



2019 SOCIAL MEDIA CONTENT STUDY

LIFE INSURANCE TIP SHEET

What's Included?

- Overview of the Industry
- Key Findings
- Industry Trends
- Best Practices
- Hearsay Systems Insights
- Key Takeaways

Life Insurance Tip Sheet

OVERVIEW OF THE INDUSTRY

The life insurance industry continues to see stagnant market penetration at 57 percent.¹ This troubling statistic reflects the current research that suggests customers still don't understand the value of life insurance, and that the industry is not effectively communicating this value proposition. The industry is not facing a lack of potential customers, nor that of declining income of those potential customers,² but that of failing to adapt to the changing digital landscape and failing to leverage the right software and tools to help customers navigate it.

Another challenge encroaching on the life insurance industry is that of now having to compete with other industries and non-essential services such as entertainment and experiences—another key indicator that life insurance is not seen as a priority by customers. This, compounded by competing with essential priorities such as bills, day-to-day expenses, and paying off credit card debt and student loans, illustrates the rocky road ahead on the “path to purchase” for the life insurance industry today.

KEY FINDINGS AND INDUSTRY TRENDS

The Role of the Agent has Shifted

The digital disruption occurring within the life insurance industry has had a ripple effect on the relationship between the agent and the customer—a relationship that must evolve in order to not only survive but thrive. For a role that was once solely managed by an agent at every touchpoint throughout the path to purchase, this role is now feeling the impact of the digital gaps that are being exposed as clients wish to do much of their own research prior to ever speaking with an agent. This leaves the agent with a compressed timeline of interaction with the customer where they can offer timely and personalized guidance. These digital deficiencies also create an even greater challenge for carriers that are not currently providing a satisfying online experience to those customers who *do* want to purchase a life insurance policy but want to self-manage their purchasing journey.

The Role of the Customer has Shifted

Prospects in the life insurance industry are both tech-savvy and accustomed to a seamless online experience, and this shift is creating a rift within an industry that is over 300 years old and ill-prepared to offer a holistic digital experience. Carriers are frequently failing to provide the necessary digital tools throughout the path to purchase; namely research, evaluation, purchase, and post-purchase services. And while research shows that 54 percent of customers surveyed cite interacting with an agent as the 3rd biggest factor in purchasing a life insurance policy,³ the trend emerging is that customers are using them later in the process and for shorter periods. As a result, today's digital agent needs to reach the customer with not only the right message, but reach them at the right time as well.



SOURCES

1. LIMRA, 2019 Insurance Barometer Report
2. Statista, “Quarterly growth of the real GDP in the United States from 2011 to 2018,” accessed July 30, 2018.
3. Deloitte, What makes customers tick?; Deloitte, Life insurance consumer purchase behavior.



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KEY FINDINGS AND INDUSTRY TRENDS (CONTINUED)

These Shifts Create Opportunities in Marketing Messaging and Tools

The upside of these upheavals in the industry is that carriers are being shown the way forward by focusing on what timely, personalized messages to send to the customer, when to send them, and how. Providers need to respond to the gap in messaging by more effectively communicating the value proposition of life insurance in a way that will position it to customers as the priority it once was. In a recent survey, 68 percent of respondents show they appreciate timely, personalized, high-quality content,⁴ and the carrier must implement digital tools that allow agents to do just that.

So, what does timely messaging mean? Research shows that current leading trigger moments in purchasing life insurance are: having children (62 percent), financial changes (54 percent), becoming a homeowner (54 percent), and *interacting with an agent* (54 percent). This valuable insight highlights two key opportunities for agents:

1. It is essential for agents to take the time to nurture leads and build relationships, which will allow them to respond with timely messages around trigger events for clients. This is also crucial considering the compressed window of time that today's agent now has to work with.
2. The response "interacting with an agent" tied for 2nd among factors of purchasing life insurance, demonstrating that carriers should take a more active role in initiating the conversation rather than waiting for potential customers to contact them. This way, agents can transform a traditionally reactive purchase into a proactive one rather than be beholden to life events as the sole trigger points in the customer's purchasing decision.

