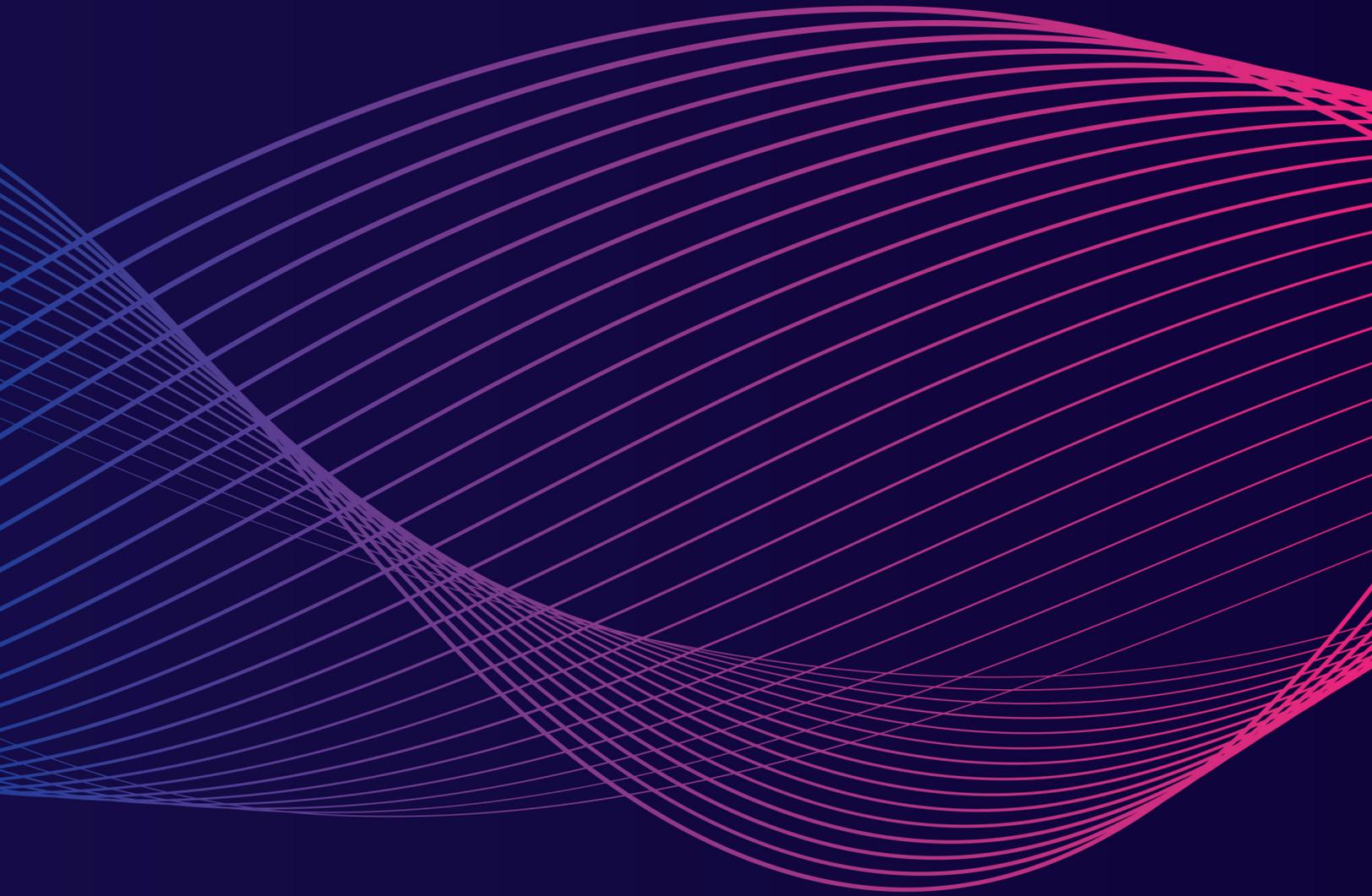


agent for the future™

ENGAGING MILLENNIAL INSURANCE CONSUMERS ONLINE



The age of online retailers and **instant digital access** has transformed how consumers do business.

