

SOME



SOCIAL MEDIA INSURANCE MONITOR 2018 BY ITDS

Digital transformation leads to better customer engagement

GLOBAL
EDITION

RANKING AND ANALYSIS • INTERNATIONAL START-UPS • INTERVIEWS WITH RGA AND VIVAT

ITDS measures insurers' use of social media all over the world



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OLAV CUIPER (RGA)

'Don't just follow trends, make them leading in your organisation'



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'We are entering an era of flexibility'



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4 CONCLUSIONS Customer service via social is lagging behind **12 RANKING AND ANALYSIS 19 TOP THREE** Most social insurers of 2018 **20 START-UPS** New initiatives, all in the app **24 INTERNATIONAL INSURERS 32 MASCOTS** People prefer to follow their insurers' mascots on social media rather than the insurance company itself **34 GLOBAL TRENDS** Generic statistics **41 SOCIAL NUMBERS** Infographic with details

CUSTOMER SERVICE VIA SOCIAL IS LAGGING BEHIND

Having surveyed the top 20 players in the international insurance industry, spread across 11 different countries, we have identified a wealth of social media activities. In terms of their respective fan bases, these insurers have grown substantially compared with last year and they also made more active use of social media during the measured period. However, customer recommendations and the customer service offered by insurers leave much to be desired.

1

EXTENSIVE REACH ON SOCIAL MEDIA

Insurers have collectively built a massive social media fan base in recent years, currently showing over 13 million followers on Facebook, LinkedIn, Twitter and Instagram. This represents a growth of 24 per cent compared with last year. Instagram appears to have the largest growth among the channels, with a total of 170,527 followers for the 20 insurers this year, a growth of 64 per cent on last year. Generali, with its predominately red imagery to communicate the brand, and Aegon, which shares rowing photos to capitalise on its sponsorship of the Dutch rowing federation, both use Instagram to present themselves in a good light. People seem to appreciate fun and seeing cool photos from insurers, which is probably why Allstate and Geico use their mascots on Facebook and Instagram, with appropriate videos telling their stories. On Facebook alone, these two mascots have already gathered more than 2.5 million followers, enhancing the value of these insurers' brand names at the same time.

2

VIDEO INCREASINGLY RULES

In addition to YouTube, international insurers are increasingly using video on Facebook and LinkedIn to reach their customers. The surveyed insurers posted 654 videos on YouTube, a substantial growth of over 50 per cent compared with last year (435 videos). And while these videos often contain information and tips about insurance in general, their humorous, tongue-in-cheek nature is also clearly evident. Examples that quickly come to mind are Geico's Gecko and Allstate's Mayhem. Engagement with the posts also increased, proving that, thanks to these different type of videos, insurers are achieving more dialogue with customers, both on Facebook and LinkedIn. On YouTube, the insurers' videos received an extraordinary total of almost 96 million views (95,596,690 to be exact). The YouTube videos play for approximately two minutes, while on Facebook the duration is about 30 seconds.

3

FIRST STEPS TO BEING FULLY MOBILE

Customers access insurers' websites from various devices, mostly smartphones, in search of information or to ask questions about insurance products. This makes it the responsibility of the insurer to ensure that their customers enjoy the best-possible mobile experience. Our results show that international insurers are well aware that they have to be active on "mobile" both now and in the future. For example, all 20 insurers now have a responsive website (five per cent up on last year) and 19 of them offer an active mobile app on which customers can check their personal policy details. Seven of the 20 insurers give their customers the option of asking questions via social media, while three insurers allow customers to chat with them live on their website. Pioneers, such as AXA and Aviva, even let customers send their insurance claims over the smartphone without having to fill in a form, meaning a claim can be processed immediately. Clearly, the initial small steps have already been taken, but to fully meet customers' needs all 20 insurers will have to become "100 per cent" mobile.

4

STORIES THAT MATCH THE BRAND

In addition to content having to be of the required quality, it's becoming patently obvious that the insurers stories need to be tailored to the respective target audiences. Comparing this years data with last years, it cannot be denied that insurers have grown, in a positive sense. They've started to make more use of a strategy that corresponds with their brand and they are building on this by creating more of their own visual material and making less use of stock images. This year, the insurers placed a total of 7,272 posts on Facebook, LinkedIn, Twitter and Instagram, a growth of 24 per cent compared with last year. The use of a call-to-action in posts and the sharing of home videos have also increased compared with last year. This has resulted in a total of more than 41,000 customer responses to insurers' posts, a growth of 20 per cent.

5

MORE TRANSPARENCY PLEASE

International insurers are still too shy when it comes to full transparency. Customers, for example, are not given the opportunity to read more about the insurance products on offer. Only two insurers share reviews on their website, down 50 per cent on the four that did so last year! And although some insurers allow their customers to write a review, they don't make it possible for these customers to read the reviews of others. Facebook, for example, gives the option to ask for reviews and share experiences, but a whopping nine of the 20 insurers still don't make use of this option. Seven of the insurers offer a feedback button on their website, a modest growth of five per cent compared with last year. Only one of the insurers shares visitors' experiences through Facebook. This is, to put it mildly, a shame, given that customers often base their decision on reviews. Think here of companies like Uber, Airbnb and TripAdvisor.

6

RELEVANT CONTENT

Last year it transpired that insurers found it difficult to have an "always-on" content layer on their social media pages. Whereas in previous years the content calendar was mainly dominated by sport and event campaigns, this year heralded a change. In the first half of 2018, throughout each month insurers shared more informative messages concerning insurance on their social media channels. Moving forward, insurers must claim a clear role for themselves and offer content that's really interesting for their target audiences. The more information they provide about their business activities and improved insurance products, the more interaction it will generate.

7

TOO LITTLE INTERACTION

There are several ways insurers can connect with potential customers. One stand-out development is the increased popularity of blogging. Of the 20 insurers, 17 currently use their content platforms to share tips and stories with their customers through blogs. Last year, 15 insurers did so, a modest increase of 10 per cent. The insurers' content platforms are often integrated into their websites. However, only three of the international insurers allow their customers to respond to the blogs and articles they post, with Aegon, Geico and Mapfre leading the way. If insurers allow their customers to get in touch with them, and each other, they'll create opportunities to interact. But, at the moment, this is just not happening on the content platforms of most insurers; so there is no interaction.

8

MOBILE MESSAGING, MISSED OPPORTUNITIES

With more than 3.8 billion monthly active users, WhatsApp, Facebook Messenger and WeChat are the most popular mobile messaging apps worldwide and, in the past few years, they have continued to grow exponentially. Moreover, they are increasingly being touted as the digital medium for businesses, allowing brands to have one-on-one marketing and promotional interactions with customers. However, this is an area in which insurers are trailing far behind and therefore failing to meet the current wishes of mobile users. Of the 20 international insurers, only one, Dutch insurer Aegon, uses WhatsApp for its customer service. The same lamentable situation exists when it comes to the use of Facebook Messenger, where not one of the 20 insurers offers customers the option of asking questions via Facebook Messenger on their website. It's becoming abundantly clear that insurers will need to deliver on customers' mobile messaging expectations in the not-too-distant future, whether bot-generated or communicated through live agents.

Social media killed privacy, use it to your advantage



**‘DON’T
JUST
FOLLOW
TRENDS,
MAKE
THEM
LEADING’**

OLAV CUIJER
EXECUTIVE VICE
PRESIDENT
AND HEAD OF
EMEA AT RGA

Smart Data. Technology developments. Partnerships. These three trends are vitally important for insurers. Tomorrow’s winners have already anchored these trends.

The speed at which the insurance industry is developing gives us plenty to discuss. We could, for example, focus on robotisation or blockchain, but I think it's more interesting to examine trends in our field from a broader perspective. At micro level, every insurer is very busy just keeping up. WhatsApp has emerged as the new communication standard and has been integrated into almost every facet of customer service, while video advice has become the rule rather than the exception. These are all smart moves that make it easier for consumers, but do they also help you reach new customer groups? Let's take a step back here. At macro level, I see three trends that will shape the future of our industry. And tomorrow's winners have already anchored them in their business model.

1 DATA CHANGES THE WAY YOU INSURE YOURSELF

For years we've all been talking about Big Data, but personally it's a term I prefer to avoid. Data is data. As an insurer you've always had data at your disposal, but nowadays there's just more of it. It's much better too and, when used properly, technology has made it much easier to exploit. In itself, there's little special about Big Data. Unlike smart data. That's where the challenges will lie during the coming years: developing new services, based on smart data, that will make life easier for customers.

But how does that work? Nowadays, every insurer wants to ask fewer questions during the customer journey because the less information the customer is asked to provide, the quicker you can sell the policy. The problem, however, is that if you don't complement this shorter application and acceptance process with other data, it results in data asymmetry. This can lead to undesirable situations in which a customer can take out a life insurance policy that's far too expensive because it's based on knowledge that you as an insurer don't have.

Clearly, the departure point is that the same information is available to both parties. If you want to simplify the application and acceptance process, you must include smart data sources. In the US, for example, we as RGA have developed TrueRisk® Life with Trans-Union, the market leader in the area of credit scores. In combination with other data sources, credit scores provide a good indication of life expectancy, as well as the duration of the policy. All this has enabled us to substantially streamline the acceptance process. The privacy debate has demonstrated that transparency is impor-

tant to the consumer and you can capitalise on this by explicitly asking for insights into certain data. This can include the consumer's Facebook profile, for example, or health data from running apps such as Strava or Runkeeper. If you make a joint agreement about sharing data, it makes for a fairer deal. The customer then has a choice: either complete a questionnaire, possibly including a medical examination, or answer just a few questions and share data sources under certain conditions. In this way you'll build mutual trust and collate better information. It's a good thing too, because so much more is possible. Consider how consumers apply for car insurance in the UK. It's really high-tech, thanks to a black box that knows exactly what your driving style is like. And everyone already carries tomorrow's black box around with them: the iPhone!

Another smart way of dealing with data is to create communities, which will positively influence behaviour. It works too, because people really do participate more in sports, for example. Take the Vitality programme from health- and life-insurance company Discovery, which is available in South Africa and the UK. People who participate in sports and eat healthy qualify for discounts at gyms, medical check-ups and train and air travel. It's all made possible by partners. And consumers seem to be prepared to trade in some of their privacy for financial gain.