There are several emerging trends that can also help guide marketing messaging, especially in the form of providing customers with high-quality content:

- From life insurance agent to financial advisor. Part and parcel to needing to be able to provide a holistic online experience for customers, the industry is seeing an evolution in the life insurance agent also being able to provide more holistic financial planning and advice services.
- Life insurance needs a myth buster. With the growing customer base comprised of younger generations and millennials in particular, research shows they don't purchase life insurance because they think "it's too expensive".⁵
- It's all in the family. American households are increasingly multi-generational, resulting in both complex needs and a growing need for the industry to address them.
- DIY in the digital age. Buying preferences are showing a growing need for digital offerings as customers want to self-guide their path to purchase and need more self-service tools available after purchase.
- We just have a lot of feelings. Highly emotional life events are still the main purchasing triggers for customers, putting the industry in a reactive, rather than proactive, role in the customer's journey.

SOURCES

4. Deloitte, What makes customers tick?; Deloitte, Life insurance consumer purchase behavior.
5. LIMRA, 2019 Insurance Barometer Report





BEST PRACTICES FOR SOCIAL MEDIA PUBLISHING

As the life industry adapts to the digital world, here are some content best practices to keep in mind:

- **Content to go, please.** Not only do providers need to optimize their online experience, but they need to focus on a mobile-first approach. This includes understanding and using best practices for social media in images, video, and text.
- **Let's speak plainly.** Acronyms and industry jargon that once may have been thought of as authoritative and professional now come across as unnecessary and off-putting. Approach content from a UX perspective with clear, easy to understand language to better connect with customers.
- **Get to know your neighbors.** Agents can easily build inroads with their local communities by hosting free events such as life insurance seminars and Q&A sessions about topics like financial literacy. They can then complement these events by sharing the same kind of high-quality content online.
- **Get the word out.** Share policyholder testimonials and customer stories and turn them into usable online content (if allowed).

HEARSAY SYSTEMS INSIGHTS ABOUT SOCIAL CONTENT PUBLISHING TRENDS IN LIFE INSURANCE

Achieving real quality customer engagement can seem daunting in an ever-changing digital landscape, but the right tools and insights can help show the path ahead. Hearsay Systems provides digital client engagement solutions for 170,000 advisors and agents at over 150 of the world's leading financial firms, helping bridge the digital gap so that agents and advisors can focus on connecting with their customers.

To help customers identify key areas to focus on in the digital world, Hearsay Systems conducts an annual content study to analyze social media publishing data from leading organizations across life insurance as well as wealth management, property and casualty (P&C) insurance, and mortgage companies, to determine:

- The types of content suggested the most to agents by their firms' corporate marketing teams (lifestyle, industry, corporate, corporate-industry, corporate-lifestyle)
- The types of content agents sought out and published the most, from the suggested content libraries provided by their firms' teams (a critical indicator of whether or not corporate marketing efforts are aligned with their agents' actual preferences)
- Of those, which content categories received the most engagement from the agents' followers (likes, comments, shares)
- Actionable best practices and tips for corporate marketing teams to fine-tune their social media programs and for agents to free up time and improve engagement at the individual, local level