Consumers now expect to be able to find business information and conduct business online with just a few clicks. This is especially true of millennials, who are more likely than previous generations to view themselves as tech-savvy.

Millennials (born between 1981 and 1997) are now the largest living generation of adults in the U.S. While their attitudes about insurance align with those of older generations in many ways, they have different needs and expectations from the businesses they choose to work with – including higher expectations for digital service.

Liberty Mutual and Safeco Insurance recently surveyed **more than 2,800** insurance consumers, including **1,600 millennials**, to learn how millennials make decisions about purchasing insurance and choosing an agent. This report is the second in a three-part series about the research findings.

In the first report, "**Understanding Millennial Insurance Consumers**," we gave an overview of some of the key findings from the research. One of our key findings was that millennials often use digital channels to learn about and choose agents.

Younger customers conduct research online during the purchasing process, and they expect streamlined digital experiences before and after purchase. Digital engagement is an important aspect of attracting millennial customers and keeping them on as long-term clients.

In this report, we'll dig into how independent agents can reach and serve millennial clients through digital channels.

Millennials find and choose agents through digital engagement.

Our research found that millennials value the expert advice and human touch that agents bring. While millennials are more likely than older generations to buy insurance online, **more than half** of millennials bought insurance through an independent or exclusive agent. And most are open to working with an agent in the future.

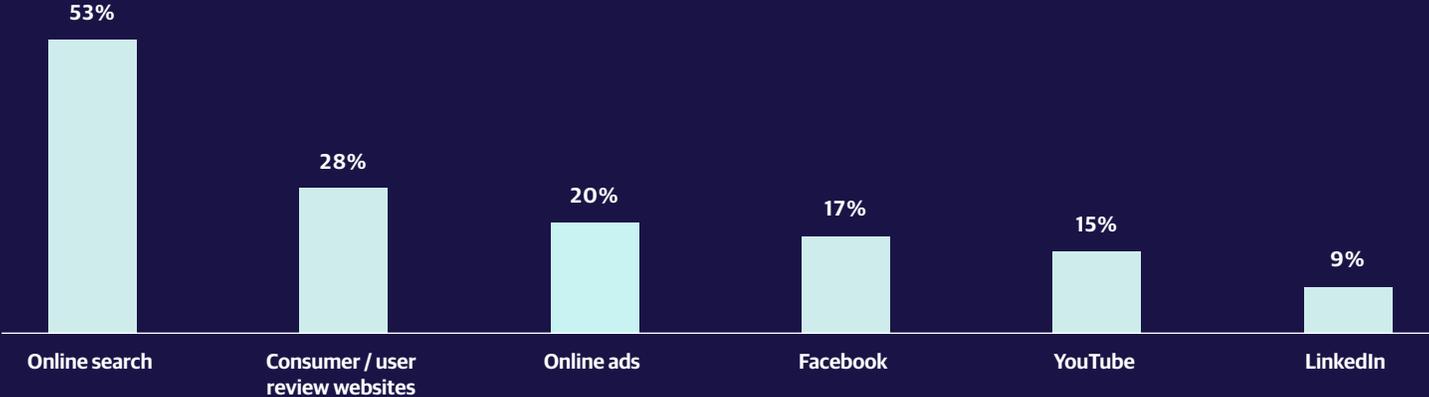
However, millennials often use digital channels as a route to connect with an agent. Millennials are more likely than older generations to learn about and choose an agent through digital engagement such as online search, reviews and social media. Of those who don't currently work with an independent agent, **79 percent** of millennials say they could see themselves learning

about an IA through digital engagement. They are less likely than previous generations to be drawn in by traditional marketing methods such as mailings, cold calls and television ads.

