

Social Media News & Updates

By Terry Golesworthy

Half of all carriers now use LinkedIn and Facebook as daily business communication tools. A little under half of all agents engage in social media; but of those who do, only 14% use it to enhance customer service. Agents cite lack of time and resources, but more worryingly, competition and confusion with carriers, for limiting their activity.

Research by Gartner indicates that consumers make decisions about insurance based on price, followed by convenience, personal experience, and then the influence of friends and family – the last factor becoming more important since the availability of social networking platforms.

Following on from the Gartner research, American General Life (part of AIG), through its Matrix Direct subsidiary, relaunched the AIG name for consumers with a strong dose of prominent customer product reviews. Reviews can be sorted by gender, age, policy term, type, motivation, and coverage.

Forty percent of consumers have clicked the “Unlike” button for a brand page. The top two reasons to click “Unlike” were “information was not interesting” and “information published too often.”

AXA Equitable launched an online game demonstrating the need to buy life insurance. The company believes that a game format allows it to connect with hard-to-reach consumers. The game offers sweepstakes cash prizes of \$15,000 and \$25,000 and is promoted through Facebook and Twitter.

Nationwide Insurance rolled out an internal social network to encourage dialogue and sharing of knowledge. After a failed effort based on IBM’s Lotus Connections, a simpler, more Facebook-like solution was employed, which now has more than 15,000 participants.

The average growth rate for Twitter followers in the industry for the month was 6.1%, continuing a slight slowdown. Corporate accounts grew by 7.9%, and news and media accounts by almost 20%. Mascot and product-specific accounts showed much lower growth. The average number of tweets was in line with monthly averages at 73. Customer Service accounts average more activity as we see greater activity on Twitter by customers approaching insurers.

USAA releases a new YouTube video almost every two days providing market commentary and financial advice. Videos are approximately three to four minutes long. Evidence suggests that short video clips are becoming more effective than textual content. American Family, American Collectors Insurance, and Aviva have all increased video content. Mass Mutual posted a video (“Why Life Insurance?”) on its LinkedIn page, and grew subscribers by 18% (compared to the industry average of 6%).

Insurers continue to use tried and tested methods to recruit new fans on Facebook. Charitable donations in exchange for a page “Like” are always popular. Aviva took the concept one stage further by asking fans to “donate” messages of support for one of four charities. The messages, distributed by Aviva on a single day, created a burst of activity. Aviva donated a total of \$100,000, growing fan count 500%, up to 15,000.

LIFE Happens donated \$1 “per Like” to its Scholarship Program and Trusted Choice donated \$10 per ‘like’ to the Make-A-Wish foundation. A range of carriers heavily promoted both campaigns. Horace Mann provided money for unfunded classroom projects registered on DonateProject.org.

Liberty Mutual took a more direct route, offering a \$5 donation to breast cancer research for every new quote requested on its Facebook page. While a “page Like” was not required, fan count grew 14%, the highest growth this year.

21st Century is offering a sweepstakes prize of 10 tablet computers to attract fans, but participants who also refer three friends are entered into a drawing for a new car. Encouraging sharing and creating referrals is a key industry objective. 21st Century Facebook fan count gained 91%, increasing to 53,000. Evidence indicates that drop-off (“Unlike”) rates after recruitment programs are completed can range from 10%-50%.

Facebook ads are playing an increasingly important role in the recruitment of fans. This can be even more

effective when ads are displayed to friends of existing fans, a standard Facebook option. MetLife, State Farm, Allstate, Esurance, and New York Life were all active with social ads this month.

Facebook fan count grew 2.9% for the industry overall, well below the monthly average. Corporate pages grew 4.0%, mascot accounts by just 1.7%, and pages focused at specific demographic groups 2.2%. Causes and advocacy pages grew by 5.1%.

Interest in “compliance tools” is growing rapidly, with leading players being Hearsay, Socialware, Erado, and Actiance. Many industry pilots are now in place, especially focused on solutions for captive agents. Vendors are busy adding functionality to products to support archiving as well as content distribution. Venture capital investment is pouring into the space.