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## Growing use of social media in customer engagement in insurance industry in India

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**INTRODUCTION:** The last decade has witnessed a paradigm shift in marketing area because of the ever-increasing use of digital platform enabled by the internet. It has not only effected how the marketing functions get prioritized but also the way the companies are engaging the customer be it a prospective or acquired one. Gone are the days when the information flow was unidirectional



i.e. from companies to customer. The vertical structure of marketing is getting dismantled and it is getting flat with each passing day. The time has come where companies have started believing in collaborating with their stakeholders to bring changes in their offering be it products or services. To put it in another way, market now has become inclusive rather than exclusive as world is moving from hegemony to multilateral power structure. All of this is because the customer is no more dependent only on the information shared by the company providing product / services but has got multiple node of seeking information, getting feedback and even suggestions all because of the democratization of the information – thanks to the digital / social media. Customer is the king now and digitalization serves as a great medium for information search and creating awareness. Therefore, companies now are paying utmost attention on their customer base and prospects in order to deliver satisfaction at each step of interaction starting from leads generation to onboarding to sale and then after sales services.

**SOCIAL MEDIA** As per Wikipedia “ **Social media** are computer mediated interactive internet based applications that facilitate the creation and sharing of information, ideas and other forms of expression in virtual communities & networks”. The active participation of the members and sharing of their own creations in different forms text, comments, audio, video, blogs etc. are the life blood of the social media. With the growing popularity & acceptance of the media by people, business companies have started harnessing the potential of this platforms. Social media facilitate the development of online social networks by bringing together group of people who share same likings / thoughts / political view & so on. The social media has introduced substantial and pervasive changes in communication flow between businesses, organizations, communities, and individuals. It scores over the traditional media of print & TV in many ways including quality, reach, frequency, interactivity, usability, immediacy, and permanence. It operates in a dialogic transmission system (many sources to many receivers) in contrast to traditional media works on monologic model (one source to many receivers). The prevalence of social media across the globe has made it out to be a primary tool in order to boost customer interaction and engagement. In a world with the population estimated to be around 7 billion, almost 3 billion people are active internet users of which 2 billion have active social media accounts. This shows that social media is widely used by people all around the globe, and if managed correctly by the marketers, it has the potential to become an immensely powerful tool to increase customer engagement. Many of the most significant social media tools are still very young, but the concepts of social networking, online video, and blogging go back to the earliest days of the Internet. There had been a lot of churning out in this space too. Many social sites which were very popular got closed subsequently. **Some key social media sites and their year of launch (source: www.ibm.com)**

1997 Google	2004 Facebook	2007 FriendFeed
1999 Blogger	2004 Feedburner	2007 iTunes U
1999 RSS	2004 Flickr	2008 Academia.edu
2000 FriendsReunited	2004 Google Scholar	2008 Bit.ly
2001 iTunes	2004 Orkut	2009 FourSquare
2002 TinyURL	2005 Google Maps	2009 YouTube EDU
2003 Delicious	2005 Google Reader	2011 Google+
2003 LinkedIn	2005 Netvibes	
2003 MySpace	2005 Ning	
2003 Wordpress	2005 YouTube	
	2006 Twitter	



**Facebook:** Founded in 2006, Facebook is perhaps the most popular & used social networking site. It provides facilities for creating and sharing content in the form of pictures, posts, comments, videos and even check-ins. The figures available suggests that almost half of the internet users are having facebook account and they contribute more than 4.5 billion likes / impression on daily basis. Business companies use facebook to create fan / followers pages and updating them on regular basis. Apart from organic reach which the company can get with the help of its own captive followers there is always a provision of promoting the posts to the desired target group. Choosing people for particular ads is much easier on facebook since the companies can get access to the demographic information about users. This is also useful for viral marketing when companies need to select specific users to target for the message to propagate through the network.

**Twitter:** Twitter is an extremely popular online micro blogging site with more than 500 million users. Like facebook , users can connect with each others and can view / read / comment / share the tweets of fellow user. The good point is that the space is limited and the updates can at the best be up to 280 characters. The provision of the retweet – the possibility of forwarding a post originally made by one user to the self followers provides immense potential for viral marketing. Businesses organizations create their profile pages and get people to follow it. They can then interact with their customers by posting updates of products and services and other types of content. There is a provision of promoting them posts which goes beyond the captive followers. The use of analytics makes the life much easier for the marketers as the targeting / positioning is very easy.

