

Case Study: Terminator Program for Tribal Casino/Hotel

Type of Business: Tribal Casino/Hotel

Total Lives: 5,000

Total Terminated Employees Over 6 Months: 3,000

Campaign Overview

The Terminator Program aimed to engage terminated employees of a Tribal Casino/Hotel with a comprehensive life insurance offering that included Term Life, Whole Life and Final expense including a GI offer. Over a 10-day period, the campaign utilized targeted text messages to reach out to the former employees. The campaign anticipated a response rate of 3%.

Campaign Results

- **Total Former Employees in Campaign:** 3,000
- **Click-Through Rate:** 11% (330 employees)
- **Quotation Rate:** 7.4% (222 employees)
- **Enrollment Rate in a Life Plan:** 5.8% (174 employees)

Financial Outcomes

- **Average Premium per Policy:** \$689
- **Total Premium:** \$119,886
- **Average Commission Rate:** 62%
- **Total Commissions:** \$74,329.32
- **Broker's Commission:** \$37,164.66 (50% of total commissions)

Detailed Analysis

The campaign exceeded expectations with an 11% click-through rate, significantly higher than the anticipated 3%. Of the 330 employees who clicked the link, 222 proceeded to receive a quote, reflecting a strong interest and engagement from the target audience.

Out of those who were quoted, 174 employees enrolled in a life insurance plan, resulting in a conversion rate of 5.8%. This translates to a substantial number of applications considering the total pool of terminated employees.

The average premium per policy was \$689, leading to a total premium of \$119,886. Given the average commission rate of 62%, the campaign generated a total commission of \$74,329.32. The broker's commission amounted to 50% of the total commissions, resulting in earnings of \$37,164.66 for the broker. It should be noted that the commission are all paid as earned.

While the initial results are promising, it is expected that some policies may be canceled over time. Monitoring and managing these cancellations will be crucial to maintaining the long-term success and profitability of the program.

Conclusion

The Terminator Program demonstrated a highly effective strategy for engaging and converting terminated employees into life insurance policyholders. The campaign not only met but significantly exceeded its anticipated response rate, resulting in substantial premiums and commissions. This case study highlights the potential of targeted text message campaigns in the insurance industry, particularly for reaching out to former employees. Despite the potential for some cancellations, the overall results underscore the program's success and viability.