

Web 2.0 and the Insurance Industry

By Erin McKeever

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The term "Web 2.0" has been the subject of some debate recently. Some consider it a buzzword used to describe a new trend in the way existing online technology is being used; Others use it to describe a host of new online applications that showcase how much the online world has evolved to suit the needs of a changing and growing society. Either way, it is clear that people are using the Internet very differently than before.

So what is "Web 2.0"? According to tech guru Tim O'Reilly, who made the term widely recognized in 2004, "Web 2.0 is the business revolution in the computer industry caused by the move to the Internet as a platform, and an attempt to understand the rules for success on that new platform." People no longer use the internet strictly to gather information; they are interacting, participating and engaging with one another using Social Networking tools like MySpace and Facebook, and using e-commerce tools like eBay to buy and sell goods and services. They are also contributing their own online content, like on the user-populated online encyclopedia Wikipedia, which allows individuals to contribute to the vast resource of information, using blogs to share thoughts, opinions or details on topics of interest, and posting photos and videos on media-sharing sites like You Tube and Flickr. These interactive Web facilities are a defining part of how people today are using the Internet, and contribute to the overall evolution of "Web 2.0".

Facebook is the 4th most trafficked site in Canada, and their fastest growing demographic is those aged 25 and over. What does this mean to the insurance industry? Most people in this growing demographic likely have some insurance needs. They are technologically savvy, and rely heavily on the Internet to determine who they will do business with. These people want more than just names and phone numbers; they want to do as much as possible online, and on their own time. Web 2.0 applications can help maximize your online services, and increase interactions with current and potential clients.

Social Networking sites like Facebook give you opportunities to connect with clients individually, or as a group. By creating a Facebook group for your brokerage, you can offer a variety of additional services. Discussion boards allow individuals to discuss insurance issues with each other and your staff, and bulletins can provide insurance tips and other important information to your clients. This is an efficient and cost-effective way to maintain regular contact with your clients, and a valuable marketing tool to announce promotions. It also gives you a platform for clients to provide feedback, and allows you to showcase the positive comments you receive (and potentially delete the not-so-positive ones). Clients can easily refer you to others by inviting them to join your group. This strategy is particularly apt for connecting with groups that gather around specific interests that relate to insurance products your brokerage offers (i.e., owners of motorcycles, RVs, cottages, etc...).

Blogging software is also readily available and can help you showcase your knowledge about the insurance industry. Some blogging tools can even be set up to publish your blogs without allowing readers to post comments (allowing you to control the message). Your brokerage can benefit from a regularly updated, informative blog that will drive people to return to your site, increase your Web traffic and potentially





attract new clients. By blogging, you become more than just a broker – you become a resource for up-to-date insurance information.

Additionally, you can take advantage of Web 2.0 applications to interact with other brokers. Applications like the new IBAO Bulletin Board that AKA will be integrating into the IBAO member's area (and launching soon) allow you to share information and discuss a variety of insurance-related topics. These are effective networking opportunities that keep you up-to-date and engaged with your peers in the industry.

Web 2.0 applications are not a substitute for a professional Web site, but can be a valuable feature for your brokerage, and a great way to connect with clients and peers in the insurance industry. They also offer cost-effective marketing opportunities and potential for creativity. Additionally, you can provide links to Web 2.0 applications from your Web site, as several AKA clients have done.

To learn more about how AKA Broker can help expand your online presence, visit www.akabroker.com or call Erin McKeever (Sales and Account Representative) at 866-766-3336. AKA Broker is the recommended, preferred supplier of the IBAO.