Programmes like these help you to learn more about your customers, allowing you to make the necessary adjustments to your products. Used wisely, data can not only change your process, it can also change the products in your life cycle. Not just one standard insurance for life, but one that automatically adjusts to the phases of your life. It makes insurance much more personal. In the future, insurers' will offer millions of individual solutions for just as many individuals, each with his or her own behavioural and health characteristics. The trend is shifting from N = many to N = 1, like you see in the healthcare sector with targeted medicine.

2 TECHNOLOGY CHANGES WHAT AND HOW YOU INSURE

Technological developments make new things possible in our society; that's just a fact of life. Thanks to medical technology, for example, we now live longer and healthier lives. That's fantastic, of course. The smarter medical science becomes, the more manageable and affordable it makes healthcare. A win-win situation all round. Technology is making risks manageable in more and more insurance domains. But the point is, what are we doing with it? People's reasons for insu-

“If you make a joint agreement about sharing data, it makes for a fairer deal”

ring themselves remain largely the same. In its basic form, insurance won't change. It's what you insure, and how, that changes.

Volvo, for example, is developing a safety system that can avoid obstacles and implement autonomous evasion manoeuvres to save a car from dangerous situations. This represents Volvo's last step towards its mission of ensuring that by 2020 no one who buys a new Volvo will be killed or seriously injured. The only thing you'll still have to insure against is causing damage to others. Suddenly, it makes insuring a car very straightforward. Just imagine these cars rolling off the production line with standard insurance. From “Intel Inside” to “Insurance Inside”. A threat, or an opportunity? You decide. And if you extrapolate this example to other insurance policies, what do you see happening?

Imagine the benefits that technology could bring to your own insurance domain. In an ideal world technology makes life a bit better. It's up to us to capitalise on its benefits. In Germany and France there are several medical technology start-ups that make specific conditions like diabetes more manageable, with healthier patients as a result. Meanwhile, in the UK and the US we as RGA are investing in connected homes for senior citizens. Thanks to the connected technology in these smart households, these seniors can live independently longer, with medical diagnoses received in the comfort of their own armchairs. I'm often asked why RGA invests in initiatives like these. My answer is that because we know we are getting progressively older, I want to invest in initiatives that contribute to people's well-being later in life. Nobody knows exactly what the future will look like. But if you look carefully enough you can see the outline.

3 PARTNERSHIPS CHANGE THE WAY YOU OPERATE AS AN INSURER

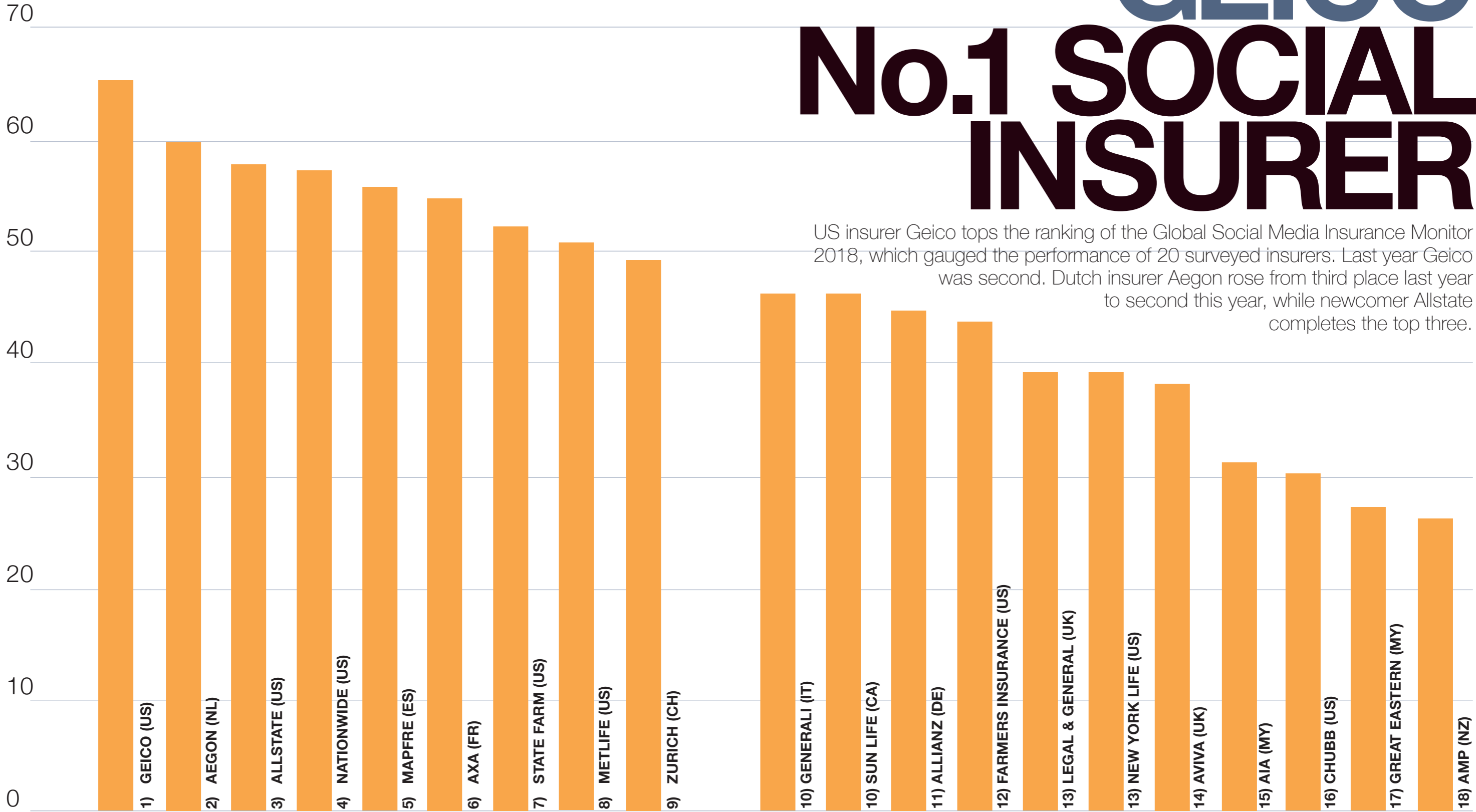
I don't believe that Apple or Google want to be insurers. A few years ago, Google ran a comparison site for car insurance in the UK, but eventually they refocused solely on their core business, generating advertising income. Being good at what you do doesn't necessarily make you good at what you don't yet do. You don't have to be able to do everything. And this also applies to insurers. Rather than chasing every innovation, it makes more sense to go back to your core business and decide from there how you can best serve your customers.

What exactly is an insurers core business? Covering the financial risks that exceed your or your family's capabilities and making sure that all peripheral aspects are adequately taken care of, from administration to legislation. Now that's not something Google can easily emulate. As a major insurer I'd opt to excel in your legacy, aiming for very satisfied customers. I'd also invest in partnerships. Not by setting up initiatives yourself, but mainly by embracing them – by taking a share in them, for example. In this way you'll create value ecosystems centred around the insurance needs of your customers. For a long time in the industry we've stressed that you have to innovate or die, but that doesn't mean that you have to do everything yourself. For many insurers innovation has proved to be difficult and costly, in terms of time, energy and money. InsurTech, for example, could be perceived as a threat to traditional insurers, but start-ups and tech companies like these also represent opportunities. Sometimes it's simply better to forge a partnership with a specialist that has exactly the right expertise and experience. But here too, don't try to control everything. Instead, focus on your own insurance domain, be it providing care for later in life or material property. Gather smart innovations associated with that insurance domain then reconcile them so they optimally serve your customers. Such an ecosystem needs to be continuously tweaked to the prevailing time and needs. But that won't be a problem either. Given that you won't be doing everything yourself, it'll be easier to shed what you no longer need and take up what you still miss. As an insurer you'll become a director of ecosystems. In the meantime, you'll still have to offer your customers excellent service, in a modern and efficient way and according to the latest legislation. And, as an insurer, that's exactly what you're good at. Today and tomorrow.

GEICO

No.1 SOCIAL INSURER

US insurer Geico tops the ranking of the Global Social Media Insurance Monitor 2018, which gauged the performance of 20 surveyed insurers. Last year Geico was second. Dutch insurer Aegon rose from third place last year to second this year, while newcomer Allstate completes the top three.



‘Know me, reach me, keep me’

ON WHICH PLATFORMS WERE INSURERS ACTIVE?

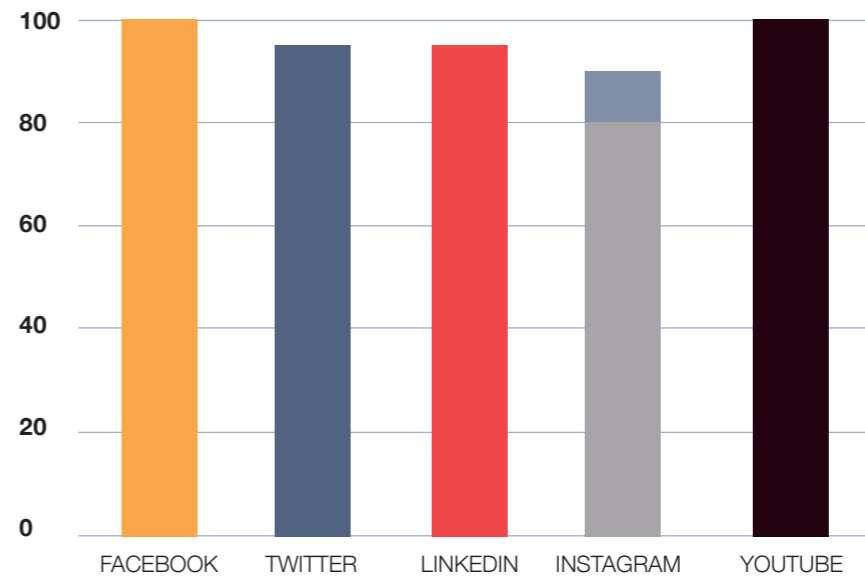
In 2018 all 20 of the surveyed insurers were active on at least one social media channel. Facebook and LinkedIn remain the most important social media channels on which the insurers engage with their customers. Like last year, all 20 of the insurers used Facebook and LinkedIn. In terms of activity in 2018, it was noticeable that there was more happening on Instagram and YouTube compared with 2017, with the use of Twitter remaining the same.