**YouTube:** It is a global video sharing website. It allows billions of people to discover, watch and share originally created videos. Businesses leverage the mass appeal of YouTube by creating their own public channel that their fan-base can subscribe to. YouTube is seeing a massive surge in India with 180 million monthly active users on mobile devices alone. Businesses can use YouTube in demonstrative purpose. It can even be used upload latest advertisements & get the feedback of the viewers. It can even be used to share the latest events & messages. The platform can even be used to get testimonials from clients

**LinkedIn :** It is a business & employment-oriented platform available through website & mobile app. It's unique selling proposition & positioning is of professional networking site focussed on employment,ent related matters. However , over the years the quality of content etc is getting redefined and one can see many posts which can not be directly linked with employment. As of April 2017, LinkedIn had 500 million members in 200 countries, out of which more than 106 million active members. The “gated-access approach” (where contact with any professional requires either an existing relationship or an introduction through a contact of theirs) is intended to build trust among the service’s members.

**Blogs :** It is all about publishing and sharing personal thoughts in public domain for consumption. The word “blog” is a shortened version of *web logs* or *weblogs*. The concept is not new at all but it gained momentum with the rise of automated published systems, most notably Blogger at blogger.com. It allowed / gave freedom to a coomon person to express him/herself. Now, self-hosted platforms such as



WordPress offer new levels of functionality, with a large ecosystem of talented designers and developers serving the varied needs of millions of users. With the passage of time, blogging has also become a popular platform for business. It is being used to humanize the brand get in to the mind space of the target audience. Many CEOs find it a suitable platform to articulate their views for the mass consumption.

**CUSTOMER ENGAGEMENT & SOCIAL MEDIA** When a customer directly interacts and communicates with the brand or company , it is referred to as customer engagement. Such connectivity with customers directly strengthens the relationship and acts as a first hand tool to get the feedback . It is not a new concept as such. Companies in past had been using different platforms to get in touch with the customers but the possibilities / platforms on new internet based technology has made the process much more easier / happening. Customer engagement holds significant importance for companies. By engaging customers at different level of business process gives a sense of empowerment in the minds of customer and that helps in long run. The easy accessibility of the information has made the lives of the customer more difficult. The customer buying decision process which used to be a linear process is no more linear. The possibility of to-fro movement is much more visible these days. The 3 f factor i.e. family , friends & followers (Facebook and twitter) is playing major role in shaping the buying decision of a customer. The customer is now highly dependent on opinion of others. Social media is one such platform which shapes the customers' views about a product. Reviews, ratings and suggestions are open for all to see due to which the sales of companies gets affected. Negative and positive advocacy also creates a high impact in shaping a brand image. Hence it is more important now to keep all customers / stakeholders engaged with proper and regulate updates to keep the group cohesive and loyal. Social media platform provides such opportunity that too at a fraction of cost compared to a traditional platforms. Through social media, brands can connect with relevant people, share information, identify consumer's unanswered questions, research influencers and promote content that will attract consumers. Regular monitoring and effective management of the social media can bring the following distinctive benefits to an insurance company – as insurance business revolves around trust / connectivity :

**Building rapport :**An insurer can build a rapport with their insured's on social media and connect with them on a personal level which they cannot do in traditional advertising. Having great number of followers also creates a brand image which leads to great impact on customer's mindset. Making special :Insurers can connect and engage with their followers in order to make them feel special as a consumer or customer. Companies are floating open competition or contests to get their audience closer to them

**Quick service :**By using social media, insurer can connect and provide better service to the current insured. Lack of communication can damage a company's reputation. Quick and efficient response can be provided through social media which will make customer realize that they are the asset to the company and in return the brand image will improve along with the ratings and reviews. Increase customer base : As the customer engagement increases and the grievance redressal time decreases it lays a huge impact on customer's mind due to which he/she provides best ratings, better reviews and thus become positive advocate on social media

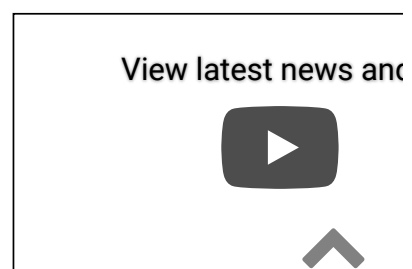


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platforms. Reputation Building : When an insured treats their followers right and when the followers, ratings and eventually reviews are getting better that's when the insurer starts building reputation which helps in strong brand image. For e.g. the new insurance company 'digits' ask their user different ways on how to make their service better and offer help through personalized messages.

