



2021

# INSURANCE INDUSTRY ASSESSMENT

---

NBCUniversal

# WELCOME!



## Introduction

Explore NBCUniversal's latest perspectives and insights into the Insurance industry. This report provides an overview of recent marketplace dynamics, our prediction of key future trends impacting the industry, and strategic recommendations for Insurance brands and marketers as they navigate what's next.

## Our Approach







At NBCUniversal, we have a legacy of working with a diverse range of Insurance partners to build their brands. This report has been created based on NBCU's:

- Ongoing Industry Auditing
- Conversations with Insurance Advertisers and Agencies
- Continual Marketplace Analysis
- Examination of Consumer Attitudes towards the Insurance Industry

**WE HAVE  
A UNIQUE  
PERSPECTIVE**

In 2021, NBCU worked with:

**40+ Insurance Industry Advertisers**

 Auto	 Home	 Insurtech
 Health	 Life	 Travel



# CONTENTS

---

2021 Insurance Year In Review

---

Looking Forward

---

NBCU Insurance Strategic Recommendations

---

NBCU Insurance Relevant Materials

---



# 2021 INSURANCE YEAR IN REVIEW

---

*A Look Back at 2021*

In 2021, we are seeing  
Insurance brands

# **EXPLORE NEW WAYS TO ENGAGE**

after a year of pandemic shock





# INSURERS EXPLORE NEW WAYS TO ENGAGE IN 2021



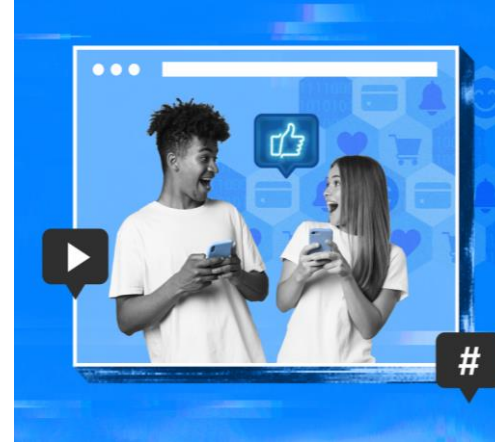
## Investing in New and Niche Products

As consumer lifestyles continue to diversify, insurance brands are investing in products such as pet, travel, and work-from-home insurance, seeing these not only as a route for revenue but as a means of driving more bundling for customer retention.



## Leveraging Digital & Mobile

Accelerated by the pandemic, the insurer-customer relationship has expanded to include more virtual and mobile interactions and tools, with large insurers looking to stave off attrition from digital-savvy Insurtechs.



## Expanding the Customer Base

Insurance brands are aiming to grow their customer base in a low-churn marketplace by targeting Gen Z and higher risk customers through telematic business models such as pay-per-mile.



## Engaging Through Purpose

In a heavily commoditized business, insurance brands are increasingly engaging in purpose-driven marketing as a way to connect with consumers and differentiate themselves, especially following the pandemic.

# BRANDS ACROSS INSURANCE SUB-CATEGORIES ARE NAVIGATING NEW CONSUMER AND MARKET DYNAMICS FUELED BY THE PANDEMIC

## Auto



While demand for cars has remained high since the outbreak of the pandemic, **chip-shortages are straining supply and inventory**. Higher prices and lower incentives for auto may see a slowdown in new policy sign-ups.

+10%

forecasted increase in auto sales in 2021, compared to previous years<sup>1</sup>

## Home



The initial boom in housing sales and prices during the pandemic has begun to slow down, though pockets of high growth persist across the country. **Home demand and potential price fluctuations will continue** to be a concern for home insurers.

+23%

increase in the average price for an existing home in June 2021, compared to the previous year<sup>2</sup>

## Health



Despite the pandemic, more Americans continued to find health coverage, mainly through growth in government-sponsored programs. As the job market returns, **many consumers may be engaging with new health insurance plans**.

+1.6M

U.S. adults had health insurance in 2020, as the consumer base continues to grow<sup>3</sup>

## Life



The pandemic has raised consumers' awareness about the importance of having life insurance coverage, with 31% now more likely to purchase coverage<sup>4</sup>. In a growing marketplace, **life insurers will need to differentiate homogenous products**.

+8%

growth in life insurance policies sold in 1H21, the largest increase since 1983<sup>4</sup>

## Insurtech



The pandemic has accelerated the industry's digital transformation, increasing demand for digital insurance solutions. As more legacy insurance brands compete in the space, **insurtechs will need to emphasize price and convenience**.

