



Marketing Society Awards for Excellence 2014

Business insurance for the small and the brave:
how Hiscox Business Insurance communications
went from product to people to deliver record results

Category 1: Marketing Communications

Category 2: Business to Business

Brand: Hiscox

Contact: Zoe Blaskey – Head of
Marketing Communications

Executive summary

2013 saw a huge challenge for Hiscox Business Insurance, as our market leading position came under threat from new entrants, eroding our product differentiation and point of difference. This meant we needed to re-think our approach to both communications and media.

The competition was stepping up in terms of their product offering, switching from a standardized, one size fits all approach to business insurance to a more tailored set of products that were designed for businesses in specific professions. Combined with this, some of our competition were also making waves in the social world, building credibility and rapport with younger, more recently established businesses and investing in SEO which meant we needed a comprehensive re-think of our previously product-focused strategy.

Our rational product offering was no longer enough in the new world and we had to find a way for small business owners to connect emotionally with the brand, in order for our messaging to resonate clearly for our target audience.

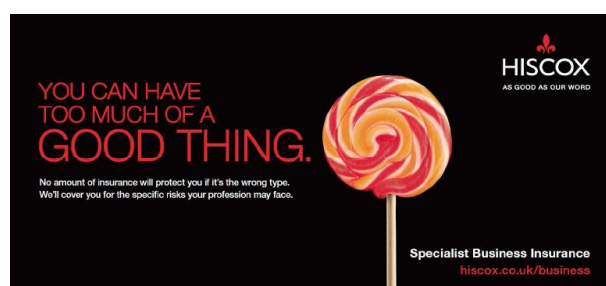
The communications platform of 'business insurance for the small and the brave' enabled us to do this, flattering our audience's attitude to risk that, when coupled with a highly targeted, regional media strategy meant we were able to deliver exceptional results.

- 17% growth in gross written premiums (vs. ambitious target of 16%)
- 15% increase in Sales in Birmingham region, specifically attributed to marketing activity (vs. target of 10%)
- 89% existing retention (vs. target of 86%)

Background

Since launching online small business insurance in 2006, Hiscox has enjoyed strong growth and risen to be the market leader in the sectors it insures. Where other products in the market offered a standard, one size fits all approach to small businesses, the Hiscox offer was built on a tailored approach to cover for specific professions.

The marketing approach had been to communicate this rational product benefit to potential Hiscox consumers, tailoring its communication to specific professions. This direction had been very effective, giving us a strong reputation amongst our target audience

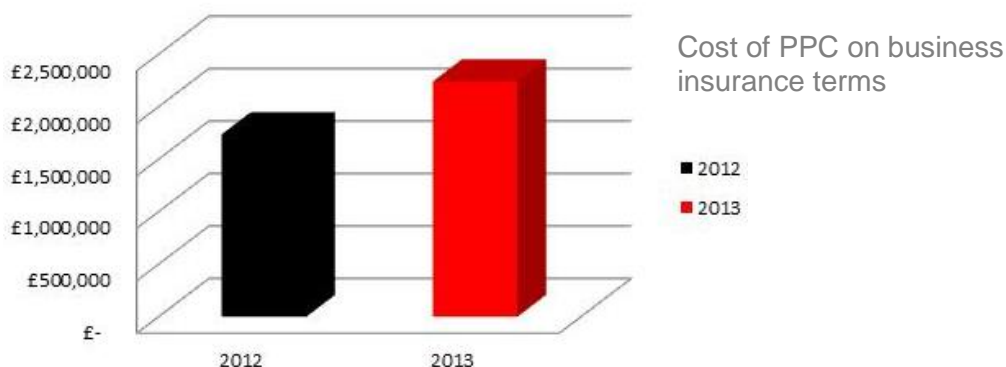


Examples of product lead communication, January 2012

Facing a new wave of competition

2012 brought a whole new challenge for Hiscox. Significant new competition in the online market providing the same specialist cover for specific professions eroded our point of differentiation. This meant we were impacted in three main ways:

- Communicating product benefits alone was no longer sufficient, as this had become the norm of the category.
- New entrants to the market also had an impact on our acquisition costs; as the competition for search terms around business insurance increased, so did the costs and this threatened to drain our communications budget.
- Increasing social media presence of competitors, increased content development and promotion; especially through search engine optimisation .



