

Social Media in P&C Insurance in Canada

An Insurance-Canada.ca Webinar

August 23, 2011

Doug Grant, Principal, Insurance-Canada.ca

Patrick Vice, Principal, Insurance-Canada.ca



Insurance-Canada.ca

Topics

- * Broad Community
- * Insurance Community
- * Canadian Insurance
- * Forward Look
- * Developing a Strategy
- * Conclusion
- * Q&A

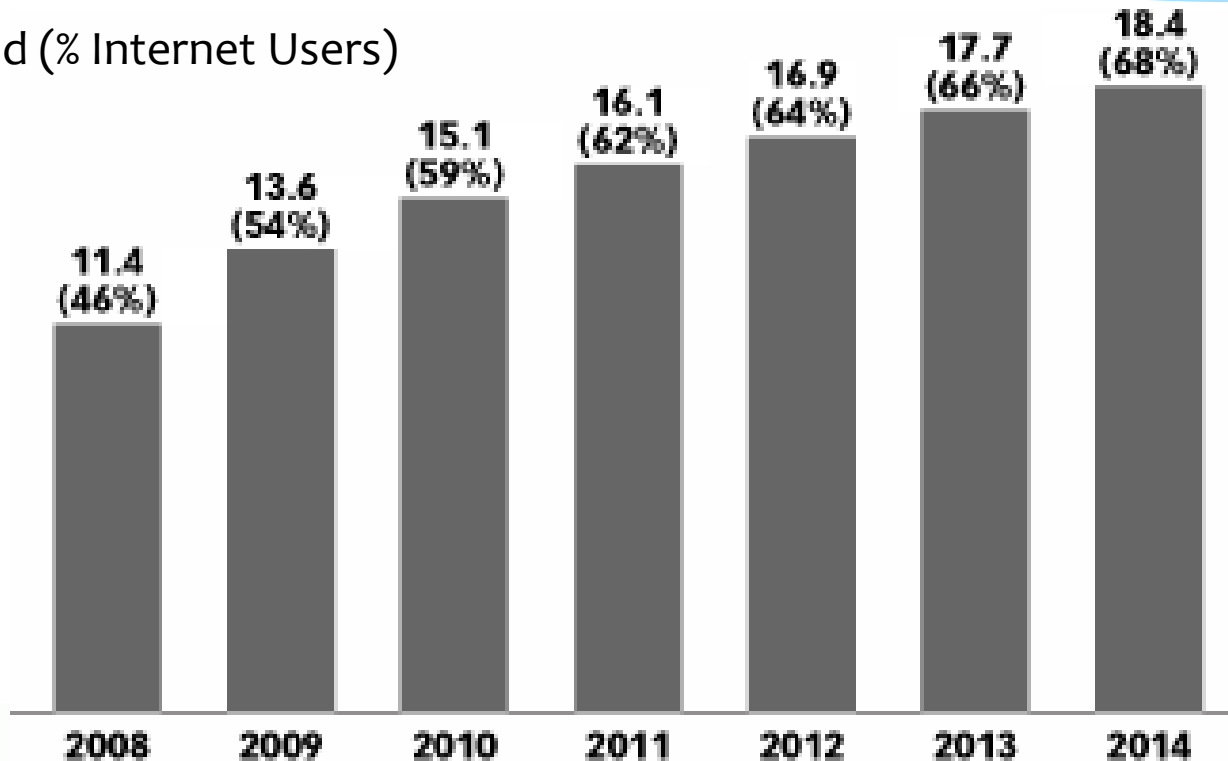


Social Media

Broad Community

Social Network Users Canada

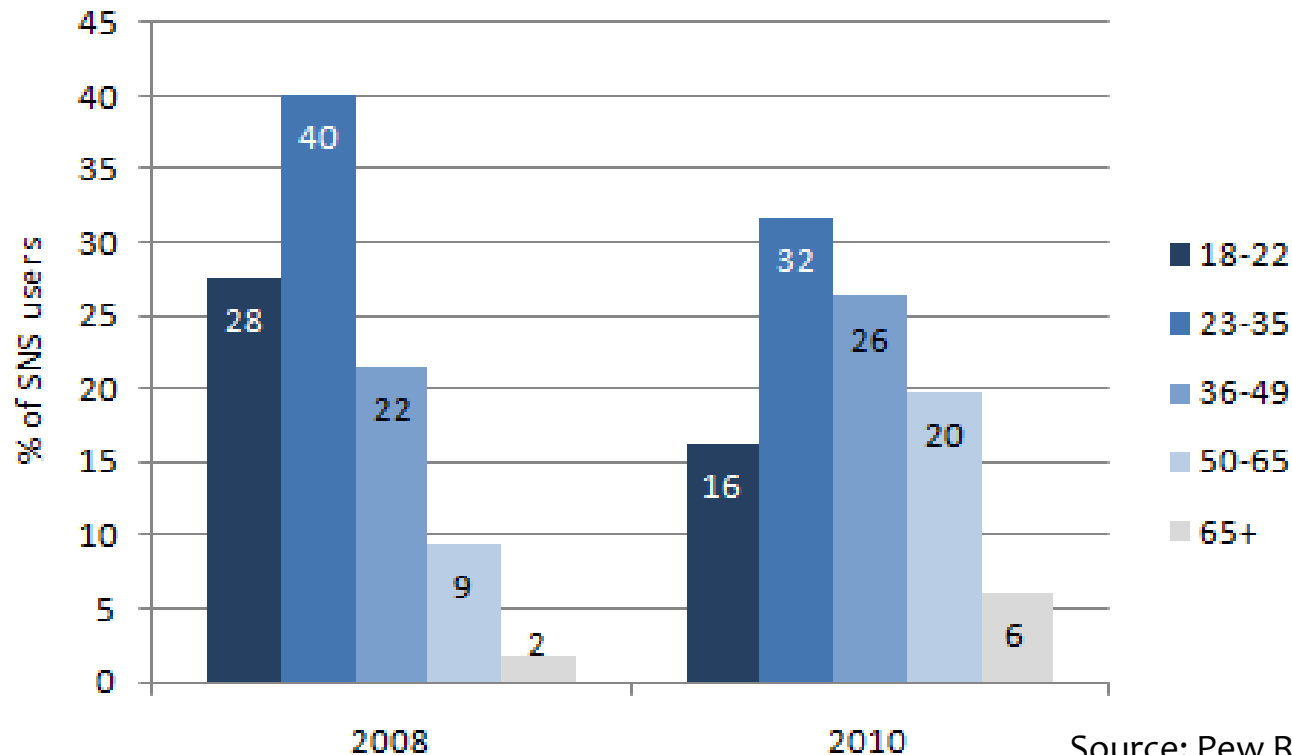
Millions and (% Internet Users)



eMarketer
Oct 2010



Social Networking Users Getting Older



Source: Pew Research Centre



Social Media Canadians are Using

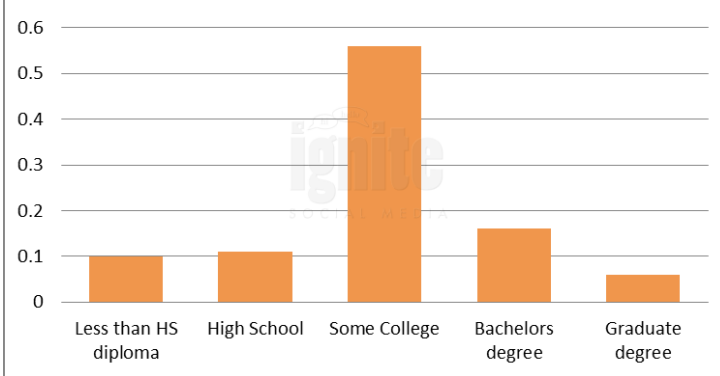
- * 86% of all Canadians using Social Media are on Facebook.
- * 20 % on Twitter (1% in 2009)
- * 14% on LinkedIn (6% in 2009)

