To: [Corey Murphy]

From: [Ethan Dunzer]

Subject: See how State Farm and Allstate are marketing refunds during pandemic in loyalty play. (PROMOTION)

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This Ad age article goes through the new trend for insurance agencies to offer special discounts during times of crisis.

Adrianne Pasquarelli the authors enlightens the reader that insurance agencies are no longer just this offshore business that has little to no connection to their customer besides their billable issues. Instead Pasquarelli points out in multiple examples that these businesses seem to be implementing a new type of marking and promotional strategy that tries to connect with the consumer and limit the distance between them.

State Farm and Allstate two of the bigger players in the business have been releasing ads that describe adjusted prices and discounts for all their customers. By issuing these refunds and adjusted prices it seems that businesses aren’t completely thinking about the customer. Instead they could be thinking ahead and avoiding backlash when regulatory mandates are put in place.

This new promotional strategy not only wants to change the idea of insurance companies and their customers but also who is making the decisions. Many of the commercials show the businesses CEO's or spokes persons in a home setting, furthering this "we are just like you" idea.

My Opinion: Covid-19 is the reasoning for this, but it seems that other opportunities will open up from this example. Possible changes in prices may result from other circumstances, such as large-scale natural disasters in cities.

This new idea of connecting with customers has really started to take hold and I could definitely see businesses that are negatively viewed by the public taking losses in income just to change their image in the public eye.

Source: Pasquarelli, Adrianne. “See How State Farm and Allstate Are Marketing Refunds during Pandemic in Loyalty Play.” Ad Age, 10 Apr. 2020.