Against this market backdrop, challenging targets were set

Despite a changing marketplace, our growth ambition wasn't affected and the business set itself challenging commercial and brand targets:

Maintain Hiscox's position as the number one small business insurer in the UK

Target: 17% increase in new business sales (vs. 2012).

Ensure existing customers continue to engage with the brand

Target: 86% customer retention rate.

Launch the brand in new regions where concentration of target audience is high

Target: 10% increase in brand awareness increase in Birmingham:

- 15% increase in sales in Birmingham
- 90% uplift in visits to the Hiscox business blog from key regions.

Use communications to drive an emotional connection with the brand

Targets: 2% increase in those who feel "Hiscox is a company who cares for its customers" in Brand tracker metrics:

- 20% poster recognition in sample of target audience (Brand Tracker metrics)
- 20% increase in people searching for 'Hiscox business insurance' (versus 'business insurance').

These targets came without any increase in marketing budget so every pound spent needed to work harder. Faced with these circumstances, it was clear that a new approach to communications was required.

Backing a Brand Led Approach

We needed to move away from a rational product led communications strategy and adopt a brand led, emotional approach allowing the brand to connect emotionally with its SME audience. However, the Hiscox brand was not without its challenges:

- The brand's premium positioning and corporate reputation gave the brand a feel of being distinct but distant.
- Business insurance isn't a category associated with emotion or brand affinity.

It was critical for commercial success that the audience identified with the brand and saw it as an insurer for them, delivering the 17% increase in sales.

The challenge was clear - we needed to find a credible, emotional positioning for the brand based on strong audience insight.

Bringing out the emotion

At the end of 2012, Hiscox commissioned qualitative research in order to generate insight to connect with our target audience. A series of in-depth interviews was conducted with small business owners on their attitude towards their business.

This activity created the following insights which provided the foundation for the 'Small and brave' campaign:

- Running a small business is like a rollercoaster – every positive comes with challenges. For example; the freedom is amazing, but with it comes additional responsibility; the increased flexibility to work on your own terms often brings anti-social hours
- Hiscox termed this the 'double edged sword'; full of excitement and potential but at the same time there is risk and uncertainty.
- The unifying truth of our audience was that they all believed that it was worth the risk, that the benefits outweighed the potential pitfalls.

We summed up this attitude as “**Risk is Good**”

Critically, by recognizing our audience's attitude to risk, we could talk to them compellingly. Talking about risk is a credible space for an insurer to occupy, and by acknowledging the emotional connection between our customers and their business, we were able to build affinity as a 'brand for me'. This was the perfect common ground between us and our audience.

From insight to creative: The Small and the Brave

VCCP's creative strategy was all about flattering our audience's attitude to risk by recognising the brave decisions that they make on a day to day basis as a small business, despite the risks that they face.

Through labelling SME's as “**The Small and the Brave**”, we developed a platform designed to build empathy and demonstrate our understanding of our target audience:

- The creative was designed to capture moments that our audience would recognize; tapping into their character and playing back moments that they experienced on when starting out.
- The power of the idea was in equating smallness with bravery and demonstrating powerful insight into the everyday bravery that characterizes those who have set up their own business.

Further qualitative research with small business owners was very successful and proved 'Business insurance for the small and the brave' had the potential to be a very successful campaign.

A new approach to media

1. Focus on the right moment

- To make the emotional messaging resonate powerfully with our audience we needed to reach them when work was at the forefront of their mind, but also when they had time to reflect on what it meant to be their own boss; the perfect occasion was during their daily commute.

2. Focus in the right places

- Our target audience are clustered in small pockets around the country. This meant we needed a plan that was geographically targeted.
- To identify these areas we categorised the types of businesses we wanted to insure and used market location technology to identify hotspots based on the number of potential customers in every postal sector in the country.

This analysis identified three key areas; **London, Birmingham and Manchester**. Within each area we drilled down in to the postcodes, identifying those that had the highest density of potential customers.

3. Focus on the right time

As business insurance is a non-seasonal, we had to provide an all year round presence, making sure our messaging was as close to as many purchase occasions as possible.

We focused on four main elements.

