

## **Social Media Watch**

by Terry Golesworthy

The Customer Respect Group

Social media is starting to encourage niche marketing. Meaningful engagement, critical for social media success, improves when participants have a clear common bond. Horace Mann recently completed a Facebook campaign to recruit and engage with public school teachers, a key customer segment. The objective was to connect agents with educators without selling insurance, and the campaign centered on providing money for unfunded classroom projects. The program provided agents a compelling reason to visit schools in their districts and meet with educators. Horace Mann was recognizing underfunding as an issue, acknowledging educators' frustrations, and making a practical and positive contribution. Educators promoted projects on the company's Facebook page, creating a rich source of ideas for their peers. Horace Mann was able to demonstrate that the company understands and serves the education community. Facebook was a natural host because it allows the sharing and discussion that brings a program to life — but above all, because educators were already on the platform.

Acuity, with a similar customer focus strategy, started a Facebook page for truckers. Truckers spend significant time online, use social media extensively, and are highly networked online. Subject matter experts who understand the audience maintain the Acuity Facebook page and not a social media team. The strategy is to provide content that truckers will find interesting and helpful — not to promote company products. That content is a combination of internally and externally produced information. The page has been very successful, attracting over 3,500 fans. Following this success, Acuity then delivered new pages for manufacturers, retailers, and the construction industry.

Consumers are more likely to share information that addresses a concern without trying to sell products. For example, this month American Family delivered advice on carbon monoxide risks, and Northwestern Mutual offered practical information on long-term care issues. The most shared content for New York Life listed facts about levels of under-insurance in the United States.

Thrivent Financial, like most insurers seeking a steady stream of content, has moved the company magazine online. The use of magazine content for social media is the subject of a hot internal debate for many insurers. Current magazine subscribers provide extensive contact details, and some see offering the same content through social media as devaluing the magazine. Others counter that social media offers the potential of a much broader overall reach, in part due to the ease of sharing with friends. The latest article, "Planning for the Unthinkable," covers the loss of a wage-earning parent. While subtly promoting the value of life insurance, it was carefully written and is likely to benefit from sharing.

MetLife launched an aggressive Facebook strategy in the summer, moving from placeholder status into the top tier with over 100,000 fans. The page also enjoys higher than average engagement with fans, indicating the presence of strong brand advocates. MetLife posted the most of any insurer in the month — 91 times. In the “interesting category,” MetLife used images from the comic strip Peanuts in 26 posts, resulting in substantially different engagement rates. Posts with Peanuts images had four times as many likes, 11 times as many shares, and twice as many comments. Images do drive higher engagement rates, in part due to higher visibility, but Peanuts characters are especially effective.

MassMutual employed Facebook “sponsored stories” in November. This offers the sponsor the opportunity to deliver a post to selected Facebook users, not just those who like your page. MassMutual posted two financial polls receiving more than 140,000 votes. Five thousand also chose to like the company page to receiving ongoing company news. Assuming a cost-per-click model with rates in the \$1-\$2 range, this was not inexpensive.

Insurers associated with foundations and philanthropic programs are looking to social media to enhance the direct value from existing commitments. Allstate, a strong supporter of Autism Speaks, the largest autism science and advocacy organization, committed \$500,000 to the charity by donating \$10 for each insurance quote. The campaign is promoted from the Facebook page. Liberty Mutual supports breast cancer research in a similar way. Northwestern used Facebook to support various kids’ charities, and The Hartford supported the U.S. Paralympics team with a Facebook fan recruitment program.

Surprisingly silent on Facebook is Farmers Insurance, despite an enviable 2.37 million fans. They posted just once in November and have posted only seven times since June. Farmers attracted fans offering free virtual goods to Farmville game players. The insurer, possibly aware these fans are unlikely to be brand ambassadors, is treading very carefully to prevent fan attrition while it figures out the best way to leverage this huge base. One good way of losing uncommitted fans may be to send them information about insurance.

In a recent survey about social media in the industry, the biggest difference between the P&C and life/health companies is the potential to support normal business operations. In the P&C industry, 79 percent of carriers see an important role for social media for normal business, such as customer service. Meanwhile, 35 percent of life/health companies see no role for social media in supporting normal business operations. There are currently 18 insurers providing social customer service, and all but one are in the P&C space (the exception is Aflac).

In a statement destined to create instant social media expertise in every agency, Coca-Cola CEO Muhtar Kent recently told the *Harvard Business Review* that social media

marketing now accounts for about 20 percent of the company's overall budget. Five years ago, social media accounted for just 3 percent, but the appeal of improving prospect and customer engagement was too great for the organization to ignore. He went on to say social media marketing will be an integral element of the company's strategy in the next decade.