

# ANALYSIS ON GEICO

## Assignment 1

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# ABSTRACT

A closer look at a batch of commercial spots from the GEICO advertising campaign, including an analysis of the character, physical attractiveness, definition of trustworthiness and perception of accountability, is what leads the study. The results of the study show that humour, physical attractiveness, elocution, anthropomorphism, and differentiation of theological bias, the role of the character in the campaign, as well as the role of the supporting characters, answer the question of how trustworthiness in the gecko is understood by the audience. In a television commercial early on in the campaign, the GEICO gecko stands in a chair with a talk show host, fielding questions. The host, off camera, asks the spokes-character why an advertising campaign would feature a talking gecko. With a British accent, the character explains briefly that people don't trust human salesmen, but advertising icons. He goes on to say that the concept is as simple as asking customers if they would like to save money. The gecko says that the consumer always agrees and then asks if he would babysit their children, to which the gecko replies, "of course I'll sit with your kids. You're like a brother to me."

In recent years, car insurance advertisements and their financial backing have seen a surge of representation in television, print, and various digital media streams. Interestingly, the virtue of trustworthiness contrasts with the emotional subtext commonly observed in attitudes towards American car insurance, which provides part of the basis for the analysis. With the advent of a siege of aggressively targeted automobile insurance ad campaigns, there is no better opportunity to examine the Aristotelian themes, emotional subtexts, visual cues, physical appearance, delivery, style, arrangement, and the pre-existing attitudes and beliefs of the American audience that agencies are using to target consumers. In order to fully assess a scope of the analysis, it is necessary to examine the literature founding the theoretical framework, the purpose of the study, methodology, the text selection, research question, framework, actual text (GEICO commercial advertising campaign), the geico's perceived trustworthiness, and the makings of his character, physical attraction, findings, discussion and further research. The GEICO gecko spokes-character makes for a formidable text due to the abundance of content, opinion, and notoriety surrounding the campaign. The relevance to communication can be found in the case of trustworthiness, the medium in which the advertisement messages are delivered, and in the rhetorical findings of the campaign

# CONTENT ANALYSIS

## **1. Products**

### *Insurance*

- Auto
  - Customers can save 15 percent or more on car insurance by switching to GEICO.
  - Premiums
    - Bodily injury liability
    - Medical payments, no-fault or personal injury protection coverage
    - Uninsured motorists coverage
    - Comprehensive physical damage coverage
    - Collision
    - Property damage liability
    - Rental reimbursement
- Motorcycle
  - GEICO covers most types of motorcycles including: cruisers, street sport, touring, high-performance bikes and scooters.
- ATV
  - Covers all terrain vehicles on the trails, including:
    - Liability
    - Comprehensive
    - Collision
    - Uninsured/Underinsured
- Umbrella
  - A personal umbrella policy is useful if the value of assets exceeds auto, homeowners, and/or boat insurance limits. It can also protect from additional liabilities not covered by your other policies.
- Homeowners
  - Designed to cover the structure of the home and includes protection for various kinds of personal property, as well as liability coverage.
- Renters
  - When renting an apartment, single family home, or townhouse, the landlord's policy probably does not cover personal items in the event of theft, or fire and water damage.
  - A renter's policy protects personal property, such as electronics, furniture, and clothing from a variety of losses.
  - Liability coverage helps if someone is accidentally injured on the property due to negligence.
- Condo/Co-op

- Consumers who live in large high-rise style buildings, side-by-side townhomes, or own a condo or co-op need insurance to protect personal items or the interior walls of the unit.
- RV
  - Covers recreational vehicles, including sport utility, motorhomes and trailers.
    - Towable RV's, such as conventional travel trailers, fifth-wheel travel trailers, travel trailers with expandable ends, folding camper trailers and truck campers.
    - Toy-haulers to transport motorcycles and ATVs.
- Life
  - Prepares consumers for the unexpected and protects family members in case something happens.
  - Income replacement is the largest reason why people buy life insurance, and it can be used to achieve specific business or estate planning goals.
- Boat/PWC
  - Protects consumer's boats, jet-skis, sailboats, and personal watercrafts against accidents, vandalism and liability.
- Flood
  - Consumers, who live in flood-prone areas and have a mortgage, may be required by federal law to have flood insurance that would cover water damage to the structure of the home and personal property.
- Mobile home
  - Policies cover the mobile home itself, items of personal property, and include liability coverage that could help cover accidents caused by negligence.
- Overseas
  - GEICO subsidiary, the International Insurance Underwriters, Inc. (IIU), acts as the consumer's insurance agent while abroad to insure all documents needed are shipped, registered, and cross international borders.
- Commercial
  - Private passenger insurance policies do not cover vehicles for most business use, and this coverage protects commercial cars and trucks.
- Identity theft protection

Protects the consumer's credit and name by signing them up for Identity Theft Protection (Geico, 2008).