1. A combination of geographically targeted posters and radio were used to land our emotive messaging at scale in the perfect commuter environment.
2. A content strategy was launched with series of editorial pieces commissioned by respected journalists, as well as our own customers, that brought to life the idea of business insurance for the small and brave
3. Experiential activity was used to capture the stories and faces of real people from the small and the brave community.
4. All the activity was underpinned by acquisition channels (DM, SEO & PPC) to ensure conversion into quotes and sales.

The campaign - an integrated approach

London

- Individual sites were selected by postcode based on the density of our audience and the routes they used when commuting to work.
- All of our sites were carefully chosen so the emotive messaging was still delivered in a premium environment but with scale and maximum impact.
- For even tighter targeting, we selected London-bound only rail 48s to capitalise on habitual commuter journeys, reaching our audience in the most relevant mind-set.



Liverpool Street Station, London

Birmingham

- Research showed our audience commutes to work using their cars, so radio was used in conjunction with local business press and online takeovers.
- Roadside poster sites were selected due to trends within audience for commuting by car.



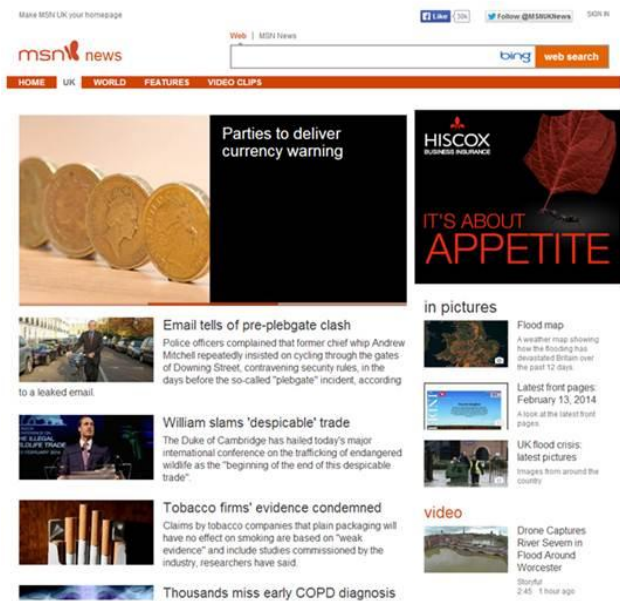
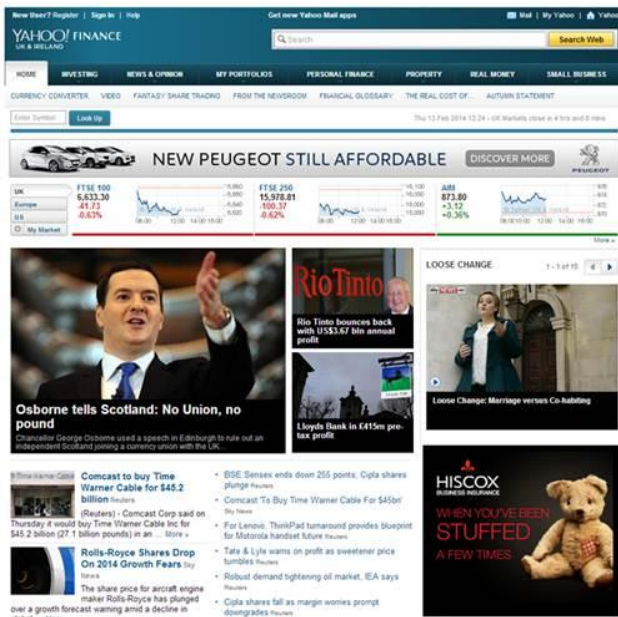
A38, Birmingham



Birmingham Post, June 2013

Display advertising

The campaign was also supported by highly targeted display activity in all regions.



Salford Quays

A key part of our product-to-emotion strategy was our ability to not only understand the mindset of our small business audience but also to celebrate them.



Trafford Arch,
Manchester

- Roadside poster sites were selected on entering and exiting the business hub of MediaCityUK.
- Due to confined space and high concentration of target audience, an experiential event was designed specifically for MediaCityUK.
- The concept of the activity was to immortalize the 'Small and Brave' businesses of Media City UK in a portrait created by local artist, Ben Lamb. The finished portrait captured over 80 small business owners and is currently housed in Media City UK.
- Rich multimedia content produced by the event was featured on our small and brave hub on the blog and across twitter, including interviews with small businesses who took part.