Source: Webfuel

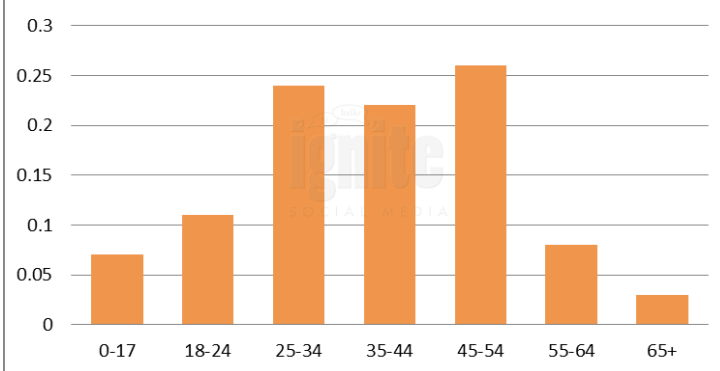


Facebook

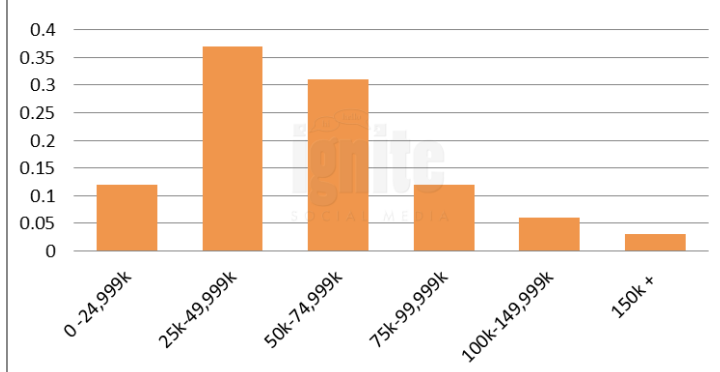
Education



Age



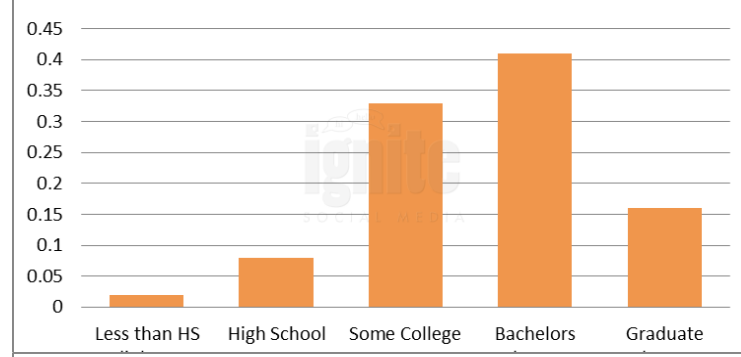
Income



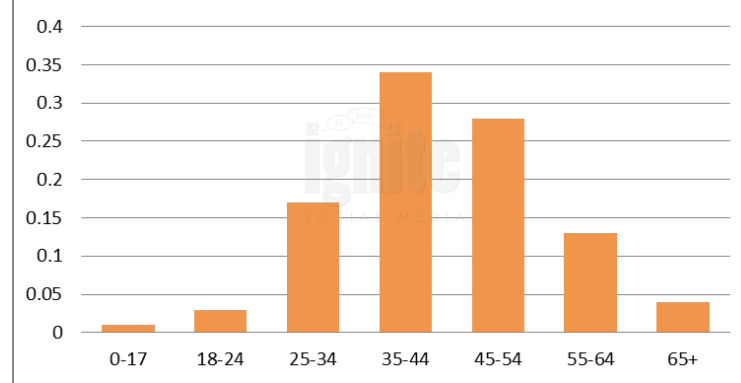
Different Media attract different audiences

LinkedIn

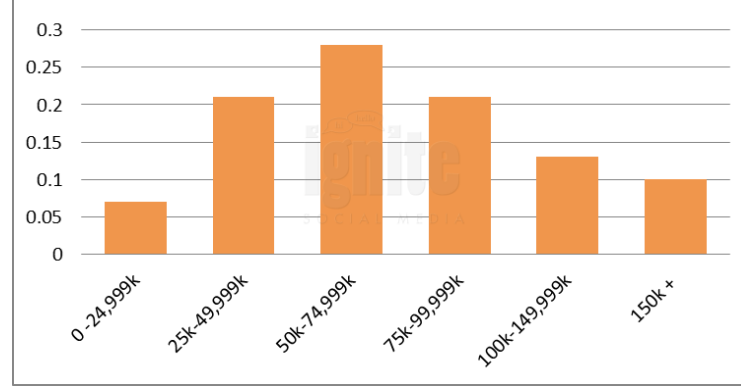
Education



Age



Income



OnLine Marketing Tactics Used by US SMBs

	2010	2011
Website	51.5%	85.8%
Email offers to my own list	-	74.3%
Search marketing	38.0%	74.0%
Email newsletter	47.7%	73.5%
Directory listings like Google Places	-	66.7%
→ Facebook	43.2%	65.2%
Banner/display ads	28.2%	60.7%
→ Blog	25.2%	57.3%
→ LinkedIn	21.8%	56.7%
Video	20.3%	54.1%
Webcasts/webinars	16.2%	53.1%
Coupon offers like Groupon and OfferMint	-	53.1%
→ Twitter	27.1%	50.0%
Mobile marketing (e.g., text messages)	-	49.3%
Audio podcast	14.7%	44.7%
Location-based services like foursquare and Gowalla	-	42.5%

“Notably, every online marketing channel showed a **dramatic increase** in usage between 2010 and 2011.....“

“.... respondents in 2011 indicated they were **much less satisfied** with the effectiveness of these channels.“

Bredlin Business Information “Marketing to SMBs in 2011”; reported in eMarketing May 23, 2011
www.emarketer.com/Article.aspx?R=1008399



