



How European Insurers Are Using Social Media – And What They Should Be Doing

"The findings of our survey call for a professional response. Clearly, the deployment of social media alone is not enough; steps have to be taken towards making social media an integral part of insurers' marketing and communication strategies. Social Business is an absolute must, but, unfortunately, Social is not yet embedded in insurers' DNA. To keep their customers, insurers must connect and engage!"

Earlier this year my company, ITDS Business Consultants presented the first European survey of insurers' use of social media. The independent Social Media Insurance Monitor, 2015, takes in 15 major European insurers from nine European countries. The results and analyses of the survey are published in a special magazine called SoMe online and in print. This magazine was launched at the European Insurance Forum in Dublin, Ireland, on Friday, 15 May.

In the magazine we supplement facts and figures with examples of the international steps taken in the digital world. In addition, a few pioneers in the use of social media and mobile in the area of financial services share their insights and experiences. This article presents an overview of these findings.

Across all borders

Each of the past four years we have independently surveyed and shared how certain insurers use social media, becoming a valued resource for many of these companies. With their support it was a logical step for us to expand the scope of this research and carry out the first comprehensive survey of social media in the European insurance industry. We did this because we know the sector and we want to inspire and motivate people, but mainly because we are convinced that social media has fundamentally changed the world and social media developments, after all, transcend all borders.



by **Arjen de Boer**

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Why it is important

The media consumption landscape in Europe is changing. Mobile serves consumers in many different ways and is becoming an “all consuming” media device. Consumers are expecting companies to be there where the customers are, and they are using social media to get information, ask questions and to learn more about a company’s corporate identity. To see the results of the Social Media Insurance Monitor Europe in the right context, it’s important to look at the general use of social media across Europe.



Digital media plays an increasingly important role in the daily lives of people living in Europe. In 2014, 19% of all internet users were in Europe, whereas the population of

Europe constitutes just 11% of the total world population. With 240 million active users in 2014, it is clear that social media is an important channel for reaching potential consumers.

Connect and engage

So what’s the score regarding the use of social media in the insurance sector? Are insurers moving just as quickly, are they doing it properly, and exactly where are they at the moment? The results of our survey indicate that most insurers underestimate the power of social media at a time when the European insurance sector is facing upheaval from outside forces. While insurers appear to be mainly preoccupied with a technical digitalisation process, new technologies, new players and changing consumer behaviour are driving innovation and bringing potentially disruptive competitors from the outside.

The survey also reveals that consumers have little brand loyalty, even to the biggest insurance brands. All over the world there’s a growing tendency for customers to buy insurance from players other than insurance

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companies, such as proprietary brands, online retailers, banks and the like. And thanks to new technologies and the effective use of data, the market’s new players are better able to meet customers’ needs and quickly claim market share.

If insurers want to keep their existing customers, or appeal to new ones, they must be where consumers are: on social media and mobile. Conventional media channels are drying up and becoming less relevant, though many companies don’t recognise or accept this. Nowadays, however, it’s all about entering into instant and effective dialogue in places where customers are to be found, and using strong content to create a bond with them.

Yet of all the insurers that participated in our survey, 89% use external parties for their social media activities and creative input. As a result, what they post looks more like advertising than authentic content. It’s important that content is created and posted from within the organisation because this makes it more trustworthy and differentiates the company from competitors. It brings insurers closer to their customers and thus enables insurers to better understand them.

Survey accountability and method

Our survey takes in 15 major European insurers that are leaders in their field in the European insurance market and wield considerable influence on the complexion of the industry. The surveyed insurers each have a clear brand name.

Using desk research, we measured insurers’ social media

activity on Facebook, Twitter and YouTube. Insurers’ deployment of social media between September 2014 up to and including March 2015 was also measured.

To provide an objective a view as possible, and to compare insurers with one another, we looked at the social media accounts in the respective countries in which the insurers are active. In other words, AXA in France, Aviva in the UK, Generali in Italy, and so on.

The numbers of fans and followers have been put into proportion with the population of the respective country. This precludes a larger country attaining an automatic advantage on the back of a larger population.

The survey targeted external social media communication, measuring the number of posts, comments, video uploads and views, and fans and followers. The possible use of internal social media, such as Yammer or Slack, has not been included.

New social media players

As a business-focused social media platform, LinkedIn is popular in many European countries. The UK has the largest LinkedIn community in Europe, followed by the Netherlands. However, in some countries there is still a great deal of competition, with local professional platforms such as the French network Viadeo and XING in Germany. With 200 million members, XING users far outnumber those of LinkedIn in Germany, Austria and Switzerland.

New social media platforms with a significant focus on visual content are gaining in popularity. Instagram is the fastest growing of these globally, followed by Pinterest and Snapchat.

The next big thing, however, will be messaging networks. Whatsapp and Messenger will overtake social networks in the near future.

Lessons to learn

When it comes to the use of social media, there are many differences between the top 15 insurers. A number of important areas of attention are listed below.

- Insurers are just not visible enough in the online, social and mobile eco-system, even among the top five European insurers.
- New kids on the block in the insurance industry, such as Friendsurance and Metromile, integrate immediately online through the use of social media.
- Facebook is still not being used effectively. As a channel it's not being fully deployed and company objectives are not really clear. Facebook is so much more than an electronic noticeboard.
- Insurer websites show few visible referrals to their social media channels.

- We see hardly any online ratings and rankings for insurers for consumers to access and there are few user reviews.
- Insurers generally need to embrace a "less is more" approach: don't recreate your website in an app!
- Even so, the industry is moving towards a "social first" approach in customer service.

Notable social media insurers

While awareness and utilisation of social media is still growing in the industry, several companies have made great strides in differentiating themselves. Space does not permit a detailed listing in this article but detail can be obtained from the survey itself. I will, however, note two insurers who stand out.

Aegon (NL) actively deploys social media for webcare, allowing customers to ask questions via Facebook and Twitter. On its Twitter page, the webcare team members present themselves in a personal manner. Spanish insurer Mapfre also uses social media well, setting up separate social media channels for every country. With 86,000 Likes, its Facebook page stands out, and the Mapfre Cultura Twitter channel generates interest in the cultural foundation of the company.

While there are challenges, it is exciting to see the growing understanding and awareness of social media opportunities in the industry. ITDS Business Consultants is currently developing a worldwide survey to further illuminate additional accomplishments and new opportunities in brand differentiation and customer engagement.

If readers require more information on the use of social media in life insurance or the results of the Social Media Insurance Monitor Europe survey, please contact SYDBusinessDevelopment@rgare.com.

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