## **2. Need For IMC (Situational Analysis)**

**Internal Environment:-** GEICO has been a large insurance agency for over seventy-five years, and covers every type of insurance from

home and auto to motorhomes and trailers. Since then, GEICO has become one of the top three insurance providers in the United States due to its various discounts, low premiums and umbrella coverage that is offered to many types of drivers. Within the past decade or so, GEICO has grown more prominent in the insurance industry through its funny, and often clever advertisements on television, radio and on the Internet. GEICO is looking for a way to further expand its already vast market of customers by infiltrating markets that competitors such as Allstate and State Farm seem to have more of a grasp on. GEICO wants to accomplish this by differentiating between suburban and urban customers, thus making it easier to facilitate the needs of those in their respective regions of the United States. Despite being one of the top three insurers nationwide, GEICO is looking to capitalize on its already successful marketing endeavours by infiltrating these saturated and unsaturated markets. Despite the competitive environment, GEICO is still a dominating company in the insurance industry across the United States, offering a wide range of policies at various price points for a vast array of products and services. GEICO has a lot of competition and it needs to find certain points-of-difference in order to make consumers either switch to GEICO or choose GEICO as their primary insurer. Also, other insurance companies have successful marketing campaigns, which make their brands easily recognizable as well. However, if GEICO can pull together all of its resources including its valuable employees and technological advancements, such as its mobile application, within the next couple of years, it could become the number one insurer nationwide, surpassing State Farm and its other competitors. Some internal strategies that could be changed to further improve GEICO's strengths include expanding to saturated markets and competing with companies in these

markets, utilizing technology to provide outstanding service to customers who may not be in close proximity to GEICO offices, and producing more television advertisements that resonate with the urban demographic population, specifically young, single individuals who may consider themselves as part of a minority population. In terms of its weaknesses, GEICO lacks a physical office presence in suburban areas and with limited offices, interactions between agents and policyholders are mostly done online or by phone. The company has diversified its television advertising campaigns by introducing multiple characters in its commercials, but having many different characters sending messages can cause consumers to become confused. In terms of opportunities, GEICO has the potential to tap into markets that are unsaturated where there is little competition. However, a major threat to GEICO is that the company's major competitors, State Farm, Allstate and Farmers, are more popular in predominantly suburban areas, and many have successful marketing campaigns in existence. This will likely lead to intense competition, especially due to the limited number of GEICO insurance offices in particular areas of the country that could potentially lead to fewer policies sold.

**Analysis of the Customer Environment:-** GEICO has more than 12 million policyholders, with more than 20 million vehicles insured. Potential customers make up many varying demographic and geographic segments across the United States; these potential customers which do not boast a particular preference for auto insurance policies. This environment includes potential customers from other insurance companies that may be unhappy and are looking to switch to a new company. The estimated size of the target market is dependent upon the number of current policyholders, as well as saturated and unsaturated

markets, those in the target market who opt not to drive and other factors. Most, if not all, drivers require car insurance, so there is certainly a high demand for GEICO's services, especially in New York State where all drivers are required by law to have car insurance. GEICO already insures well over 10 million customers, and this number continues to increase, as more people are driving and insuring new cars every day. Some members of our target market are teenagers and young adults who most likely live at home, so their buying decisions may be heavily reliant on their parents or guardians. The likely demand for car insurance in general, as well as GEICO car insurance specifically, is increasing, as is evidenced by GEICO's expansion of offices across the United States. A main reason why the demand for GEICO's car insurance has increased is likely due to the company's recent advertising efforts that have exposed the brand to an array of consumers in a variety of demographic segments. It seems that directing consumers to call a phone number and request a quote in order to save a substantial amount on their car insurance has appealed to many consumers who have given GEICO their business in recent years. GEICO customers purchase their policies typically in one of two ways, online or specifically from an agent. They purchase their policies to protect themselves if there is ever damage to their vehicle(s) in an event such as a car accident. It appears that GEICO is gaining market share in the insurance industry judging by the fact that it is now the #1 auto insurer in New York, according to the 2011 A.M. Best Market Share report.<sup>6</sup> GEICO's success is also seen by the increase in policies written as well as expansion in their office locations, most recently in Buffalo, NY. GEICO offers an array of insurance policies from car insurance, homeowners, life insurance as well as coverage for a variety of other products and services. A gap that GEICO is looking to fill regards the geographic locations it serves and its customer base in these locations.