Most Effective On-Line Customer Acquisition Tactics

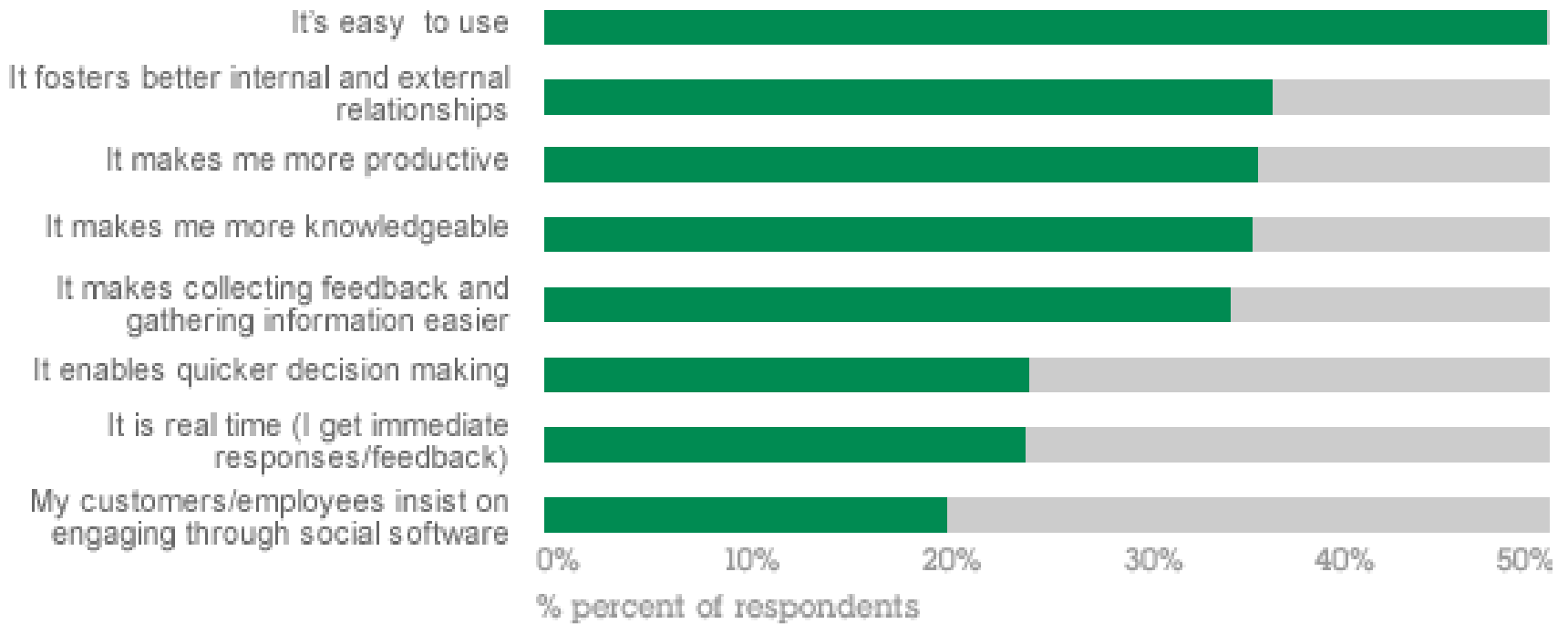
	2010	2011
Our company website	67.7%	63.6%
Email newsletter	57.6%	53.7%
Email offers to my own list	-	49.5%
Search marketing	68.0%	47.9%
Directory listings like Google Places	-	38.8%
Coupon offers like Groupon and OfferMint	-	37.8%
Webcasts/webinars	81.0%	36.8%
→ Facebook	61.4%	35.2%
Video	60.4%	33.1%
Mobile marketing (e.g., text messages)	-	31.5%
→ Twitter	68.1%	30.4%
→ LinkedIn	65.5%	29.5%
→ Blog	61.2%	29.2%
Banner/display ads	63.5%	29.1%
Location-based services like foursquare and Gowalla	-	26.4%
Audio podcast	76.9%	24.2%

“A rush of small businesses to new marketing channels can mean that **less experienced respondents are now reporting on the effectiveness** of their efforts, which would naturally be lower than those who have been using a channel for many years. “

Bredlin Business Information “Marketing to SMBs in 2011”; reported in eMarketing May 23, 2011
www.emarketer.com/Article.aspx?R=1008399



Business User Benefits of Using Social Media



Source: IDC's Social Business Survey, September 2010



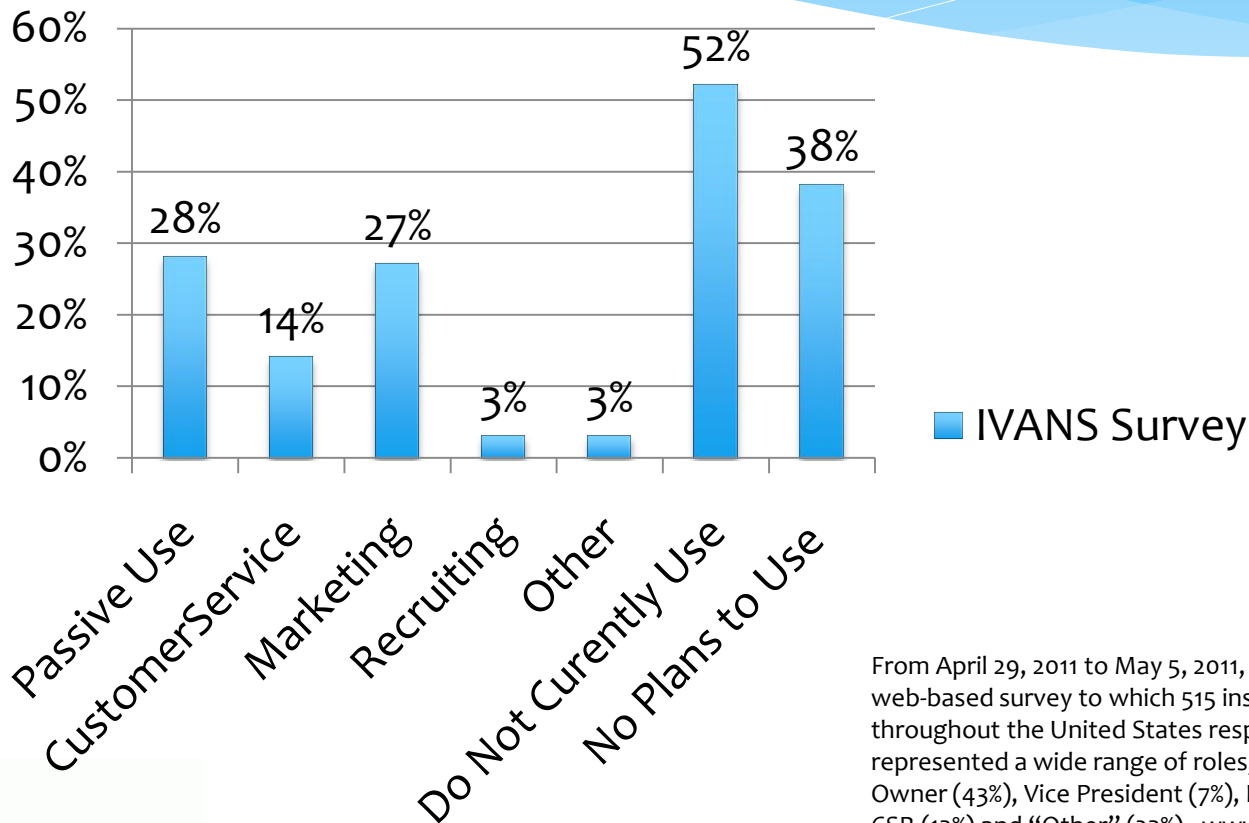
Insurance Community

Insurance Uses of Social Media

- * Marketing – e.g., Farmers and Farmville
www.insurance-canada.ca/wordpress/2011/08/11/social-media-insurance-strategies-a-tale-of-two-insurers/
- * Consumer interaction, rating products and services – e.g., USAA
www.insurance-canada.ca/wordpress/2011/08/11/social-media-insurance-strategies-a-tale-of-two-insurers/
- * Claims investigation - e.g. Manulife - disability
www.insurance-canada.ca/wordpress/2011/02/04/social-media-and-claims-investigations/
- * Customer communications/segmentation – e.g., Progressive
www.insurance-canada.ca/wordpress/2011/05/17/pioneers-in-social-media-and-insurance/
- * Agent Relationships/Support – e.g., Foremost Insurance, Progressive
www.insurance-canada.ca/wordpress/2011/04/20/is-canada-behind-in-social-media-use/



