


Internet Marketing Tools

for

**Independent
Agents**

By Adam Cherubini



The growth of Internet marketing over the past decade has made it essential for independent agents to market themselves to the millions of consumers who are seeking innovative insurance solutions online. But figuring out exactly how to do so – without breaking the bank – can be a daunting task.

RESEARCH SHOWS THAT CONSUMERS ARE EMBRACING THE INTERNET MORE AND MORE

The good news is that there are a number of Internet tools available and designed specifically for independent agents that make it possible to market directly to consumers who are already on the Internet. With the availability of such tools and the undeniable trend toward increasing online consumer activity in the insurance field, independent agents must tap into this growing pool of potential new business. Without doing so, independent agents risk missing out on a customer base that grows larger by the day.

Research shows that consumers are embracing the Internet more and more. Today more than 70 percent of Americans, or roughly 215 million people across the country, are using the Internet on a regular basis. That represents a 125-percent increase from just seven years ago, and the numbers will continue to grow as the generation that grew up with the Internet – 11 to 26 year olds – enters the market for insurance.

We also know from research that approximately 80 percent of all consumers seeking to buy insurance for the first time or who are looking for a new policy to replace an old one will use the Internet at some point in the process, whether it is to collect information about policies and coverage, to find an agent, or to get quotes and comparison shop. And a growing percentage of those consumers are using the Internet exclusively, meaning they are not even looking at the paperbound Yellow Pages or reading direct mail from agencies and carriers trying to solicit their business.

For independent agents, these facts should translate into an exploration into how to capitalize on the increasing numbers of consumers in the online insurance marketplace. The nation's largest insurance companies have already ramped up their advertising efforts, doing their part to make Internet advertising the most rapidly expanding form of advertising available – more so than television, radio or print.

The key to Internet marketing for independent agents, however, lies not in how much money is spent, but in how to strategically target specific markets that they want to service. A good Internet marketing technique is one that can target specific areas, often down to the ZIP code, at a value that fits within an independent agent's budget.

An Internet lead generation service is a good option to consider. At InsWeb®, one of the first online insurance marketplaces, we offer Internet leads through our AgentInsider® Lead Program. The service gives independent

agents complete control over how many leads they may receive, as well as from which ZIP codes they wish to receive those leads. The agents themselves determine how many leads should be provided each day or week, in what lines of business, and pay only for the leads they order. A good service will typically price leads at \$8 to \$12 per lead.

Internet lead companies also give agents the ability to know exactly how much return they are getting on their investment. With the AgentInsider Lead Program, agents can track how many leads they are purchasing and how many leads they convert to sales, making it easy to figure out if their strategies for new customer acquisition are working or not and allowing them to make adjustments accordingly.

At InsWeb, we speak to agents who experience great success rates. While it takes a lot of work to bring in a lead, some agents report up to 30 percent conversion rates – higher than any direct mail campaigns they might have tried in the past.

Lead generation services such as InsWeb's deliver new leads to agents by gathering existing policy information and personal data from consumers who are already searching for insurance on the Internet. When a consumer enters the personal information as prompted on an insurance website, the lead generation service matches the data with appropriate participating agents and distributes the lead instantaneously. From there it is up to the agent to quickly follow up on the opportunity to bring in new business. Agents who worked their leads aggressively have had great success using lead generation services.

Through years of experience, InsWeb's research found a significant drop-off in consumers who accessed the service and clicked through, but then stopped short of entering their personal information. Although this seems to be improving as more consumers are getting comfortable using the Internet, others are still reluctant to submit personal data into a computer. They use the Internet, but finalized the business transaction through personal human interaction.

To reach these consumers, InsWeb created Agent Directory, an online auto insurance agent directory where agents can list themselves to make sure consumers are able to find them online. A good online insurance directory will also be targeted by ZIP Code so that agents pay for their listing based on the region where they want to be accessible, and consumers find only the agents who are in their geographic area. This allows

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Memos from Madison

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And now we prepare for another year. This month our committees will meet for their annual kick-off meetings. This will mean exciting new opportunities, new programs, products and services. If you have not signed up to be on a committee, call the PIA office or visit the web site to join the long list of members who give their time and talents to make your organization so dynamic and responsive. You will never regret the experience and you will be amazed at the wonderful people you will meet.

Commissioner's Comments

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Decree for affected Wisconsin insureds and not violate Wisconsin insurance laws. This action was based on allegations of misrepresenting the terms of long-term care policies by increasing premiums during a five-year rate guarantee period.

Healthscope Benefits, Inc., 27 Corporate Hill Dr., Little Rock, AR 72205, has had its license denied for 31 days. This action was based on allegations of failing to disclose administrative action

Although we don't have the benefit of the coaching and team building genius of Vince Lombardi, we have a dedicated leadership cadre ready to take the helm of PIAW. These professionals and all the others who work so hard for our industry will stay focused on the mission of PIA so I can stand before you again next year to give a glowing report and take all the credit. Thank You.

taken by the state of Nevada on an insurance license application.

TCC Insurance Agency, Inc., 2121 San Jacinto Ste. 400, Dallas, TX 75201, has had its application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to disclose administrative action taken by the state of Oklahoma on an insurance license application.

Builder's Risk

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renovations had begun. The property carrier attempted to deny the claim because the buildings were unoccupied, but eventually was forced to pay \$2.6 million. In turn, the property carrier sued the agent, claiming the agent wrongfully bound them to a policy for a risk that the agent knew – or should have known – should not have been written. Following a trial against the agent, a verdict in excess of \$2 million was rendered and paid.

Simply stated, better communication and understanding of the construction phases by the agent would have saved the agent

from being sued.

BETTER SERVICE, AVOIDING CLAIMS

All agents need to understand the important differences between Builder's Risk and standard Property coverages, and clearly comprehend timeframes and the status of buildings under construction or having major renovations made to them. Clients will be given better service and claims will be avoided.

Internet Marketing Tools

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agents to keep their online marketing efforts targeted and specific, again maximizing their marketing dollars.

In the effort to keep pace with the competition and continually grow new business, independent agents must be smart, resourceful and make the most of every opportunity. It is important for agents to understand their markets and adapt their marketing techniques accordingly. But when it comes to insurance marketing, the importance of the Internet cannot be overstated. Internet marketing can provide a key to a vast pool of new business that will only grow larger as time goes by and technology becomes more and more commonplace. Agents who have yet to consider Internet marketing as part of their overall strategy risk being left behind.

Adam Cherubini is senior vice president of client development for InsWeb, a Sacramento-based online insurance marketplace that enables consumers to shop for a variety of insurance products. In 2007 InsWeb launched AgentInsider, an Internet lead service, and followed it in 2008 with AgentDirectory, an online insurance directory for agents.



Cherubini is responsible for the AgentInsider platform as well as developing other relationships that broaden InsWeb's distribution network. Prior to joining InsWeb in 1999, Cherubini worked as a broker for Willis-Corroon and held underwriting and sales functions for The Travelers and CIGNA. He can be reached at acherubini@insweb.com.

For more information visit www.agentinsider.com or call 866-892-4080.