



Raising the Bar in Marketing Performance

Marketing Society Awards for Excellence 2013

Category: Marketing Leadership

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Executive Summary

OBJECTIVES

In 2011, it became clear that RSA's marketing structure (with a large Group Corporate Centre Marketing function) was not delivering the desired results. The Group Marketing team struggled to serve and support our 33 global markets and the local businesses operated in silos, very independently, limiting opportunities for scalable capability development, best practice sharing and efficiency.

Our objectives were to:

- **Add business value globally – improving financial performance and increasing efficiencies**
- **Leverage our existing pockets of marketing excellence to “raise the bar” across the board**
- **Improve working relationships and best practice sharing across global markets.**

SCALE OF TASK

To achieve these objectives, the Group Marketing function was disbanded, and replaced with the global Marketing Centre of Excellence (MCoE). This group is comprised of leading marketers from the UK and leverages experts from across the globe. The team's role is to help build skills globally by shaping and sharing best practices, and enabling cross-market dialogue. Dedicated MCoE consultants provide on-the-ground support to ensure it all gets put into practice. To date, they have delivered on 73 marketing programmes.

To achieve success, we needed to engage marketers and leaders from our 33 markets, to really understand their needs and regain trust. We put in place channels to uplift capability, support dialogue, and celebrate success. These include a blended learning programme –the RSA Marketing Academy – building skills through face-to-face and virtual learning, a newsletter and webinar programme, and an annual in-person conference.

KEY RESULTS

- Improved financial performance with marketing as a new key growth driver – helped deliver record Group results 2010 to 2011 – net written premium up 9%, underwriting result up 58% and improved Combined Operating Ratio of 94.9%
- Cost savings of £3 million achieved in Year 1
- Dedicated consultants delivered more than £2.8m of value in project results and consultancy value - target £1 million
- Record employee engagement scores (UK 4.37 out of 5, up from 4.01 in 2010)

ENTRY STATEMENT

Background

With a 300-year heritage, RSA is one of the world's leading multinational insurance groups. Today, we employ around 23,000 people, serving 17 million customers in around 33 countries. While our origins lie in London, RSA is a global company with major operations in the UK, Ireland, Scandinavia, Central and Eastern Europe, Canada, Asia, the Middle East and Latin America.

Our businesses operate in highly varied environments – from very mature to emerging markets. In some markets, we are the clear leaders, while in others, we are establishing our presence. Different business models are in place – some of our businesses sell direct to consumers, others operate mainly through brokers. To reflect these differences, we operate a regional structure, and allow for significant local autonomy.

Prior to 2011, the markets were “governed” by a large and costly Group Marketing function, charged with building the global brand and driving capability improvement.

Marketing capability varied widely by market and it was recognized that building capability would be essential to drive growth and deliver on the RSA strategy. While there was significant room for improvement, there were also some pockets of excellence. In particular, MORE TH>N in the UK was considered “best in class” in many core marketing areas, having built a strong brand, delivered consistent double-digit business growth and achieved significant external recognition.

Our Challenge

In 2011, it became clear that the organisational structure was not delivering the desired results. The Group Marketing function was viewed as an “ivory tower”, disconnected from the realities of the local businesses. The function struggled to get traction from the local markets and the local businesses operated very independently, limiting opportunities for scalable capability development, best practice sharing and overall business efficiency. It was clear that this model had to change.

The key question for the business was:

How can we improve working relationships across markets and leverage our existing pockets of marketing excellence to “raise the bar” and add business value globally?



Developing the Marketing Centre of Excellence

After a full evaluation of the options, a new organisational structure was agreed. In the new structure, the Group Marketing team was disbanded, and replaced by a new Global Marketing Centre of Excellence.

This Marketing Centre of Excellence (MCoE) would be comprised of leaders from the UK business (who continue to run MORE TH>N and the commercial business day to day), and also draw on other leading practitioners from across the globe. Day-to-day strategic marketing consultants provide on the ground support for the markets.

This is not a traditional Group function focused primarily on governance, but rather an enabling team aimed at making connections and sharing across markets, and delivering relevant, hands-on marketing support.