US P&C Agents Use of Social Media



From April 29, 2011 to May 5, 2011, IVANS, Inc. conducted a web-based survey to which 515 insurance agents throughout the United States responded. The participants represented a wide range of roles, including President or Owner (43%), Vice President (7%), Insurance Agent (14%), CSR (13%) and "Other" (23%). www.ivans.com



IVANS Comments on Survey

- * Many agents have an interest in using social media, but they often **lack the resources or insight to leverage this technology** to its full potential.
- * By partnering with agents to develop a joint social media strategy, **carriers can avoid the perception that they are circumventing agents** to go direct to the customer.



Canadian Insurance Community

Insurance-Canada.ca Survey

How much are we (Insurance in Canada) into Social?

Insurance-Canada.ca Survey

How much are we into Social?

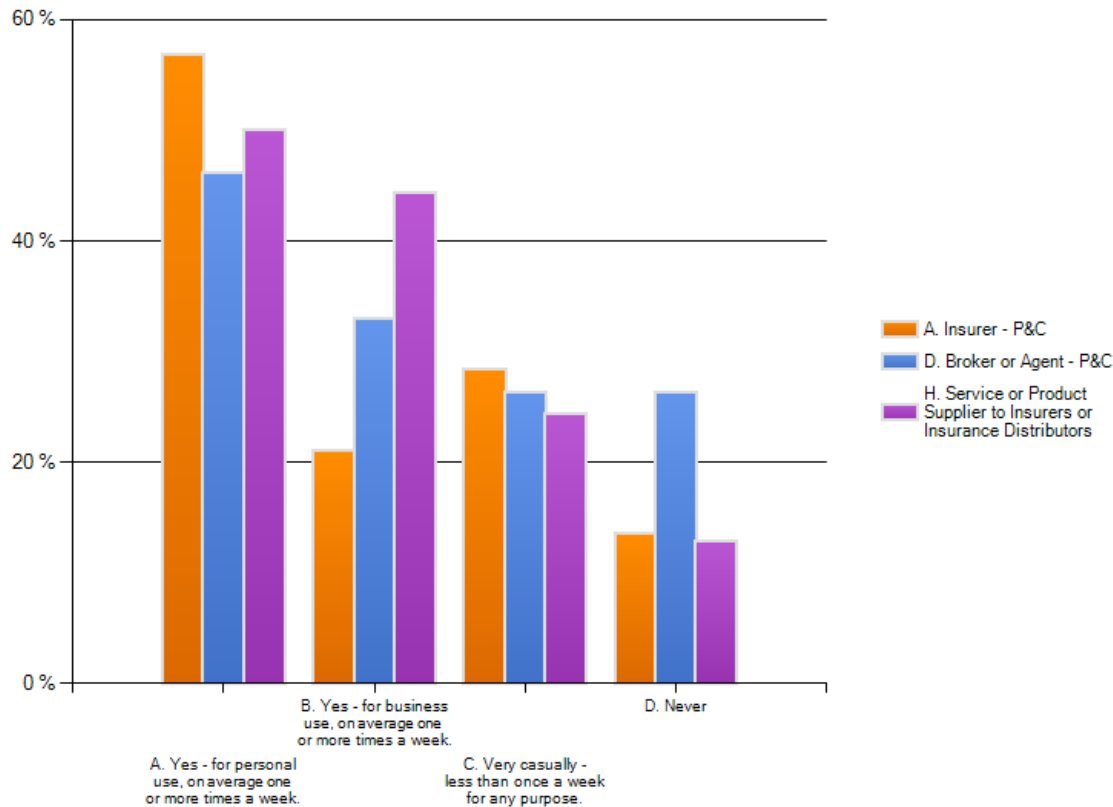
- * Survey in July 2011
- * Invitations open, to about 4700,
- * 311 responses, all but 8 in Canada
- * 3 equal groups 25% each
 - * P&C Insurers
 - * P&C Brokers & Agents
 - * Providers/Suppliers
- * Compare



Insurance-Canada.ca Survey

How much are we into Social?

Do you make use of social media



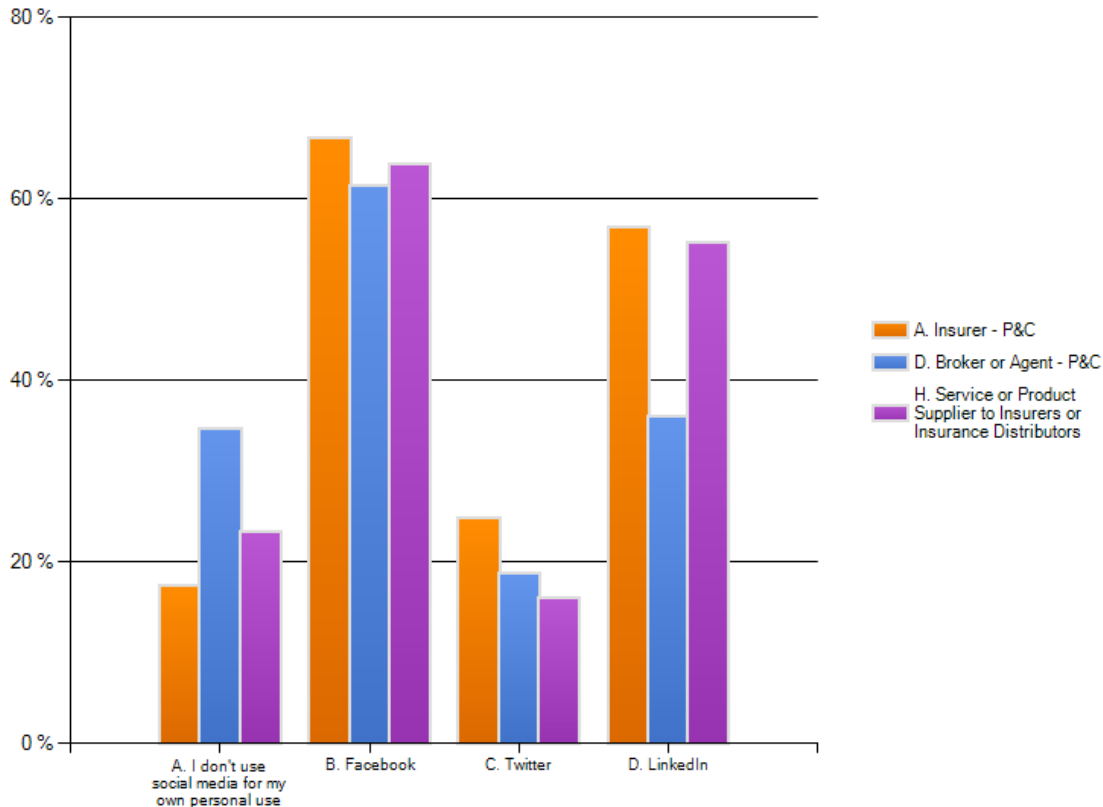
- * 50% use personally & frequently
- * 30+% use business, variance among the groups
- * 25% casual use
- * Brokers/Agents least likely to have used SM – but 75% have done



Insurance-Canada.ca Survey

How much are we into Social?