- The use of Facebook remained about the same as last year. All insurers were active on Facebook in 2018.
- Like last year, all 20 insurers were active on the business channel, LinkedIn.
- The use of Twitter remained the same as last year, with 19 of the 20 insurers (95%) still active on the platform.
- Compared with 2017, the use of Instagram increased by just 10% in 2018, with 18 of the 20 insurers (90%) active on the platform.
- The use of YouTube remained stable in 2018, with all 20 insurers using YouTube to share videos with their customers. All the insurers post one or more videos every month.

The use of social media platforms continues to grow among international insurers. The 20 surveyed insurers now command a total fan base of almost 14 million people, a growth of over 30% compared to last year.

ACTIVITY ON SOCIAL PLATFORM

■ GROWTH COMPARED TO 2017



HOW ACTIVE WERE THE INSURERS?

- In 2018, the insurers posted a total of 7,884 messages on their social media channels (Facebook, LinkedIn, Twitter, Instagram and YouTube).
- Throughout the year 1,994 messages were posted on Facebook, with international insurers posting an average of 16 per month. This represented a decrease of 6% on last year.
- A total of 3,444 tweets were placed, with international insurers posting an average of 28 tweets per month on their timeline. That’s a big decrease (33%) on last year. Most tweets (664) were placed in June.
- The insurers posted a total of 1,230 messages on LinkedIn, an average of 10 per month. This represented an increase of 42% compared with last year. Among the surveyed insurers, Zürich Insurance was the most active LinkedIn user, with a total of 168 messages.
- A total of 720 photos and videos were posted on Instagram. As was the case last year, insurers placed six posts per month on Instagram. With a total of 138 posts, Mapfre was the most active Instagram user.
- In 2018 the insurers made much more use of video. They uploaded 654 videos on YouTube, an increase of 150% compared with 2017. Allstate placed the most videos, 114 in all.

Like last year, YouTube appears to be an important channel for insurers, which received a total of almost 100 million views by posting their videos.

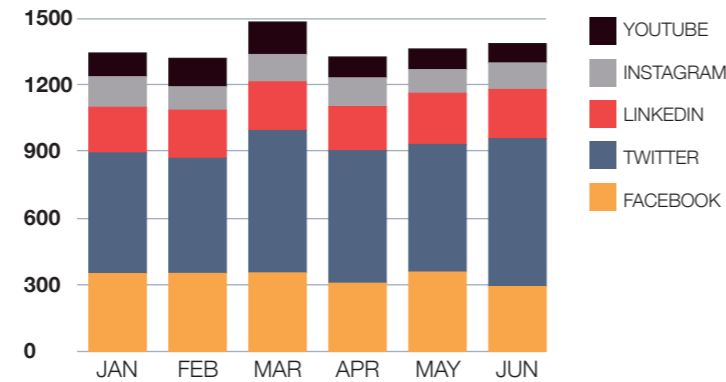
MOBILE ACTIVITY

- All insurers, 20 out of 20, referred to social media channels on the main page of their websites, an increase of 10% on last year.
- All insurers, 20 out of 20, have a responsive/mobile website, which is the same as it was in 2017.
- 19 of the 20 insurers (95%) have smartphone apps that they use for a variety of purposes. While one insurer might use an app as a news source, another might use it for managing insurance aspects.

HOW ACTIVE WERE CONSUMERS?

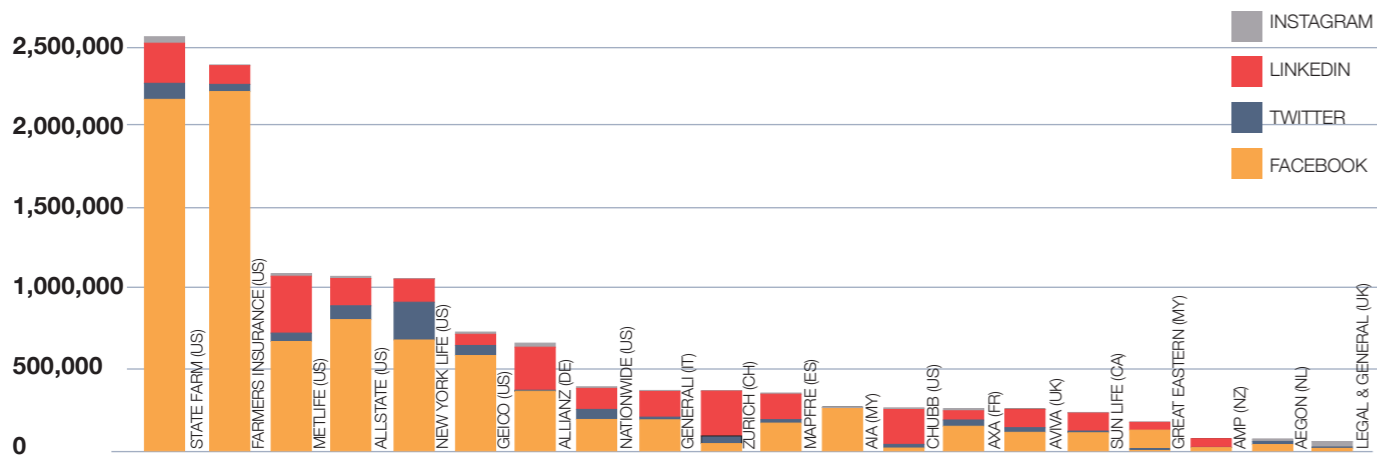
- In 2018, insurers received a total of 43,854 messages from visitors on their Facebook channels, an average of 2,193 messages per insurer. Most messages were received in February.
 - On LinkedIn, the insurers received a total of 1,968 responses in 2018.
 - On Instagram, visitors posted a total of 408 messages to insurers, meaning there has been very little interaction on Instagram so far.
- The fans & followers chart shows the absolute numbers of fans per insurer. However, in calculating the rankings on the previous page, differences in population have been taken into account. To achieve a fair comparison, a correction per country has been applied.

SOCIAL MEDIA POSTS PER MONTH



US insurers have the most fans and followers on Facebook.

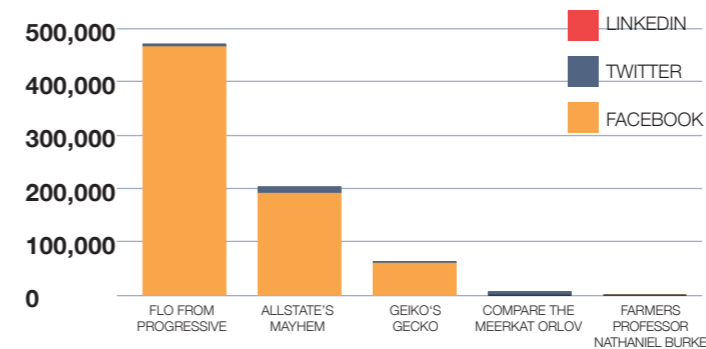
INSURERS FANS & FOLLOWERS



SHARING EXPERIENCES AND GIVING FEEDBACK

- In 2018 there was a significant decrease in the number of insurers that showed reviews on their websites. Last year 20% did so, but this year it was only 10%. This means that insurers have become less transparent on their websites.
- In 2018, 35% of insurers (7 of the 20) gave customers the opportunity to provide feedback via the feedback button on the website, representing a modest increase on last year's 30%.
- On Facebook, 10% of insurers showed reviews on their Facebook page.
- 80% of the insurers responded within two hours of receiving questions from consumers on their Facebook page, up significantly from last year's 50%. On Twitter, 75% of the insurers responded within two hours.

MASCOTS FANS & FOLLOWERS



INSURERS' USE OF SOCIAL MEDIA CONTINUES TO GROW

- The insurers had a total of 13,389,250 fans and followers in 2018, spread across all the social media channels, an increase of 29% on last year's total of 10,393,683. Viewed across all social media channels, US insurer State Farm had the most fans.
- Facebook continued to grow in popularity. The total number of Facebook fans of all insurers was 9,570,431 in 2018, compared with 7,691,263 in 2017, an increase of 24%. Farmers Insurance had the most fans on Facebook, a total of 2,219,210.
- The insurers had a combined total of 879,140 fans on Twitter in 2018, a substantial increase (+ 20%) compared with 2017. New York Life had the most followers on Twitter, 233,417.

- In 2018, the insurers accrued a total fan base of 2,769,152 followers on LinkedIn. This is an increase of over 800,000 followers (+ 41%) compared with last year, when the total fan base was 1,963,750. Metlife had the most followers on LinkedIn, namely 351,252.
 - In 2018, the insurers had a total of 170,527 fans on Instagram, a substantial increase (64%) compared with last year. State Farm had the most followers, 39,800.
 - Like last year, State Farm had the most fans across all channels, namely 2,557,883. Farmers Insurance was a close second, with 2,384,089 and Metlife third, with 1,094,374.
- Of the 20 surveyed insurers, 17 had an external contact platform to give consumers targeted and interesting information, through articles, blogs and videos. Only 15% of insurers offered consumers the opportunity to respond to this content.

ACCOUNTABILITY AND METHODOLOGY

- This is the third and only independent survey about the use of social media in the global insurance industry. The survey takes in 20 major global insurers from 11 different countries. These insurers are leaders in their field in the worldwide insurance market and they wield considerable influence on the complexion of global insurance.
- The surveyed insurers each have a clear brand name. Insurance groups that have a variety of different brands have not been included. We have also excluded insurers that are part of a major bank, because they have no separate social insurance channels.
- To provide an objective view as possible and to compare insurers with one another, we have looked at the social media accounts in the respective countries in which the insurers are active. In other words, AXA in France, Aegon in the Netherlands, Allianz in Germany and so on.
- Accounts that target other countries or languages have had no effect on the ranking. Moreover, communities that were set up by consumers, insurers and employees have been excluded.
- The measurements were taken in the first half of 2018. Changes that took place afterwards have not been taken into account.