## **Analysis of External Environment:-**

- **Socio-Cultural Trends-** in terms of trends in everyday living, consumers seem to be gravitating towards a more technologically visual society with pictures, videos, and other media being readily available and plentiful online, as opposed to a more traditional form of text, such as newspapers and magazines. GEICO has capitalized on this trend with the implementation of its mobile application that attempts to enhance the consumer's overall experience with the company. In addition to the visual trend, GEICO has recognized that consumers want information instantaneously and has simplified its process of requesting an estimate for the cost of a policy by allowing consumers to go online to request a quote.
  
- **Economy-** The economy affects businesses like GEICO and the car insurance industry as a whole in a few unique ways. If the economy is flourishing, it is likely that consumers will be purchasing new, and perhaps more expensive, cars on a regular basis. As a result, their premiums and payments would likely increase. So, when the economy is thriving, consumers likely have more of a disposable income that they use towards leisure activities or luxury purchases for items like automobiles. In contrast, when the economy is in a poor state, consumers are likely to reduce the amount of coverage on their policies, or perhaps even cancel their current policy to switch to an insurance company with lower rates. If an economic downturn persists for a long period of time, drivers may reduce the number of cars they own, or downgrade to a less expensive car, resulting in fewer cars on customers' policies and reduced insurance rates. Some may even rely more heavily on public transportation to avoid having to purchase gas and pay for car related expenses such as repairs and insurance. Thus, when the economy suffers, so do companies in the car insurance industry.
  
- **Technological Trends & Issues-** A technological trend in today's society that GEICO has embraced is the use of mobile applications. With GEICO's mobile app, customers can manage their policies by paying bills, viewing coverage and discounts, updating claims, and chatting with Lily, the voice



assistant that helps with all insurance needs. Also on the app, customers can access their digital ID card, making it easy to view, email and print one's ID from his or her mobile device. This app can be downloaded on any smartphone or smart device. In addition to this, GEICO has an interactive accident guide that contains a customer's digital ID card, collects contact information, records accident location and details, takes photos, and allows the customer to call a GEICO representative to report the claim. This feature also provides access to appointments and details regarding the claim.

➤ **CSR Activity-**

***Safety Belt Poster Contest***

Young artists across the country age 6-18 are invited to enter the Safety Belt Poster Contest to help spread the safety belt message and save lives. Students design, draw, paint, colour or cut and paste an original picture and message emphasizing the importance of using safety belts. Winners receive cash prizes (Geico, 2008).

***Community events calendar***

GEICO works hard to “ensure a better community for the people they insure.” As part of GEICO's corporate mission—to encourage active, involved citizenship—the company's associates read, build, mentor, walk, run, and coach to help people in need. Through GEICO Corporate Community Citizens (GCCC), the associates contribute to, and participate in a variety of activities where offices are located, and volunteers average five hours a week helping many organizations (Geico, 2008).

***Wildlife conservation advocacy***

GEICO's partnership with the Association of Zoos and Aquariums (AZA) made the GEICO Gecko the “spokescreature” to help raise awareness and promote the wildlife conservation work done by zoos and aquariums across America. The joint public awareness project will support more than 200 AZA-accredited zoos and aquariums nationwide during a three-year partnership, and will include a live gecko exhibit and advertisements via television, radio and newspaper promoting wildlife conservation featuring the Gecko.

Currently, there are four GEICO-AZA television spots featuring the Gecko humorously interacting with an otter, giraffe, jellyfish or gorilla. Sir David Attenborough, naturalist and broadcaster of documentaries, makes an appearance in some of the spots. A large component of wildlife conservation is providing education about endangered species, like geckos, and GEICO's Gecko helps teach others how to protect species from extinction (Geico, 2008).

