

Marketing Communication Plan: Case: Insurance Agency X

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TIIVISTELMÄ

Opinnäytetyön tarkoituksena on selvittää, millaiset markkinointiviestinnän keinot sopisivat parhaiten pienikokoiselle yritykselle Amerikassa, ja se on toteutettu kvalitatiivisena tutkimuksena. Opinnäytetyön toimeksiantaja on vakuutuslalla toimiva pienikokoinen yritys, jonka nimi pidetään heidän toiveestaan anonyyminä, ja johon tässä työssä viitataan nimellä Vakuutusyritys X. Työn tavoitteena on luoda teoreettinen viitekehyksen ja empiirisen osuuden pohjalta markkinointiviestintäsuunnitelma, jota kohdeyritys voisi tulevaisuudessa käyttää.

Opinnäytetyön aineisto saatiin teoreettisesta tietoperustasta, jossa käsiteltiin markkinoinnin ja markkinointiviestinnän keskeisimpiä käsitteitä ja niiden erityispiirteitä vakuutuslalla. Teoreettinen viitekehys koostuu ammattikirjallisuudesta ja internetlähteistä. Empiirinen osuus toteutettiin tapaustutkimuksena, eli kvalitatiivisella tutkimusmenetelmällä toimeksiantajayrityksen toiminta-analyysiä hyväksi käyttäen. Tutkimus koostuu toimeksiantajan haastattelusta, yrityksen asiantuntijoiden strukturoidusta kyselystä, ja siihen sisältyy havainnollinen menetelmä.

Työn tuloksena on markkinointiviestintäsuunnitelma vuodelle 2016, ja sen tavoitteena on lisätä kohdeyrityksen tunnettavuutta, tuoda uusia asiakkaita ja luoda uutta perspektiiviä yrityksen liiketoiminnan kehittämiseen.

Asiasanat: vakuutusyhtiö, markkinointiviestintä, sosiaalinen media

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ABSTRACT

This thesis is a result of qualitative research which purpose was to find out what kind of marketing communication tools would be best for a small sized agency in the United States. The thesis' assigned agency is a small insurance agency that has wished to remain anonymous. Due to this the author will refer to them in this thesis as Agency X. The goal for this research is to create a marketing communication plan based on theoretical and empirical framework that Agency X would be able to use in the future.

Facts of this thesis were gathered from the theoretical groundwork, where the author addressed main marketing and marketing communication facts along with special characteristics in the insurance field. Theoretical groundwork was based on professional textbooks and Internet sources. Empirical parts were accomplished based on the case study, with the help of an analysis based on Agency X. Research is based on the interview made with the agency's president and a structured survey with the employees. Also included are observations made during the research process.

The result of this thesis is a marketing communication plan for Agency X for the year 2016. The idea for the plan is to help Agency X become more known and spoken about, get potential clients attention and bring new suggestions to the development of the agency.

Key words: insurance agency, marketing communications, social media

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1 INTRODUCTION

Marketing is a process by which companies, services, or products are promoted to customers. Even though you may offer the best product out there, it is no help if customers do not have a way to find out about you. With social media being such a big sensation over the last years, marketing has gotten a new meaning. The goal is to create value for customers and get value in return.

Please note that the agency in which this thesis paper is written about has wished to remain anonymous. Due to this the author will refer to them in this paper as Agency X. The author did her internship at Agency X as a marketing intern. While working at the agency the author noticed that no other employee had marketing in his or her job description, it was always outsourced. In six months as an intern, the author worked on client videos, open enrolment presentations, the agencies new website, a new software system and a new logo. During internship the author felt like the agency was going through a new era and improving their marketing. The agency felt that this was a step towards a stronger, larger, and more modern agency.

The thought of using the agency as thesis subject was given by the authors' internship agency. Marketing is something the author worked with for six months and the idea of writing about it came naturally. This thesis will be written from a small agency point of view and marketing solutions are going to be suitable for a small business like Agency X.

This thesis is qualitative and the methods the author is going to use are theoretical and empirical. Theoretical groundwork is going to be based on the professional textbooks and Internet sources. For the empirical parts, the author is going to interview the president of Agency X and conduct an anonymous survey of Agency X's employees.

1.1 Thesis goals

The most important goal in this research is to provide the case agency with new marketing communication ideas and suggestions for the future. The reason for this is so they can reach new customers and keep old clients interested. Right now Agency X doesn't have a straight marketing communication plan so that's why they need a plan that they can use for the future. Agency X grows every year and for it to grow even more they need a new effective strategy in their competitive field.

The authors' goal for this thesis is to develop a new marketing communication strategy and optimize the old one so that Agency X will be able to reach new potential customers. The author wants to research the health insurance market, how to target a professional audience and the new health insurance regulations. The end goal is to provide Agency X with new information and interesting suggestions that they would have the opportunity to utilize in the future. The authors' personal goal of this research is to get experience writing a marketing communication plan for a company, especially one that is new to the idea.

2 INSURANCE AGENCY MARKETING

In this chapter the author is going to explain what marketing is and its process. The author will touch on insurance marketing's special characteristics. Finally, the author will go through marketing communications and why it is important for sellers and what kind of communication tools they can use to get customers interested such as: advertising, direct marketing, digital marketing and social media.

What is marketing? Marketing is something we are all surrounded by every day. Many people may confuse marketing as the creating stage of marketing. For example, customers see results such as ads and billboards but rarely see the behind the scenes action. Marketing has a process and different strategies. This process is not only reaching out for customers, but also asking how can our customer's reach out to us? So sellers and buyers are creating marketing together. (Kotler 2014, 29-30.)

The marketing process is acknowledging, creating, and maintaining a profitable relationship with your customer. Acknowledging a potential customer's needs can be challenging because they are not always noticeable. Companies research the market first, and try to understand customer's needs. Then a marketing strategy can be made to satisfy customer's needs in well-defined target markets. You cannot, of course, service all customers'. The company must choose a specific target group it can serve well. Second and most difficult, is creating the relationship. In creating a relationship with a customer, one must be able to convince that person that what they are trying to sell is needed and is going to be of value to them. The goal is to provide value that will attract new customers and keep them interested. That is when well-planned direct marketing, advertisements and offerings usually happen. Lastly is maintaining the profitable relationship; this is important if you want a continued profit. Every customer is different and it is up to the seller to know their "touch points", so they can optimize customer satisfaction. If the customer is happy with the product or service, it can lead to more profitable relationship opportunities through networking and word of mouth. If the

customer is not happy with the product or service, they will unlikely say anything good about the company to others. (Kotler 2014, 26-36.)

2.1 Insurance marketing special characteristics

Insurance agencies provide intangible services, meaning you cannot touch the service. (Kotler 2014, 28) The service is seen when the agent shops for a plan, educates the customer of major changes, and speaks to the insurance company for the customer. Insurance is a contract that protects people from loss, damage or responsibility from an unknown event. Health insurance is a way to protect oneself with an insurance policy against sudden hospital expenses. You pay a specific amount of money every month for the insurance and insurer pays the other party, which is in this case, the hospitals, for the expenses. (Kaplan Inc. 2010, 2-14)

Insurance agencies represent special service providers. They offer a customized service to fit their customers needs. Customer service is usually direct; customers can participate in the process of choosing and modifying the service they wish to purchase. The process of purchasing an insurance product doesn't have to be face to face. (Kaplan Inc. 2010, 14.)