The activity over-delivered against all set KPIs:

- Drive 90% uplift in visits to the blog in the month of the activity – we achieved over 100% uplift in the week of the activity alone
- Increased number of Hiscox followers on Twitter by 98% more than target on the day of the activity – reaching a total numbers of 4,127 followers
- Drove 200% increase in visits to the business insurance landing place from the Salford region from prior month.

 **Hiscox Insurance** @HiscoxUK 04 Sep
Hello @Composerworks! To begin, could you tell us a little about your business? #smallandbrave

 **The Composer Works** @Composerworks Follow
Hi @HiscoxUK The Composer Works is an agency based at MediaCityUK, which provides composers for television and film
2:03 PM - 4 Sep 2013 from Cheshire West and Chester, United Kingdom

 **Hiscox Insurance** @HiscoxUK 04 Sep
Sounds fascinating @composenworks Can you tell us, from where have you received the most support for your business venture? #smallandbrave

 **The Composer Works** @Composerworks Follow
@HiscoxUK the wife mainly! No external funding.
2:09 PM - 4 Sep 2013

 **Hiscox Insurance** @HiscoxUK 04 Sep
Ah, then you may have partly answered this question already @composenworks! What inspires you to do well? #smallandbrave


 **The Composer Works** @Composerworks Follow

 **Hiscox Insurance** @HiscoxUK Follow
Good afternoon Will @mobbra, thanks for chatting with us today. Can you start by telling us a little bit about your business?
2:01 PM - 6 Sep 2013

 **mobbra** @mobbra 06 Sep
@HiscoxUK We're a start up at @mediacityuk We make it easier for people to get connected at major sporting and entertainment events.

 **Hiscox Insurance** @HiscoxUK Follow
.@mobbra Sounds exciting. As a successful start up, what business tip would you give to someone looking to go it alone?
2:06 PM - 6 Sep 2013

— Hiscox Insurance (@HiscoxUK) September 6, 2013

 **mobbra** @mobbra 06 Sep
@HiscoxUK Work hard, work smart, listen to people and follow your instincts. A quote from Walt Disney: If you can dream it, you can do it!

Content






All the above activity was supported by a content strategy, built on the “small and the brave premise. Anchored in the ‘risk is good’ proposition, we wanted to celebrate and to encourage the people behind the small businesses that we insure.

In *February 2013* we launched a new content hub, Hiscox Informed, to provide our audience with expert advice and stories shared by other small businesses to further support and celebrate our risk taking audience.

During the course of the campaign, visits to the blog have risen from **6,789** (Feb- Dec 2012) to **150,242** for the same time period in 2013.

INFORMED

Small business blog

Interact:     

Home News Features Insight Take a break

Go

A survival guide for going freelance


We asked copywriter Lola Wilson to give us her tips on going freelance. Here's what she had to say.

[Read on »](#)

A survival guide for going... How to bring a client bad news... What's your business...


WHAT'S YOUR BUSINESS PERSONALITY?

Try our test and... [Find out now »](#)




By Hiscox

How to be more Productive: 7 tips to help you get the...



By Deepak Soni

Setting up your own business: Five mistakes to avoid



By Guest blogger

Social media trends for 2014

“ This blog is designed to offer insight, tools and inspiration for small business owners. Forget lofty, jargon-filled advice; we are more concerned with the real and human factors in business, what it actually feels like to set-up, run and live with a small business – the everyday and emotional realities. We hope to share tips and start conversations about how to work more effectively. ”

Deepak Soni,
Head of Small Business Insurance


HISCOX SMALL BUSINESS BLOG: LATEST BLOG POSTS

FEB 05




Five tips for running a successful small business


By Hiscox

It isn't easy running your own business. It involves a lot of hard work, but many people who have started their own businesses have never looked back. There's no single secret to building a successful business,...



GOT AN INTERESTING STORY?

Get in touch...   