### ***Green efforts***

GEICO is committed to the environment, and like many corporate companies, it is going green, too. The company encourages its associates to be environmentally responsible through recycling programs and energy and water saving initiatives. Consumers can make electronic payment via geico.com and the e-Bill system, eliminating paper and waste in our offices and conserving energy to protect the environment (Geico, 2008).

### ***Environmental safety and pollution prevention***

GEICO is concerned about the environment and requires their auto body repair shops to pass an environmental and safety training program. By working with the Coordinating Committee on Automotive Repair (CCAR) within the United States Environmental Protection Agency Compliance Assistance Centre, GEICO repair shops have Safety and Pollution Prevention (SP2) training specific to auto body repair. In 2003, GEICO was the first recipient of CCAR's Environmental and Safety Stewardship award and the first major supporter of the training that has been adopted by General Motors, DaimlerChrysler, Toyota and Automotive YES schools.

## **3. Strategic Implementations**

- **Target Marketing-** The market consists of various demographic customers, which include, but are not limited to, senior citizens, families who have recently bought a new vehicle, families with children who are new drivers, customers with insurance for their boats, RVs or ATVs, customers with auto, home and life

insurance, etc. GEICO should cover all of these varying market segments with a particular emphasis on differentiating between suburban and urban customers with regard to their car insurance plans. By differentiating between these larger groupings of customers, urban and suburban, GEICO will make it easier to facilitate the needs of customers in their respective regions in New York State and also increase their brand awareness by dividing up the geographic segment of the target market. Secondly, GEICO should focus on drivers between the ages of 16 and 34, because this group is particularly reflective of new drivers who may or may not have car insurance, or are looking to switch to a different company for various reasons. Since GEICO presently targets a large demographic, our strategy is somewhat consistent with GEICO's current target markets and positioning of the brand. However, our target markets and positioning are more based on younger drivers because we are attempting to gain loyalty early on in customers' driving lives. Our ultimate goal is to develop customer lifetime loyalty to GEICO. Since this age group is likely to have families within the next ten to fifteen years, we are hoping to maintain their loyalty long enough for them to expand their policies to include their spouses and children. Due to the fact that this target market represents the future policyholders of the United States, they are important people that GEICO should attract as early as possible in their driving years. As previously mentioned, these individuals will likely choose insurance for their families and eventually become main policyholders. Newer drivers would be able to increase the brand equity of GEICO through word-of-mouth advertising and social media, and also set precedent within their close-knit relationships by continuing to insure with GEICO for the years to come.

➤ **Positioning-**

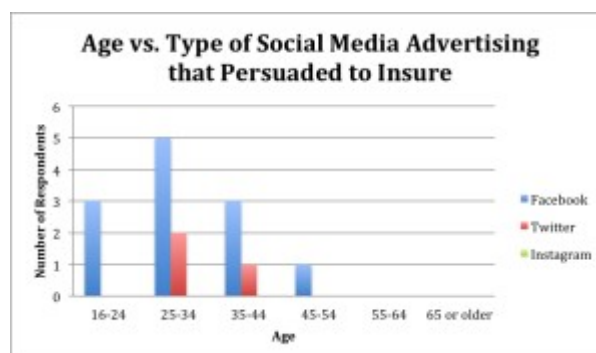
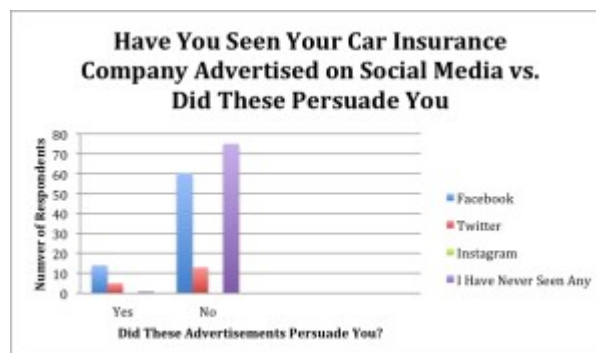
- **Advertising-** GEICO is currently positioned as the insurance company that states, "15 minutes can save you 15 percent or more on car insurance," which provides excellent coverage, low prices and outstanding service. GEICO competes with other insurance based on similar points-of-parity, and offering similar products and services. GEICO's competitive advantage over other companies includes the proliferation of a mobile application, close personal customer relationships, strong marketing