Purchasing an insurance product is just like purchasing any other product, there is a process. First, you identify your need for the product. If the need is there you begin to look at an agencies reputation. Do they have positive reviews? If so, will you look into purchasing through said agency? (Kotler 2014, 27.)

When buying insurance, it is hard to compare insurance prices. The reason for this is that an insurance policy price is based on age and location of the covered person. Due to this fact, the customer must look at services provided by an agency. The positive image of an agency, and a strong referral source, is the key to choosing your agent. After the purchase, the customer will keep in contact with the agent; this is where customer service comes into play. If the overall experience was

satisfactory the customer will have a positive review of their agent. (Schoof 2016.)

2.2 Insurance marketing communications

For customers to find out about products or services, sellers must be able to communicate their value to them through carefully planned communication tools. Marketing communications have changed over the years, in the digital world consumers are empowered to all the communication available to them, and they can find all the information on their own. Nowadays communications tools are all from personal selling, advertising on smartphones, tablets, computers, and satellite television to the versatile Internet. (Kotler 2014, 429.)

One of the popular marketing techniques that marketers also use is called The Fours P's. The elements of The Four Ps are: Product, Price, Promotion and Place. Product is the first step in marketing. What is it that people want? It is important to make sure that the product is unique and profitable before marketing it. The next step is to decide the price for the product. Price should be good for the customer and profitable for the seller. When the product and price are set it becomes time to promote them. This should be considered properly, because if the product is not promoted carefully no one will find out about it. The last element is place, deciding where potential clients are in need for this specific product. (Cleveland Web Design and Development 2015.) For example for insurance agencies product and price are already set. Place is easy because everyone in the country is in need of health insurance, but promotion is the most difficult part. (Schoof 2016)

Recently marketers have found new marketing approaches, such as web sites, smartphone applications, social networks, blogs and micro blogs. This approach is much more personal and reaches people directly by putting products in the faces of people everywhere they go. So marketing is no longer just telling about your product and then selling it. The product must be made to satisfy the customers' needs. That is a part of the

process that companies do to build strong customer relationships and that is called marketing. (Zarrella 2010,1-2.)

2.2.1 Company image

A good company image is something a company must earn. Like in human relationships trust comes in time. With their timely customer service, knowledge of the product, good customer reviews, a company can receive a good image. A bad image will only be a disadvantage to the company, especially in the insurance world where image is what customers rely on. If a company's image is positive there are a lot of advantages to it. For example, customers will tell about the good service they received to their friends, in return the friends will become more interested in the company. That way the company will be more noteworthy than other competitors. (Savon ammatti- ja aikuisopisto 2016)

2.2.2 Advertising

Advertising is when a company targets potential customers to increase brand awareness. If the advertising is successful there will be people interested and the company may have new clients. A company can advertise by TV, radio, digital marketing, flyers, banners and magazines. There are steps a company should think over before advertising. First, what group of people you want it to see, and secondly setting up a budget. At the end what kind of message you want people to see and where you want them to see it. (Kotler 2014, 456-463.)

Just as in any sort of advertising or marketing, it is illegal and immoral to mislead a customer in order to gain business. In insurance, the regulatory powers take their job one step further as to say that no insurance company can use a celebrity in their product advertisement, as this may persuade a person to purchase that product without looking at the fine details. These powers also require that a company and agency keep on file all advertisements, so they can be looked over if necessary. (Kaplan Inc. 2010, 30.)

2.2.3 Direct marketing

Direct marketing is a form of advertising that businesses usually use for targeting customers directly. Direct marketing can be, for example, e-mails, personal phone calls, selling on the spot like conventions or selling from door to door, flyers, banners or coupons. All of these forms; personal sales work, seller's charisma, and knowledge, are the most important part of any kind of selling form. With help of direct marketing, you can strengthen your client relationship and make your company known for new potential customers. The goal is to develop and maintain client relationships. Already existing clients will feel important and taken care of because direct marketing is personal. This is also the opportunity to hear some straight feedback or answer important questions. (ProQuest 2013.)

While you communicate with the client directly, and at the end make an offer, that is what gets clients attention and motivates them for a response or possibly an action. This depends of course if the right consumer is targeted. Advertisement must be personal but respectful towards the privacy of the consumer. Disadvantages for direct marketing could be that consumers will mistake it for being junk mail or not willing to share personal information. This type of advertising could also have different kinds of pricing. (ProQuest 2013.) A possibility for direct marketing could be the company MailChimp, which sends out newsletters to customers for you and has become a really popular tool for companies over the years. (Mailchimp 2015)

2.2.4 Digital marketing

Digital marketing is promoting brands, products or services in the digital world. Digital marketing can be the Internet or non-internet. Non-Internet marketing is made up of channels such as TV, SMS, radio and billboards. Internet marketing can be company websites, social media channels, search engine marketing, smartphones, emailing, and online banner ads. Social media is a part of digital marketing and allows people to connect with each other. (Chris 2013.)

Customers and their behavioral changes have motivated digital marketing. Companies don't only need marketers but web analyst also. Web analyst analyze by collecting Internet data and using it to optimize the web usage for companies. They try to understand customer's online behavior, which allows companies to target the audience more accurately. Web analysis is more beneficial to a company if the company uses online transactions, but can also be helpful in building the companies' web site. (Joel Järvinen 2015.)

2.2.5 Social media

Since 2004 social media has grown extensively and today 90% of marketers use social media for their businesses. The question is why? American people spend at least 16 minutes per hour on social media. Based on this information, you have the opportunity of capturing more people's attention due to the high rate of usage. (Morrison 2014.)

Social media has different forms, such as: social networks like Facebook, Google+ and LinkedIn, blogs and micro blogs like Twitter, video sharing sites like YouTube and many others social media channels where you can advertise your product or share and exchange knowledge with other people while advertising your product. (Zarrella 2010, 3.)

Social media has made it easy and quick for companies, or anyone, to send their message and reach other people. It is a fast way to spread your word with one click. Small businesses don't have to be afraid to go against big companies anymore. Social media allows you to outsmart your competition without big investments. The only thing you have to do is be creative and different from others. If you can succeed at that, people will notice you. That is good news for all small businesses and health insurance agencies that struggle with their competition. They don't need to spend huge amounts of money on marketing anymore. One more reason to start using social media is that everyone is already using it, so why not take advantage? (Zarrella 2010, 7-8.)

2.2.6 Content marketing

We have gone through advertising, direct marketing, digital marketing and social media, which are important in marketing a business. All of them have something in common and that is, that without *content marketing* they would not exist. For example how can a client find a business product or service in a search engine if there is no content to it? Meaning, for a client finding you on Google, your **communicating message to the audience** must have a piece of content or keyword that people will search for on search engines. Marketers use content marketing for many benefits, including two types: intangible and tangible ones. (MOZ 2015.)