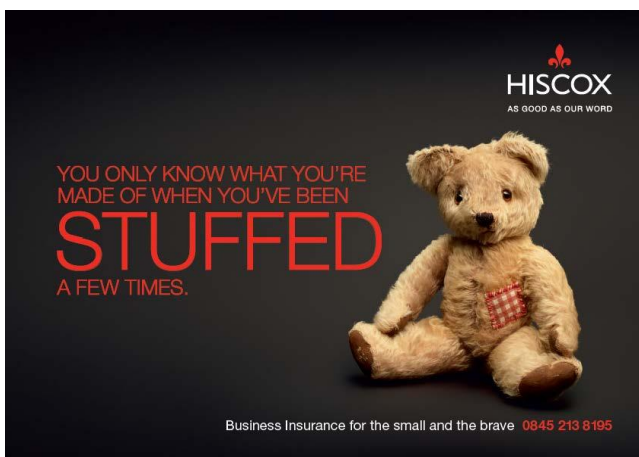
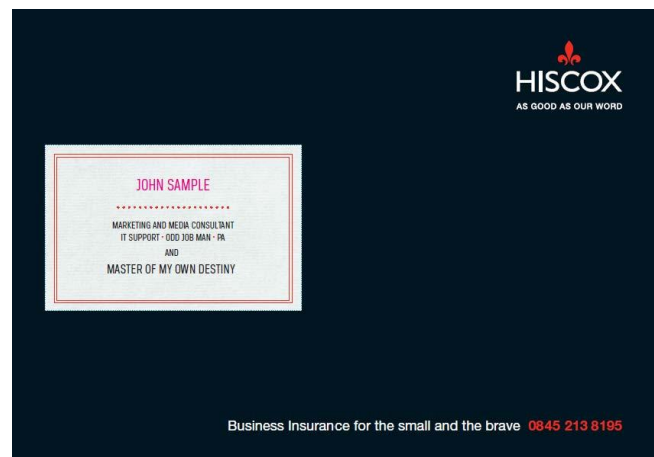
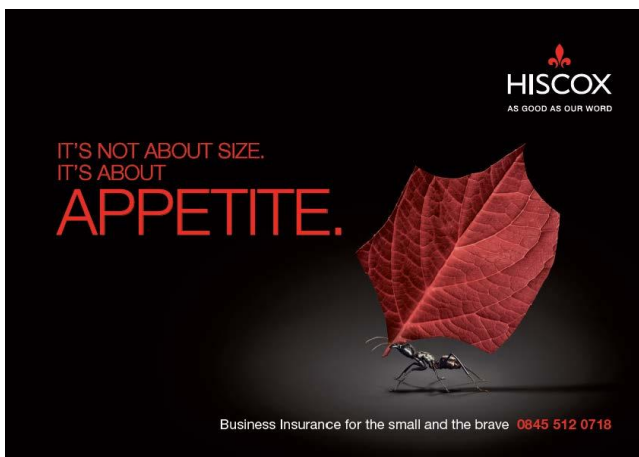
 LATEST TWEETS

Acquisition – converting brand affinity into quotes and sales

The campaign continued into our acquisition channels of direct mail, e-dm and PPC. The direct marketing strategy for the campaign focused on identifying our target audience through segmentation and purchasing data for customer 'look-a-likes' who we knew would resonate with the campaign messaging of embracing risk.

Results exceeded expectations:

- February DM beat sales target by 24%, contributing to a 22% increase in GWP
- July DM beat sales target by 16%, contributing to 9% increase in GWP
- ROI for entire campaign of 1.89.



Business Insurance for the small and the brave

Problem, need this email?

HISCOX
BUSINESS INSURANCE

YOU ONLY FIND OUT
WHAT YOU'RE MADE OF
WHEN YOU'VE BEEN
STUFFED
A FEW TIMES.

GET A QUOTE

Dear Miss Thompson,

Success is hard-won when you're a small business, but all the sweeter for it.

We've been working with IT consultants for more than 20 years, so not only do we understand the risks your business faces, we have also designed our professional indemnity policy to cover them.

The policy includes cover for claims of negligence, infringement of intellectual property and loss of client data or documents.

Call 0845 512 0723 today or visit our website for a quote. It won't take long and there is absolutely no obligation.

We look forward to helping you protect your business.

Deepak Soni
Head of Hiscox Direct Commercial

GET A QUOTE

Prices from just £12.90 a month

Call 0845 512 0723 and speak to one of our specialists or go online now.

GET A QUOTE

BIG THINKING FOR SMALL BUSINESSES

Get an expert view on how to set up, run and grow a successful company with our small business blog.