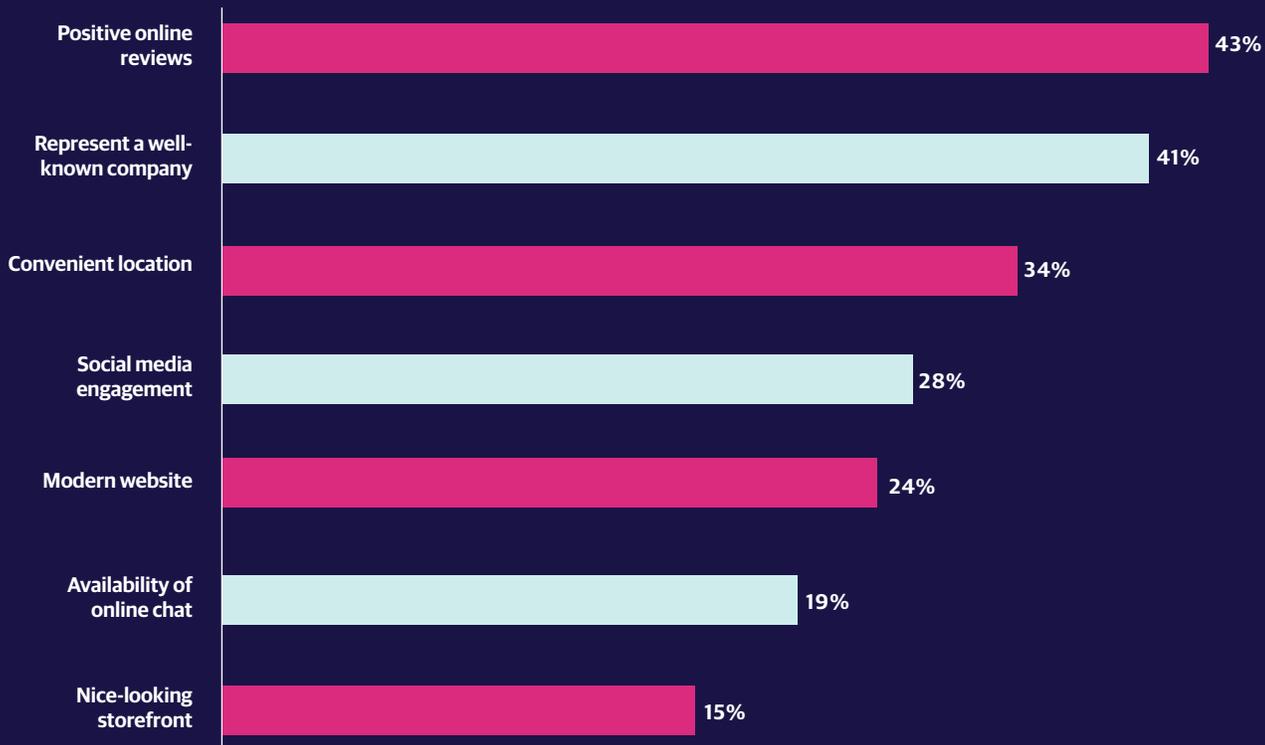
79%

of millennials who don't currently work with an IA say they could see themselves learning about an IA through digital engagement

Their top digital channels



How millennials choose one agent over another



Millennials also turn to online sources when deciding which agent to work with. When choosing one agent over another, **43 percent** of millennials say online reviews influence their decision, **28 percent** look at social media engagement, **24 percent** look for a modern website and **19 percent** consider the availability of online chat.

In a focus group conducted by Liberty Mutual and Safeco, millennials voiced a lack of trust in any business that doesn't have online reviews. "Millennials rely on reviews," said one focus group attendee. "My boyfriend won't go to the restaurant if it has no reviews online."

This shows that independent agents need a robust digital presence to attract millennial customers. An outdated or clunky website, bad online reviews (or no reviews) or generic social media content are quick ways to lose millennial customers before agents have a chance to connect with them.