Personal Use: Which Channels



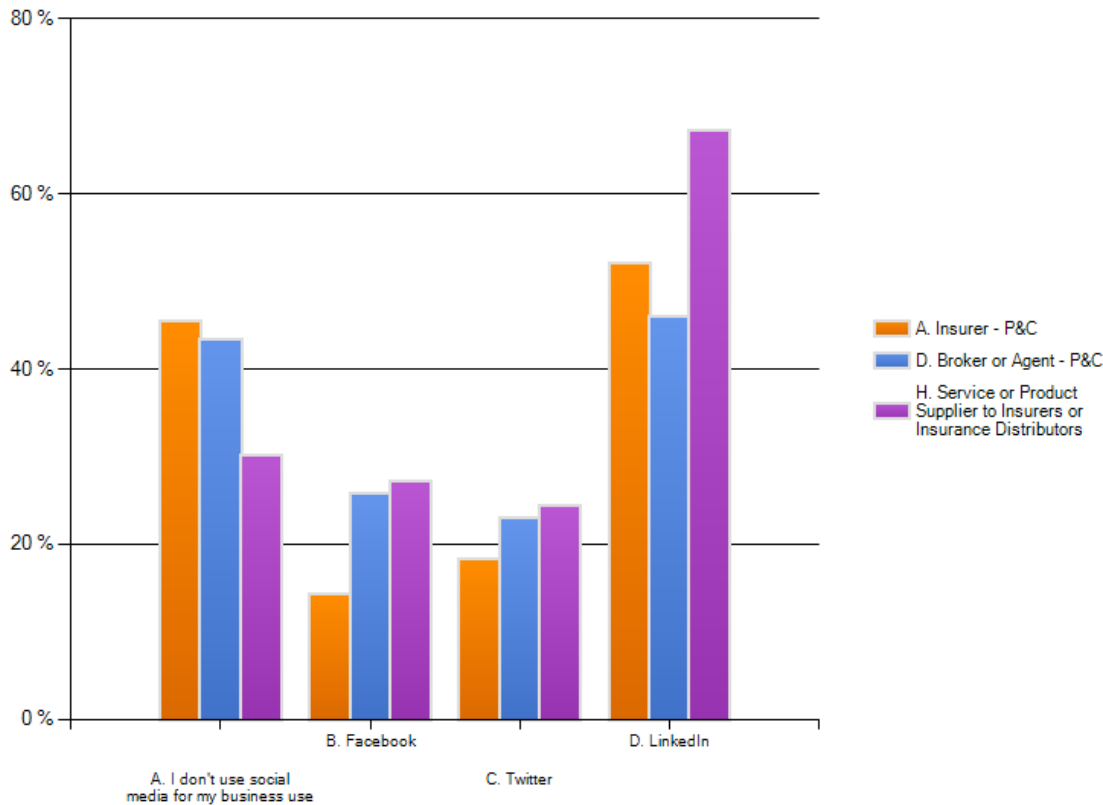
- * Facebook is tool of choice
- * LinkedIn less popular for brokers
- * Twitter is poor third
- * Brokers/Agents least likely to have used SM – but still 65% have done



Insurance-Canada.ca Survey

How much are we into Social?

Business Use: Which Channels



- * LinkedIn is tool of choice
- * LinkedIn most popular for providers
- * Greater trust in LinkedIn?
- * Not sure what to do in other two?
- * Providers most likely to have used SM – only 30% do not.



Insurance-Canada.ca Survey

How much are we into Social?

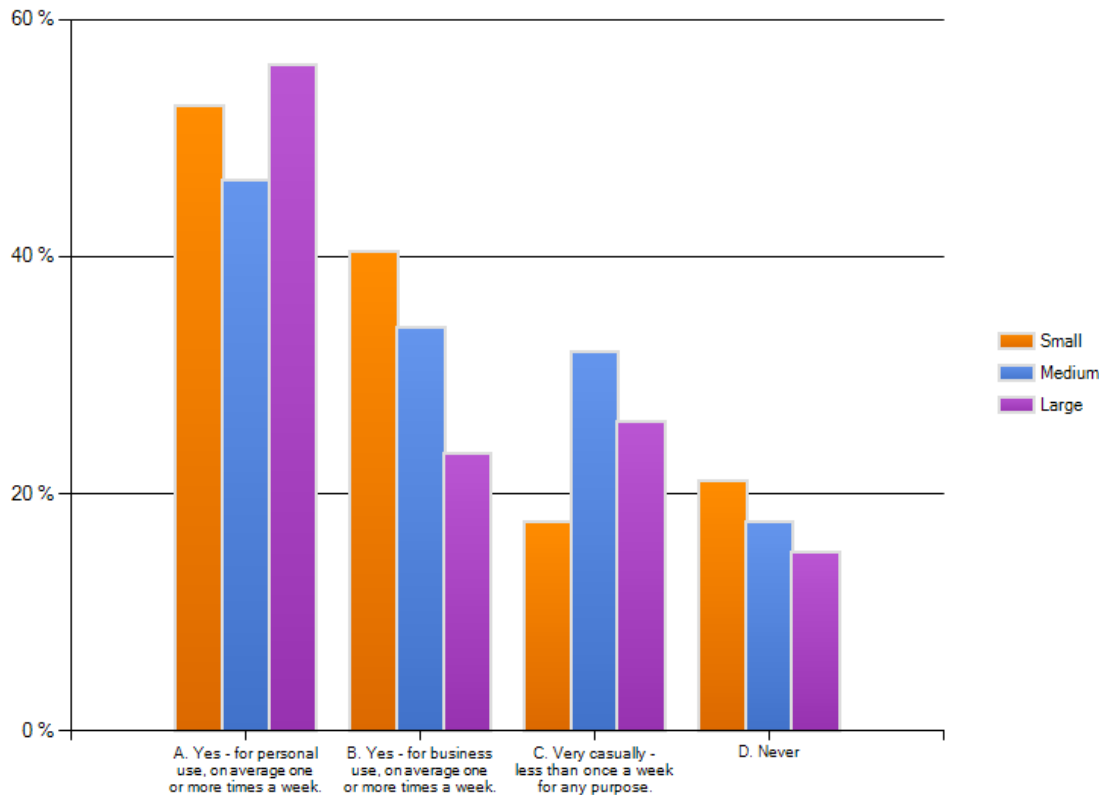
- * 3 equal groups 25% of total each
 - * P&C Insurers
 - * P&C Brokers & Agents
 - * Providers/Suppliers
- * Combined, look at:
 - * Small: 25%
 - * Medium: 43%
 - * Large: 32%
- * Compare use by size



Insurance-Canada.ca Survey

How much are we into Social?