+38%

growth in P&C insurtech ecosystem in 2020, driven by the search for cheaper rates<sup>5</sup>



# LOOKING FORWARD

---

*A Look Ahead at Key Insurance Trends*

# INSURANCE GOES SHOWBIZ

In response to a cluttered advertising market, Insurance brands will emulate media/entertainment companies to enhance their creative

As the number of insurance commercials airing has increased in recent years, **insurance brand recall has declined by 6%**<sup>1</sup>.

To combat this and increase consumer engagement levels, **insurance brands will model their creative after entertainment companies** and emulate the latest creative trends.

Source: 1. Brand Recall – Phoenix TVBE; 2. iSpot

## Building IP Universes

95%

CAGR (2016-2020) of insurance ads involving mascot and characters, as insurance brands mimic the universe-building approaches of media companies around their IP to drive emotional connections with audiences<sup>2</sup>

## Employing Athletes as Entertainers

16x

increase in the number of insurance commercials featuring athletes (2016-2020), as research showed that ads featuring athletes performed much better than the average<sup>2</sup>

## Enhancing and Modernizing Humor

66%

of insurance ads are humor-based every year since 2018, as insurance brands continue to evolve their humor approaches to incorporate more modern sensibilities such as meta-humor<sup>2</sup>

# DIVERSE CHANNELS FOR DIVERSE OFFERINGS

As insurers diversify offerings, they will need to tailor media strategies to an increasingly diverse set of brand and product objectives

An increasingly diverse suite of insurance offerings will require established brands to employ a more diverse set of media strategies tailored to the **different objectives, audiences, and KPIs** of these products.

**Taking a multichannel approach** will allow brands to capture value and drive bundling.

## Mass Market Insurance



86% of drivers<sup>1</sup>



85% of homeowners<sup>2</sup>

Competing on  
Low Price



Brand Building  
through Mass Media

## Niche Insurance



23% of travelers<sup>3</sup>



2-3% of pet owners<sup>4</sup>

Competing on  
Premium Offering



ROI-Driven  
Performance Digital

# TRANSFORMING THE DYNAMIC CONSUMER

With consumer lifestyles becoming more fluid post-pandemic, insurers' products will evolve to meet consumer needs

In a post-pandemic environment, **consumers are engaging in more dynamic lifestyles than ever before.**

To retain customer loyalty, **insurance brands will need to engage in greater levels of customer transformation** and evolve their products to meet consumer needs and expectations.

Sources: 1. [McKinsey](#), 2. [Forbes](#), 3. [Pet Age](#) 4. [SpendMeNot](#)

## Hybrid Working Is Here to Stay

70%

of companies plan to continue some type of remote working even after the pandemic<sup>1</sup>

## Wave of New Lifestyles Approaching

40%

of the U.S. labor force plans to switch jobs in 2021, many to jobs with different lifestyle routines (WFH, new location)<sup>2</sup>

## Growth in Pet Ownership

70%

of U.S. households own a pet in 2021, with millennials representing the largest cohort<sup>3</sup>

## Rise of the Sharing Economy

87M

U.S. consumers are participating in the sharing economy in 2021, nearly double the amount in 2016<sup>4</sup>

# GETTING PERSONAL WITH DATA

The growing wealth of insurance consumer data will drive insurance brands to better personalize consumer experience and minimize risk

The combination of higher consumer-centric expectation with a pandemic that virtualized the industry has led to **higher levels of insurance brand investment in data** than ever before.

Going forward, insurance brands will increasingly be **looking for media and tech partners to empower their data strategies.**

Sources: 1. [Deloitte](#) 2. [Salesforce](#) 3. [American Family Insurance](#)



## Investment in Data Analytics

68% of insurance brands are planning to increase spending in data analytics and AI<sup>1</sup>

**Deloitte**  
Insights



## Partnerships for Transformation

State Farm has partnered with Salesforce to infuse data and AI into their customer approach<sup>2</sup>

 **State Farm**



## Data for Multicultural Approach

American Family Insurance partnered with Elite Media to reach multicultural audience with a data-informed approach<sup>3</sup>

 AMERICAN FAMILY  
INSURANCE

NBCUniversal 13



# BUILDING LOYALTY THROUGH REWARDS

To drive consideration, loyalty, and incentivize good behavior, insurance brands will adopt finance-like rewards programs.

High customer acquisitions costs are driving insurers to **find new ways to engage and retain existing customers.**

As other industries have found success with loyalty and rewards programs, insurers will **expand on existing initiatives, such as safe driver rewards**, that incentivize good behavior<sup>1</sup>.