The team's vision was to build:

A progressive global marketing network which collaborates effectively across markets to deliver sustainable and measurable value to our customers and the business

ONE TEAM ONE MISSION

To be successful, we needed the markets to understand the value the global MCoE could bring, and gain their commitment to support it. Therefore, a first priority was a comprehensive engagement programme, aimed at forging relationships with the markets and better understanding their needs and challenges.

The dedicated team of marketing consultants from the MCoE worked closely with the local business leaders to identify key capability gaps (and strengths). They then developed regional work plans (aligned with the regional leaders) to tackle challenges using the expertise from the central team.

“MCOE have done a great job in grabbing the agenda on big items like brand and social media, using a focused and collaborative style to get things done.”

-Senior RSA leader



Key Priorities

Based on feedback from the markets and common needs across the organisation, we developed a clear set of priorities and a three-pronged approach to how we work:



1) Enable best practice sharing in the community

A critical first step was to create an environment that was open to sharing. We needed to generate opportunities for dialogue and make it easy for people to ask for help and talk about their successes.

Monthly newsletters reaching the entire community highlight key priority areas, put the spotlight on members of the community and celebrate success. They've been very well received – with consistent 55%+ open rates and 70%+ click through rates.

Regular **webinar conferences** bring together the entire community to share the vision, update on progress, and inspire. We frequently showcase great work from across the markets, allowing the project leads to tell their story, discuss how it could be applied elsewhere and answer questions. These interactive sessions, attracting an average of over 100 participants each, have provided a great platform for the community.



“It’s great to hear the whole global marketing community together in one conference”

The MCoE regularly “packages up” **case studies and best practices** and makes those available to marketers. We also work to formalise key successful processes (for example, proposition development) and make them easily repeatable. Use of these repeatable models saves time, reduces duplication and sets the bar for excellence.

A highlight of the community programme is the annual **Global Marketing Leaders Conference** Held in October 2012, the event brought together 50 of the top marketers from around the globe. The objectives were to agree the role of marketing, shape the key global priorities for 2013 and help contribute to the customer and brand strategies.

“Inspiration stations” allowed global marketers to showcase their successes, and networking events built further connections. RSA CEO Simon Lee empowered the team to “raise the bar” and really deliver growth for the organisation.

The event was a huge success, scoring 4.5 / 5 in overall feedback, and played a critical role in establishing the MCoE. Key messages were cascaded across the organisation by attendees and via our communications programme.



“ *Incredible pace: packed every moment with relevant, meaningful opportunities. It felt like we were taking ourselves seriously and investing in our experts. It’s up to us. We have no excuses.* ”

-Global Marketing Leaders Conference Attendee

2) Build skills through ongoing training

Skill building is a key pillar of the MCoE strategy. The **RSA Marketing Academy** is a comprehensive blended learning programme, which uses internal experts and third party partners to develop and deliver focused skills builds.

At the heart of the Academy is our **Foundation Programme**, a winner of Insurance Times’ Training Programme of the Year. This 2-day face-to-face programme is aimed at building core skills and establishing consistent ways of working.

The programme is run 2-3 times per year, both in London and in key markets like Canada. The approach combines

How do I?



theory with doing, and is built around our core marketing competency areas. These come together in the RSA Marketing Wheel (above).

To date, more than 300 marketers have attended the Foundation Programme and received accreditation. Feedback scores are consistently above target, and recent sessions have been oversubscribed due to great word of mouth.

“ *Loved the interaction of the whole group, sharing ideas across all areas of RSA.
Reminder of best practice techniques to build propositions & campaigns.*

Perfect mix of theory and practical to make it all applicable to our daily work.”

-Foundation Programme Attendees

We supplement the face to face programmes with virtual learning to achieve scale and frequency. We use webinars to deliver expert **virtual sessions** on key marketing topics regularly. The sessions are led by a balance of internal experts and third-party partners. Sample topics include search marketing, agency management, and retention. On average, 92% of participants say they find the programme adds tangible value and they would recommend. These programmes have been so successful we've started rolling them out to our affinity partners.