Intangible ones are: brand awareness, respect in the industry, customers' interest, and coordinating with coworkers. Brand awareness comes when people, for example, start talking about a company's' blog. Respect in the industry and obtaining trust takes time, but quality knowledge through content can certainly help you look good in a client's eye. If your content targets the right customer perfectly, you are a step closer to them, and that is called customer interest. Promoting content can also be a company's team effort that they promote together. *Tangible* ones are: website traffic, search engine optimizer and direct marketing to customers. Website traffic is important because if there are people visiting and reading your content, they now know that the company exists. Without content there is nothing for search engines to optimize and tell Google that your company is important. Direct conversations to the customer are also content that is really important. It decides, in the end, if customer is going to consider buying a product or a service. (MOZ 2015.)

Brand content is created, controlled and shared by 4 types of media: Paid, owned, earned and shared. Paid media is when you pay for promotional channels such as TV, radio, ads and e-mail marketing. Owned media are channels owned by the agency themselves like blogs, social media accounts and events. Earned media are newspapers and PR media channels that you do not pay for or control. Shared media is something

consumers share with other consumers, such as blogs and social media posts. (Kotler 2014, 432.)

Content marketing takes time and effort to create therefore seeing some benefits takes time. The main goal is not to create long pages of text, but to make it interesting for a targeted group. It is about quality not the quantity. (MOZ 2015.)

3 INSURANCE AGENCY REGULATIONS

In this chapter, the author will discuss what is required by law to sell an insurance product. Next, the author will describe the health insurance laws and the affordable care act that has greatly impacted the health insurance industry. Following this, the author will describe ethics in the company and ways in which marketers may use information to mislead or sway their customers.

3.1 Health insurance law in US

In 2010 President Barack Obama, signed into law the Affordable Care Act (ACA). This law put many rules on both consumers and producers of health insurance. Through the years the ACA has made many changes.

One of the major changes was that each insurance policy must include the 10 essential health benefits in every policy they sell, to be compliant with the law. These benefits include ambulatory patient services, emergency services, hospitalization, maternity and newborn child care, mental health and substance use disorder services, prescription drugs, laboratory services, preventive and wellness services, chronic disease management and pediatric care such as vision and dental services. (Kaiser Foundation 2015.) By these benefits being offered in all plans, it requires the insurance company to pay for more services than they would have before these were required.

Another major change was that through the individual mandate, **the law requires every US citizen to purchase health insurance**. If a citizen chooses not to purchase health insurance they will face a penalty that in 2016 will cost \$969. There are a couple ways that a citizen can obtain/purchase health insurance: Medicaid, Medicare, the subsidized marketplace and through an agent or company at full price.

- **Medicaid** is a health insurance offered by the government to a person living below the national poverty level, at no charge to the

insured person. To qualify for Medicaid in 2015, the covered person would have to make less than \$11,770 per year, but some states like Michigan raised the poverty level and now the price went up to \$16,243.

- Another option is to purchase **Medicare**. Medicare is a health insurance program designed for people 65 years old or older. This program covers some basic medical needs at no charge and then the covered person is able to purchase more rich benefits to add on.
- The **subsidized marketplace** is a place for a person to purchase health insurance. The person can either log onto a website or call a hotline, where they will have to give information such as area of residence, yearly salary, and age. The marketplace then calculates how much money said person will receive as a subsidy. Different states have different guidelines. Michigan's guideline, for example, in 2015, a single person looking to purchase health insurance would have to have made less than \$47,080. The lower your income, the more the government will give you for health insurance.
- Last is for those individuals that do not qualify for a government subsidy. These people will pay full price for what they purchase through **an agent or company**. In order to purchase a plan these people will log onto, or call, the marketplace. When here they will be asked the same questions as the people receiving a subsidy. Since these individuals do not qualify, because they make too much money, they will receive no governmental aid. (Schoof 2016.)

The Affordable Care Act has a large impact on large businesses (50+ employees) around the United States. One of the sections says that large businesses must offer their employees' health insurance and it must be affordable. In 2015, to be considered affordable, the company must calculate 9.5% of their lowest paid employees' income that employee is going to pay. The remaining amount is going to be covered by employer. (Obamacare Facts 2016.)

While looking at the Affordable Care Act, one must realize that many things will change over the time and some of them have already. In the last 5 years, many things in the law have changed due to the fact that they are either too hard to implement or they do not make sense to implement. For example, one of the changes was the canceling of small group expansion. This portion defined a small group as a company with 100 employees or less, instead of its historical definition of 50 employees or less. This would have given more companies the option to not offer coverage to their employees. This would have left many people uninsured due to the fact their employers would not be legally obligated to offer insurance. In the fall of 2015, this portion of the law was struck down due to this. (Obamacare Facts 2016.)

3.2 Health insurance contract with customer

To be an agent selling health insurance comes with responsibility. When enrolling a person into a health insurance plan, there is a lot of personal information that is being exchanged. This information can be used in many ways to negatively impact someone. Many potential clients prefer to have a confidentiality legal document signed by both the agency and themselves. This document states, that all information that is exchanged will only be used by the agency and the insurance company in order to calculate rates. If this personal information is used in any other way, there could be legal consequences. This can affect both the individual agent and the agency. The legal papers that protect people's information is known as the Health Insurance Portability and Accountability Act, or HIPAA. (The Department of Health and Human Services 2016.)

It is important to note that a person cannot sell insurance without being properly licensed. The license you are awarded after various classes and tests is valid for that particular state only. An agent can be licensed in more than one state but must check state regulations to find what is required in order to become licensed. For example, if an agent goes through the schooling and testing for the state of Michigan, he or she may

only sell insurance to someone who lives in Michigan. If that agent feels that he or she has an opportunity at selling in one of the other states of United States, he or she should research what is required to be licensed there. Some states require just a fee while others may require additional testing. (National Association of Insurance Commissioners 2005.)

Once an agent has earned their license, their work is not over. The agent is now required to complete 24 hours of continuing education courses, of the 24 hours, 3 hours must be ethics training. In order to receive credit for these hours, the agent must attend courses that qualify as continuing education. These may be new product presentations by insurance companies, underwriting classes, or ACA classes. If the agent fails to complete these classes, they will have their license revoked. If this happens, they will no longer be able to participate in the business activities of an agent until they go through the classes and testing to become licensed again. (Department of Insurance and Financial Services 2016.)

When someone purchases an insurance contract, their contract is good for one year. At the end of the year the insured person receives the next years renewing rate. Since the cost for health care is always growing, the price of insurance is always growing. After seeing their renewing price the insured can choose to stay with the current plan, change to a different plan (lower or higher cost depending on the plan chosen) or change to a different insurance company. There are a few factors that can drive an insured person to leave an insurance companies policy. One of the reasons is that they feel that the company is not paying for everything they should be, or maybe they feel the company was hard to work with. If someone wants to change plans or companies, they can speak with an agent, who can help them make a good decision. The agent can do so by using their knowledge of the insurance companies combined with listening to the client's issues. After doing this, the agent will be able to help the client make a decision on where to be insured. (Schoof 2016.)