Cost- effective method : There is no denying the fact that traditional advertising incurs much cost than on social media. Also, the insurer can choose their target audience as per their database that saves a lot of to the company. With the help of personal interaction with the followers, addressing their queries also help in creating the company's goodwill and approachability. Quick communication :

While a person to person physical interaction is time taking, interaction on social media is frictionless and less costly affair. Sending mails, phone calls and letters take up a lot of time than a personal interaction on any social media. Companies have started addressing customer's queries , most of which are of information seeking nature on social media itself. In some way company's become obligated to address the queries as dodging them would hamper the brand image too.

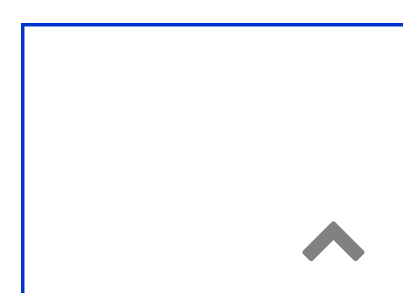
**SOCIAL MEDIA USE IN INSURANCE** The use of social media is a new development in our insurance industry. A quick scanning of the social media links / platforms of the leading companies provides an interesting insight about the growing use. At side of the spectrum there are companies like Bajaj Allianz General Insurance Co (BAGIC) who have integrated social media as part of their marketing & communication strategy while on the other side there are many companies who are yet to recognize the potential and work on this area. The big daddy of insurance in India , LIC is very strong in this area. No doubt the sheer volume of the customer base is there to help it but the credit must be given to them to as they are managing the platforms with utmost regularity & the quality of contents are really good. The general insurance companies from PSU background are lacking behind & yet to start it in real sense. The number of followers / subscribers is a direct indication of the popularity & the efficient management of platform. The following data is compiled by visiting the different social media platforms of the leading companies provides an insight about the current status .

Name of the insurance co	Facebook followers	Twitter followers	LinkedIn followers	Youtube subscribers
LIC	6.5 million	35100	NA	9510
AVIVA Life	1 million	32600	NA	5490
HDFC Life	6.9 million	41500	93000	37000
ICICI Pru Life	340000	16900	34500	12300
SBI Life	3.64 million	118000	NA	12170
Bajaj General	2.3 million	88800	212000	5030
HDFC ERGO	579000	3500	25000	1450
ICICI Lombard	900000	15100	25700	9450
SBI General	4106	977	12500	780



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(Data compiled on 15/04/2018. NA - Not Available on this media) Facebook :  
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 Because of the versatile use & popularity among general public, facebook is the most used & leveraged social media platform for the insurance companies. The companies are using this platform for many varied purposes. Insurance awareness is one aspect which has found a prominent place in facebook. Companies have been using small videos or even animated videos to spread the awareness about insurance. Most of the time the subjected related videos which are there in youtube channel are being shared on regular basis. HDFC Life is having a series named #InsuranceSimplified. In recent past they has also in alliance with MoneyMile putting a series of interviews of senior officials explaining the basic concepts and clearing doubts. SBI General has a series by name #InsuranceGuide, Universal Sompo has it by name #InsurancePeCharcha, HDFC Ergo has AI based option #AlexaAskHDFCErgo and so on. Bajaj Allianz General has been running series of post promoting awareness about cyber threat and there by promoting their new retail cyber policy. Promoting the brand using the promotional tagline at special occasion such as festivals & important days such as women's day / world health day / world cancer day etc. are most common. One can find the use of #tags such as #saruthakejiyo, #celebratelife #SimpleJoyofLife #MondayMotivation #Jindagikesathbhijindagikebadbhi. Associating brand with certain cause which relates to the USP & even some product is another popular these to get attention of the prospective / current customers. AVIVA Life has been running a series of post in facebook which is tagged with the themes such as Heart Care, Good Eating Habits & Cycling. This gels well with their recently launched product Heart Care. The general insurance companies can be seen using the #tags such as #RidetoSafety, #RideBefikar & #ChildSafety. HDFC Ergo is promoting now its recently launched overnight service promise through #tag #DuskToDawn

