

Insurance providers testing the waters in pool of social media, reports Mintel Comperemedia

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Insurance providers are reluctant to dive headfirst into the vast marketplace of social media, choosing instead to ease in, bit by bit.

Mintel Comperemedia, a service that provides direct marketing competitive intelligence, recently polled 214 independent life insurance producers.

Seventy percent use at least one social media site, but only half report using their accounts for business purposes.

“Insurance issuers tend to rely on email and face-to-face interaction because they feel personal contact with clients is a necessity,” says Daniel Hayes, VP of insurance services at Mintel Comperemedia. “As a result, social media doesn’t rank as high on their list of priorities.”

Of those surveyed, only 14% believe social networks have generated word of mouth type leads, and the same amount say social networks allow them to stay in contact with clients.

A narrow 11% believe social networks give them more client opportunities.

According to Daniel Hayes, these statistics could be a result of an experience gap, rather than a preference.

“Insurance companies that are actually using social media today are still experimenting,” adds Daniel Hayes. “Knowledge and talent must be developed to manage social media as it evolves into a predominant source of client interaction.”

Of insurance producers that use social media for business, 91% of Facebook subscribers are using the site to communicate with their customers, but only 22% are connected to their carriers.

Mintel Comperemedia suggests this disparity is likely caused by a lack of meaningful corporate profiles with useful information to attract carriers.

“When more insurance companies cultivate a richer social network presence, complete with more attractive content, usage percentages should increase,” notes Daniel Hayes.

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