SML: Do you make use of social media



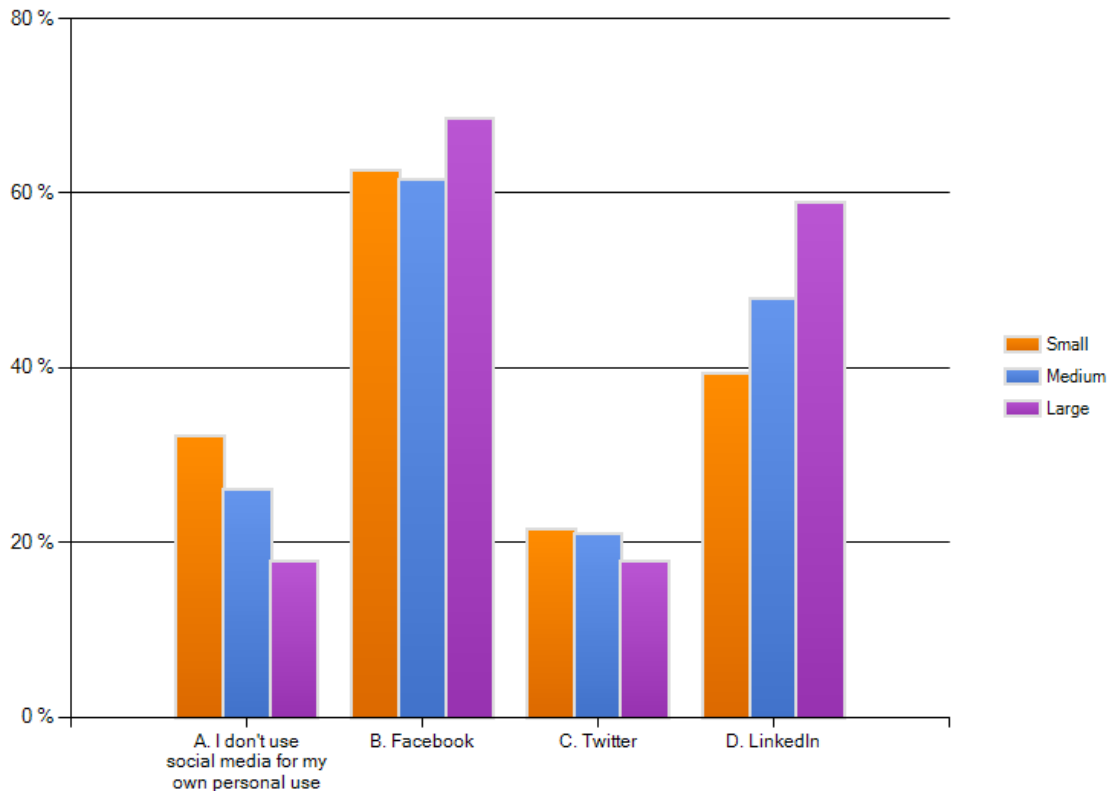
- * Large is most likely to have used, and Personal
- * Large by far least likely to have used for Business
 - * Restricted?
- * Small is committed: not at all or more action
- * Medium tends to be more casual



Insurance-Canada.ca Survey

How much are we into Social?

SML Personal Use: Which Channels?



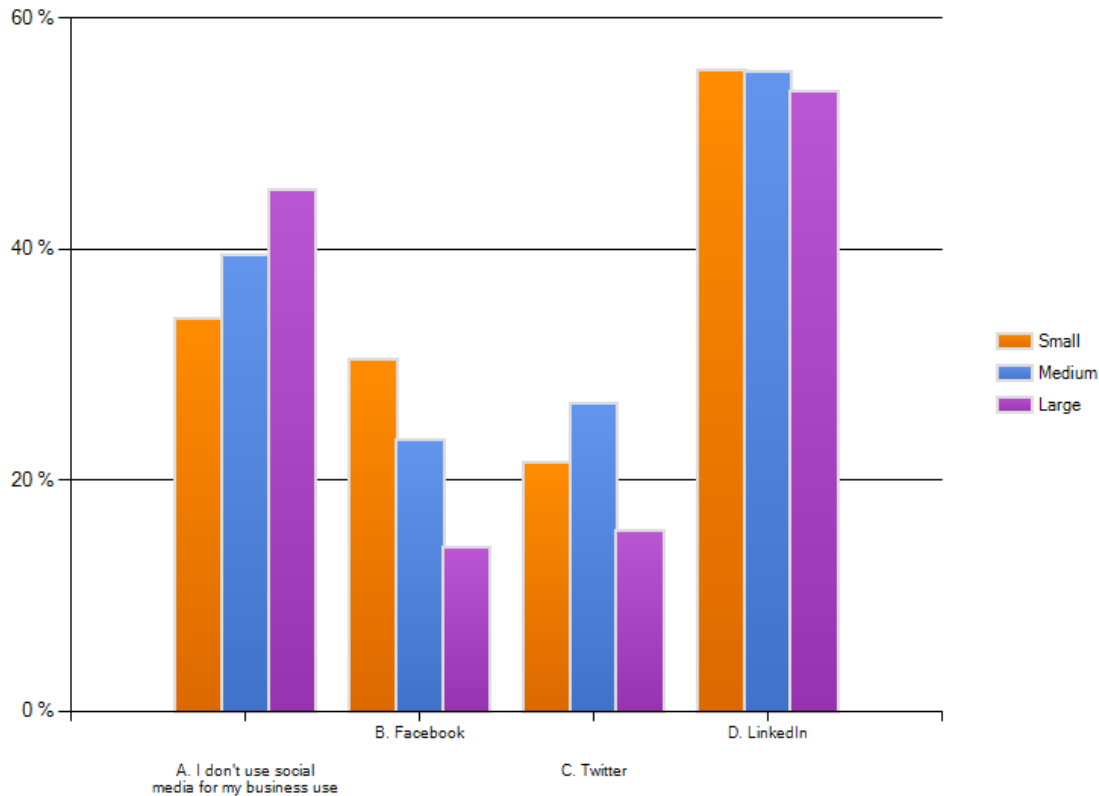
- * Facebook is tool of choice
- * LinkedIn close
- * LinkedIn
 - * 60% of Large
 - * 40% of small



Insurance-Canada.ca Survey

How much are we into Social?

SML Business Use: Which Channels?



- * Over 60% do Social Business
- * LinkedIn is tool of choice
- * Large
 - * Less Twitter
 - * Less Facebook
 - * Is it Policy or personal preference?



Insurance-Canada.ca Survey

How much are we into Social?

- * Key Points

- * Over 60% are using SM for business
- * LinkedIn is the Current Chanel of Choice
- * Some variance by type of firm, & by size
 - * Generally consistent
- * Probably not dramatically different than other industries



Insurance-Canada.ca Survey

Who do we communicate with?