In the words of an agent



Dani Kimble

Chief Marketing Officer,
O'Neill Insurance



Building relationships through social media engagement requires creativity.

How can you best tell your agency's story and invite people in your community to be part of that story?

Millennials, especially, desire authenticity. They're put off when you're only posting content that is trying to sell them something.

Read the full agent story on AgentForTheFuture.com



Online engagement is incredibly important in reaching the younger generation.

Traditional marketing - billboards, TV ads, cold calling - just doesn't work as well with millennials.

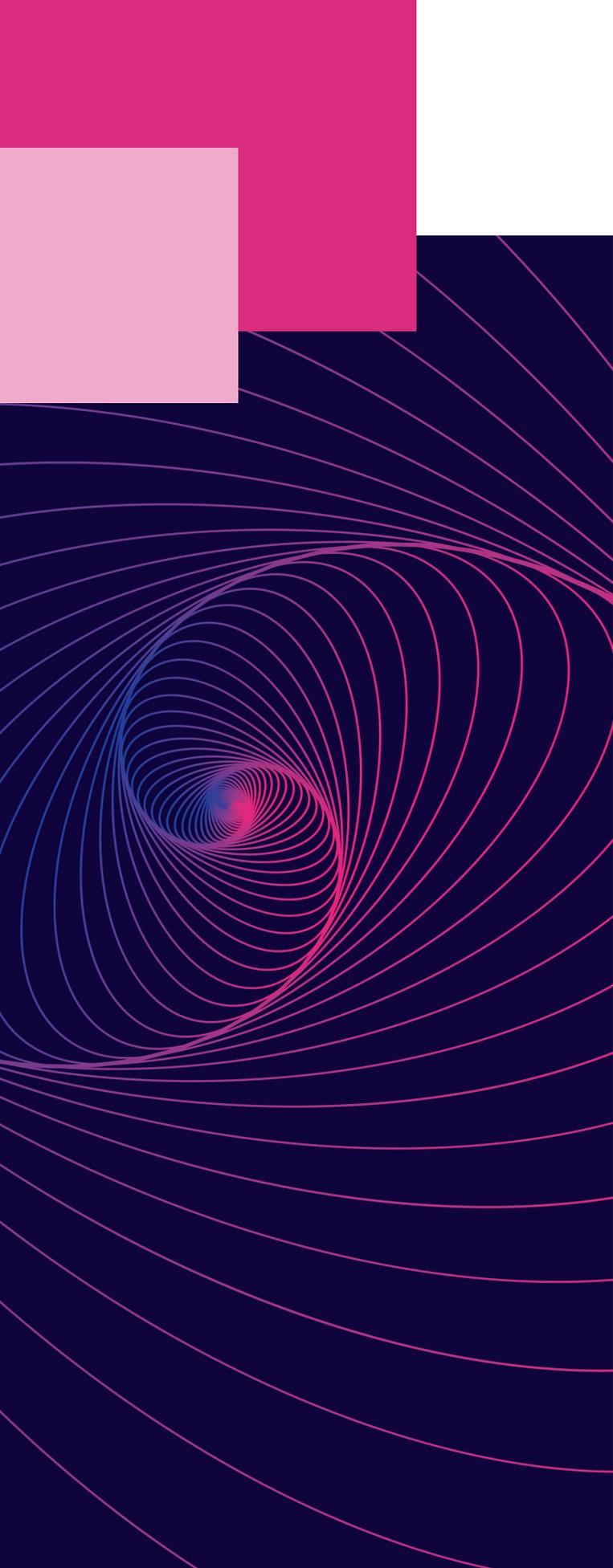
Everyone is on their mobile devices everywhere. When my agency set out to reach millennial consumers, we asked ourselves, 'How can we appear on their screens?' We started a digital marketing approach. We try to add value for our clientele and followers as best we can through social media. We are everywhere now - Facebook, Google search, Yelp, Instagram.

