

2019 SOCIAL MEDIA CONTENT STUDY

P&C INSURANCE TIP SHEET

What's Included?

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

P&C Insurance Tip Sheet

OVERVIEW OF THE INDUSTRY

2018 laid the groundwork for a strong 2019 for the U.S. P&C industry thanks to higher investment income, strong economic growth, and rising interest rates, all contributing to doubled net income in the first half of 2019 compared to 2017.¹ Other key contributing factors to the strong industry climate include higher consumer spending, a lower unemployment rate, and faster GDP gains. Lower natural disaster losses of \$17 billion compared to the same time period in 2017 also helped with a strong first half of the year.

Looking forward to 2020, fears of a recession add a cautious and careful outlook to round out the year. The industry also faces rising interest rates that could contribute to slower consumer borrowing and spending. Keeping these warning signs in mind, industry providers should use them as an opportunity to evaluate operating costs and find ways to increase efficiency to maximize the value of every customer interaction to drive loyalty, increase spend, and guide their clients to appropriate coverage levels.

KEY FINDINGS AND INDUSTRY TRENDS

Adoption of Technology

Now that P&C insurance agents are serving millennials, they're expected to interact with them on their terms, using a variety of technologies and strategies to build relationships and achieve business outcomes with this growing market segment. This means companies are expected to have an easy-to-use app and provide the ability to submit claims virtually. The turnaround time for claims processing must also be faster to meet millennial expectations. Technology is also able to provide a level of personalization that didn't exist before. Customers can quickly check their policies, make changes, and confirm payments on an app rather than engaging in a series of phone calls or emails with an agent. Chatbots can also be integrated into websites and apps to provide quick answers to common questions.

As technological advancements in the industry create new opportunities in areas such as automation, telematics, and data augmentation, a more integrated landscape between high tech and high touch is emerging.

- Phone it in. Despite a slow start, smartphone-based telematics that track drivers' behavior in real time is a growing field, especially in the broader auto industry.
- Go deep. Property insurance is leveraging deep machine learning for property inspections using aerial imagery to reduce the number of actions needed during property inspections.
- Droning on. Another way property insurance is finding help from above is through drones that can help in assessing property damage, running preventative maintenance, and collecting data before property risks are insured. Regulatory measures addressing insurers that want to expand their drone programs are expected.



SOURCE

1. CB Insights, "P&C Insurance Trends To Watch in 2019"



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KEY FINDINGS AND INDUSTRY TRENDS (CONTINUED)

- Auto claims go virtual. What used to take days is now taking mere hours thanks to advances in virtual auto claims technology, leading to less human touch during the process and more tech providers looking to provide new products in the market.
- Built-in home insurance. Home insurance is becoming a more integral part of the home buying process, giving consumers options to consider before they have even purchased a home. This trend will give residential data providers more opportunities as well.
- Let the robots do it. Robotic Process Automation (RPA) technology analyzes current insurance applications to help increase efficiency as well as capture data.
- More data means more opportunities. Advancements in commercial data augmentation is creating new tech solutions that can help business owners streamline the applications and verification process.

BEST PRACTICES FOR SOCIAL MEDIA PUBLISHING

When it comes to social media engagement, the P&C industry has set the bar pretty high as its agents experience the most total engagements compared to all other industry sectors. Social media has become an integral part of the business and with it are best practices to help get the most out of it:

- Strike the right balance. Using a hybrid approach when it comes to posting on social media is essential. Balancing corporate as well as timely industry messaging helps build brand awareness as well as trust at the local agent level.
- Keep the conversation going. Utilizing content creation and automation tools helps agents consistently post to their different social media platforms without it taking time away from their business.
- Complement social media with other digital communications. Leveraging tools like website lead generation, email marketing, and compliant texting provides a more holistic approach to reaching and connecting with clients.
- Compliance is key. Knowing how to stay within compliance when posting to social media is crucial. Company guidelines and compliance teams can help as well as using compliance software that can automate the process for quick, compliant communications.