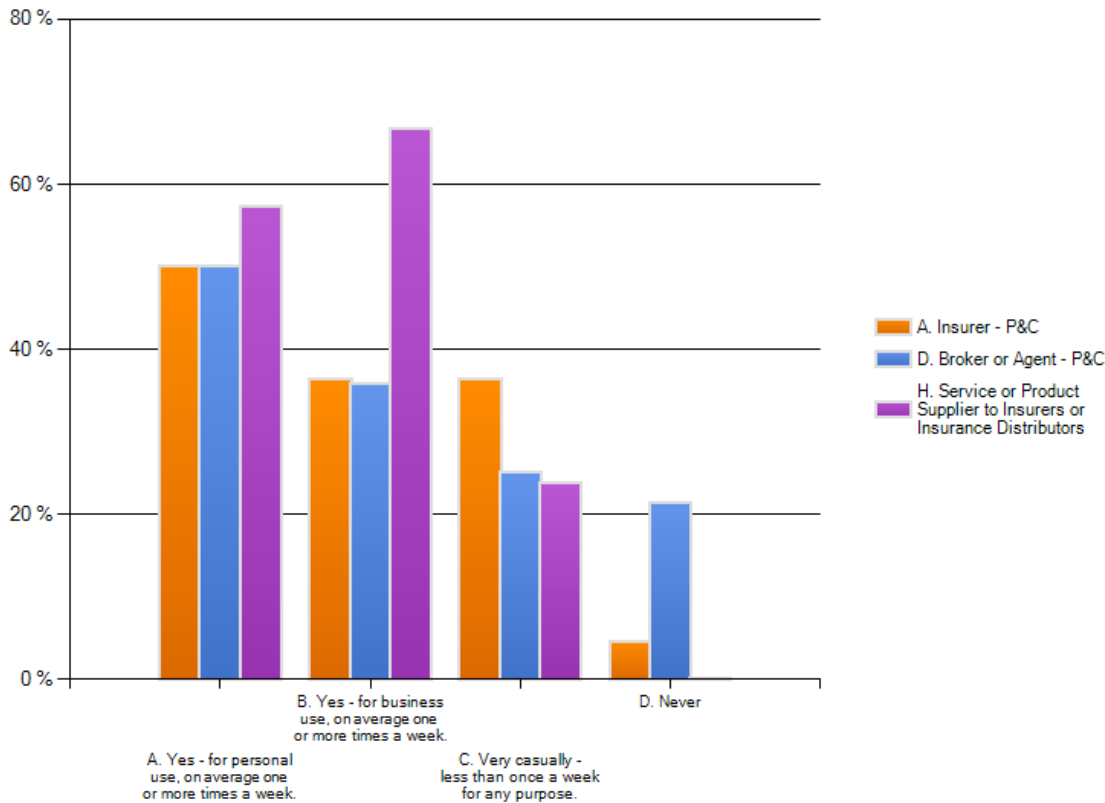
- * Survey in July 2011
- * Invitations open, to about 4700,
- * 100 responses
- * Three Groups = 77% of Responses (B&A biggest)



Insurance-Canada.ca Survey

Who do we communicate with?

Do you use social media?



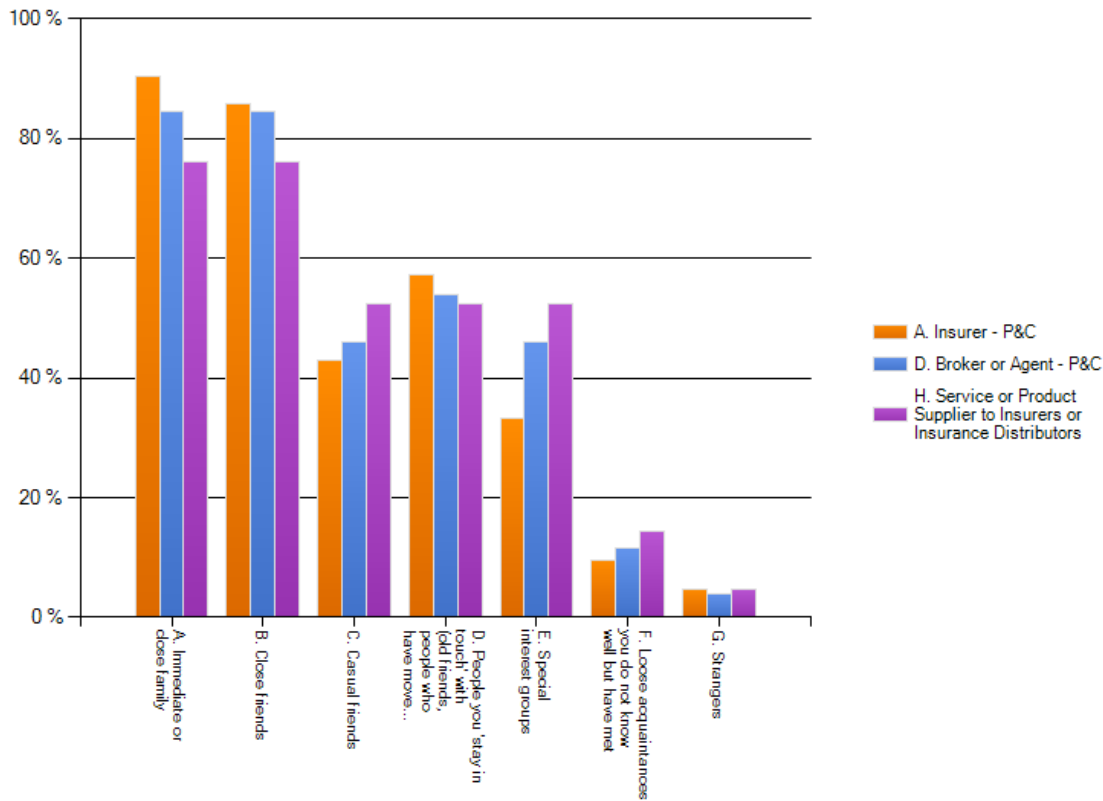
- * Survey in July 2011
- * 100 responses
- * Three Groups 77%
 - * P&C Insurers: 23%
 - * B&A: 31%
 - * Providers: 23%
- * Size:
 - * S 30% M 45% L 26%



Insurance-Canada.ca Survey

Who do we communicate with?