Read the full agent story on AgentForTheFuture.com



Benjamin Young

Brightway Insurance,
The Young Agency



Millennials expect digital service.

If independent agents can attract millennial customers, those customers are likely to stick around. **81 percent** of millennials who work with agents said they plan to use their current agent again.

However, millennial clients may have different service expectations than older generations. Millennials value instant responses and 24/7 service. **31 percent** of millennials said they want to experience fulfillment without delay (compared to **12 percent** of baby boomers).

When our Liberty Mutual and Safeco® research team asked millennial consumers about the top ways agents can provide value, they listed “responds quickly if I have a question or need” as number one. (Help with a claim, insurance expertise and getting comprehensive coverage were next on the list.)

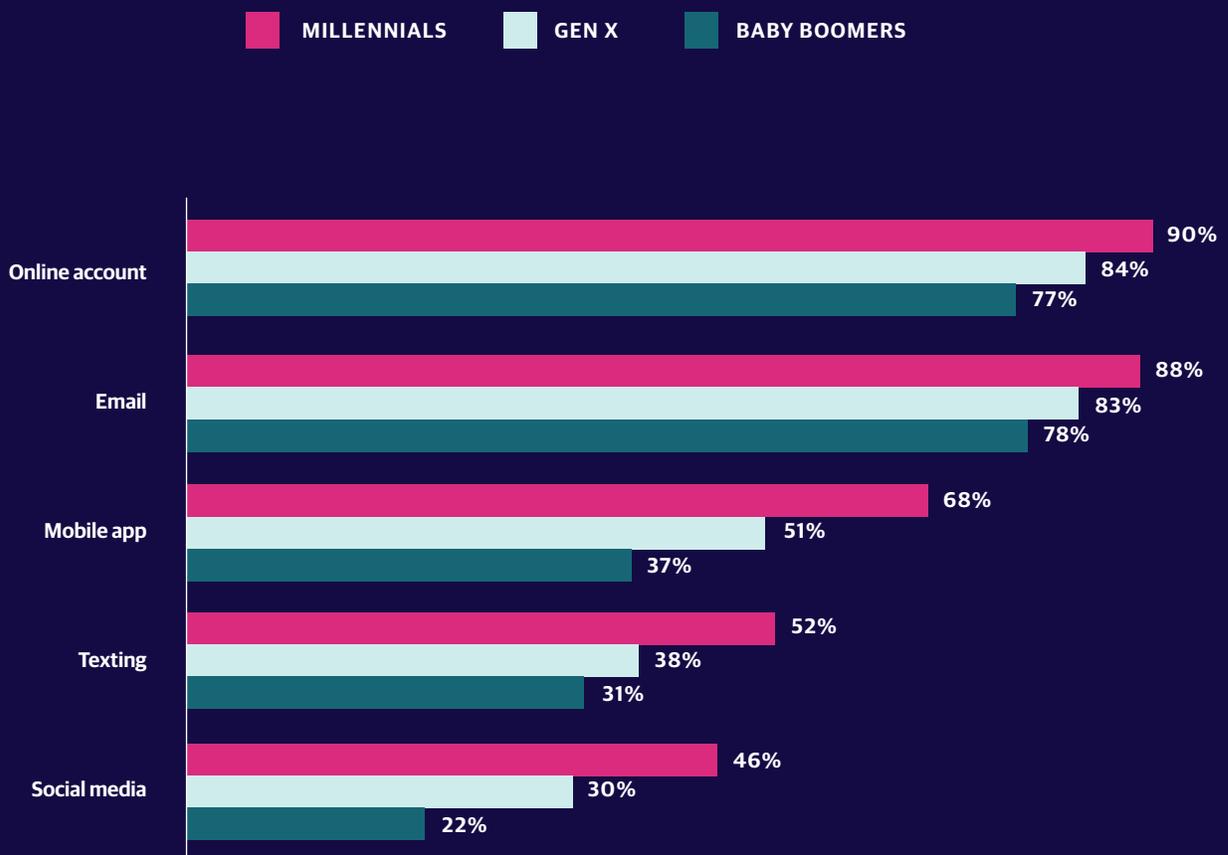
Our research also found that millennials are less concerned with service after they buy, but they do want easy access and time savings. **46 percent** of millennials say they prefer to do things on their own, suggesting that they may appreciate self-service options.