campaigns and great brand recognition. GEICO competes on all of these fronts by focusing on several points of difference. Insurance companies have taken a drab commodity and made it fun for consumers, through popular and widespread advertising campaigns. According to Insurance Journal, all of GEICO's efforts may have made them "unsurpassable." The GEICO, which has been the longest running advertising campaign and is considered to be the GEICO brand spokesperson, has been promoted in almost every feature and benefit over the years. By narrowing its scope, GEICO can establish a clearer brand image in the minds of consumers. This will be helpful when emphasizing the company's unique strengths that give it a competitive advantage over other top insurance companies in the industry while avoiding the confusion that often comes with GEICO's very diverse advertising campaigns.

- **Technology-** GEICO use of the mobile application makes the company more user-friendly for customers who are technologically inclined. Mobile advertising and marketing is one of the fastest growing forms of advertising that is projected to help companies prosper within the next few years; by offering a mobile application, GEICO will be the frontrunner in mobile marketing and thus attract new customers, particularly in the 16-34 year old age range, and retain their current customers who will view GEICO as a company that stays up to date with modern technology. In addition, GEICO continues to provide quality online, telephone and in-person service, as to not deter customers who may not be as technologically inclined as others. Furthermore, GEICO should increase the amount of policies sold in suburban areas to compete with other insurance companies like State Farm, Allstate and Farmers Group. A great way to do this is by shifting GEICO's target market to a younger (16-34 years old) demographic of people who are likely to settle down and have children soon. Since it is common for people in this situation to reside in (or relocate to) a suburban area, this would help us to increase the number of GEICO customers living in the suburbs.

- **Geographic's-** GEICO should position itself as a company that is easily accessible to its customers by embracing technological advances, making it easier to access consumers in untapped markets in suburban areas of New York State. Also, GEICO should increase its brand awareness among all demographics, with a particular emphasis on younger customers (16-34 years old) because, as stated previously, they are future policyholders and gaining their loyalty early on is crucial. Since GEICO's major competitors do not focus their marketing efforts on the fact that they are accessible to people living in different geographic areas, this could be a major selling point for GEICO that could differentiate it considerably from its competition.
- **IMC Strategy-** 57% of survey respondents have never been insured with GEICO. Due to the fact that 82% of these respondents valued price rate/discounts as their primary motivation for insuring with a company, GEICO should take this into consideration when promoting its brand and its services in advertisements. GEICO needs to increase its aided recall, so that when consumers go shopping for car insurance they automatically think of GEICO when they think car insurance. When asked how respondents first learned about their current insurance company, 45% of them indicated that word of mouth (through a friend or a family member) was the primary source of information. The second highest answer was personal research (26%) followed by television commercials (23%). When asked which type of television advertising about car insurance was most appealing, 71 respondents (53%) indicated that humorous ads were the most appealing. Based on this data, GEICO should continue incorporating witty characters and messages in their commercials to appeal to some consumers. However, since only half of respondents enjoyed the humorous ads enough to be persuaded to insure with the company, GEICO should be sure to *not focus solely on humorous messages* in order to appeal to a broader audience. To accomplish this and to increase awareness of the brand in suburban areas, GEICO might consider advertising some commercials that are more thoughtful to the point, and less focused on appealing to humour. In terms of social media advertising, 92 respondents indicated that they saw their car insurance company advertised on Facebook and/or Twitter. However, 90% of overall respondents stated that these

advertisements did not persuade them to insure with that particular company. Since 24% of respondents indicated social media as a medium that would persuade them to insure with GEICO, the company should consider increasing its advertising spending on sites such as Facebook and Twitter which are popular sites among members of the 16-34 age group. Based on our data, as an alternative to television advertising, GEICO should consider increasing its advertising via print media and direct media, specifically direct mail (including mailers and email) because 29% of respondents indicated that they would be most persuaded to insure with a company if they saw an advertisement in print media and 21% indicated direct mail. To attract these consumers, GEICO should advertise in periodicals, newspapers, and billboards. The following graphs compare type of social media and its impact on persuading the respondent to insure with their current company, as well as age and the type of social media that influenced them to insure with their current company.