‘Voice gives your brand soul’

GEICO MOST SOCIAL INSURER OF 2018

TOP THREE

It's no coincidence that Geico, Aegon and Allstate top our rankings. All three insurers have a clear social focus on the interests of their customers.

1

GEICO (US)

Of all the insurers, Geico has received the most views on YouTube, with an extraordinary total of 77 million views during the first six months of 2018. The American insurer assists its customers via every social media page, with informative and fun content on Facebook and Twitter, as well as special videos on their YouTube channel. Geico uses its hugely popular mascot “Gecko” on social media, continuing his never-ending journey through America where he tells people how Geico can help them save money on insurance. Besides posting content on social media, Geico also offers 24/7 service through their mobile app, website or by phone.

2

AEGON (NETHERLANDS)

The Dutch insurer Aegon takes the biscuit when it comes to providing service through social media. It not only answers questions on the social media channels Facebook and Twitter, it also does so via the virtual assistant and live chat on the website and WhatsApp, where the insurer aims to answer a question within a minute. Aegon focuses on the needs of its customers and has a presence on every social media channel where their customers want to see them.

3

ALLSTATE (US)

“You’re in good hands” is the slogan of US insurer Allstate and they use it in almost every post on social media. They do so on Facebook, as well as on YouTube with the famous “Mayhem” videos combining humour and tongue-in-cheek violence to illustrate the importance of a dependable insurance company. Allstate has also extended its collaboration with tennis champion Serena Williams as an ambassador on social media, focusing on education about domestic violence and financial abuse. Allstate also continues to innovate: in New Jersey it recently launched a new pay-per-mile insurance product called Milestone, with which customers pay according to how much they drive.

START UPS

New technologies offer new opportunities and many start-ups are grasping them with both hands. Here's a selection of some international insurers that stand out.



GETSAFE

MOBILE-FIRST INSURANCE

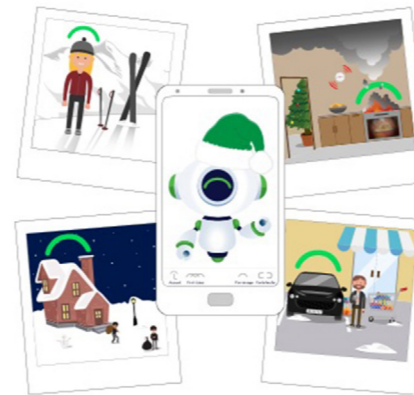
GetSafe is a well-known InsurTech startup from Heidelberg, Germany that offers an app to manage all insurance policies. The free app helps users manage their insurance policies in one place. It has garnered over 50,000 active users by offering a simple, smart and transparent interface to manage insurance policies from different insurers. GetSafe pioneered the Mobile Insurance Broker model in Germany and is among the country's fastest growing and best-known InsurTech start-ups. It gives consumers a digital overview of their existing insurance policies, helps optimise their insurance portfolio and provides free and independent advice through insurance experts. Insurance as it should be. Paperless, affordable, for everyone. www.hellogetsafe.com



ZEGO

PAY-AS-YOU-GO INSURANCE FOR DRIVERS

Zego, a London-based InsurTech start-up, was launched to provide specialist pay-as-you-go insurance to drivers working in the gig-economy. The founders of Zego saw how all car, bike and scooter drivers were paying the same amount of money for insurance, irrespective of how many hours they work. Zego wanted to empower people to work the way they choose, by providing an affordable, flexible product at a cost that is proportionate to the hours worked. The app is connected to employers and accounts are debited after a shift is worked. Given that premiums are based on track record and past claims, there is also potential for premiums to become even cheaper for drivers who have a safer driving record. www.zego.com



LEOCARE

A FULLY DEMATERIALISED INSURANCE

Leocare, a French InsurTech start-up, stands out through its dematerialised and innovative "full mobile" model. The founders noticed the rise of digital insurance is growing strongly, with the aim of delivering a personalised offer for every need of each insured. Leocare provides the opportunity to obtain personalised car or home insurance, just by answering between four and seven simple questions through a mobile app. After answering the questions the consumer can subscribe easily and directly by using an electronic signature, the scan of a credit card and face recognition. The app gives consumers an overview of their insurance policy and makes it possible to add and remove different options, meaning you only pay if you use them. www.leocare.fr



YULIFE

THE WORLD'S FIRST LIFESTYLE INSURANCE BUSINESS

Meet Yulife, a new InsurTech start-up in London that provides life insurance and wellbeing tools to businesses and consumers. Drawing upon technology to offer rewards and apps, Yulife is engineered to encourage customers to stay healthy holistically, while its B2B proposition is built to help business owners support the wellness of their employees. Yulife, which uses behavioural science and artificial intelligence, is the brainchild of ex-Vitality CEO Sammy Rubin and will launch officially later this year. www.yulife.com



LAKA

STRAIGHTFORWARD BICYCLE INSURANCE POWERED BY THE COMMUNITY

Laka is a London-based InsurTech start-up that offers what it calls "crowd insurance" to compete with traditional premiums and is initially targeting high-end bicycle owners. Founded in 2017, Laka has developed what it claims is a unique insurance model that sees customers only pay for the true cost of cover. At the end of each month, the cost of any claims is split fairly between customers, with the individual's maximum premium capped at the "market rate". If there is no claim, the premium for that month is zero. Recently, Laka raised US\$1.5 million in seed funding. The round is led by publicly listed Tune Protect Group, with participation from Silicon Valley's 500 Start-ups - money that will be used to enter new insurance categories and for international expansion, including in Southeast Asia. To date, the start-up says it has saved customers more than 80 per cent, compared to market prices. www.laka.com



GAVIN

THE WORLD'S FIRST RISK-SHARING INSURER

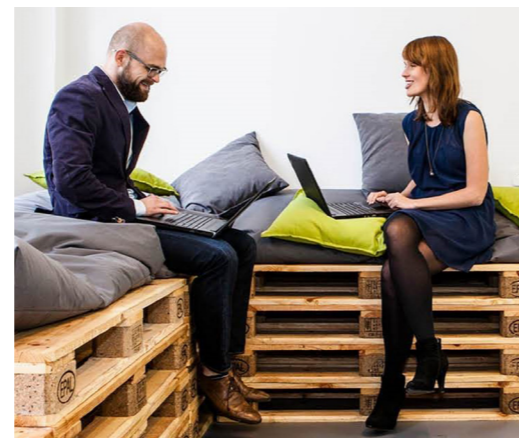
Gavin, a Dutch InsurTech start-up, is the first risk-sharing service in the world for mobile phones, bikes and travel insurance. Instead of paying a fixed monthly premium, at Gavin you only pay if there are claims. Every month the company divides the total cost of all the received claims among all its policy holders. It means you will never pay more than your maximum premium per month. Thanks to its revolutionary system, on a monthly basis Gavin claims to be up to 50 per cent cheaper than "traditional" insurers. And some months you might not even have to pay anything at all! www.meetgavin.nl



UNQORK

UNQORK ACTS AS YOUR FRONT DOOR TO DISTRIBUTION AND CUSTOMERS

InsurTech start-up Unqork (New York) has a software-as-a-service platform, which digitises sales for the financial services industry. The platform uniquely unleashes the power of end-to-end digitisation and offers solutions for a financial institution's continued dependence on paper. Their patent-pending technology clarifies product and underwriting rules to the point of sales using a no-code, configure-once approach without any changes to legacy systems. Unqork delivers an exceptional front-end agent and consumer experience and an AI driven back-end that guarantees fast and clean submissions through the extensive use of machine learning. Unqork works with carriers and distributors to simplify the most complex financial transactions across life, property and casualty insurance, annuities and specialty insurance. www.unqork.com



SIMPLESURANCE

PLATFORM FOR EASY ACCESS TO INSURANCE

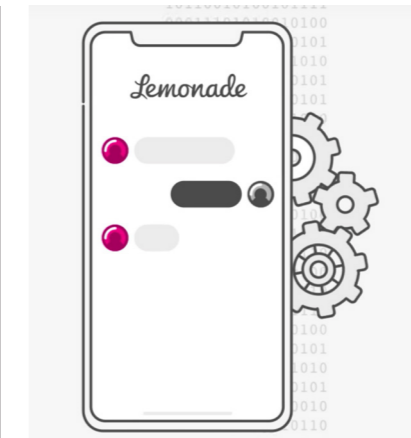
Simplesurance is a Berlin-based InsurTech start-up and a leader in the industry when it comes to developing insurance service platforms. Founded in 2012, Simplesurance has been changing the way people perceive and buy insurance, enabling them to obtain tailored insurance policies for products purchased online. With the launch of its app "Schutzklick Makler", Simplesurance has extended the value chain for its customers in Germany and their existing offerings of product insurance in e-commerce and on its proprietary retail platforms, including schutzklick.de. The app enables consumers to compare, purchase and manage insurance policies from a wide selection of providers. The company currently operates in 28 European markets, as well as in North America through a partnership with New York based risk management services provider, Assurant. www.simplesurance.nl



INSURIFY

COMPARE CAR INSURANCE. SIMPLE AND SMART

The American digital insurer Insurify uses artificial intelligence to provide you an auto insurance quote simply by texting a copy of your car's license plate. Insurify is launched in 2016 and uses a virtual insurance agency called "Evia." Evia stands for Expert Virtual Insurance Agent. The artificial intelligence aspect of Evia gathers driving data and driving record information, which saves you time in obtaining an accurate auto insurance quote. Insurify provides auto insurance quotes through partnerships with more than 80 auto insurance partner companies, like Farmers and Liberty Mutual. The Evia application is available in 30 U.S. states with plans for future expansion. www.insurify.com



LEMONADE

LEMONADE GOES GLOBAL BY THE END OF 2018

Lemonade has made some big moves in the world of insurance. The company uses AI and bots to sell insurance and has flipped the business model to ensure that Lemonade is never in conflict with customers filing insurance claims. And after taking its own fee and funding a financial cushion, it has a pool of money left over for claims or to give to charities designated by each customer. Recently, one of the co-founders Daniel Schreiber has announced that Lemonade will go global by the end of 2018 and promised to bring, with updated tech and millennial-friendly marketing, some buzz to a boring industry. Lemonade is till date only operating in the United States. www.lemonade.com



YOLO

YOLO AND SARA TOGETHER FOR ANIMALS

Meet the Italian digital insurance startup Yolo, who recently launched 'Yolo Mifido', a new on-demand pet insurance designed for cats and dogs in Italy, between the age of 4 months and 8 years old. In collaboration with Sara Assicurazioni, Yolo's new insurance product allows pet owners to pay on a monthly basis, with the option to turn coverage on or off via the Yolo website and app. The coverage reimburses pet owners for surgeries, funeral expenses, search costs in case of a lost pet and medical treatment related and non-related to accident or illness. People can register online or in the application of Yolo, which can be found in the Apple App Store. www.yolo-insurance.com

INTERNATIONAL INSURERS

ON SOCIAL MEDIA

This report on our Social Media Insurance Monitor is based on measurements, statistics, a survey and desk research. The various ways in which the 20 surveyed insurers use social media are given below.