According to Liberty Mutual's consumer research, millennials are more likely than older generations to use digital channels to get service for their insurance.

When looking for service on their policy, **96 percent** of millennials used at least one digital channel, and **half** used four or more digital channels.

Online accounts and email are popular channels for customers of all ages. **90 percent** of millennials that completed a service task in the past year did so through their online account, along with **84 percent** of Gen-Xers and **77 percent** of baby boomers. However, millennials are much more likely than previous generations to use mobile apps, social media and texting for insurance service interactions.

Digital channels used for service in previous 12 months



Source: Liberty Mutual consumer research 2019

In the words of an agent



Tatiana Shevchenko

Founder,
TSIQ Insurance Agency



Millennials want control over their insurance.

They like mobile apps and online access to make changes or do small service tasks themselves. But many still prefer to have an agent – someone they can trust who has experience to explain coverages and things they can't find answers to online. They want their agent to serve mainly as an expert advisor, not necessarily as someone who manages every aspect of their insurance for them.

Read the full agent story on AgentForTheFuture.com



The only ways we can trump price are speed, efficiency and convenience.

We need to let the customer buy the way they want to buy and do business the way they want to do business. I think some independent agencies are scared of technology, and that's why they don't adapt.

But if you take the direct-to-consumer technology and pair that with an agent on the back end, it's unstoppable. We should all be working to bridge that gap.

Read the full agent story on AgentForTheFuture.com



Bradley Flowers

Owner,
Portal Insurance

Practical steps for elevating your agency's online presence and engagement



Invest in a modern, mobile-friendly website

An agency's website is often the first impression millennials have of the business – serving as a kind of virtual storefront. Investing in mobile-responsive website design, search engine optimization and online quoting tools can help you make a good impression on potential customers.

There are many resources available for improving your website and SEO. For example, Liberty Mutual and Safeco agents can access tools such as [SearchScore](#), a quick assessment tool that gives you an overview of how well your website is currently performing for your agency.



Encourage and respond to online reviews

Positive online reviews make your agency more visible online and give you more credibility in the eyes of millennial consumers. Prompt clients to leave you reviews on Google, Facebook or other review platforms. You could ask customers to leave a review during the onboarding process, or you could hold a giveaway to incentivize more reviews. Be sure to respond to reviews (both positive and negative) to show that you're listening.

Take advantage of carrier programs and classes such as [Liberty Mutual](#) and [Safeco's online webinars](#) to help you craft a winning online review strategy.



Implement a social media content strategy

Social media can help you reach younger consumers and stay top of mind for your clients and business partners.

You don't have to be on every social media platform – choose one or two platforms that you can keep up with consistently. Many carriers offer pre-written content you can pull from, but people do business with people, not businesses, so you should also use social media to show off your staff and the culture of your agency. For example, post pictures of your employees volunteering and talk about how your agency [gives back](#) to the community.



Find technology tools that let customers contact you how and when they want

Millennials especially don't want to have to come into the office or hop on the phone for simple service tasks. Digital tools such as mobile apps, e-signatures and self-service portals can move easy service tasks off your plate so you can focus on sales. A good agency management system can make it easy to offer self-service and integrate multiple channels so you can track communications all in one place.

Younger consumers also expect quick responses. You don't personally have to be on-call 24/7, but your agency does need to have something in place for quick responses and easy service options. Often, you can bridge the gap with technology. For example, you may employ virtual assistants or enroll in a carrier program such as Liberty Mutual's Small Business Service Center or Safeco's Gold Service™ to give your customers round-the-clock service.