3.3 Misleading marketing and its consequence

As stated earlier in the thesis, marketing is a very heavily regulated aspect of the insurance world. Along with regulations in marketing, there are other practices that are regulated by the insurance commissioners' offices. One way that an insurance agent may mislead a potential client is to misrepresent a product. According to Kaplan University's exam manual, misrepresenting a product is simply lying to the potential client. A couple ways that were listed in the source text are; misrepresenting the benefit package, misrepresenting the financial condition of the insurance company, and misleading the policy by using a name that is misleading. (Kaplan Inc. 2010, 35.)

Another issue in the insurance world that is kept under regulation is misleading clients about other agents by using harmful statements. Defamation is described as spreading written documents or oral statements that are false, malicious, or derogatory with the intent of injuring an agent's reputation publicly. Discrimination is also a practice that is forbidden in the insurance world. Discrimination is, in short, giving someone a more favorable or less favorable rate based on where they live, their race, or their income. (Kaplan Inc. 2010, 35.)

4 HEALTH INSURANCE AGENCY X

In chapter 4 insurance Agency X will be described, first by explaining the difference between an insurance company and an insurance agency. Following this, the author will use an interview with the president of Agency X in order to accurately describe the agency. The interview consisted of 10 open-ended questions, which took about 20-25 minutes on January 7th, 2016 with the topic of “Past, present and future of Agency X”. Following this you will read about the agencies environment and how the employees feel about it. The author gathered this information through an anonymous survey that was passed out to the employees. Next you will read about a customer and market analysis. Lastly, the author put together a competitor analysis in order to analyze Agency X’s competition along with a SWOT analysis to help Agency X realize their strengths, weaknesses, opportunities, and threats.

In general people confuse insurance companies and insurance agencies quite often. The truth is that both of them have different purposes and responsibilities.

The purpose of an *insurance company* is to take on the risk of a customer by paying a percentage of medical services. The insurance company also calculates the price for a given insurance policy quarterly. By doing this the company’s goal is to charge the policyholder enough money to cover their health expenses but not over charge or under charge. In doing this the company is taking on the risk of that person using minimal medical services, making the company profitable. (Kaplan Inc. 2010, 10.)

The purpose of an *insurance agency* is to represent the insurance company and sell their policies. The agent is the educational resource for the policyholder when regulations and prices change. The agent also helps negotiate unpaid claims in order to save the customer money. So the agent is the primary contact for the customer regarding insurance needs. (Kaplan Inc. 2010, 14.) Case agency X in this thesis is an

insurance agency and following chapter will offer more information about it.

4.1 Agency X description

The president of Agency X began working as a financial advisor in the year 1986. It was then when he, in that time working as a financial advisor, saw that his clients had a need for a health insurance agent. Since 1986, after getting a health insurance license and selling his first health insurance policy in 1989, the agent formed his own agency in 2000. The reason he began his agency in 2000 was due to the economic crash. He felt that there was better money and job security in the health insurance field. Since 2000 his agency has grown from just himself to currently 7 employees. (Schoof 2016.)

Agency X is a Michigan based health insurance agency. They sell and service insurance products specifically designed for the clients and their needs. After the selling process, work doesn't stop; Agency X helps clients to maintain health insurance services for clients through the year. They also consult on current health laws, compliance issues and they are also a resource to refer companies to tax attorneys, certified public accountants, and payroll companies. The presidents' goals are to be one of the most trusted advisors for that specific organization and help them run their company and assist where help is needed. Health insurance contracts are only good for 12 months, so after that time period a company must either renew their current policy or purchase a new health insurance policy that better fits their employee's needs. (Schoof 2016.)

Agency X gets paid only in one way, through commissions from the products they sell. The insurance company pays out these commissions; the client pays nothing directly to the agent. This commission can range anywhere from 1-5% based on the policy and number of enrolled lives. This commission structure is the standard for the industry. While other agencies may negotiate with insurance companies in order to receive a higher commission, the president of Agency X does not do this. Some

agencies take a fee for their services from the clients, but Agency X does not see themselves doing that in the near future as they feel their job is to service the customer with no underlying cost. Potential clients do not usually know that they do not have to pay agencies for their services and therefore are skeptical about agencies services. Agency X may have to explain that the client will pay the insurance company directly, and in return, the agency will be paid from the insurance company. (Schoof 2016.)

4.2 Agency X image

Agency X's service centered approach is different from other agencies because, a lot of agents are concentrated on selling the product, and after that, the insurance company will take care of the rest. Agency X's team enjoys taking care of their clients themselves. Clients are always encouraged to contact the agency for help and problem solutions. This way the agency is in a better position to shop or suggest a better fitting plan in the future. The ability to do so comes from being aware of the client's habits and problems. This is why Agency X's image is known as a service oriented and client caring agency. Agency X's typical clients are small to medium sized businesses that, mostly, do not have their own human resource department. Agency X sees this scenario as an opportunity to take the client in and be their "back room HR department". By doing this, Agency X is saving the client money. Small business meaning they have fewer than 50 employees and medium meaning between 50 and 100 employees on coverage. Usual clients come from referrals, as a result from strong relationships with older clients. (Schoof 2016.)

4.3 Agency X marketing strategy and communications

Agency X's current marketing strategy is based on word-of-mouth. They serve their clients well and this results in the client referring Agency X to one of their fellow business owner friends. Agency X also gets referrals

from the financial advisor department that they are closely associated with, Certified Public Accountants (CPA's), lawyers, and payroll companies. This has been proven to be the best way for Agency X to get new clients. Agency X does not use any commercials but currently is rebuilding their website. Hope for the website is that it would get the agency's name out there and to get potential customers attention. Having a well-designed and easy to use website will also help validate the company to a potential client. If someone were to search Agency X currently, they would have a hard time finding more than just the agencies phone number and location. (Schoof 2016.)

The current marketing strategy has been working well for Agency X over the years because they have been successful in building a good image for themselves, but the agencies president thinks that it could work better. Improvement that is wanted is to become more a process oriented agency and more proactive in their approach of clients. The president would also like to see the agency grow and give some of his duties to other workers so he will not have to focus on all the big decisions himself. (Schoof 2016.)

Agency X uses direct marketing as their communication tool. They use phone call conversations, face-to-face meetings and emails on a daily basis with clients. The idea is to always be available to help the client with their problems. Agency X's advantages are that their employees are knowledgeable in the field and have good understanding of the current health care laws. Employees are also compassionate people who do their work with integrity and not only to be done quickly with the problem. (Schoof 2016.)

In ten years the agencies president would like to see Agency X doubled in size, client and employee wise, with a better more proactive process in place. An additional marketing arm or possibly a marketing department, who would take care of the agencies marketing is another addition that the president of Agency X would like to see in the next ten years. One of the more critical growth strategies that the president would like to see in the agency is a dedicated compliance department. This department would be

able to keep an eye on the ever-changing laws of health insurance and make sure that all of Agency X's clients meet the governmental guidelines. For Agency X to grow, their president wants to see a diamond approach in his employee structure. This approach is set up so that 1 sales person would have 2 client service people to assist them. The 2 service people would then have one support person who would be in charge of behind the scenes changes. As they gain experience, those service people would have the opportunity to become sales employees with their own client service and support people. (Schoof 2016.)