Call 0845 512 0723 today or visit our website for a quote. It won't take long and there is absolutely no obligation.

We look forward to helping you protect your business.

Deepak Soni
Head of Hiscox Direct Commercial

GET A QUOTE

Public Liability Insurance
Employers' Liability Insurance
Professional Indemnity Insurance
Business Interruption Insurance
Cyber Security Insurance
Personal Accident Insurance

Best Small Business Insurance Winner 2009 to 2012

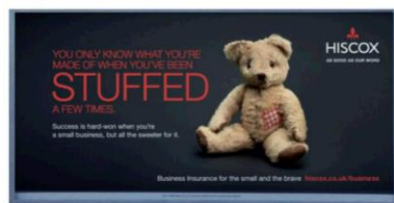
HISCOX
BUSINESS INSURANCE

Business Insurance for the small and the brave

Hiscox Underwriting Ltd is authorised and regulated by the Financial Conduct Authority. If you no longer wish to receive emails from Hiscox, please follow this link.

Brian Macreadie
@BMMarketer

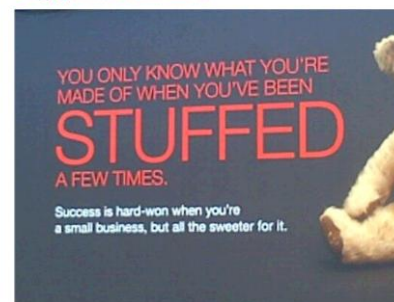
"...for the small and the brave" gets my vote! Nice #marketing messaging Hiscox + Clint&Ingemar
bit.ly/17xeoag
pic.twitter.com/oHr7f7mXIC



1:50 PM - 1 Nov 2013

Monique Borst
@Monique_Borst

You only know what you're made of when you've been stuffed a few times. Spoken like a pro
@HiscoxUK!
pic.twitter.com/FhWxhk0rvn



10:13 AM - 18 Jul 2013

Tom Mallens
@TomMallens

Thanks for the inspiring 'business card' @HiscoxUK. Great marketing idea! pic.twitter.com/g23xxOYdb4

Tom Mallens
FOUNDER - AND DIRECTOR
OF GUMPTON - AND HIS NAME IS
AND
MASTER OF MY OWN DESTINY

11:06 am - 27 Jul 2013

Myles Davidson
@mylesdavidson

"You only know what you're made of when you've been stuffed a few times" #hiscox billboard ad. True.

7:41 AM - 1 May 2013

Komal Vora
@8_MissK

#SoTrue - You only know what you're made of when you've been stuffed a few times!
pic.twitter.com/MtNAIgs2s



Adam Amor
@adamamor

Nice personalised marketing by @HiscoxUK
pic.twitter.com/QhuPbdMagO



Hiscox Insurance (@HiscoxUK) Jul 25
Many thanks for the compliment @adamamor. We're glad you liked it!

A risk that paid off

Hiscox business insurance had its best year ever for sales in 2013. The results of the small and brave campaign exceeded expectations on every metric:
[confidential results]