In 2013, we will continue to develop the Marketing Academy further, focusing on customer, digital and measurement. We will also introduce a new starters' induction programme.

3) Hands-on support on the ground to put it all into practice

The final pillar of the programme is about ensuring that the change really lands in markets, and delivers real tangible business impact. Dedicated consultants represent the MCoE locally and provide bespoke consultancy support.

Throughout 2012 alone the consultants completed 99 in-market visits globally and delivered 73 successful marketing initiatives to uplift marketing capability. They executed tangible projects which in turn delivered improved business performance – driving growth for their individual markets. Example projects include proposition development, measurement and customer journey mapping. The team has also supported media agency re-negotiations locally, resulting in significant savings.



On-the-ground support example:

Defining our Retail Strategy in Oman

Our one-man marketing team in Al Ahlia, Oman had extensive experience and capability in the Broker/Commercial market but needed capability support to grow in the Retail/Direct-to-Consumer market. Al Ahlia looked to the Marketing Centre of Excellence consultancy team to create a retail footprint that would achieve their ambitious growth targets.

Our MCoE team, over a series of in-market visits to Oman, facilitated the delivery of:

- A differentiated brand/market positioning
- Definition of a tighter desired core target audience
- Proposition/product development driven by insight
- Measurement dashboards to link marketing activity to business performance

The subsequent launch campaign achieved an 18% uplift in new policies sold during the campaign period.

“We found the engagement with the Global Marketing Centre of Excellence to be very positive. Their in-market consultants really supported our limited local knowledge and added structure, expertise and rigour to deliver impactful results”
-Al Ahlia Managing Director



Great Business Impact Delivered

The Marketing Centre of Excellence is off to a great start. We track results via the **Global Marketing Centre of Excellence Dashboard**, and regularly report impact to the RSA Board. The Dashboard tracks results of individual initiatives, employee engagement and commercial impact attributable to marketing programmes.

Marketing – The New Growth Driver

Marketing is now firmly established as a new key growth driver for the business and this has certainly been reflected in our core business performance results since the establishment of MCoE. We have delivered record Group results from 2010 to 2011: our overall Group net written premium rose by 9%, our global underwriting result increased by 58% delivering an improved Core Operating ratio of 94.9%

In the UK, net written premium growth was up 6% in 2011. Our underwriting result showed an increase of £135 million from 2010 and our Core Operating Ratio reduced to 98.2%: 4 points better than 2010.

In Canada, 2011 is described as a real “game changer” year compared to 2010: Net written premium increased to \$2.36 million, underwriting profit increased to \$83 million and the Core Operating Ratio improved to give 96.3%, resulting in overall market growth of 4.5% in 2011.

Our Scandinavia operation achieved a 5.5% increase in net written premium from 2010 to 2011, a 3.8% increase in Underwriting Result for the same period and an impressive Core Operating Ratio of 85.4%.

(Please note that 2012 end of year business performance results were not available to be published when this award entry was submitted but there is strong evidence that this strong growth trend has continued from 2011 to 2012).

So far, we have seen record participation and feedback from community and skill building programmes, and more than £2.8m of value in project results and consultancy value delivered by our MCoE consultants against a target of £1 million.

HIGHLY ENGAGED MARKETING PEOPLE

The programme is also having a direct impact on employee engagement. Working with Gallup for our annual engagement survey, we ask all our marketers to feedback on areas such as capability development, opportunities to learn and grow, and praise & recognition.

Since the development of the Global Marketing Centre of Excellence, we have achieved some outstanding scores in these areas.

Out of a possible 5 marks:

UK scored 4.37, up from 4.01

Canada scored 4.68

Scandinavia scored 4.69

These scores are significantly higher than the total employee population, and according to Gallup, put us in the top 5% of employers worldwide.

Summary

Our journey has just begun - but already much has been achieved. Our new MCoE organisation has developed the global community, improved marketing capability for teams and individuals and made for happy marketers – and a more successful business. We are changing the way marketing is done at RSA and investing in a new model for collaborating and co-creating across the business.

“*MCOE have done a great job keeping marketing on the group board agenda.*”

-Simon Lee, RSA Group CEO

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