4.4 Agency X working environment

The working environment consists of many factors such as, how comfortable does an employee feel in the work place, the relationship with co-workers and the employer, and if there are possibilities to develop yourself further. Every employer wants to provide a positive environment for his or her employees, this way the employees enjoy coming to work every day.

To make sure all employees are happy with the working environment, a small survey was made in Agency X on January 7th, 2016. The survey was anonymous so that the employees would feel free to answer truthfully. The survey took about 5-10 minutes per person with no misunderstanding. There were eleven questions to be answered on a 1 to 5 scale and one open-ended question. Scale answers meant: 5 excellent, 4 quite good, 3 good, 2 average and 1 below average and some of them meant 1 no and 5 yes. The survey was taken by all 7 Agency X employees. Based on the answers in the survey you can see that employees are happy with the work environment but some things can be improved.

For example technology at work was the most criticized subject. Almost everyone answered below a 3 and asked in an open-ended question to improve technology so that there would not be any errors. Second most negative answer came from stressful tasks at work. Employees clearly think that environment can get stressful because of the amount of work;

they wished there would be some improvement in the current process. Also some of the employees wished there would be more room for personal development and learning opportunities. Other than that, employees seem to come to work every day in good spirits, get along with other co-workers and the employer, feel free to always ask for help at work and felt appreciated by others around them.

Reliability of the analysis depended on the answers given in numbers with clear explanations to them, also no one asked for further questions so there was no misunderstanding from the employees who took the survey. The most important reliability factor was that questions were answered anonymously and put in an envelope. This gave the employees the opportunity to answer truthfully with no fear of others finding out what they answered. As an end result you could say that Agency X's work environment seems positive and good but there is space for improvement.

4.4.1 Market and customer analysis

As Philip Kotler says in his book of Principles of Marketing, consumers' purchasing habits are affected by their cultural, social, personal, and psychological characteristics. Cultural habits can be, for example, a cultural shift to something everyone thinks is popular. We can see this today with the health and fitness craze. Consumer's purchasing habits are also influenced by "word-of-mouth" like family, friends and social networks; this is called the social factor. Personal factors for example are gender, age, and economic situation. Lastly psychological factors are the consumers' own motivation, belief and attitude towards the service. (Kotler 2014, 159-175.)

The most important factors for Agency X are the social and personal factors. To impress customers and get them to talk about the business to others, you should be good to your current clients. Reputation is what people rely on in the insurance world. If someone close to you recommends a health insurance agency, you, the consumer will probably look it up. Social factors can also be social networks, where almost all

consumers are members. Using social networks to promote products is a brilliant idea. Personal factors can change depending on age of the consumer. Because clients under 26 are usually on their parents' health insurance plan, Agency X should target people older than 26 and business owners. A person's economic situation affects the customer's decision to buy health insurance too, because health insurance policies are not inexpensive. This is especially true if you are a family because you will have to pay for each individual's policy. Unfortunately Agency X cannot change health insurance prices, but they can get the clients into a health insurance plan that fits their individual or group needs. (Schoof 2016.)

The idea for the customer analysis is to find out the target group and their needs for Agency X. As mentioned before everyone in the United States needs to have a health insurance policy, which is a good start for Agency X. First we must analyze what we already know about Agency X's customers. Agency X targets, mainly, small and medium sized groups. Agency X also wants to continue to target those sized companies, because they know how to work best with them and want to remain seen as an asset to their clients.

Now that we know what we have currently for a customer base, we should look at potential customers. Out of the people who don't have a health insurance policy, 55% of them are planning to get health insurance but only 7% of that 55% know when the enrollment deadline is. If they do not enroll by the deadline they will have to pay a penalty. In 2016 the individual penalty for not having health insurance is \$969. (Kaiser Foundation 2015.) The 7% that don't know when the enrollment period is can be a possible client. Agency X can provide small educational tips on their social network sites. People will educate themselves and find Agency X to be knowledgeable in what they are doing.

According to the Kaiser Family Foundation, nearly half of nonelderly, uninsured Americans in 2015 qualify for some kind of assistance. 27% of these people are eligible for Medicaid while 22% are eligible for marketplace-subsidized coverage. We already know that Agency X is an

agency that sells insurances to those who can afford them in full price, so percentages mentioned above are people who will not buy insurance from insurance agencies. Potential customers that Agency X has to target are small and medium sized companies and people with income over the poverty line. (Kaiser Foundation 2015.)

According to Crain's Detroit Business magazine there are 1.7 million workers in Michigan of which 36% work at companies that have from 1 to 99 employees. That leaves **612 000** workers out there that need insurance and who Agency X can target as potential clients. (Haimerl 2014.)

4.4.2 Competition analysis

So that Agency X can plan an effective marketing strategy it needs to know about possible competition. To find out competitive advantages and disadvantages you must compare your marketing strategies to your competitors. First you have to detect your possible competition, and then assess their strategies, strengths and weaknesses, at the end you can select those competitors that matter and those that don't. (Kotler 2014, 548.) Michigan as any other state in United States has a large number of insurance agencies, so there is a lot of competition.

After interviewing Agency X's president we found out the top 5 agencies that are the biggest threat to the business. Due to privacy, we will not be mentioning agencies by their name. All competitors will be named:

1. Agency **A**
2. Agency **B**
3. Agency **C**
4. Agency **D**
5. Agency **E**

(Schoof 2016)

While researching Agency **A**'s website a few things were discovered. Their website looks fresh and new with short but powerful information. Agency

A's founder has 28 years of experience and agency has 11-50 workers and have an average of 15 years of industry experience. Agency A uses the same kind of Software Company for clients' benefits information that Agency X uses. Out of social network they have Twitter, Facebook, LinkedIn and their own blog, of which Facebook and LinkedIn are used most frequently. Agency **A** is also working in the exact same city as Agency X.

Looking at Agency **B**'s website, which is also really up to date, you can see that there was effort and thought put into the content. There, it is really easy to find information you are looking for. Agency **B** has also about 11-50 employees and out of social networks they have only LinkedIn but they do not post anything there.

Agency **C** also has a good looking website. They have a frequently updated blog but most importantly they have educational videos on their website. This is a really smart way to get customer attention, because we live in a visual world. Normally a person remembers 20% of what they read but 80% of what they see. (Piombino 2014)

Agency **D**'s website pages are a little confusing and finding information can take time. Agency **D** can also assist with investments, financial planning, mortgages and tax planning and that is why their brand is a big name. Agency **D** has LinkedIn, Twitter and Facebook accounts that they use frequently too.

