

CASE STUDY

Major health insurance provider identifies actionable, needs-based segments

THE CHALLENGE

In order to drive profitable growth and innovation and to improve its position within the current marketplace and for the then imminent 2014 healthcare reform, a leading health insurance provider sought to better understand the customer segments within its individual and family and small business lines of business. The marketplace was about to change drastically, and the company needed to know how to best differentiate their product and most effectively reach customers.

WHAT WE DID

The company turned to Applied Marketing Science (AMS) to conduct Voice of the Customer research and needs-based segmentation for individual, family and small business lines of business. AMS led the effort in designing, conducting, and analyzing:

- Qualitative research to understand individual and small business needs, which included such topics as decision making, enrollment, and proof of coverage, access to care, switching plans, customer service, communication, healthcare reform and value. The research involved detailed, open ended, in-person, one-on-one conversations with a wide variety of individual, family and small business customers.
- Quantitative research to identify potential opportunities for new products and services through customer needs prioritization
- A rigorous segmentation analysis to identify a consumer-derived set of healthcare-specific attributes specific to each different line of business in addition to lifestyle- and needs-based attitudinal statements from which to derive segments

THE OUTCOME

By understanding what was truly important to each customer segment, the company was able to create new products and services and optimize communication strategies at the segment level. The company was able to identify what was most important to consumers and small businesses when choosing among the various healthcare insurance plan options, including:

- What “hot buttons” the company could use to get into the consideration set
- Key ways to distinguish from the competition
- Ways to directly address concerns about Healthcare Reform and its impact

These strategies worked. This ultimately led to the company growing or maintaining its core customer segments and improving retention rates.

CLIENT

A major health insurance provider

INDUSTRY

Banking, Investing and Insurance

SERVICES

Market Segmentation,
Voice of the Customer

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