AEGON (NETHERLANDS)

The Dutch insurer Aegon takes the biscuit when it comes to providing service through social media. It not only answers questions on the social media channels Facebook and Twitter, it also does so via the virtual assistant and live chat on the website and WhatsApp, where the insurer aims to answer a question within a minute. Aegon focuses on the needs of its customers and has a presence on every social media channel where their customers want to see them.

ALLSTATE (US)

“You’re in good hands” is the slogan of US insurer Allstate and they use it in almost every post on social media. They do so on Facebook, as well as on YouTube with the famous “Mayhem” videos combining humour and tongue-in-cheek violence to illustrate the importance of a dependable insurance company. Allstate has also extended its collaboration with tennis champion Serena Williams as an ambassador on social media, focusing on education about domestic violence and financial abuse. Allstate also continues to innovate: in New Jersey it recently launched a new pay-per-mile insurance product called Milestone, with which customers pay according to how much they drive.

GEICO (US)

Of all the insurers, Geico has received the most views on YouTube, with an extraordinary total of 77 million views during the past six months. The American insurer assists its customers via every social media page, with informative and fun content on Facebook and Twitter, as well as special videos on their YouTube channel. Geico uses its hugely popular mascot “Gecko” on social media, continuing his never-ending journey through America where he tells people how Geico can help them save money on insurance. Besides posting content on social media, Geico also offers 24/7 service through their mobile app, website or by phone.

AXA (FRANCE)

With 160,000 employees in 62 countries and serving 105 million clients, AXA is one of the world’s leading insurance companies. The French insurer actively uses social media, not just to promote its brand, but also to foster better customer relations. AXA is known for innovation. In May, for example, AXA and BlaBlaCar jointly developed BlaBlaSure, an insurance offering for ride-sharers. Then in July AXA and Dutch banking giant ING teamed up to build a global digital insurance platform. With the help of their AXA Lab in Silicon Valley, AXA anticipates digital disruptions, spots influential start-ups and tests new uses of mobile technology and social networks. And it’s all to change the face of insurance by capitalising on the opportunities offered by digital innovation for a better customer experience, both online and offline.

STATE FARM (US)

State Farm has a dedicated careers Facebook page with more than two million followers, featuring lots of interesting content from both the corporate communications department and individual agents. Responses to questions and grievances are usually provided within a few hours. The page’s admins go beyond typical stories of disaster recovery to include posts that are useful to job-seekers, such as asking “What’s the strangest thing you ever sent a recruiter?” and giving tips for networking at events and parties. With their “Neighborhood of Good” platform, State Farm encourages people on social media to turn caring into doing by volunteering in their local communities. To date, State Farm says that 1.8 million people have visited their community platform, Neighborhoodofgood.com

MAPFRE (SPAIN)

In 2018, with social media channels like Facebook, Mapfre has mainly been focusing on sports enthusiasts in their Spanish community. The Spanish insurer sponsors Rafael Nadal and their sailing

team during the Volvo Ocean Race. In May, Mapfre even won the biggest sailing competition on earth for the first time, earning them a lot of positive sentiment on Facebook. Mapfre posts the most messages of all insurers on Instagram, thereby giving customers an inside look to show their human side.

NATIONWIDE (US)

“When our members talk, we listen”. Nationwide has grown from a small auto insurance company owned by policyholders to one of the largest insurance and financial services companies in the world. How? By helping customers protect what’s most important to them and providing outstanding insurance customer service. By using every social media channel, the American insurer makes it possible for customers to ask questions where and when they want to. Nationwide also gives customers the opportunity to use their mobile app on-the-go, allowing them to pay their bill, view their insurance cards without logging in, view their policies and even start up an auto claim.

METLIFE (US)

This American insurance brand’s digital strategy is centred around its customers. Consistent and responsive customer service on Twitter has generated positive sentiments for the brand. Metlife posts mainly informative messages on Facebook, typically with useful tips how to protect your family and how to handle your daily work. For more tips the customers are mainly forwarded to the Metlife blog. By constantly engaging in dialogue on social media, the insurer has created a fanbase of nearly 700,000 followers on Facebook and over 50,000 on Twitter.

AMP (NEW ZEALAND)

AMP Life Insurance is one of New Zealand’s largest financial advice networks and they are dedicated to help as many “Kiwis” as possible realise their dreams. Using informative blogs and humorous videos, AMP tries to encourage readers to make conscious choices about their financial future. On Facebook, they facilitate dialogue between customers and between customers and themselves. This dialogue ensures positive engagement within the AMP community. Twitter is mainly used for webcare activities.

GREAT EASTERN LIFE (MALAYSIA)

Great Eastern Life is committed to play their part in ensuring a bet-

ter tomorrow for children in need. On the social media channels Facebook and LinkedIn, as well as on the insurer’s official website, it’s evident that children are the heart of every message. The Malaysian insurer shares informative content about the company, such as sport events, the activities of its employees and tips for how to make good decisions for your family. Thanks to its activities on social media channels, the insurer has reached a fanbase of almost 200,000 fans.

ZURICH (SWITZERLAND)

Zurich Insurance uses their social media channels to reach a wide audience and provide information, exchange ideas and to tell the Zurich story, the focus of which is about how they operate in local environments. The interaction takes place on Facebook and LinkedIn, mainly with informative and sports-related messages. On the business channel LinkedIn, the Swiss insurer has accrued almost 260,000 fans and, compared to the other 20 insurers, even managed to post the most messages in the past six months, with an average of 28 per month. Last July, Zurich scooped the Innovative Use of Technology award at the British Claims Awards in London.

FARMERS INSURANCE (US)

Farmers Insurance has more than 2.2 million Facebook fans. The American insurer owes this sizeable fanbase to its razor-sharp content under the “Farmers Hall of Claims” campaign. On their social media pages they share some of the most unbelievable-but-true stories about the situations that their policies have covered over the years. Engagement about the posts is both high and positive. Currently, Farmers Insurance is also experimenting with machine learning and software robots, to free up time for claims adjusters to tackle more complicated customer issues. They have even reduced the turnaround time to resolve certain claims from days to hours.

ALLIANZ (GERMANY)

Allianz leaves no question or comment unanswered on social media. The German insurer enters into dialogue on every social media channel, including Facebook and Instagram. As a result, they have amassed a fanbase of nearly 700,000 followers. It’s well known in the financial sector that innovation and Allianz go hand-in-hand. The German insurer has its own digital lab called, Allianz X,

Report based on measurements, statistics, a survey and desk research

which invests in digital growth companies that are part of ecosystems related to insurance. Recently they have led the latest fundraising round of Berlin-based insurtech start-up Simpleurance.

AVIVA (UK)

Aviva is hoping to permanently change the insurance industry by using data and technology to address customers’ biggest pain points and using its marketing to move the conversation away from price. One of the reasons why they are using a live chat on their website to talk with their customers is to engage with them wherever they want to. Last May saw the Aviva Premiership Rugby Final. As the main sponsor of the rugby competition, the English insurer has posted a lot of relevant content on its social media channels, generating a great deal of positive interaction.

LEGAL & GENERAL (UK)

Legal and General is aiming to build a positive future for all. The English insurer is guided by its mission of being economically and socially useful in everything they do. On Facebook they share news and information related to personal finance, company news and news about what it’s like to work at Legal and General. Thanks to its activities on social media channels, compared to last year the insurer has grown its fanbase on Facebook by 25,000 and 5,000 on Twitter.

NEW YORK LIFE (US)

In 2018 New York Life continued using social media for their “Be Good At Life” community, a compilation of user-generated content to help people achieve financial security by urging them to focus on the things that matter the most. On the social media channels, Facebook and Twitter, the American insurer supports the LGBT community and diversity and inclusion at their company by posting content on social media for the Gay Pride March, with their #NYC-Pride2018. New York Life’s campaigns generated a lot of positive

interaction on social media channels, reaching a total of more than a million followers on Facebook, LinkedIn and Twitter.

SUN LIFE (CANADA)

Sun Life helps customers in their efforts to secure their financial future and live brighter and healthier lives. The Canadian insurer communicates this via all social media channels, through photos and videos in which it shares useful and interesting tips. Sun Life also uses a blog to help customers maintain and grow their social networks.

GENERALI (ITALY)

Generali has a clear social media channel strategy. The Italian insurer places messages on Facebook aimed at a younger target group, often with the aid of videos. By using different themes and engaging in dialogue with the public, Generali has already generated more than 190,000 friends on Facebook and almost 20,000 followers on Twitter. In a move that aims to enhance the convenience and ease of its services for its customers, Generali has also formally launched the functionality of delivering policies via WhatsApp,.

CHUBB (US)

Chubb is active on every social media channel. With an average of 65 tweets a month they tweet the most of all the featured insurers. The content posted on the channels gives customers an image of the company’s employees and how they work. The American insurer believes innovation is important, as demonstrated by the steps it has taken during the past year. For example, together with Insurtech SURE, they rolled out a new insurance product that provides additional medical and accidental death and dismemberment coverage for passenger ride-sharing services. Chubb wants to give people options for alternative types of insurance that suit their lifestyles.