Although GEICO currently offers competitive prices, the company should take into consideration the fact that customers place great importance on price when choosing an insurance company. GEICO should capitalize on this by integrating

its competitive pricing strategies into its current advertising campaigns. Presently, GEICO is famous for offering consumers the opportunity to save 15% on car insurance in only 15 minutes. However, this idea of saving “15%” is vague and does not indicate an approximate dollar amount that consumers will save. Taking into account the fact that savings per consumer are likely to differ considerably depending on age, gender, driving record, and a variety of other factors, GEICO should attempt to calculate the average range of savings in dollars that consumers typically will receive in 15 minutes. By providing consumers with a numeral value of savings instead of a percentage, they would have a clearer understanding of GEICO’s affordable and competitive pricing strategy. Past research reveals that consumers on Facebook are more likely to respond positively to “dollar off” promotions than to “percent off” promotions. In a study that compared consumers’ responses to a \$50 off coupon and a 15% off coupon, researchers found that the \$50 off coupon generated 170% more revenue than the 15% off coupon. So, by providing a percentage (15%) to consumers, GEICO enters into somewhat of a “grey area” that requires a more difficult cognitive process and does not provide potential customers with detailed information about the perceived value of their services. Using a dollar value as a “defined amount” that consumers will receive is a more effective incentive. For instance, GEICO could have actors on commercials say, “By switching to GEICO, consumers save an average of \$256!” By offering an average dollar value of savings, GEICO can make its advertisements easier to understand and less open to interpretation, ultimately convincing consumers to insure with the company. So, the lower the level of cognitive difficulty involved with processing the number displayed in commercials, the easier it will be for consumers to understand just how much they would save by switching to GEICO.

- **Media Implementation-** According to survey research and demographics, respondents said they would likely insure with an insurance company if the

company were to communicate with them via social media (Facebook and Twitter) as well as print media. Social media will be an important tool for GEICO to use to increase its online presence since the 16-34 age group is considered high volume users of such sites as Facebook and Twitter. To increase use of these tools, GEICO should add to their current marketing efforts by spending more money on advertising and increasing efforts to get statuses and tweets promoted on users' timelines. Respondents also indicated they would like to be communicated with via print media. In order to do this, GEICO will need to increase its local advertising in such mediums as newspapers and magazines. GEICO is looking to increase its presence in suburban areas; therefore it should increase the number of advertisements in suburban newspapers as well as family friendly magazines like *Good Housekeeping*, *Family Circle* and *Parenting Magazine*. In addition, GEICO should continue to reach local markets by advertising on various radio stations on both AM and FM broadcasts. For GEICO to provide a more effective incentive in its advertisements, it will need to add to its commercials by defining the actual dollar amount that customers save by insuring with or switching to GEICO. Based on our research, informational television advertisements are the second most appealing types of commercials, second to only humorous advertisements. In order to appeal to this broad audience of consumers who prefer television advertisements, GEICO will need to expand upon the "15 minutes could save you 15% or more on car insurance." To do this, we suggest a campaign, which offers testimonials of current customers who switched from another company and saved money as a result. GEICO will need current customers who are willing to appear in a commercial and whose "story" of switching to GEICO is both compelling and interesting. The story would go beyond mentioning the percentage that the consumer saved, by providing the **exact dollar value of savings received when the consumer switched to GEICO.**



➤ **Tactical Marketing Activities-**

# Implementation Schedule: GEICO

FROM THE MONTHS OF:	MAY		JUNE		JULY	
5/2014 - 7/2014						
TOTAL:	WEEK		WEEK		WEEK	
	1	2	3	4	1	2
<b>Product Activities</b>						
Sell Product						
<b>Pricing Activities</b>						
Bundling Packages						
<b>Distribution Activities</b>						
Online Quotes						
Telecom Quotes						
In-Office Quotes						
<b>Promotion Activities</b>						
Television Advertising						
Online Advertising						
Mobile Advertising						
Social Media Advertising						
Print Media Advertising						
Radio Advertising						

- **Structural Issues-** One of the main internal issues that could possibly prevent proper execution of this plan is the lack of collaboration between offices. After making phone calls to various GEICO offices to receive information from several employees, spanning Virginia, Indiana, New York and Maryland, we concluded that some of the offices are not on the same page, nor do they share similar views on defining suburban and urban customers. For this plan to be successful, it would be beneficial for GEICO to standardized the system by providing employees in all locations with a clear vision of the needs and wants of each type of consumer in terms of pricing and coverage options. An external issue related to this is that certain states do not have suburban or urban offices, and simply have a non-regional office. However, this could be easily fixed by creating a customer manual that provides instructions on how to deal with different types of customers, which each GEICO employee will receive upon hiring.