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Inviting active participation by way of sharing photo / video in some completion or just to celebrate an occasion is a tool of engaging followers directly & making them feel special. Those who gets award shares their achievements in their own group thereby adding the possibility of getting more followers. Aviva Life recently had a participative event where they invited photographs of the kids dressed in their dream profession and gave prizes. They are also running a series named Kid-o-Scope to help parent identify the talent of the kids from career point of view. HDFC Life had a series named #TheMemoryProject where they invited stories in video form from the people who had lost their dear one. ICICI Pru Life had a completion named #UltimateProtectionPlan & #YouProtectYouWin.

(<https://www.gicofindia.com>)



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**Twitter** : It appears to be second most preferred platform for the insurance companies. Most of the post here are found to be same which are available on facebook. Ideally the content should be different but this practice is found across all industry may be because we are yet in development phase. Twitter is being used even for attending queries / complaints. Bajaj Allianz General even has a #tag named #tweetInsurance to attend customer queries & grievances. A

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prompt response adds to the responsiveness & credibility of the brand. #MondayMotivation kind of post sharing some thought appears to be the most common feature. HDFC Ergo has added a bit humour by naming its quotes coming from #ProfSomvarDas. Re-tweeting the tweets from some known personality or some news items which relates to the industry / product is also common. In the recent past companies used the #tag #CWG ( Common Wealth Game) to associate the event with some of the idea / product. The CEOs from Bajaj group Mr. Tapan Singhel & Mr. Tarun Chug are very active through their personal tweeter account . Since most of the comment there relates to the industry in general & the company in particular , it provides a great traction even for the company tweet account and adds to visibility. **YouTube** : For all the companies Youtube practically works as a warehouse/ repository having all good video clips which are used / reused in making the posts at different platforms attractive. It contains the TV commercials , animated advertisements , awareness videos , interviews of the senior officials on different subject matters , award functions & testimonials from stakeholders and so on. Perhaps the most interesting input which are relevant & attractive for the users are the insurance awareness videos. HDFC Life has few by name #DoNotbeaPappu. Bajaj Allianz General has a series by name #AkwardSilence where they highlight the severe impact of not having insurance cover. They also have video showcasing some of latest offering such as #EzeeTravel & #SafeDrive . ICICI Lombard has the series by name #HumKaiseManLe . They also have some beautiful videos based on social experiments. **LinkedIn** : Employee be a prospective or a current one are a important stakeholder for an organization. LinkedIn has always been an employee / employment related social platforms and no wonder if we scan the platform the majority of the posts relates to the core purpose. Companies are using this platform for a building strong brand so as to attract & retain talent. In this endeavor they publish company related news , highlights , awards , recognition and most important testimonials from the working employees. Showcasing the career growth of the employee is another way of establishing brand. Bajaj Allianz General , AVIVA Life & many others are sharing the career stories of the employees who have progressed with company. Bajaj Allianz & HDFC Ergo even features their newly recruited Management Trainees too. The interviews of the senior officials and even the notification for openings are other added features. **Blogs** : The published opinion of the CEOs & other senior officials on matters related to the industry is strong tool of brand building. It showcases the capabilities of these officials being an opinion leader and their presence help in building of the brand. ICICI Pru Life uses the blogs of their senior officials in all its platforms. Mr. Tapan Singhel , CEO & MD is very active on social media platforms and he keeps writing blogs on insurance , life style & general management topics. His personal blog is very well used by the company on its official social media platforms. SBI General another company which prominently shares the opinion / writings of its senior officials in all available platform for wider circulation. **Way Forward** Insurance is a customer centric industry & works on the basis of trust. Brand image in the mind space of customer is of great importance for the companies. The industry is in evolution stage where clear brand positioning particularly in retail line of business would be the differentiating factor. Proper segmentation of the market & specific

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targeting would help industry in reaching to the desired customer. Social media provides businesses the availability of user profile information and that is a gold mine. This makes the task of advertising to the targeted audience far easier. The insurance companies have understood the importance of this media & they are working on building of capabilities / technology infrastructure to take the full mileage. All the companies are having a massive data base of their own existing customer . The use of data analytics would help a lot in getting more insight of it & we would see much more activity in coming days.

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