RON VAN OIJEN CEO VIVAT

**‘WE ARE
ENTERING
AN ERA OF
FLEXIBILITY’**

“It’s important to anchor innovation in your organisation. Nobody knows exactly how it will all work later, but we all know what’s changing now. To capitalise quickly on these changes requires freedom and less rigid frameworks. So, in this respect, I suppose we’re entering an era of flexibility.”

Seeing Ron van Oijen navigate his way through the Amstelveen headquarters of VIVAT you'd think he's been in charge there for years, but in fact he only took the helm in 2016. For 20 years before that he worked outside the Netherlands, in positions that include Regional CEO for ING in Thailand and CEO of AIA, Thailand's biggest insurer. What has he noticed since being back in Europe?

"Every period is characterised by certain developments. The US, for example, had the golden era of the railways, but that's long gone. Shell ruled the roost for part of the last century, but is that still the case? And take a company like Adyen, which has since recently been quoted on the stock exchange. Put it next to ABN AMRO and tell me who's the bigger of the two? Looking at things from a larger perspective sometimes keeps you focused."

So which era are we now gravitating towards? And what kind of position can an organisation like Vivat, with brands that include Zwitserleven, Reaal and nowGo, command in all this? "It's an existential period and, as insurers, we're all reinventing the roles we'll have to play. Being big is not that big a deal anyway, because insurers will have to become more compact. What's more important is how you anchor innovation in your organisation."

GENERAL INSURANCE: FROM SETTling CLAIMS TO AVOIDING THEM

"The market for general insurance is changing the most radically. The number of claims is dropping sharply and this trend will continue. Thanks to the increasing use of sensors, smart sprinklers and other innovations, more and more accidents and damage claims are being averted. Technology is also ensuring that fewer cars are being stolen – and that number too will continue to drop. However, the amount per damage claim is increasing. If you accidentally rip a mirror off your car nowadays, chances are it'll be packed with electronic sensors, making it much more expensive to replace than an old-fashioned mirror.

"Traditionally, general insurers have expended a great deal of time and energy on investigating and paying claims. In future we're more likely to focus on preventing damage. In essence we're reversing the process. This is an interesting development that adds new

value to the insurance sector, because preventing something bad is much more satisfying than compensating for it. The fewer traffic accidents there are, the better it is for everybody. And consider water damage, which can have many unpleasant repercussions. It's far better to prevent it in the first place, by installing sensors in your home."

A GENERATION WITHOUT PEACE OF MIND

"It's really quite shocking how few people buy life insurance nowadays. And this, while pension shortfalls are the rule rather than the exception, job-hopping seems to have become the norm and more people are working independently or flexibly. These are all good reasons for people to work on their pensions, but it's not happening. Consequently, in about 20 to 30 years a whole generation will discover how difficult it will be without a supplementary pension.

"We also shoulder responsibility here. But the industry has been too slow to react to the new reality. There are also no financial incentives and competition is fiercer, through bank saving schemes, for example. But it must be something the consumer really wants. Tomorrow's generation will make their problems known and I hope that this will lead to a reassessment of the importance of pensions. But the clock is ticking; we must start looking for ways to fix things for people who are currently in their thirties, forties and fifties. And assume our collective responsibility."

AT LAST, THE CUSTOMER REALLY IS AT THE CENTRE

"In the past everything went through the tried and trusted middleman. The customer? He was the intermediary. But the consumer has now taken control. He Googles the smartest solution, or goes to comparison sites. Before long, he'll be buying products that already have insurance because the retailer's made a deal with an insurer. It's taken too long for our industry to realise that the consumer is the customer - and that we are here to serve him. It's still not easy, but after so many years of talking about putting the customer at the centre of what we do, now it's really the case. This is very gratifying. And a must.

"If you really want to put the customer first, you must be willing to

Everything keeps changing; the job's never done

get to know him and build up a relationship. As an insurer it means being more proactive in attracting customers. And, even more importantly, proactively approaching them. There is still so much potential out there. For example, only 10 per cent of pet owners are insured. This is hardly surprising really; it's not something you automatically think about when you buy a dog or a cat. But when you get to the vet, you suddenly realise how expensive it can be. That's the message that Reaal Dier & Zorg (Animal and Care) communicate to influencers."

WHEN SMART MEANS LESS IS MORE

"We have an office full of people here who develop and process insurance policies and mortgages and take care of compliance issues. We also have a team of seven people who have built up an insurance company called Vigi. The team developed everything themselves and they even maintain the app, only falling back on Vivat for legal aspects and compliance issues. In no time at all a new insurer has been created.

"Vigi is an app that insures risks on a day-to-day basis. What's the point of insuring your car if it spends most of its time in your garage? Vigi allows you to switch on your insurance when you leave home and then off again when you return. It's ideal if you don't drive much, or if you own a vintage car, for example. It's the same with your smartphone. You can, of course, insure it for the whole year, but you also have the option of only insuring it for higher risk situations, such as a holiday or a festival. At the moment you have to switch the insurance on and off using the app, but in future this can be done with sensors.

"Pay-as-you-go is an important trend that will keep insurance re-

levant. It's becoming increasingly commonplace in the US, thanks to players like Lemonade and Tröv. To renew, you don't have to continuously re-invent the wheel. It's smarter to take a good look at what's happening around you, be inspired by stand-out developments and then conceive new ideas that are a good fit with what you want to offer your customers.

"Because the Vigi team is constantly in touch with the customer through the app, there is continuous feedback, which means they can adapt, test and keep improving the product. The launch is therefore not the final destination but the starting point. It's a great way of working. New questions constantly arise. Such as where is the tipping point between flexible and fixed insurance? What else would you like to insure on a day-to-day basis? And how can we be of such good service to our customers that they're inclined to start singing our praises online? We want to expand, step-by-step."

CHANGE MUST COME FROM BOTTOM UP

"It was a conscious decision not to base the Vigi team at our head office, but in our innovation centre VINCE, in a collaborative workspace for start-ups. This is a place that bristles with energy, where work is a way of life. From VINCE, we train our people and they co-create with third parties. It teaches us a lot. Every month 30 of our employees participate in innovation workshops. We also have a summer school, where employees can work on growth hacking. All this heightens the awareness of our people and makes them more receptive for what the future will bring. If every participant applies something in practice or shares it with a colleague, we'll gradually build up an innovation culture, from the bottom up.

"I hope too that we'll inspire people to inject fresh energy into their careers. It's inevitable that robotisation and other digital developments will shrink the whole financial sector. I'd like to think that people who now do administrative jobs will be able to find new responsibilities outside the industry. Recently, we hosted a start-up weekend for employees' children. If you look at how imaginative a group of 10-year-olds can be... well, no worries there. Whereas in the past the benchmark was IQ, now it's AQ: adversity quotient. It'll take some getting used to for some people, but it's not impossible. In the new reality you'll have to keep your eyes open. Everything keeps changing; the job's never done. Invigorating, or what?"

MASCOTS

Disney's Mickey Mouse, Michelin's Michelin Man and Geico's Gecko. Mascots are still being deployed in 2018. To really get the consumer, storytelling is a factor that should not be underestimated. Deploying a mascot also ensures that an insurance company can give its community a good image of the company. Initial research, in 2016, already showed that insurers with a mascot have a higher conversion rate on the web than insurers without one. Today, these mascots have reached an even bigger fanbase than the insurance companies they represent.

People prefer to follow their insurer's mascot on social media



GEICO'S GECKO

The quirky lizard character's name Gecko was actually chosen as a result of the frequent mispronunciation of the brand name, Geico. Being the first, most identifiable brand representative of the car insurance company, this cartoon character has certainly become a legend. True, it was not designed as the usual cute-looking brand cartoon, yet it still managed to grow on the audience as a little green insurance expert conveying professionalism and reliability. Gecko is active on various social media platforms, such as Facebook, Twitter, YouTube and Flickr. Gecko now has about 300,000 followers on Facebook, where it posts daily messages as to how people can save money on their insurance.



PROGRESSIVE'S FLO

Meet Flo, Progressive's funny and likable "always happy-to-help" insurance clerk, an addition that the insurance company introduced a decade ago. Flo's eager-to-please quiriness makes her the perfect solution for humanising what's generally perceived as a boring and stuffy subject like insurance, which is why she's been featured in hundreds of videos and commercials. Today, her Facebook page has 4.7 million Likes and an engaged audience that shares and comments on her light-hearted posts. Compare that to the official Progressive Facebook page, which has a mere 500,000 Likes. Besides the social media aspect, Progressive also uses Flo to learn from customers and processes, in order to improve its products and services.



COMPARE THE MEERKAT ORLOV

Compare the Market allows customers to compare prices on a number of insurance products including car, home, life, pet, travel and over-50s insurance companies. Since 2009, Compare the Market has successfully used mascot Aleksandr Orlov, a Russian meerkat on social media and TV commercials. Thanks to Orlov, the company even became the fourth most visited insurance website in the UK. Orlov is portrayed as being of aristocratic stock and the founder of comparethameerkat.com. The campaign centres on his frustration over the confusion between his website and comparethemarket.com, playing on the similarity between the words "market" and "meerkat". On social media, meerkat Orlov is still a hit and attracts thousands of people on YouTube, which, even in 2018, is still generating a lot positive sentiment.



FARMERS' PROFESSOR NATHANIEL BURKE

Farmers Insurance also finds ways of featuring its mascot, Professor Nathaniel Burke, in a range of successful video campaigns. Introduced in 2010, the character - played by actor J.K. Simmons - is a friendly and knowledgeable insurance guru under the guise of a seasoned academic. The videos are both informative and fun to watch. Last year's "Hall of Claims" and "Stranger Claims" series, part of the ongoing "We Know From Experience" campaign, showed once again how many storylines become possible when there's a brand mascot in the mix.