➤ **Tactics**

- National media tour
- The GEICO Great Community Go Round

- Travel throughout the nation visiting local offices in numerous cities, towns, and communities celebrating great work and introducing local offices.
  - Five months (the duration of the campaign).
  - Spend a day in each location.
- Participants
  - Current customers
  - Potential customers
  - Children
  - Community organizations
  - Local GEICO representatives
  - GEICO Corporate Community Citizens (GCCC)
  - Spokespeople
    - Gecko
      - Dressed in costume
      - Interacts with children
    - Caveman
      - Full make-up.
      - Tries to sway consumers to not buy the “benefits,” but can’t think of any reasons why.
      - Interacts more with adults (children may be frightened).
- Products of insurance in show setting (like a car show)
  - Cars, motorcycles, boats, ATVs, etc.
  - Invite community members to participate in it.
- Children’s games
  - Races.
  - Scavenger hunts.
  - Painting cave art.
  - Fish for the Gecko.
  - Live gecko exhibit.
  - Caveman dance contests.
- Community organizations representing work
  - E.g. historical societies (Caveman), wildlife associations (Gecko), children’s organizations, local groups significant to the area.
- Fundraising
  - Money raised goes to organizations participating in event.
- Food
- Prizes
  - GEICO merchandise
  - Trips

- Cars
  - Boats
  - ATVs
- Spokespeople
  - Gecko
    - Discusses benefits of new local offices.
    - Calls representatives “a close friend.”
    - Enjoys not being the only one to tell people how to save money.
  - Caveman
    - Criticizes GEICO for initiative.
    - Tries to find flaws.
    - Expresses further disgust in company.
  - Personal Agents
    - Talk directly to consumers.
    - Develop policies on the spot.
  - Community-member/GEICO Customer
    - Current customer expresses satisfaction with the introduction of local offices.
    - Persuades others to check it out.
- Advertising
  - Television
    - Gecko introduces personal representative.
    - Explains the benefits of local offices.
    - Call-to-action Web site to find nearest office.
    - Gecko gives tour of office.
    - Continues with humor.
    - Gecko expresses happiness that he does not have to tell people about saving money alone. It tough work on a reptile.
    - Mention GEICO Great Community Go Round.
  - Print
    - GEICO Great Community Go Round dates.
    - Call-to-action Web site.
    - Benefits of local offices.
    - Feature nationally recognized community organizations.
  - Radio
    - National stations
      - Introduces the GEICO Great Community Go Round.
      - Gecko voice.
      - Benefits of local offices.
      - Hear from actual representatives.
    - Local stations
      - Disc jockey keeps community audience informed of upcoming tour stop.
      - When, where, why, who and how they can participate.
      - Events happening.

- Personal selling
  - On-site tour
    - Tables and booths allow consumers to develop a policy on the spot.
    - Representatives talk directly with consumers.
    - Explore GEICO.com at computer hubs.
- Direct mail
  - Tour specific
    - Specified to region, city or community.
    - Include tour dates close by.
    - Full itinerary of activities.
    - Addressed to head of household or policy holder.
  - Introducing local offices
    - Letter from nearest office.
    - Benefits of visiting personal agents.
    - Can help develop a policy in person.
    - Personalized and addressed to individuals.
- Web site
  - Develop GEICO Great Community Go Round Web site
  - Features
    - Track the tour.
    - View photo gallery.
    - Read the Gecko's journal.
    - Watch video introductions of personal agents.
    - Hear testimonies from community members.
    - Find a GEICO local office near you.
    - Link to local office page.
    - Link back to main GEICO quote site.
    - Learn about GEICO's community initiatives.
    - Get involved in your community.
- Press releases
  - Inform regional media of upcoming event in their community.
  - Offer interviews with the Gecko, Caveman and local representative.
  - Provide background of the company.
  - Highlight campaigns initiatives.
  - Spotlight an agent.
- Social networking
  - Expand My Great Rides Web site
    - Include cars, boats, ATVs, etc.
    - Opens it up to more audience members.
    - Post tour dates.
    - Invite cyclists and car enthusiasts to attend.
- E-mail
  - Asks policy holders to enter their zip code to find out when the tour will stop near them.
  - Explains the local office initiatives.
  - Link to GEICO Great Community Go Round Web site and GEICO.com.

