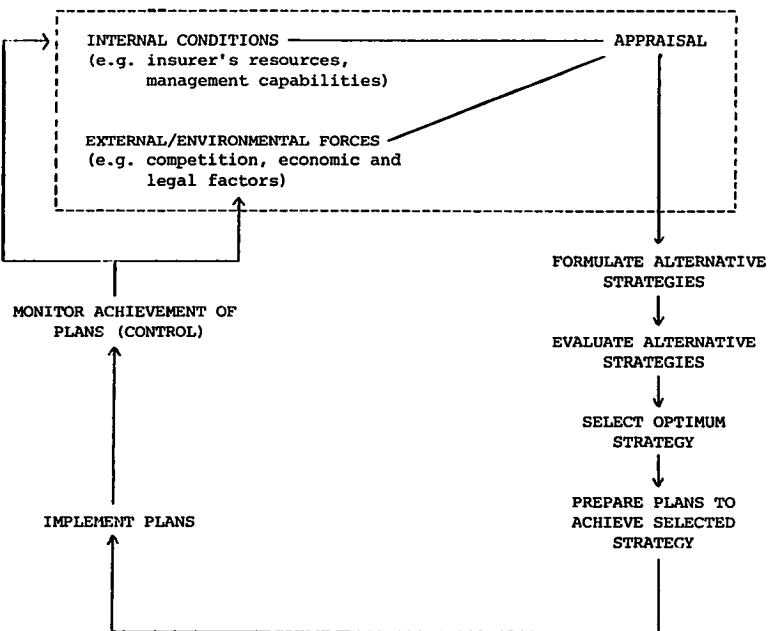
Every insurer must consider how it can build and protect a strong competitive position. At any point in time the enterprise must recognise that its “strategic posture” depends partly on the competitive environment. Service businesses often require different competitive strategies from those of product-oriented commodities. If an enduring insurance institution is to be created, some attention must be given to the management of economies of scale, proprietary technology, and reputation of the company. These “barriers” are not just defensive moves; they are necessary if an insurance firm is to make progress in trying to achieve its goals.

The selection of an appropriate strategy is based on a careful marketing strategy plan (Figure 2). The appraisal of alternative strategies is based on the internal conditions and external forces facing the firm. These alternative strategies should then be evaluated by the Board of Directors or the insurer’s business policy team and a selected “optimum” marketing strategy is recommended. If accepted, this recommendation should be carried forward and adequate plans (which involve mainly the determination of means, i.e. allocation of resources) to achieve objectives, are undertaken. The board is responsible for implementing the plans monitoring their achievement.

Marketing Strategy and Organisational Planning

Under current economic conditions formal insurance corporate planning is particularly essential, in order that an insurance firm can realistically consider

Figure 2: Insurance Marketing Strategy Plan



the allocation of resources as a part of its marketing strategy. In addition, an efficient corporate plan is an important tool for decision making throughout the whole organisation.

Corporate planning attempts to integrate two organisational approaches — “bottom up” and “top down”. If the approach is *all* “bottom up”, strategy formulation becomes very difficult. Conversely, if it is *all* “top down”, there is often a lack of realism in the plans and a lack of commitment to the plans by the employees in that company.

Before plans are made, a time horizon has to be fixed. This is the period over which the firm seeks to optimize its resource-conversion efficiency. [3] For an insurer the time horizon is usually finite, e.g. in life insurances the customer's life expectancy. Planning is done individually by the different departments and then submitted to the general manager and members of the corporate planning board so that the individual plans can be integrated to form a corporate plan. Insurance corporate plans evolve round the main areas on which business effort will be concentrated over the span of the time horizon.

Planning for an insurer involves the following steps:

- 1) *Environmental analysis*. This analysis aids the formulation of a preliminary set of objectives. Management should first try to identify

future opportunities and threats within the insurer's existing services and customers. Attention should be paid to signs of change in the customer's needs and desires, especially as related to legal, technological progress and development. The main aims of analysing the environment are to find (1) new opportunities for existing insurance services (with new customers or geographical expansion); (2) new opportunities to serve existing customers with new insurance services or in new geographical locations and (3) the major future threats to market position and profit margins. [6]

- 2) *Appraisal of the insurer's resources.* Insurer resources include manpower, financial conditions, market position, management competence, and susceptibility to external pressures. The purpose of this appraisal is to examine not only the strengths and weaknesses of the existing resources but also what resources might be available in the future and the possible ways by which future resources might be generated. This provides the basis for the planning of future marketing strategy, as explained in the previous pages.
- 3) *Objectives.* Besides financial objectives, such as stability of profits, risks spread, etc. insurers might be interested in increasing market share, diversification, and growth. Whilst some of the objectives may appear of importance in the short term, in the long term they all ultimately contribute to maximize profitability.