ALLSTATE'S MAYHEM

One of the inspirations behind Mayhem was, in their words, "to kick Flo's ass". Allstate's market share dropped for two straight years, thanks to the Flo ads on Social and TV. The Mayhem campaign reversed Allstate's fortunes with Winters' character and an emphasis on value over price. Allstate's series of "Mayhem" commercials has proven a consistent exception to the rule during its years on the air. In fact, the collection of ads ranks among the most successful campaigns in recent memory. It's easy to understand why they've caught on though. Combining deadpan humour and violent, jackass-style set pieces to illustrate the importance of a dependable insurance company, they take something most people actively avoid thinking about then turn it into something viewers actually look forward to seeing between their regularly scheduled programming. On Facebook "Mayhem" has already accumulated almost two million followers. Considering that Geico and Progressive have been seen on TV for years and Mayhem just a few months, that's some remarkably quick-setting brand awareness. Brand mascots are stellar storytellers for content marketing. Use them wisely.

GLOBAL

SOCIAL TRENDS

2019

If you want to stay in the game you'll do well to keep any eye on social and technological developments outside the sector. Here are a few important trends that are worth following.

THE RISE OF TV VIEWING ON SOCIAL MEDIA

The latest social media trend seems to be shifting into TV-like content. YouTube will be delivering a range of new, exclusive programmes that will position the platform as a genuine TV rival. Twitter, meanwhile, has partnered with live-streaming broadcasters and this year Instagram launched a video platform, IGTV. More and more video content is now also produced for mobile use only, making use of the vertical display of the phone. Having a vertical video playing in the native screen makes it easier than having to rotate the phone and expand the screen. Thanks to the popularity of Snapchat, Instagram stories and now IGTV, people have become accustomed to watching videos in a vertical format. Surprisingly, it's not an option currently offered by existing mobile video platforms like YouTube. For social media marketing, the move into TV-like content on social media presents a range of new opportunities, because more people are consuming content on smaller screens. Using specific ad targeting, more advertisers will be able to reduce the cost of running TV campaigns, and reach exactly the audience they want to reach, thus improving both value and response.

EXPONENTIAL GLOBAL GROWTH IN INFLUENCER MARKETING INDUSTRY

Having a lot of followers means a lot of reach and a lot of reach translates to a lot of influence. More and more brands have learned that partnering with the right influencers will help them spread their brand message. Given the continuing decline of traditional TV advertising, more companies are looking for different marketing strategies and Influencer Marketing has become one of the hottest trends and one of the fastest-growing advertising categories. This type of marketing helps brands to show their authenticity and make a real connection with their audiences. Instagram is currently by far the leading platform for Influencer Marketing, because it has the ability to let influencers tell appealing visual stories. The ad spend is estimated to double to a US\$2 billion industry by 2019 for Instagram alone, and between US\$ 4-8 billion for all social media channels, apps and platforms globally.

IN-APP PURCHASES ARE DRIVING MORE REVENUE

In-app purchases enable consumers to pay for products and services securely within the app itself. Mobile conversion rates are increasing every year and this increase definitely applies to in-app purchases. The revenue for in-app purchases is set to be the number one source for mobile app revenue, even higher than revenue coming from paid app downloads. At the moment, only Facebook provides ways for developers to leverage micro-transactions with their Instant Games. Instagram is already offering shopping opportunities via tagged items shown in an image and is currently piloting payments without leaving the app at all. This development could bring social selling to a higher gear and drive more sales through apps and social media.

CHATBOTS TO SAVE BUSINESSES BILLIONS ANNUALLY

Call centres are losing ground as chatbots redefine the customer-service landscape. Interest in chatbots is rising sharply and is set to explode. Most of today's chatbots are suitable for scripted conversations with customers, but in 2019 more and more chatbots will display a higher level of intelligence. With the help of machine-learning they will be able to improve each moment of contact, over and over again. They will understand the context, intention and sentiment of each and every customer they engage with. This development will impact call centres and the number of emails being sent back and forth. By 2019, more organisations will shift to using chatbots and messaging instead of calls and emails. Chatbots will reduce operational costs, deliver cheap 24/7 availability and generate higher customer satisfaction too. According to analysis firm Juniper Research, by 2022 chatbots are expected to trim business costs by more than US\$8 billion per year.



ARJEN DE BOER PARTNER ITDS

SOCIAL MEDIA, NEW ERA IS COMING!

The insurance market is in flux and technology is driving change. Remember the times when, rather than just sending them the occasional message, we were at the stage of discussing how best to use social media to engage with our target audience? Well those times are long gone. social media is undergoing a rapidly accelerating transformation. Here are a few thoughts about what it all might or might not mean for insurers.

DIGITAL IS THE STANDARD, NOT A DIFFERENTIATOR

The digitisation of processes, more self-service for the customer, insight into your own portfolio and the ability to change on the fly. All are covered by the collective term, digital transformation. For US online insurer Lemonade, or China's Zhing An, it's simply how they do business. Here's the thing. We live in a time in which digital technology can provide better customer service and higher levels of customer satisfaction. If you don't jump on the digital bandwagon now, you will lose. Digital is the new normal. It's the standard, it's not a differentiating factor. Digital transformation is not a goal; it must lead to better customer engagement and higher productivity! Only then will it generate revenue from new customers and help retain existing ones.

We are living in a world in which we can predict what customers want, before they ask for it

BIG DATA AND DEEP LEARNING

Take a closer look at innovations and you'll see that insurers are predominantly focusing on the field of customer interfacing. The question remains, however, whether this will be enough to meet the customer's needs. Tomorrow's customers will see themselves as less a part of mass society and increasingly as belonging to newly shaped groups ("new tribalism"). And all this is taking place in a world that has adopted a different attitude towards handing over data in return for free services.

Is there such a thing as a clear picture of your customer? I don't think

Actionable insights anchored in data, that's the way to go

so. So much customer data is still buried in various legacy systems. It'll be difficult to migrate it all to a CRM system, but it's something that has to be done. And from there you can take it further by linking social data to it. Social-CRM has been a topic of conversation for over three years, but hardly any insurance companies are making it work for them. Now the time is right to really start using data, in claims handling, for example, or fraud detection and pricing/differentiation and/or customer service. There's nothing new about data. Players such as Amazon, Google, Facebook and others have been using it with great success for a long time. Now it's time for insurers to also step up to the plate. They'll have to, because today's customers can no longer be reached by traditional ways of working. In the future we'll see new business models, ("insurance inside", as part of the total ecosystem), where the distribution is in the hands of other companies: digital native.

AGILE AS A TOOL, NOT A GOAL

Every manager I speak to boasts about how his or her organisation works Agile, with each being that little bit further ahead than other organisations, in their opinion anyway. As if it makes any difference whether you are a step ahead of the competition in this respect. We bandy about terms like Standup, Tribes, Most Valuable Products (MVP), Product Owners, Scrum Masters, Sprints, Agile Leadership and Agile coaches. But are we in danger here of not seeing the wood for the trees? In my opinion, Agile is the means, not the end. And if we're going to use it let's also make sure people can work with it. I reckon the problem lies mainly with management, who have difficulty adopting this new way of working. They talk about it a lot, but they lack a real core approach.

STORYTELLING IS MORE LIKE A FAIRY TALE; TOO GOOD TO BE TRUE

For a long time we believed that storytelling was the way to involve customers in the story of an organisation. But in my opinion the only company that has really succeeded in doing so to date is Chobani Yoghurt (www.chobani.com). Their story, told by two factory employees, is real, unique and authentic. Campaigns conceived by PR or advertising agencies just don't work. It has to be the genuine story behind a brand, the people who work for it and what the brand stands for. What I admire about US online insurer, Lemonade, for example, is that the CEO publishes an update every month, which boosts transparency. The younger generation don't see the point in embroidering all kinds of stories around something. What they really want is clarity and transparency, not fairy tales. Story-making instead of story-telling.

Create content that is relative and inspiring and customers will come

BACK TO TRUSTED BRANDS

People are once again choosing proven brands, in a distribution context too. It's no coincidence, for example, that AXA has partnered with ING Bank in Europe. Its distribution channel has been able to communicate with customers via an app for many years. It's just a fact of life that customers are increasingly reverting back to trusted brands. You need to look no further than the growth of BMW and other car brands. Large mobility organisations such as AAA in the US and ANWB in the Netherlands, meanwhile, have huge loyalty bases. And check out Vitality, which is well on its way to becoming a global brand after earning the trust of consumers.

WE STILL DON'T KNOW THE HABITS OF THE NEW GENERATIONS X, Y AND Z

Nowadays, we talk a lot about the new generations. Sometimes, such as if we organise a "Hackathon Day" or a millennium panel, for example, we presume to talk with them and assume that we know exactly what they want. What we don't do though, is hire them! And that's a shame. We covet the Facebooks and Googles of this world because we want to be like them. We applaud the fact that they only employ young people, but we don't follow their example. True, we'll sometimes populate a panel with young people, but that's about as far as we'll go. Truth be told, our whole organisational structure is just not ready for them. Their use of Instagram and the extensive contact they make with others through Messenger and WhatsApp immediately raises our eyebrows. And all that just as we were about to deploy Facebook a bit more and make the switch to video and chatbots, all the while boasting that we'll be using a hybrid version of chatbots. If you ask me, what that means is first using a chatbot and if it doesn't work immediately switching to a call agent. Now this is not necessarily a bad thing. But call it like it is though, without seeing it as the Holy Grail.

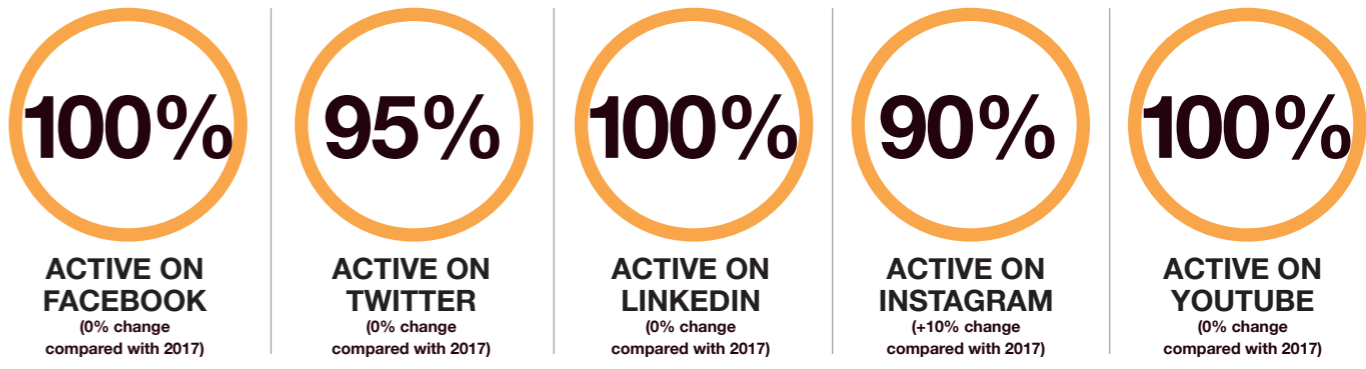
Fans are powerful, consumers are transactional!