The last on the list is Agency **E** that has almost 90 years of experience, which makes them knowledgeable and respected in the business. Agency **E** also uses the same Software Company for their enrollments as Agency X. The weakness of Agency **E** is that they do not use any kind of social network like other agencies. Chart created about competitors:

TABLE 1. Chart of Agency X's competition

	Agency A	Agency B	Agency C	Agency D	Agency E
Website	+	+	+	-	+
Content	+	++	+	-	+
	Short and straight- forward	Explained properly	Good content	Little confusing	Informa- tive
Social Networks	++	-	++	+	-
	Twitter, LinkedIn, Facebook , Blog	LinkedIn	Videos, Blog	LinkedIn, Twitter, Facebook	
Employees	11-50	11-50	Unknown	501-1000	Unknown
Experience	25 years	Unknown	30 years	18 years	90 years

- Weak

+ Good

++ Very good

All agencies have the same kind of strategy; they all tell how many years in the industry they have been doing business and what they offer. Some companies offer more than health insurance, some not. Out of social networks, almost all of the companies used LinkedIn, Twitter, and Facebook and wrote their own blogs. Their idea was to educate clients about the health insurance changes and let them know important

information. One agency stood out with using videos, which takes a short time to watch and a person will not lose interest while listening. The agency that was almost the same as Agency X, was Agency **A**, with almost the same experience time and social networks. Agency **D** is a big agency because of the multiple types of benefits they sell.

Some of the agencies weaknesses were lacking in the social network use, confusing websites and lack of information. As said before some of the agencies sell other services, which Agency X can take advantage of because they only focus on one thing. A possibility, to give all your energy and make one product perfect. Now when Agency X knows what weaknesses and strengths other agencies have, they should use it to their advantage. (J.S Clark website; Timberland Group website; Cornerstone Benefits website; Hantz Group website; Ralph Wilson Agency website 2016.)

4.4.3 SWOT-Analysis

SWOT analysis helps case agency become aware of their strengths, weaknesses, opportunities and threats. This way they can optimize strengths, minimize weaknesses, grab onto opportunities and avoid threats. A SWOT table was created to describe case agency X based on an interview with agency X's president.

TABLE 2. SWOT Table



One of the **strengths** of agency X is that the owning agent has been in the industry for 30 years so he has plenty of experience. Experience is appreciated in the insurance world as well as in the client society. In 30 years the agency has succeeded and has had continued business. Agency X's work is service oriented; agents take care of their customers like they would like to be taken care of. The staff itself is really dedicated to their work and is very helpful towards each other if there is a problem to solve. They work as a team and that is indeed a strength. As mentioned before, insurance agencies must follow new laws to keep their clients compliant and the knowledge of the new laws is strong in Agency X. All employees keep themselves educated with different continuing education classes and courses.

One of the **weaknesses** in agency X is that they are understaffed. There are only 6 agents and 2 support people. Due to the fact that the agencies client base is growing all the time, more agents could join the team and be helpful. Another weakness in the agency is lack of communication. With all of the agents working on their own cases, sometimes jobs get left uncompleted or done incorrectly. Due to this, cases do not get finished in as timely a matter as they could. Lastly, the failure to use the client management system is a problem. Agency X uses an online management system to keep all information together in one place. Being that the company is understaffed, not many of the staff have taken the time to fully learn the system. This means that the system is incomplete and not up to date.

There are plenty of **opportunities** for new business sales since everyone in the US has to have health insurance. With everyone needing health insurance, there are plenty of client opportunities. Clients that have current agents that do not bother to keep up with the new laws can have many compliance issues. The errors of their current agent could become an opportunity for Agency X. Agency X can take those clients for themselves with their up to date knowledge and client care. With the constant change in laws, insurance agencies have an opportunity to guide clients more than before. The agency that stays updated on the changing laws will be a very well needed resource for all clients.

There are also some **threats** to be aware of. The biggest threat is that the agency will not keep up with the laws and due to this their clients will switch to another agency. The agencies image of good work is dependent on if they have knowledge in their field. Another very serious threat is the security of the clients' information. Selling health insurance means distribution of very personal information among agencies and insurance companies. If the agencies system is broken into, clients' personal information could be compromised. Another is the competition from larger companies. As stated earlier Agency X is a smaller agency. If a certain customer feels more comfortable with a larger corporation, Agency X may lose the customer. Lastly is the idea of a single payer system. With all of

the changes in law, insurance companies cannot stay profitable. Due to this the companies start to shut down. As this happens the larger companies can merge into one company. If this happens there will no longer be need for insurance agents because there will be no options to shop from. (Schoof 2016.)

5 MARKETING COMMUNICATION PLAN FOR AGENCY X

Chapter 5 is where the author will take everything she has learned about marketing and Agency X and combine it in order to create a marketing communication plan. The authors' hope for this plan is to change Agency X's view on marketing and give them a starting point. This starting point will, in the authors' opinion, help to boost their client base and help them become a larger, more successful company. This plan is created specifically for Agency X.

5.1 New marketing communication strategy

Before starting with the new marketing communication plan and ideas, let us gather the information and facts that we have learned in this research. Marketing is something we are surrounded by everyday wherever we go. It is a way to reach out to potential customers and create a value for them and possibly get value in return. In today's world digital media have grown and allowed people to find so much new information, that is why it is not only sellers reaching out for customers, but customers reaching out too and finding information by themselves. That is why having a good image, easy and educational website, social media channels and interesting content will only be an advantage for Agency X. Service that agencies' provide must satisfy customers needs. Not all of the customers know everything about health insurance, so that is why they should feel taken care of and educated by agents every step of the way. One of the strengths of Agency X is that they are service-oriented, educated and friendly, so why not create an image that will send out exactly that kind of message. Customer analysis showed us that there are 612 000 people in Michigan that are eligible for insurance; they just do not know Agency X is out there. In the competition analysis we found out what Agency X's competitors strengths and weaknesses were. That is why Agency X must create a new marketing plan focused on catching potential clients eyes based on the facts given.

Image of Agency X is the first thing that potential clients will look at. Image is created from inside the agency itself, by treating clients well and from information people can find online about the Agency X. To start building a strong and trusted image, Agency X must have a good service approach, dedicated staff with clear work tasks, look good in their former clients eyes and target potential clients in digital world. To create that, we must divide marketing approaches to internal and external ones.

5.1.1 Internal Approach

Personnel's work and effort does matter in a successful agency. One of the strengths of Agency X is that their staff is service-oriented, dedicated and on time with legal knowledge. Unfortunately one of the weaknesses is that Agency X is understaffed, and because of that they have problems with lack of communication, being reactive instead of proactive and failing to use client management system. To start creating a new marketing plan, and for it to be successful, Agency X needs to hire new employees. A marketing employee who would take care of all the marketing as their priority and at least one assistant employee who would make the process at work easier and help client service employees to improve. This way everyone has a chance to concentrate on his or her own tasks. This means they will have more time for the customers they are responsible for.

Agencies content comes from employee's collaboration. The content needed for marketing will be mostly knowledge of the agents of the company. Being that the marketers need this information in order to do their job, there will need to be a monthly meeting between the agents and the marketers to collaborate ideas. Content would have to be easy to read for everyone and up to date due to constant changes in insurance world. For example Agency X can use a website named Readability-Score that tells you the grade level your text is, so they know that the content is average and suitable for everyone.

A way for Agency X to provide their own content is their own website. A website of an agency, is like their business card, it must represent them.

