

Homeserve have increased their customers from 0.6 million to 0.9 million and they increased their policies sold from 0.8 million to 1.4 million (Appendix 10).

Marketing

Marketing is one of most effective and vital international strategies. The main purpose of marketing is making the customer interested in the product. Businesses use marketing to attract customers, increase public awareness of their product, and create brand loyalty.

Homeserve have entered a ten year marketing agreement with National Grid Energy Services in the US to use its brand name in 2010. Homeserve, with this agreement, have access to more customers and can take advantage of National Grid's well-known brand name which is likely to increase sales. In USA Homeserve sold 1.4 million policies and the retention rate was at a high 83.6%. Before Homeserve entered the marketing contract with National Grid they had 600,000 customers, and by 2011 that number reached 900,000 (Appendix 10). These figures show that the marketing agreement helped in increasing sales. They also used the brand name of Veolia Environment to increase sales; this method had proved to be effective where the retention rate in France is 88.3% (Appendix 5, p.24). Recently, Homeserve signed a 15 month test marketing with Enel Energia (Appendix 1, p.2). This means that Homeserve are trying to enter the Italian market to gain most of the expansion benefits.

Homeserve have been using different names in some new markets where in France their names are SFE and in Spain their name is Reparalia (Appendix 1, p.7). This shows that Homeserve have studied the markets they entered and had an understanding that there may be language difficulties in the new market.

Direct marketing is a very targeted and effective below the line promotion where a company sells products straight to the customer. Types of direct marketing are e-mails, direct mails, and personal selling. In 2007, Homeserve in USA have signed a partnership agreement with Louisville Water and mailed approximately 250,000 households in Louisville, and 25% of them have bought policies (Appendix 7).

Focus on Core Brands

Focusing on core brands means selling and focusing on the bestselling products which will give Homeserve the ability to specialize in what they do best, thus aiding in increasing revenue. In the US, they purchased National Grid Energy Services' service contract business which offers heating, cooling, and water heater services (Appendix 1, p.5). As stated previously, in 2001, Homeserve established a joint venture with Veolia called Domeo (France) and they provide home service emergency. In 2009, Homeserve acquired SFG (France) which is an electrical warranty provider (Appendix 6). In Spain, they provide property repair services and