After establishing the objectives and setting a plan of action to achieve them, appraisal of the new plan is required to evaluate the effectiveness of the proposed actions. Effectiveness is defined as a measure of the fulfilment of an objective, goal, standard or target.

An efficient marketing organisational structure is really a function of the marketing strategy adopted by the insurer. Objectives for the insurance marketing department are established in the form of descriptions of the marketing department responsibilities in terms of sales volume, market share, advertising, promotion, product development, and market research. This analysis leads to a preliminary estimate of the number of marketing persons required given the opportunities in the market. The statement of marketing objectives leads also to an estimate of the marketing budget required, which must also consider the availability of financial resources and other company constraints.

Insurers are generally structured around an amalgam of products, functions and locations. Insurers may have marine, fire, marketing, and statistics departments, and several location points that are serviced by product and function departments.

The first step in the organisational decision process for the insurance marketing manager is to develop the basic control units from which he or she plans to organise and control the market efforts. The manager must decide the basis for these units (products, geographic, etc.) as well as the span of control to be used. Using some estimates of market potential and expected revenues, the marketing manager must allocate sales effort to control units. Here he or

she must consider the individual agent's workload, the average number of calls a salesperson can perform, and how this sales force should be organised.

Generally, the marketing department is just one of the seven or so, major departments in a "typical" insurance organisation (Figure 3). In the past, most of an insurer's marketing emphasis was on the sales function; the other major functions and sections in the marketing department were marketing research, advertising and promotion, and product planning. This type of department organisation is called functional organisation. The advantage of this type of organisation is that it leads to a better utilization of specialist resources in the various functions, and therefore, is a more effective form of organisation. Its limitation, however, is the loss of some ability to control or assess performance in the individual sections by insurers' management e.g. by marketing research.

The organisational structure of the sales force and its effectiveness depends also on the insurer's selection of a marketing strategy. Basically there are three types of marketing organisational structures:

- a) *Geographical organisation.* In this type of organisation an agency (or a broker) can be responsible for selling all the company's policies in a clearly defined territory. The territorially structured (or geographical) organisation is the "traditional" and quite widely used form of insurance marketing organisation. In this type of organisation a sales person would report either to a regional or district sales manager. The major benefit of territorial organisation is the ease in travel time and economies in operating expenses.
- b) *Organisation by insurance products.* Product-organised marketing is one in which a salesperson is selling only a few specific sets of insurance products (e.g. life, health, property or liability insurance). This specialisation of sales force by products is effective where there is such a great variety of unrelated or different policies that it becomes quite impossible for a sales person to deal with all of them. The organisation by products is sometimes deemed necessary in selling insurance when customers' needs ask for specialised technical or environmental risks knowledge.
- c) *Organisation by customers.* A customer-structured sales force is one in which different types of sales forces are created to serve the different types of customers. These customers may be farmers, businesses, tourists, travellers, or some other group.

This last type of structure appears more harmonious with the marketing concept and its implication of a customer orientation. This type of marketing organisation should lead to a better understanding of the needs and problems of the various insurance customer categories; however, it is seldom employed in selling insurance.

Insurance Marketing Control

An important factor for operating an effective strategy and efficient organisation is marketing control whereby an organised feedback system is used to