- Blog
  - Written by Gecko.
  - Caveman interjects with rude comments every few days.
  
- Tell consumers where his next stop is.

## **4. SWOT ANALYSIS**

### ***Strengths***

- Trusted, well-known company for more than 70 years.
- Offers competitive, affordable auto insurance rates, as well as other insurance.
- Easy-to use Web site, and fast customer service.
- Primarily does business via phone or Internet.
- Two recognizable advertising icons have become part of American pop culture.
- Marketing campaign uses humor to attract customers.
- Broad target audience.
- Partnership with other entities-television networks, wildlife associations, etc.

### ***Weaknesses***

- Little to no face-to-face interaction with personal insurance agents like competitors.
- Recent overload of phone lines irritates customers trying to speak with a representative.
- Humor in advertising causes customers to view GEICO as an unserious, unprofessional company.
- Current icons annoy perspective consumers with oversaturation of marketing tactics.
- Community involvement not known or recognized.

### ***Opportunities***

- Increase market share and policy holders with larger advertising budget.

- Re-position company to include more local offices in addition to 800 telephone number and Web site.
- Facilitate additional partnerships to advertise GEICO through icons – the Gecko and the Caveman.
- Introduce sales representatives and agents in advertising along with icons to promote local offices.
- Identify with American communities and help their organizations.

### ***Threats***

- Competitors are using witty advertising, like GEICO, to capture consumers.
- Continued use of icons could deter customers.
- Web site has worked well, and local offices may flop.
- Potential to lose money in failed advertising and events.
- Lose brand awareness switching from icons to representatives.

## **5. COMPARISON WITH GEICO**



A-Integrated marketing communication is the application of consistent brand messaging across both traditional and non-traditional marketing channels and using different promotional methods to reinforce each other. Integrated marketing communication uses both traditional and non-traditional method for brand messaging which are as follows.

Traditional method of integrated marketing communication:

➤ Traditional marketing communication includes:

- 1: Television
- 2: Radio
- 3: Print
- 4: Leaflets
- 5: Brochures
- 6: Carry home bags from stores

7: Adds on t-shirts and caps

○

**KOTAK life insurance also used non-traditional way of marketing communication to achieve their objectives:**

➤ **Co-branding**

SBI uses co-branding communication channel to branding their product, it means promoting their product by branding it another product. Integrated Marketing Communications: Integrating all the methods of brand promotion to promote a particular product or service among target customers. In integrated marketing communication, all aspects of marketing communication work together for increased sales and maximum cost effectiveness.

➤ **Emotional Branding**

Emotional branding is a term used within marketing communication that refers to the practice of building brands that appeal directly to a consumer's emotional state, needs and aspirations. Emotional branding is successful when it triggers an emotional response in the consumer, that is, a desire for the advertised brand *MODERN METHODS OF MARKETING*.

***The new positioning statement conveys the message of life insurance with an investment edge***

**Advertisement-**

Kotak Mahindra Old Mutual Life Insurance (Kotak Life Insurance) has adopted a new brand positioning with a new tagline - '*Faidey ka Insurance*'.



The revamped positioning and supporting campaigns convey the brand idea of life insurance with the advantage of sound investments.

The earlier campaigns of Kotak Life Insurance featured the tagline - '*Zindagi se ek kadam aagey (One step ahead of life)*'. The idea was that sound financial planning would help one stay a step ahead. The new positioning is being supported by a television commercial and upcoming outdoor, print, radio and digital campaigns.

In the TVC created by JWT, a Kotak Life agent is featured sitting in a living room, talking to a family about child insurance plans. The agent talks about how parents want their children to take up various professional options. A couple is shown with their son - the child seated between his parents turns into an astronaut, doctor, cricketer and a musician in turn, as the agent mentions these career options.

The agent then says that a child's career option cannot be guaranteed, and neither can the returns of a regular insurance plan. He then describes how Kotak Life Insurance's Child Plans ensure better returns from investments made in a growing market, which could facilitate higher spends on the child's education. The commercial ends with the agent leaving the house with a piece of friendly advice - that a child must be given room to make his own career choice.

The ad attempts to break the notion that a child plan is synonymous with the parents' expectations from their children, suggesting that parents should refrain from forcing their expectations on their child.