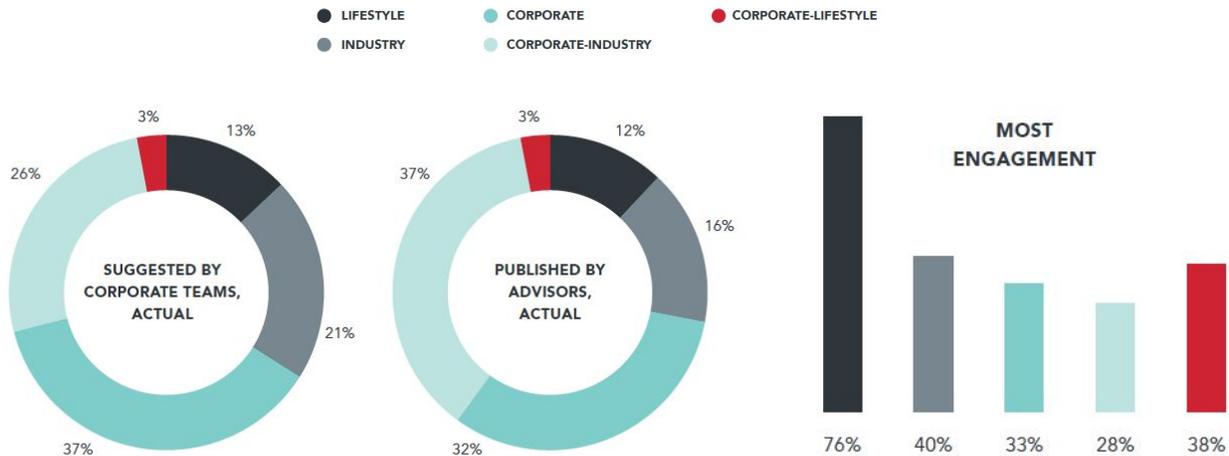
What we found was that corporate and field marketing teams within life insurance organizations offered a well-balanced blend of recommended lifestyle, industry, and corporate social media content to its agents. In 2018, however, there was a decrease in lifestyle content and an increased focus on industry, corporate, and hybrid corporate-industry content compared to the previous year. Among all industry segments, life insurance marketing teams suggested the second lowest amount of lifestyle content (13 percent).

While corporate teams increased their industry content recommendations, there was a marked decrease in publishing rates for that content as compared to last year, dropping from 42 percent to 16 percent. Instead, life insurance agents favored corporate (32 percent) and corporate-industry (37 percent) content over other content types, even though engagement rates for these types of content were the lowest. Agents published industry (16 percent) and lifestyle (12 percent) content at low rates, but garnered high engagement for these categories among followers demonstrating once again a mismatch between what is being shared versus what the audience wants.



HEARSAY SYSTEMS INSIGHTS (CONTINUED)

In our first year of the content study, life insurance agents were in the middle of the pack in terms of social media activity. This year, they continue to hold the middle ground in the second spot just behind P&C Insurance, with an average of 322 publishes per suggested post. The even balance of suggested and published content demonstrates that corporate marketing teams in life insurance continue to be well-aligned with their agents, and that their agents are doing a good job of sharing a diverse mix of content to their social networks. Overall, life insurance organizations continue to provide a comprehensive approach to their social media strategy, publishing the second most content (3,695,889) and achieving the second-highest number of total engagements (1,385,101) across all content types.



KEY TAKEAWAYS

Despite the challenges that a shifting industry can present, there are solutions. Some key strategies to help close the digital gap are:

- Reinforce the life insurance value proposition as a priority and support it with evergreen marketing campaigns and messaging
- Activate proactive messaging and communication with customers to help them move away from reactive purchasing decisions based solely on life event triggers
- Create a new pricing model and services structure that better speaks to younger customers and aligns with models of those of other industries such as streaming subscription services, for example
- Use timely, personalized, high-quality content and messaging that fits within the new compressed time window with customers
- Offer a robust, holistic digital experience that's intuitive and self-service
- Leverage available technological innovations that automate the workflow of agents and aid them in seamlessly staying in touch with their customers and remaining compliant while doing so
- Enable agents to offer a more holistic host of services such as financial and retirement planning

The life insurance industry stands to capitalize on implementing digital offerings to create a hybrid purchasing life cycle that integrates both an agent's expertise and digital tools that when combined, offer a truly holistic path-to-purchase journey that is both high tech and high touch.



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