Utilize video proposals and policy reviews

Using video can bring a personal touch to your digital communications with current and potential customers.

For example, instead of calling a client for an annual policy review, you can send them a video review that they can watch any time of day. This gives you a chance to build a personal connection and demonstrate your expertise in a way that is more convenient for your clients.



Hire and train a dedicated marketer

It can be difficult to find time for digital marketing tasks when you already have a full plate. A dedicated marketer can help your agency grow and improve its online presence.

Liberty Mutual and Safeco research found that more than half of the fastest-growing independent agencies had a dedicated marketer on staff. [Liberty Mutual](#) and [Safeco's](#) Marketer Development Program can help you hire and train a dedicated marketer.

Not ready to add a full-time marketer? Liberty Mutual and Safeco's marketing workshops teach proven marketing strategies that can help your agency reach more customers of all ages, regardless of who is doing your marketing.



Conclusion

Now comprising nearly a quarter of the population in the U.S., millennial consumers will control the marketplace for the next few decades. It's essential for independent insurance agents to win over this generation of customers.

Digital engagement is an important part of reaching and retaining millennial customers. As digital natives, millennials have higher expectations than older generations for digital engagement and service. However, older generations also appreciate digital service, so investing in digital offerings can help agents win with customers of all ages.

At Liberty Mutual and Safeco Insurance, we believe independent agents offer insurance consumers the

ease, choice and advice they need to make wise insurance decisions. We're dedicated to helping IAs succeed. Liberty and Safeco resources such as our online marketing classes can help agents learn winning strategies for reaching any customer.

This is the second of three reports on original Liberty Mutual and Safeco research on millennial insurance consumers. In the next report, we'll explore how IAs can demonstrate their unique value to millennial consumers.

Visit AgentForTheFuture.com for more research, expert insights and stories of winning agents.

About Agent for the Future

Liberty Mutual Insurance and Safeco Insurance believe in the enduring value of independent agents, and the Agent for the Future platform was born out of that belief. Agent for the Future exists to help independent insurance agents succeed and thrive now and into the future. On the Agent for the Future website, you'll find original research, actionable insights from insurance experts, and case studies highlighting the tactics winning agents are using to grow and thrive.

For more information about Agent for the Future, visit AgentForTheFuture.com.

About Liberty Mutual Insurance

In business since 1912, and headquartered in Boston, Mass., Liberty Mutual Insurance is a leading global insurer with operations in 30 countries around the world. Liberty Mutual is the third largest property and casualty insurer in the U.S. based on 2018 direct written premium data as reported by the National Association of Insurance Commissioners. The Company also ranks 68th on the Fortune 100 list of largest corporations in the U.S. based on 2018 revenue. As of December 31, 2018, it had \$41.5 billion in annual consolidated revenue.

For more information about Liberty Mutual Insurance, go to LibertyMutual.com.

About Safeco Insurance

In business since 1923, Safeco Insurance sells personal automobile, homeowners and specialty products through a network of more than 10,000 independent insurance agencies throughout the United States. Safeco works hard to be the carrier champion of the independent agent. In a survey conducted in 2019 by Channel Harvest, independent agents named Safeco as the carrier that does more than others to support the overall growth of agencies. Safeco is a Liberty Mutual Insurance company, based in Boston, Mass.

For more information about Safeco Insurance, go to Safeco.com.

About the survey

Findings in this research are based on a Safeco/ Liberty Mutual survey among 2,860 consumers conducted in March 2019 throughout the United States. The survey was conducted online, in partnership with Qualtrics, a subsidiary of SAP. Respondents for this survey were selected from among those who have volunteered to participate in online surveys. Because the sample is based on those who initially self-selected for participation in the panel rather than a probability sample, no estimates of sampling error can be calculated. All sample surveys and polls may be subject to multiple sources of error, including, but not limited to sampling error, coverage error and measurement error.