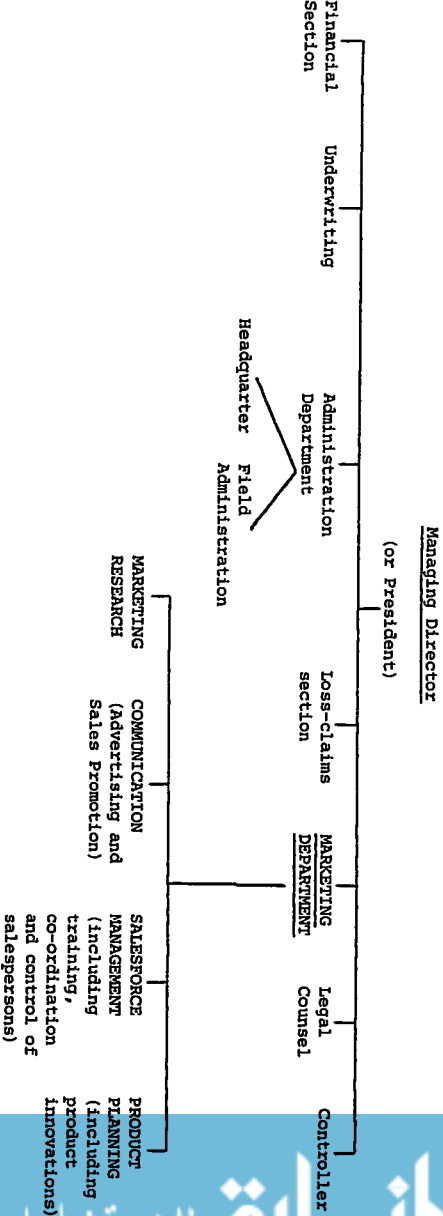


Figure 3: Typical Insurance Marketing Department Organisation

evaluate the performance of insurance marketing strategies. In dynamic market conditions, strategic targets and tactical operations should be under continuous appraisal so that an organisation retains the initiative in its market.

The control of marketing performance can be by profitability, or by sales volume (turnover). For *each* of these two alternative forms of control, the insurer should check and compare the performance of: (1) channels of distribution (agent/insurance salespersons, etc.); (2) major markets/territories; (3) major products (or groups of products); and (4) individual customers' segments. The performance should then be compared against the insurer's targets (or standards), *or* past performance on each of these criteria and/or against the performance of the leading firms in the industry (or the average in the insurance industry, if known).

The same analyses should be performed for the other major type of control, as indicated in Figure 4. These two forms of control are not alternative to each other, but complementary. While profitability figures might be of interest to insurer shareholders, owners, very large customers, investors, etc., as an indicator of the insurer's future ability to settle claims, pay large dividends, etc., the turnover ratios relate to the insurer's strategic posture, i.e. its

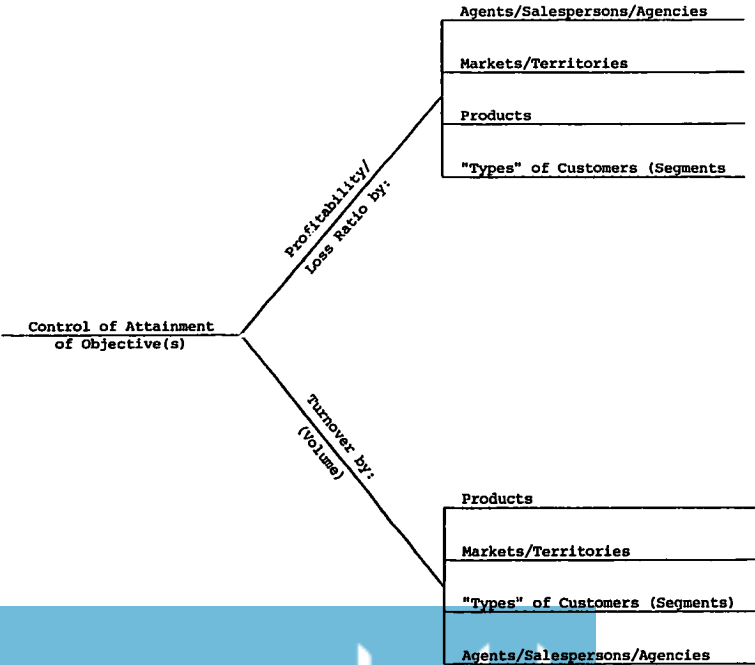


Figure 4: Types of Marketing Control in an Insurance Organisation

potential growth and future development in relation to competitive insurance firms. The loss (negative profit) ratios, on the other hand, are mainly indicators of the efficient use of marketing resources.

All the eight control measures are of very great operational importance to the insurer's marketing manager. The insurer will be able to delete or drop certain insurance products that are not "enough" profitable, or with "too low" sales volume. In addition, the marketing research section will be able to identify problem areas in order to undertake research with the view of finding out the reasons that underly these outcomes. However, good marketing performances would be of interest to the marketing manager as much as poor performances. In both cases, marketing control will enable the marketing manager to focus his or her attention on the problem areas in order to take early constructive action. With the advance of automation, most of these control ratios are fairly easy obtainable. They would enable the marketing department to recognise immediately potential "good" as well as "bad" products, profitable or unprofitable markets and/or customers' segments, and efficient or less efficient distribution channels and agents. Consequently suitable marketing strategies can be developed.

