

CASE STUDY: A SUCCESSFULLY DISRUPTIVE NEW BRAND LAUNCH

Clusters

your best chance of success



CHALLENGE



SOLUTION



RESULT



FWD



A SUCCESSFULLY DISRUPTIVE NEW BRAND LAUNCH

“Clusters has been a significant positive aspect in the establishment of the FWD brand during our early years. We will always be very appreciative to Clusters and its team’s commitment to FWD.”

Tim Oliver

Chief Commercial Officer, FWD

IN BRIEF

- In 2013, FWD launched as a new insurance ‘challenger’ brand in Asia, opening up initially in Hong Kong, Macau and Thailand
- FWD subsequently grew to 8 markets by 2017, including Indonesia, Philippines, Singapore, Vietnam and Japan
- Clusters’ multi-market segmentation was a central element of FWD’s well-targeted, disruptive market entry strategy
- Within a year of launch, FWD was one of the top 5 most considered insurance brands in Hong Kong
- FWD’s organic sales growth (ie excluding geographical expansion) has consistently outstripped average category growth in each country
- Since 2013, Clusters has delivered brand, competitor and segment tracking for FWD

CHALLENGE

FWD set out to change the way people feel about insurance.

The Asia insurance market is crowded so precise targeting is critical: the right people with the right brand proposition, products, services and communications.

Tim Oliver, Chief Commercial Officer at FWD, commented: *“The insurance market is a highly competitive category with significant advertising spends being made by some very well established pan-Asia brands, so we knew that for people to consider FWD we had to change the rules of engagement. In the face of this, our brand offering needed to be surprisingly different and straightforward, which we have achieved, and this has made people sit up and take an interest.”*



SOLUTION

FWD appointed Clusters to deliver a regional Asia insurance market segmentation to answer three business-critical questions:

1. Which is the most receptive audience for the new FWD brand?
2. What proposition will encourage them to notice, consider and ultimately buy FWD?
3. What will be the most effective market entry strategy?

Chris Cowan, Managing Director of Clusters, explained: *“Based on the evidence from our segmentation, it was quite clear that a ground-breaking and disruptive market entry and targeting strategy was the only solution. FWD has to stand apart from the long-established incumbent brands to avoid blending into the crowd.”*

FWD’s targeted market entry strategy was guided by evidence from Clusters’ segmentation. Instead of a typical insurance brand targeting typical insurance buyers, FWD focused on the people ignored by competitors – those fully intending to buy insurance, but as yet unengaged and

unconvinced by existing brands and offers. This approach clearly set FWD apart from other brands and made customers sit up and take note.

To stand apart, FWD’s market entry was based on three core strategies:

1. A disruptive market entry
2. A different brand target audience
3. Highly distinctive messaging: instead of adopting the typical insurance approach of being in fear of a scary, risky future, FWD’s message was firmly rooted in the present: “live your life today, we’ve got your back, so have confidence and celebrate living.”

The launch was very successful, and as a result was rolled out to new markets, still based on the same market entry and targeting strategy.

How do we know it’s been successful? Because Clusters has delivered tracking research in each market to measure FWD’s brand performance against competitors.



RESULTS

FWD is now a highly-differentiated brand in an otherwise undifferentiated market. FWD’s disruptive launch has made a strong connection with insurance customers. By implementing bold marketing and customer engagement strategies, FWD has managed to reach those not previously convinced by insurance brands.

In turn, potential customers within other segments have spotted the innovative new brand which has allowed FWD to resonate with all segments, even traditional insurance buyers.

The key elements of FWD’s success are rapid awareness growth, market-leading conversion from awareness to consideration and being the newest, most different and innovative brand in each market. These same success factors have driven FWD’s in-market growth and subsequent regional rollout.

“Working with Clusters since 2013 has been more of a consultative partnership than just a typical vendor services relationship. They understand our business needs and challenges and have consistently provided evidence to help us develop effective strategic considerations.”

Tim Oliver
Chief Commercial Officer, FWD

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