1. Maintain our position as the number one small business insurer in the UK

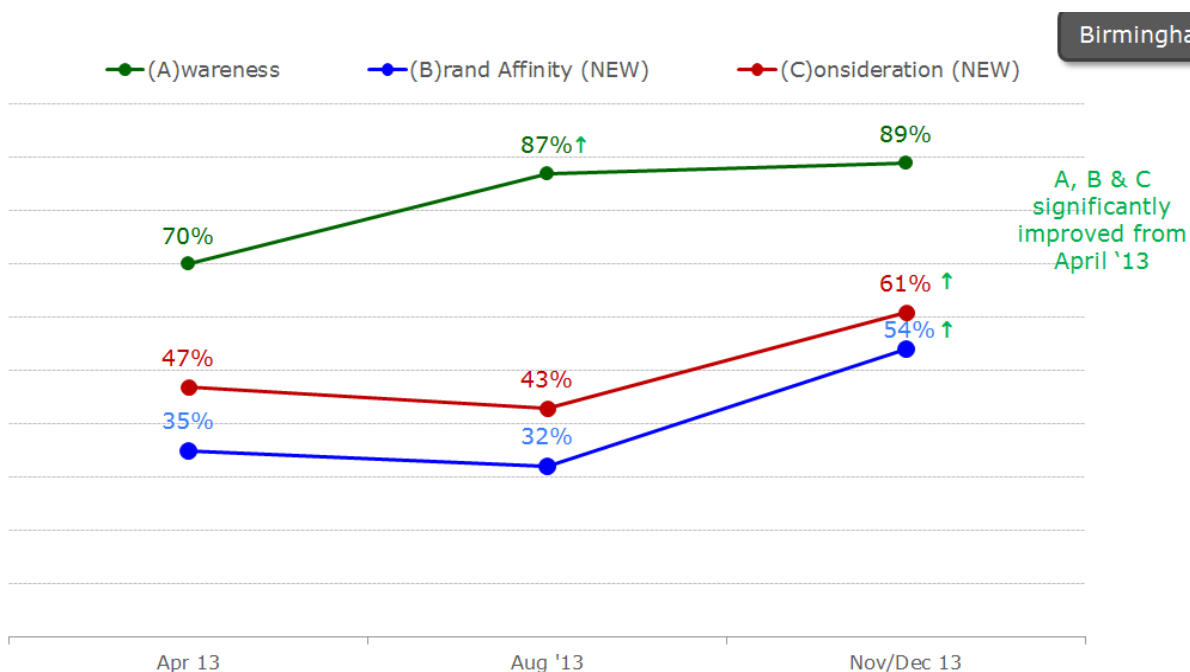
- Significant contribution to 24,000 new customers (averaging 100 per day) with 17% growth (vs.2012) beating the target of 15%

2. Ensure existing customers continue to engage with the brand

- 89% retention rate

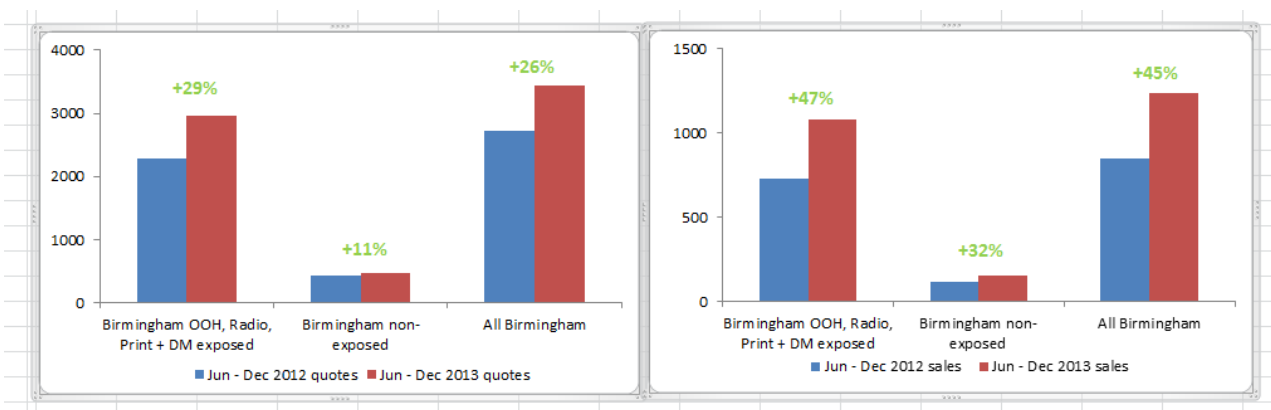
3. Launch the brand in new regions where concentration of target audience is high

- 19% increase in brand awareness in Birmingham (graph below)
- 15% increase in sales in Birmingham
- Over 100% increase in visits to Hiscox blog.



To isolate the effect of marketing in Birmingham, performance was compared with a control area that was not exposed to the marketing activity. The results concluded marketing had significantly contributed to increased sales:

- Quotes: 18% growth against control
- Sales: 15% growth against control.



4. Use communications to drive an emotional connection with the brand

- 4% increase in those who agree that "Hiscox is a company who cares for its customers".
- 28% poster recognition (among brand tracker sample).
- 43% increase YOY on searches for Hiscox business insurance.
- Brand awareness increase from 70% to 75% among core target

2013 has been an incredibly successful year for Hiscox insurance, return on marketing investment has been the best the business has ever seen; returning an overall figure of £1.45.



HISCOX