There are many confusing websites out there that are hard to find information from. Agency X is right now in the middle of rebuilding their website. The best way to get customers attention will be to have an easy website where information will be given in an easy way. The website should also be suitable for tablets and smartphones.

To get good referrals from the clients, employees must take good care of them. Direct marketing tools that Agency X will continue to use are: emails, phone calls and face-to-face meeting. It is a personal way of showing clients that they are taken care of. To make sure everyone is happy, the agency can send out surveys for example at the end of the year that everyone can fill out. That way everyone can give feedback, so Agency X can focus on what to improve on. Best way of interacting with people directly is a convention, which is something Agency X should consider. That way you can sell something on a spot and a person can see and listen to you.

5.1.2 External Approach

As said before social media has a lot of benefits for companies who use it. Social media can help Agency X to promote, for example, open enrollments, communicating benefits information to clients, explaining policy changes that some people do not understand, or educating about health insurance. Social media would help Agency X to communicate and reach out to a completely new audience. Social media marketing is not expensive, but takes time and experimenting with what works and what doesn't. Agency X can address many topics online like how customers should use their plan or educate them about plan changes. People will start to pay more attention if there is more information and small reminders year round about topics that are important at that time.

As a part of the marketing plan, there were LinkedIn and Twitter accounts opened for Agency X. All of them included a new logo and style. Also, the already existing Facebook account was updated. The idea was to get the agency's name out there and post topics about health insurance. Several

insurance companies and clients were followed. For now it is hard to say which of those social networks worked the most, because not a lot of topics have been updated. All of them have different benefits to them:

- **Facebook**, as of right now, has over 1.19 billion active users and is the largest social network out there. The average user of Facebook is 41 years old. There is a possibility to create events and business pages that people can participate in. Images are really effective for example to post because they get 39% more attention than normal posts. The main idea is to make Facebook posts about the audience not about the agency.
- **Twitter** is a quick way to post the agencies news, you can only type 140-characters to one post, so every word matters. This way you can reach customers quickly with different kinds of messages. The average users on Twitter are younger than the ones on Facebook, 72% of users are 18-49 years old. Twitter introduced the world to hashtags, as a way to show what conversation or group you are a part of or a short explanation of something.
- **LinkedIn** is a professional social network with 238 million users as of January 2013. People create their working profile where co-workers can refer them and later an employer can read about them or in this case a client can look if employers of the agency are well educated and reviewed.
- **Blogs** are a personal way of writing something that is important to clients and sellers. Whatever topic is important at that time can always be addressed, that way you will get more readers. So that readers can remember the Agency X and maybe explore more about them. (MOZ 2015.)

5.2 Means of competition

Above-mentioned social media networks should be a part of Agency X's new strategy to reach out to new customers. Posting on social media sites does not have to be around-the-clock. It is better to do fewer things

effectively than many things ineffectively. The message and timing have to be right. Due to the fact that Agency X wants to target professional people, they are most likely on social media after work, so posting after 5 PM is a smart choice. Agency X can, for example, post information about health insurance or work:

- Funny quotes or pictures
- Well staged promotion pictures, with Agency X's pen, USB, mug or key fob
- Share interesting articles
- Posting small texts
- Post own blog post
- Educational videos

This way the content you are sharing changes, and does not repeat itself. We want people to talk about the content and remember it. As said before, people like to look at the pictures more than read a long post. That is why posting just a funny quote or a well-designed promotional picture can catch the client's eye. Sharing articles shows that Agency X is on top of things and supports different sources. Posting a small text with different topics gives space to variation. For example addressing importance of breast cancer month, gives people an idea that Agency X cares for people. Own interesting blog posts with personal views will give Agency X credibility and more personality. Earlier we found out that a competitor is using videos in their marketing and that people love to watch videos rather than read. Cisco Virtual Networking forecasts that video traffic will be up to 80% of all consumers Internet traffic in 2019. (Cisco Visual Network 2015) Videos are the future; this is why concentrating on videos could be a really interesting competitive way for Agency X to be different from the rest. People will most likely watch them than read the text parts.

Another way of competing could be showing solid proof what Agency X is all about. Customers love to read reviews. We know that Agency X has plenty of loyal clients over the years, so why not ask them kindly to review the service they have been receiving from Agency X over the years. Even

bad reviews are good to have, so there is something to work on. Agency X could send out a small survey to all the customers saying that they really want to know if they are satisfied with the work Agency X has done for them. You could ask for stars also, how many out of 5. After receiving the answers and reviewing them and the stars you got, Agency X can put them on the website and social networks. That way people can see the reviews with the companies name and how many stars they have given you. Stars are there because they are easy to see and remember. The customer will consider Agency X more likely if they find it well rated. This is an important competitive advantage because all health insurance policies cost the same in every agency, so the customer does not choose based on price, but on what they see in the agency.

Another proof could be showing which employee at Agency X helps and guides you. It has become more popular to do “A day with the employee”. Agency X can post it on their blog with pictures. This way is the most personal, clients will see faces and may have similar interest as employees. This is also a fun way for all the employees to join marketing and play around.

5.3 Budgeting

Most of the marketing means that Agency X will use as a start are mainly free, but are going to take some time. Some of the means like: advertising on Facebook or possibly on Google, and making small educational videos will cost money.

Lets start with most important, promotional videos. The author contacted Michigan’s Promotions Office Video Team that have made Agency X’s open enrollment videos before, and asked for a quote for a 1-3 minute advertisement video. The quote stated that a video like that would cost **\$2,400/video**. An advertisement on Facebook is slightly more complicated. When you post something you can first choose your audience and then how many people you want to reach, then Facebook gives you the price. For example, if you want to reach **6900 – 18 000**

people, one post will cost you \$30 and that is only for one day.

Facebook also gives you a choice to cancel, or continue paying, if post is successful or not. (Facebook 2016)

Advertising on Google to make the agency's website be the first available when someone searches for a specific AdWord like "health insurance Michigan", is also a possibility, but not a cheap one. You can choose location, time and AdWord, and how much per click of AdWord you are willing to pay. The most expensive AdWord category is "insurance" and small businesses can pay \$100,000 per year. (Shewan 2015.) Advertising on Google can for sure be something to consider in the future when the website and social media networks are up and going, but for now paying this much does not make sense.

Agency X can start advertising first through digital marketing, and then when they have a good base, with a few blog posts. They can advertise a few posts on Facebook to see if they are profitable. Doing small videos is something Agency X should do. Agency X can start with 2-4 videos per year ($\$2,400 \times 2 = \$4,800$ / $\$2,400 \times 4 = \$9,600$).

5.4 Time calendar

To keep up with marketing and making sure everything was on time, the author created a calendar that is simple to follow with different themes starting February 2016 and ending January 2017. Themes are going to be: social media, direct marketing, content meetings and tracking meetings. Social media updating will be something Agency X will have to do every month, some things they can post are: funny quotes/pictures, promotional pictures, share an article, post small text and blog posts. These posts could be spread out to be posted at different times of the month. Direct marketing will be used to greet a customer on a more personal level such as wishing them a happy holiday or publishing educational videos that meet the needs of their clients. Tracking meetings will be for going through and deciding if the marketing strategy in place is working and profitable.