Source: 1. *Progressive* 2. *Forbes* 3. *Forbes*

## Insurance Acquisition Costs are High...

**\$500 - \$900**

average range of acquisition for insurance customer, much higher than most industries<sup>2</sup>



## ...and much more Expensive than Retention

**7-9x**

more expensive to acquire than to sell to existing insurance customer<sup>2</sup>



## Making Loyalty-Building through Programs Essential

**71%**

of consumers say loyalty programs are a meaningful part of their brand relationships<sup>3</sup>

**79%**

of consumers say loyalty programs make them more likely to continue doing business with brands<sup>3</sup>

**62%**

of Gen Z are highly influenced by loyalty programs<sup>3</sup>

# KEY FORWARD- LOOKING TRENDS



## Insurance Goes Showbiz

Responding to a crowded commercial space, Insurance brands will emulate media/entertainment companies to enhance their creative



## Diverse Channels for Diverse Offerings

As insurers diversify offerings, they will need to tailor media strategies to an increasingly diverse set of brand and product objectives



## Transforming the Dynamic Consumer

With consumer lifestyles becoming more fluid post-pandemic, insurers will evolve their products to meet consumer needs



## Getting Personal with Data

The growing wealth of insurance consumer data will drive insurance brands to better personalize consumer experience and minimize risk



## Building Loyalty through Rewards

To drive consideration and loyalty, and to incentivize good behavior, insurance brands will adopt finance-like rewards programs

# NBCU INSURANCE STRATEGIC RECOMMENDATIONS

---

*Driving Growth for Insurance Brands*

# KEY STRATEGIC RECOMMENDATIONS



## 1. Supercharge Your Creative Approach

Partner with NBCU as a creative consultant to amplify increasingly entertainment-focused creative and brand messaging and achieve creative breakthrough

## 2. Engage Growth Audiences

Leverage your local and national footprint to maximize reach with key target audiences across markets including multicultural and Gen Z

## 3. Leading with Purpose

Create deeper consumer connections by embracing storytelling opportunities that demonstrate your brand's commitment to a message or movement that matters

## 4. Driving Acquisition with Data

Leverage NBCU's robust data and targeting capabilities to drive acquisition and higher ROI on key audiences

## 5. Prompt Consumer Interaction

Inspire consumers to search, download, interact, and/or book via actionable content and commerce opportunities

# 1. SUPERCHARGE YOUR CREATIVE APPROACH

## Why

As Insurance brands look to increase audience engagement amidst an increasingly crowded insurance ad space, they will continue to emulate within the strategies of traditional media companies around IP, athletes, and comedy to drive creative breakthrough.

## What

Partner with NBCU as a creative consultant to help amplify insurance creative and brand strategies across genres, platforms, and content types.



Mass Reach  
Media



Social



Cultural  
Moments



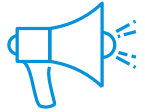
Integrated or  
Custom Content

## Goals

Awareness | Consideration | Brand Perception | Brand Recognition



# 1. SUPERCHARGE YOUR CREATIVE APPROACH



## Enhancing Humor

- 'Saturday Night Live' ranks as no. 1 entertainment show on ad-supported TV
- Leveraging new short-form humor formats on OTT, social, CODE (YouTube)
- Working with our comedic talent and contextually aligning with the content



## Consulting Creative

- Insurance creative is run like an entertainment company. We can help you with that
- Incorporating our IP with yours for custom integrations
- Creative brainstorm with writers of comedy shows



## Powering Purpose

- Pushing CSR to drive emotional connections between consumers, brand, and larger initiatives
- Position shoppable as a way to connect consumers to action in CSR



## Elevating Athletes

- Working with athletes across NBCU: reality TV, competition (Peyton Manning) on-air talent and commentators (Drew Brees) to elevate brand messaging
- As the role of athletes in society evolves (influencers), consider ad appearances beyond sports

## 2. ENGAGE GROWTH AUDIENCES

### Why

As the low-churn insurance consumer base becomes more saturated, insurers are increasingly looking for new audiences and new ways to drive consideration with existing audiences. As such, many brands are evaluating how best to expand beyond traditional demo buys and coordinate messaging to high value audiences.

### What

Complement always-on media by heavying up with strategic audiences like bundlers, Gen Z, multicultural audiences etc.