Performance Appraisal

Today most insurers attempt to adopt formal or informal systems of appraising the performance of their market activities. Measuring the marketing performance provides appraisers and managers in an insurer with information necessary for the success of the organisation administration (in the short-run) and its business policy (in the long-run). This information can reveal both the strengths and weaknesses of a marketing department and indicates areas where reorganisation, planning, training, or recruitment are needed.

The goals of marketing performance appraisals in a wider context are: (1) to evaluate the marketing performers or improve performance in order to make promotion/dismissal decisions, transfer decisions, salary incentive re and identify training needs; (2) allocation of marketing, financial and technical resources; (3) planning, and (4) possible changes in organisation and control systems. However, generally the appraisal is intended to serve more than one purpose. [10]

Three sets of criteria for defining "marketing performance" are generally employed:

1. performance of marketing activities (i.e. inputs)
2. results achieved (i.e. outputs)
3. personal qualities (i.e. personality traits of the marketing salesperson and/or managers assessed).

Outputs are most appropriate on the whole, especially for (1) marketeers or salespersons with a higher degree of autonomy and (2) where the decision is to promote/demote/sack.

Inputs become appropriate but results achieved are still important where: (1) marketeers have little autonomy but follow laid-down procedures; and (2)

when counselling, transfer, training needs, decisions and human inventory compilation becomes important.

The measure of outputs is a matter of providing units of objective measurement and is probably fairly easy in insurers.

Several criteria for appraising marketing performance in an insurer are elaborated in Table 2.

While absolute sales and sales analysis relate to variations from sales plans or quotas, market share analysis compares an insurer's salesperson's perfor-

Table 2: Criteria for Appraising Marketing Performance of an Insurer

Key Areas for Assessing Marketing Performance	Conceptual	Practical	Objectivity/Subjectivity	Technique	Typical Quantitative Measures
1. <u>Profitability</u>	Easy.	Laborious but routine.	Objective but some judgement involved.	Routine data collection and analysis.	<ol style="list-style-type: none"> 1. Net profit by market/product (or group of products). 2. Profitability per customers' segments. 3. Distribution channel/sales persons profitability.
2. <u>Market Position</u>	Fairly easy.	Laborious but often routine with some ad hoc investigations.	Objective (once definitions decided on).	Agents, sales figures Market Research.	<ol style="list-style-type: none"> 1. Absolute sales and sales analysis 2. Trends. 3. Market share. 4. Numbers and size of competitors.
3. <u>Product Leadership</u>	Not easy.	Not easy.	Mainly judgemental.	Internal Executive Panel. Market Research.	<ol style="list-style-type: none"> 1. Ordinal ranking of insurance policies offered with competitors' 2. Ordinal ranking of value of service range. 3. Consumer satisfaction on attitude scales.
4. <u>Sales Personnel Performance</u>	Easy.	Fairly easy.	Mixture of objective data and subjective judgement.	Human resource accounting techniques. Staff inventory.	<ol style="list-style-type: none"> 1. Percentage of appropriately qualified staff at all grades. 2. Percentage of promotable agents. 3. Percentage upgrading on qualifications. 4. Percentage ranked "better than average".

mance with each other or that of competitors. Cost analysis has increased in importance lately because of the rapidly rising distribution costs. Accordingly, insurers concentrate their attention on sales costs control in order to achieve higher profitability.

The types of costs relevant to sales cost analysis are:

- (1) "Natural" costs, i.e. those typically found in accounting records and referring to the nature of expenditure, e.g. telephone, car expenses, etc.
- (2) Functional costs, which refer to the costs classified by the purpose of the activity, e.g. costs attributable to contacting *particular* customers, e.g. travelling costs.
- (3) Direct costs, e.g. insurance sales office expenses.

Certain problems are involved in analysing and allocating sales costs. [2] However, despite the cost and time involved, investigating an insurer's sales performance via a cost analysis approach, might lead to an opportunity to identify areas for corrective action; e.g. unprofitable territories, unprofitable customers, unprofitable insurance products, or inefficient sales force.

Conclusions

Any meaningful analysis of insurance marketing should be based on the marketing strategies employed by the insurer and its marketing organisation and control systems. A detailed examination of each of these three activities suggests that they are successive, are interrelated, and form part of the continuous process of effective marketing management rather than a collection of independent stages. Effective selling of insurance policies depends to a large extent on the marketing strategies selected. As the market for insurance is dynamic and accompanied by rapid changes in the environment due to advancements in technology and uncertain economic conditions, coupled with inflation, increased attention must be given in the future to the selection of marketing strategies.

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