HEARSAY SYSTEMS INSIGHTS ABOUT SOCIAL CONTENT PUBLISHING TRENDS IN P&C 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 P&C insurance as well as wealth management, life insurance, and mortgage companies, to determine:

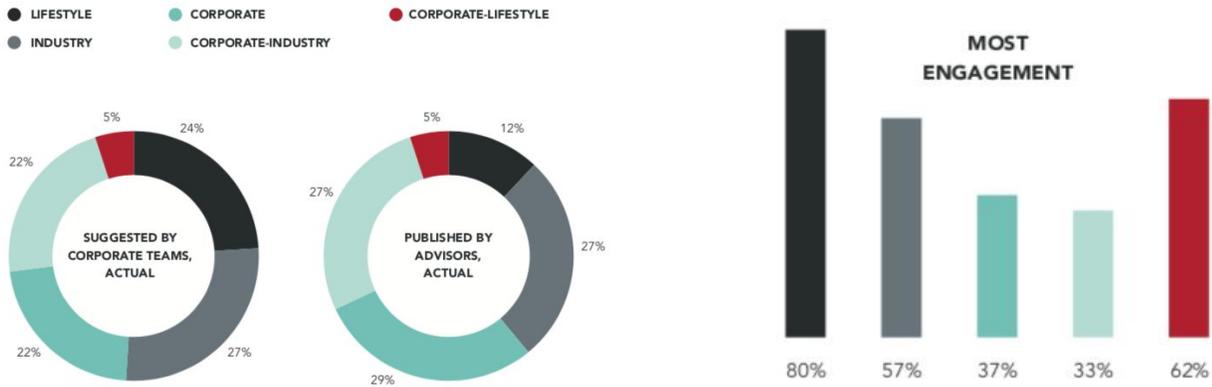
- The types of content suggested the most to agents by their firms' corporate marketing teams (lifestyle, industry, corporate, corporate-industry, corporate-lifestyle)
- The types of content agents sought out and published the most, from the suggested content libraries provided by their firms' teams (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

For the second year in a row, P&C insurance set the standard for overall social media activity across the sectors Hearsay Systems analyzed, with agents publishing the highest volume of content (an average of 577 publishes per suggested post) even though P&C marketing teams provided half the amount of the content as wealth management or life insurance teams. In addition, P&C agents received the highest number of total engagements (1,842,458) across all industry sectors.



HEARSAY SYSTEMS INSIGHTS (CONTINUED)

P&C agents also published content at the most balanced rates compared to the other industry sectors, with corporate (29 percent), corporate-industry (27 percent), and industry (27 percent) content all coming in at almost identical rates. In the corporate-lifestyle category, P&C Insurance had the highest amount of suggested content (5 percent), and the second highest engagement rate (62 percent).



Unlike wealth and life insurance, P&C insurance agents operate in a world with a highly commoditized range of products; policies are fairly competitive from one company to the next, and consumers are able to do much of their research online. In order to differentiate, P&C insurance companies invest significantly in generating awareness and trust at the brand level, as well as building a cohesive corporate-to-local experience.

As a result, many P&C insurance companies use a hybrid model for their social media content strategy that more heavily promotes branded, corporate content, even at the local agent level. The engagement rate for corporate content dropped from first place to fourth, just slightly above life insurance, but that may be due to the number of times the same content is published by agents in large insurance companies. P&C agents publish content at nearly twice the rate of life insurance agents, four times the rate of wealth managers, and nine times the rate of mortgage loan officers.

KEY TAKEAWAYS

Given the nature of the products they sell, content around natural disasters and other relevant influences on property and liability exposure is central to and protecting one's real estate and automobile investments is central to P&C insurance companies and agents. The top content library search terms with P&C insurance agents in the Hearsay Systems analysis were dominated by seasonal topics like "storm," "flood," "earthquake" and "wildfire," as well as holidays and special occasions (e.g., "Labor Day," "graduation," "Thanksgiving"). Posting hybrid corporate-industry and corporate-lifestyle content works well to align products with lifestyle activities. These types of posts can provide helpful hints to customers that may remind them to check in on their existing policy or plan, especially when it comes to upgrading or bundling services:

- "Road trips are a great way to see more of Canada. Make sure your car is ready for the road by checking these common problem areas before you go."
- "Your car really takes you places but bundling your home and auto policies will take you pretty far, too. Call me to learn how much your bundle can save!"

Since many of these types of events are recurring or affected by seasonal shifts (more road trips in the summer, more severe storms in the spring), P&C insurance marketing teams and agents can save time by queuing up seasonal content in advance, so they can be quickly published both before and after these events occur.



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