3 Groups: Personal: Communicate With Whom?



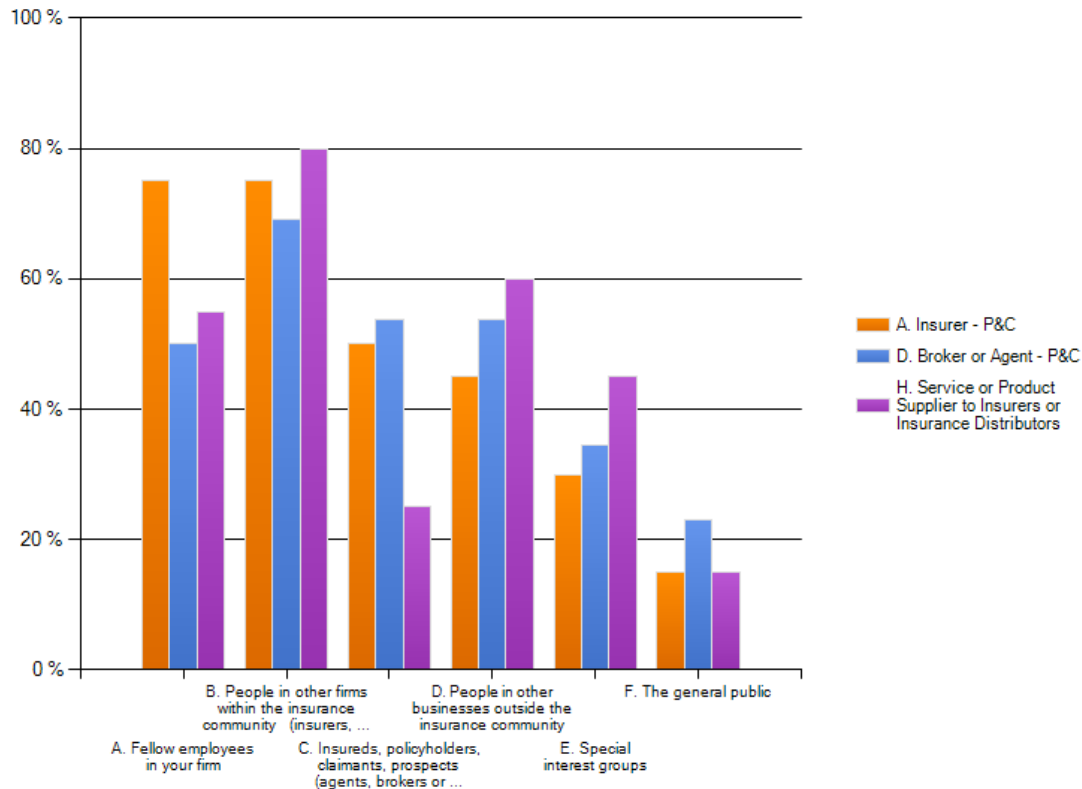
* No surprises



Insurance-Canada.ca Survey

Who do we communicate with?

3 Groups: Business: Communicate With Whom?



- * Internal vs External
- * 50% with Customers
- * Outside Insurance
- * SIGs



Social Media

Forward Look

Social is People

- * People socialize
- * People in businesses socialize
- * Businesses don't?
- * An attribute of a person is belonging to a business
 - * Issues, like compliance



Doug's Conundrum

- * People have different facets
- * I am three “people” – have three audiences
 - * Insurance-Canada.ca
 - * Heritage Group (hobby)
 - * Personal (family and friends)
- * How can I socialize with each
 - * (without burdening the others).



Value vs Chatter

- * Frequency of messaging
- * Value to your followers
- * Content continuum:
 - * Short messages (tweet)
 - * Medium (blog)
 - * Big (Articles)



Summary?

- * Social is people
 - * Groups of people have common interests
 - * Communities, groups, circles
 - * Functionality will improve
 - * Challenge: How to derive value
-
- * Social is here
 - * Facebook, LinkedIn, Twitter, (Google+)



Social Media

Developing a Strategy - Considerations

The Five “W”s (and One “H”)

- * Why?
- * Who?
- * When?
- * Where?
- * What?
- * How?

Simple one page discussion document



What Does Success Look Like to you?

- * Customer Satisfaction?
- * More Leads?
- * Decreased Expenses for Customer Service?
- * Brand Awareness?

All possible, but it takes work, commitment, and measurement



Key Performance Indicators for Listening/Engagement

Different Sectors use different measures

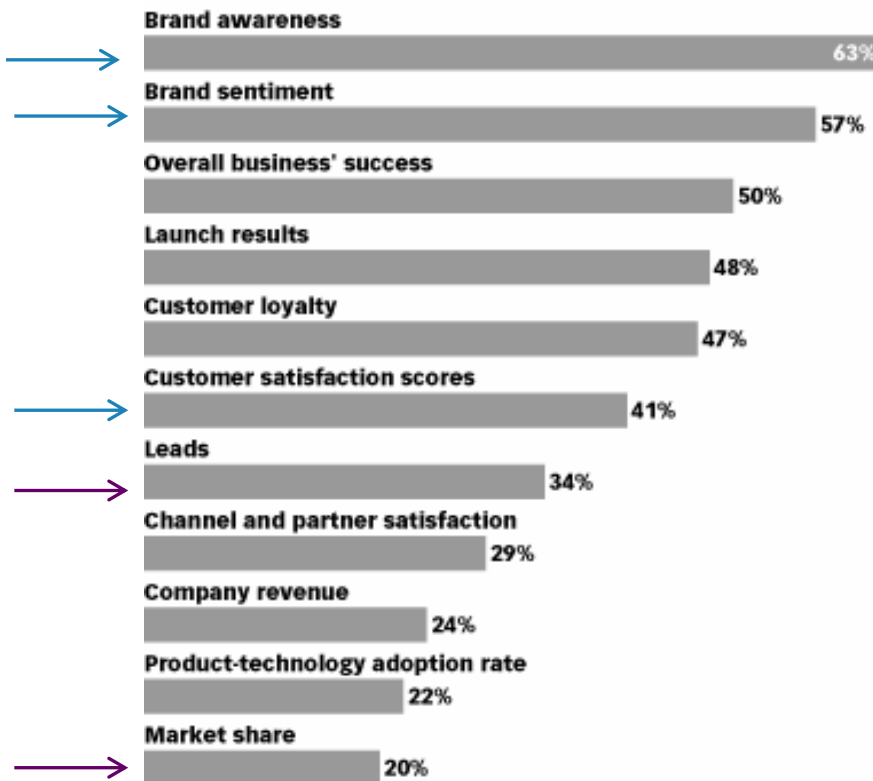
	High-tech (n=38)	Media, entertainment and leisure (n=68)	Utility and banking services (n=69)
Number of impressions/reach	42%	47%	30%
Number of social network fans' "likes"	34%	57%	23%
Customer satisfaction scores	32%	25%	46%
Brand sentiment	26%	19%	36%
Lead-related metrics	26%	6%	10%
Number of microblogging followers	24%	25%	14%
Brand awareness	18%	22%	39%
Company revenue	16%	18%	6%
Launch results	16%	9%	9%
Customer loyalty	13%	15%	19%
Market share	8%	13%	4%
Channel and partner satisfaction	8%	-	6%
Product-technology adoption rate	-	-	4%
Other	3%	3%	3%
Don't track the success of listening and digital engagement initiatives	8%	12%	10%

Forrester Consulting
June 2011 study
commissioned by Dell,
reported in eMarketer



Impacts of Listening/ Engagement

% Seeing success in
social media
Listening/
Engagement



Forrester Consulting
June 2011 study
commissioned by Dell,
reported in eMarketer



SAP Community Network – Elements of Success

- * **2.5 million active customer participants**
- * **Community engagement is a daily activity**
- * **The community jumps in to defend the brand**
- * **You can drive your own circulation**
- * **The community impacts product development**
- * **The community drives cultural change within marketing**

Source: www.fastcompany.com/1771250/9-ways-to-know-your-community-is-truly-awesome?partner=leadership_newsletter



Getting Started

- * Look/Listen at what the community is doing
- * Insurance-Canada.ca wants to help!
 - * Website: www.insurance-canada.ca/social-business/social-business.php
 - * The Intersection Blog: www.insurance-canada.ca/wordpress/
- * Bring employees into it
 - * To get their ideas
 - * And to ensure they support you in their own activity
- * Ask key customers.
- * Just Do It. You'll never learn to swim if you're afraid of getting your hair wet.



Social Media in P&C Insurance in Canada

An Insurance-Canada.ca Webinar

- Survey (short) when you leave
- Q&A
- On our web site under webinars

Thanks for attending



Insurance-Canada.ca