

THE CHARTERED INSURANCE INSTITUTE

945

Advanced Diploma in Insurance

Unit 945 – Marketing insurance products and services

October 2013 examination

Instructions

- Three hours are allowed for this paper.
- **Do not begin writing until the invigilator instructs you to.**
- **Read the instructions on page 3 carefully before answering any questions.**
- Provide the information requested on the answer book and form B.
- You are allowed to write on the inside pages of this question paper, but you must **NOT** write your name, candidate number, PIN or any other identification anywhere on this question paper.
- The answer book and this question paper must **both be handed in personally by you** to the invigilator before you leave the examination room. **Failure to comply with this regulation will result in your paper not being marked and you may be prevented from entering this examination in the future.**

Unit 945 – Marketing insurance products and services

Instructions to candidates

Read the instructions below before answering any questions

Three hours are allowed for this paper which carries a total of 160 marks, as follows:

Part I	1 compulsory question (case study)	80 marks
Part II	2 questions selected from 3 (scenarios)	80 marks

- You should answer the question in Part I, and two out of the three questions in Part II.
- **You are advised to spend no more than 90 minutes on Part I and 45 minutes on each question selected in Part II.**
- **It is recommended that you spend 15 minutes reading and planning your answer to the case study and 75 minutes answering it, and that you spend 10 minutes reading and planning your answer to each scenario and 35 minutes answering it.**
- A case study tests extensively across syllabus learning outcomes, whilst a scenario will be more focused on specific learning outcomes.
- Read carefully all questions and information provided before starting to answer. Your answer will be marked strictly in accordance with the question set.
- You may find it helpful in some places to make rough notes in the answer booklet. If you do this, you should cross through these notes before you hand in the booklet.
- Answer each question on a new page. If a question has more than one part, leave six lines blank after each part.

PART I**Case study****This question is worth 80 marks**

To gain maximum marks you should include relevant examples and evidence of further reading in your answer

1. Case study

OPQ Insurance transacts motor and home insurance through its own call centre and online through its website.

As the Marketing Director you have been monitoring the transaction volume through your website and call numbers received at your call centre. This has shown a continuing downward trend during the last 12 months to the extent that OPQ has now fallen well behind its overall plan to grow the business.

The Board recognise that the recession and other changes in the market have influenced customers in their decision making for your products and have asked you what action should be taken to reverse this trend. You have conducted an internal audit of your products and these are similar to others in the market. The Board believes that the needs of the customer may have changed and have requested your proposals on how OPQ can return to its overall growth plan.

Question

Prepare a report to the Board recommending ways of achieving OPQ's growth plans including how you will:

- review and analyse the customer base;
- address the changing needs of your customers in challenging financial times;
- identify new opportunities to improve or change the current offering.

(80)

PART II**Scenarios**

Answer TWO of the following THREE questions
Each question is worth 40 marks

To gain maximum marks you should include relevant examples and evidence of further reading in your answer

2. Scenario

You are the Marketing Manager for an insurance intermediary that has won the account of a large commercial client with over 1,000 employees. As part of the service package with this new client, it has been agreed that the services you offer will form part of their employees' benefit package going forward.

Your Managing Director wants to provide personal lines insurance products to these employees. As this will be the largest customer for the business, your Managing Director is anxious that the right message is provided to the employees.

You have communications access to employees through the client's Human Resources department.

Question

Prepare a report for your Managing Director on your proposed communication strategy with the client's employees. You should also take into account any regulatory issues.

(40)**3. Scenario**

ZZZ Underwriting is about to enter a new market with the launch of a new liability policy for computer consultants. As the Marketing Manager you have heard that one of your main competitors, who are already established in the market, are to defend their market share by promoting a re-branded policy with no wording change but with a time-limited premium reduction.

Consequently, your Managing Director is concerned that the sales target projections put forward by you may not be achieved for this new liability policy.

Question

Write a report to the Managing Director which explains how product sales will grow over time and what action you will be taking when competitors launch a new product. Your report will also need to outline reasons as to how and why these actions will help you achieve these targets.

(40)**4. Scenario**

As the Marketing Manager for a UK based insurance organisation, you have presented a marketing plan to your Board regarding the future growth and direction for the business. The Directors have agreed to the performance targets for each of their departments and believe they can be achieved with the existing resources.

Nevertheless, one of the Directors feels you have underestimated the sensitivity of the business to possible external factors that could affect these plans and has asked for your opinions.

Question

Provide a report for the Board explaining the external factors that could affect your marketing plan for the business and evaluate any actions that may be taken to minimise

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