THE BOARD IS STILL NOT ON-BOARD

The Board of the average insurance company still doesn't recognise the power of social media. It still fails to resonate at the top and all too often it is associated with fun and your private life. Board members still don't appreciate the benefits that social media can bring in terms of increasing customer satisfaction, improving customer service, NPS, customer loyalty and even selling to customers. And that's what it's all about.

‘You don’t need a million-dollar budget to make an impact’

ACTIVITIES OF THE 20 INSURERS IN 2018



HOW MUCH CONTENT DID INSURERS POST IN 2018?

7,884
MESSAGES ON FACEBOOK, TWITTER, LINKEDIN AND INSTAGRAM

654
uploads
(435 LAST YEAR)

- Most Facebook posts - **AIA (MY)**
- Most Tweets - **Zurich (CH)**
- Most LinkedIn posts - **Zurich (CH)**
- Most Instagram posts - **MAPFRE (ES)**
- Most YouTube uploads - **Allstate (US)**

16
Average number of posts per month on **Facebook**
(-6% change compared with 2017)

28
Average number of posts per month on **Twitter**
(-33% change compared with 2017)

10
Average number of posts per month on **LinkedIn**
(+42% change compared with 2017)

6
Average number of posts per month on **Instagram**
(0% change compared with 2017)

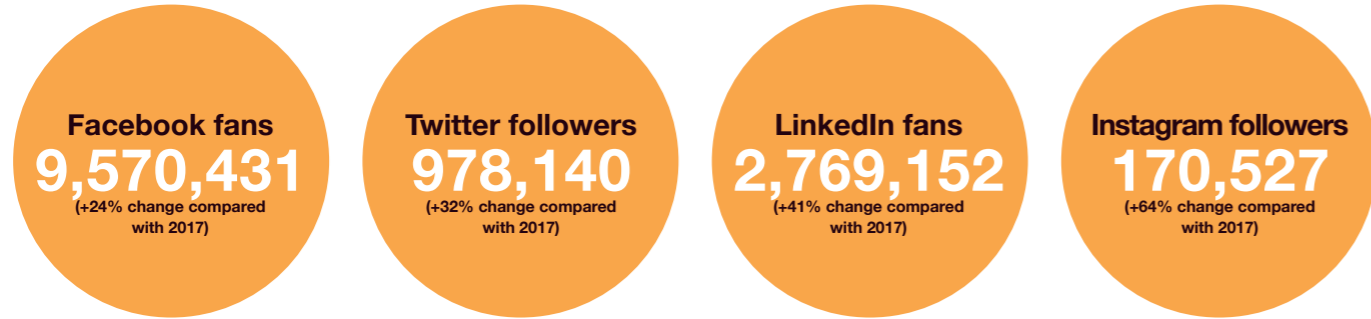
17,364
RESPONSES TO CONSUMERS VIA TWITTER
(more than 50% of the responses on Twitter were from Geico)

2,010
RESPONSES TO CONSUMERS VIA FACEBOOK

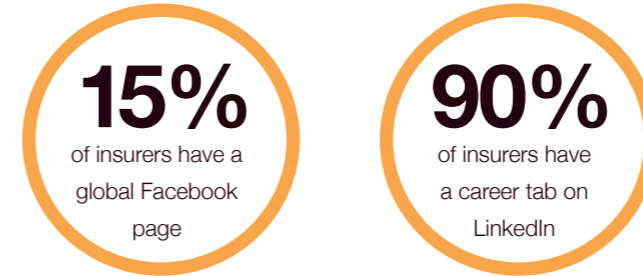
IN WHICH MONTH DID INSURERS POST MOST?



HOW POPULAR ARE INSURERS?



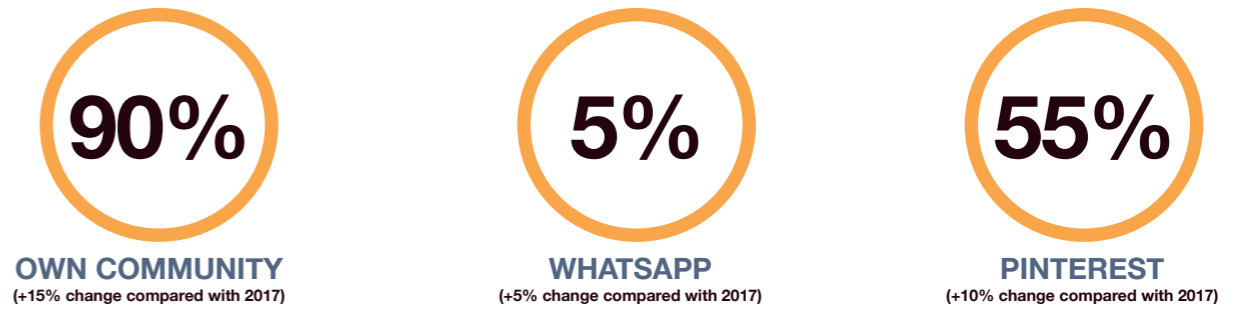
ADDITIONAL PAGES



BIGGEST CLIMBER IN THE SOCIAL MEDIA INSURANCE MONITOR



WHICH EMERGING CHANNELS ARE INSURERS USING?



GREAT EASTERN (MY) HAS MOST FACEBOOK FANS IN RELATION TO POPULATION DENSITY

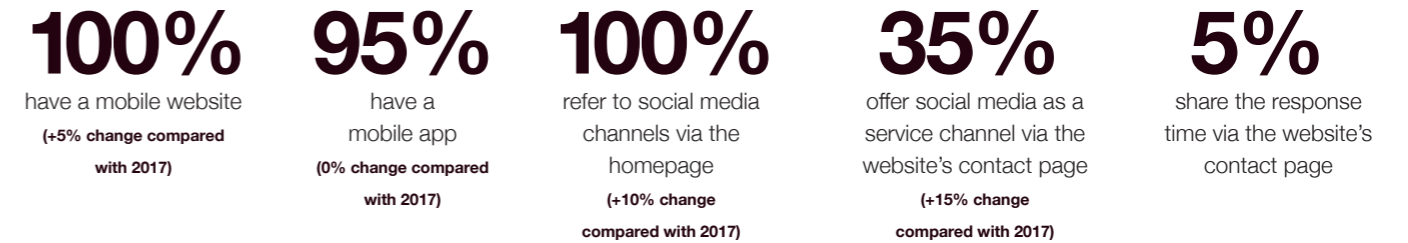
213,374



AEGON (NL) HAS MOST TWITTER FOLLOWERS IN RELATION TO POPULATION DENSITY

5,122

HOW MOBILE ARE THE INSURERS?



TOP 3 FANS ON FACEBOOK



TOP 3 FOLLOWERS ON TWITTER



TOP 3 FANS ON LINKEDIN



TOP 3 FANS ON INSTAGRAM



HOW MANY INSURERS GIVE CONSUMERS THE OPPORTUNITY TO PROVIDE FEEDBACK?



‘Don’t sell insurance, protect what matters most’

Start understanding the customer

Big Data and deep learning - Artificial Intelligence - Robotics - Conversational Commerce (chatbots) - Process Automation - Virtual Reality - Eco-systems

All these are hot topics in the insurance industry that promise to bring us increased efficiency and significantly improved customer service. There is not a board meeting you will attend without hearing conversations about digital innovation. But to what extent are these digital innovations truly incorporated in our practices? In all honesty, I feel it's staying with words and small initiatives. At least for now. Most of the time this is simply because organisations don't have enough knowledge about these innovations; let alone any idea about what to do with them. The question remains then: what is the real reason that we are desperately trying to incorporate all these digital and technological innovations in our corporate strategies? For the customer? Or for the insurer? I sometimes fear it's the latter.

In my daily experience people in the insurance industry like to be forward-looking and do things differently. There's no problem with that, providing it helps the existing process. But when it comes to using new technology we seem to want to run before we can walk. We're trying to go too fast. A colleague once told me "Learn how to do it first; then how to do it with style". Make sure that things are under control before continuing. The way I see it, the only way to be successful is to do what you do even better. In every sport, the winner is the one who does it the best, not necessarily the one who does it differently.

Now don't get me wrong here, I'm a big fan of methodologies, approaches and new ways of working that enable us to work more efficiently and effectively. But I feel as if we are losing sight of what is most important: the customer. While we focus on new technology, consumer behaviour is changing rapidly. Be under no illusions about this: consumers nowadays are very online-savvy. But I cannot help but wonder whether we are doing a good job in keeping up with their requirements. Nowadays, customers make choices based on user reviews, they want self-service and maximum user-friendliness. Other sectors seem to be acting on all this, but the insurance industry is lagging. Adoption has been, and still is, too slow, and all too often those customer requirements are not being met. What I'd really like is for us embrace and adopt new technologies like these to the direct benefit of customers. Only then it will start making sense.

Arjen de Boer

COLOPHON

A research-based report about the use of social media
by 20 international insurers in 2018.

An initiative of ITDS Business Consultants.

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ABOUT ITDS As a specialist consultancy with offices in the Netherlands and Poland, we combine our experience in the financial industry with cutting-edge knowledge of technology, business, legislation and digital marketing. It's where these meet that you'll find the solutions that make the difference.

Day after day, we see what's possible. We see what banks, insurers and pension funds could achieve - and how they can achieve it. Nowadays, digital transformation plays an increasingly important role for insurers. Social media and today's consumers call for a different way of communicating and ITDS can help insurers draw up a strategy for the successful implementation of social media.

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