TABLE 3. Marketing Calendar

February 2016	March 2016	April 2016
Social Media Content meeting	Social Media Content meeting	Social Media Content meeting
May 2016	June 2016	July 2016
Social Media + Blog Content meeting Tracking meeting	Social Media + Blog Client Survey Content meeting	Social Media + Blog Video Shooting Content meeting
August 2016	September 2016	October 2016
Social Media + Blog Content meeting	Social Media + Blog Video Content meeting	Social Media + Blog Content meeting
November 2016	December 2016	January 2017
Social Media + Blog Video Content meeting Tracking meeting	Social Media + Blog Client Survey Content meeting	Social Media + Blog Content meeting

As you can see social media and content meetings will be monthly tasks. Blogs will only start to be written and posted when the website is up in June 2016. The client survey will also be 2 times a year. Listed below are the public holidays and health awareness months. An idea for each month would be to focus the social media posts, and blogs, on the holidays or health awareness.

TABLE 4. Monthly themes

January	Cervical Health Awareness Month
February	American Heart Month Teen Dating Violence Awareness Month Valentine's Day Super Bowl Sunday
March	Colorectal Cancer Awareness Month
April	Alcohol Awareness Month Easter
May	National Physical Fitness and Sports Month Melanoma/Skin Cancer Detection and Prevention Month Mother's Day
June	27 th National HIV Testing Day National Safety Month Father's Day
July	Independence Day
August	National Immunization Awareness Month
September	National Childhood Obesity Awareness Month Fruits & Veggies – More Matters Month
October	National Breast Cancer Awareness Month Halloween
November	American Diabetes Month Thanksgiving
December	1 st World AIDS Day Christmas + New Years

(U.S Department of Health and Human Services 2016)

6 VALIDITY, RELIABILITY AND OBJECTIVITY

Validity of the text means the research conducted is quality material and truthful to the statement. One of the problems, for example, can be that the writer misinterprets the information. (Saaranen-Kauppinen & Puusniekka 2006) For example, all the information in this thesis is relatable to the topic of the research. Meaning, the author used only sources that were about marketing communications, health insurance and digital media. Reliability means the methods used in the thesis are trustable based on the facts given, for example, reliability of the open question interview can be questionable, because the interviewee could interpret questions wrong. (Saaranen-Kauppinen & Puusniekka 2006)

The frameworks used in this thesis are empirical and theoretical. Theoretic examples, like textbooks, were written by the well-known writer Philip Kotler. Most of the Internet sources used for the law chapter were government websites and others from well-known business websites. Empirical approach consists of the interview with the president of Agency X. Reliability is based on the fact that the interview questions were structured well and given to the president before the interview, to make sure there was an understanding of what was going to be asked. The author also had support questions with her, if she needed to verify some of the facts. The insurance knowledge of the president is based on the 30-years of experience in the insurance world. Answers were written during the interview with short sentences, and after the interview, with the information still fresh in the authors' memory, the text portion was written in whole. The survey was reliable because it was given to the employees themselves. Being that the survey was given and collected anonymously, the truthfulness and reliability are strong.

Objectivity of the thesis requires the researcher to look at the subject from the outside with a neutral look. (Saaranen-Kauppinen & Puusniekka 2006) For example, the survey that was distributed, the author did not participate in. Also, the authors' own personal opinion did not impact the outcome of the paper, it was strictly from the sources.

7 CONCLUSION

The authors' goal at the beginning of the thesis was to research the insurance market and find new effective marketing communication tools for Agency X. The author has learned that marketing a health insurance product to the customers is a process, with many possible obstacles. Before marketing successfully, Agency X must reduce their weaknesses and optimize their strengths. While targeting potential customers and attract them with the value of their service, the right marketing communication should be chosen.

As a result of this thesis, the author concludes that Agency X has many marketing communication possibilities in the future. The agency has a solid base on which they can grow with confidence and control. Agency X has only had a recent presence in the social media world with Facebook, LinkedIn and Twitter. This is a step towards the right direction, by having an employee who can update them weekly. The idea is to add other marketing communication tools like blog posts, educational videos, promotional pictures and sharing insurance tips, in order to gain a positive image to hopefully make people interested in the agency. In today's world this is possible, because of digital marketing becoming more popular and people carrying smartphones everywhere they go.

Good image comes also from inside of an agency. Agency X must stay loyal to their customers, give themselves time to keep up with the changing laws and dedicate time to the digital marketing, because in the end it will pay off. There are many insurance agencies out there, not only in Michigan, but also around the whole country. Standing out amongst others, just based on the good image from current clients, will not take the agency far. That is why Agency X needs to expand their horizons and take a proactive approach to marketing. In the end, the author thinks that Agency X has great opportunities to reach new customers; the only thing left to do is to begin the process.

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ATTACHMENTS

Agency X President Interview 01.07.2016

Past, present and future of Agency X

1. Can you tell me a little about Agency X's history?
2. What does Agency X do?
 - a. Basic health insurance procedure?
3. How does your Agency get paid?
4. How many employees do you have?
 - a. How long does it take to become fully trained as an agent?
 - b. Are everyone's tasks clear to them?
 - c. Do you think the agency has a good team spirit?
 - d. Strengths of your employees?
5. What kind of typical clients do you have?
6. Agency's strengths and weaknesses in your opinion?
7. What kind of marketing strategy do you have right now?
 - a. Has the current marketing strategy been working?
 - b. What kind of improvement would you like to see?
 - c. Who is responsible for the marketing in the agency?
 - d. How do you communicate with your client?
8. Do you feel your service-oriented approach sets you apart from other agencies like yourself?
9. Who are your biggest competitors?
 - a. What advantage do you feel you have over your competition?
10. Where do you see the agency in 10 years?

Work environment survey

It would be highly appreciated if you had 5 minutes to answer this small survey about Agency X work environment. Survey will be completely anonymous and truthful answers are more than welcome. The idea is to find strengths and weaknesses and something to work on in the future.

Answer on a scale 1 to 5:

1 = Below average

2 = Average

3 = Good

4 = Quite good

5 = Excellent

1. How do you like your workspace? *Enough space and quiet?*

1 2 3 4 5

2. Your relationship with other employees?

1 2 3 4 5

3. Are all employees treated equally?

1 5 (1 = No, 5 = Yes)

4. Your relationship with employer?

1 2 3 4 5

5. Can you communicate openly at work with others?

1 5 (1 = No, 5 = Yes)

6. Do you get help if you ask for some at work?

1 5 (1 = No, 5 = Yes)

7. Do you find your work tasks stressful?

1 5 (1 = No, 5 = Yes)

8. Your feelings when you come to work every morning?

1 2 3 4 5

9. Do you feel appreciated at work?

1 5 (1 = No, 5 = Yes)

10. How is the technology at your workspace?

1 2 3 4 5

11. Do you feel like you have room for personal development in this job?

1 2 3 4 5

12. What would you like to improve or reduce at work?

Thank you for taking time and doing this survey!