Mass Reach  
Media



Audience  
Targeting



Local to  
National

### Goals

Awareness | Consideration | Conversion | Targeted Reach | Incremental Reach

## 2. ENGAGE GROWTH AUDIENCES

**Pair Broad Reach and Precision Targeting to Deliver Relevant Messaging**

Stay top of mind via always-on NBCU premium content



Layer on focused targeting with high value audiences

**Consider Insurance Strategic Audiences**



High-Income Consumers



Bundlers



Multicultural Audiences



Young Parents



Purpose-Driven Consumers

**Connect Your Brand with the Right Consumers Through Content on Every Screen**



**Data-driven Linear**

Enhanced delivery to target audiences at scale through the broad reach of national TV



**Addressable**

Dynamic delivery to target HHs through highly engaging STB VOD, OTT, & CTV content



**Targeted OLV**

Target users through premium video on desktop & mobile



**Geo-targeted Local**

Geotarget to reach local or regional audiences in a premium content environment

### 3. LEAD WITH PURPOSE

#### Why

While many brands have existing CSR initiatives, the role of purpose-led storytelling has evolved from being siloed comms to a cornerstone of brand strategy.

Today the actions of brands need to be louder and clearer than ever before as the communities they serve are calling for responsibility, accountability, and progress.

Purpose will remain pertinent, as consumers continue to make choices based on brand commitments to inclusivity, community, and environment.

#### What

Create deeper consumer connections by embracing storytelling opportunities that demonstrate your brand's commitment to a message or movement that matters.



Cultural  
Moments



Integrated or  
Custom Content



Talent



Innovative /  
Actionable Content

#### Goals

Brand Perception | Brand Recognition | Consideration | Loyalty

### 3. LEAD WITH PURPOSE

Brands recognized for a high level of commitment to purpose experience ~2x faster brand value growth vs. those with less perceived positive impact<sup>1</sup>

## Celebrate, Elevate & Drive Impact by Embracing Storytelling Opportunities Around Moments That Matter

### Community Focus

Tap into the power of community events and initiatives with custom CSR activations and/or connect to NBCU CSR promotional campaigns

### Charity Connections

Layer an NBCU code over existing client creative to drive donations to charities. ShoppableTV units can be geo-targeted for maximum impact

### Local Integrations

Leverage NBCU local properties such as NBC Local Lifestyle Shows, Acceso Total on Telemundo, and Sports News Programming on NBC Sports Regional Networks

## Illustrative Moments that Matter:





## 4. DRIVE ACQUISITION WITH DATA

### Why

As insurers wrestle with high customer acquisition costs, a focus on audience and effective ROI has become crucial for driving gains in a low-churn market. New data-enabled approaches are allowing these insurance brands to manage costs and drive efficiencies with key audiences.

### What

Leverage NBCU's robust data and targeting capabilities to drive acquisition and higher ROI on key audiences



Contextual  
Franchises



Audience  
Targeting



Innovative /  
Actionable Content

### Goals

Driving Traffic | Driving Qualified Leads | Launches | Consideration | Conversion |  
Data Capture / CRM Building

## 4. DRIVING ACQUISITION WITH DATA

### Contextually-Aligned

Drive brand awareness and consideration in broad reach environments



### Audience-Led

Leverage 1P, 3P, or NBCU data to drive cross-platform reach against audiences most likely to convert



### Efficiency Driven

Maximize efficient reach through pre-emptible digital / streaming video

**NBCU Performance  
Digital Video**



NBCU ONE PLATFORM COMMERCE



## 5. PROMPT CONSUMER INTERACTION

### Why

As the insurance consumer journey continues to evolve, there is an opportunity for brands to align with content experiences that both create and convert demand. Innovative formats can be leveraged to invite users to learn more and continue to normalize digital brand and commerce experiences.

### What

Get closer to point of purchase and prompt audiences to discover, sign-up, search, download, or buy through actional content and/or commerce opportunities.



Integrated or  
Custom Content



Innovative/  
Actionable  
Content



Social

### Goals

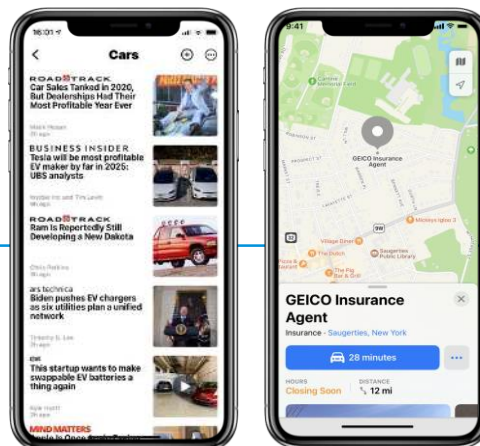
Consideration | Purchase Intent | App Download | Search Traffic | Launches | Trial

## 5. PROMPT CONSUMER INTERACTION



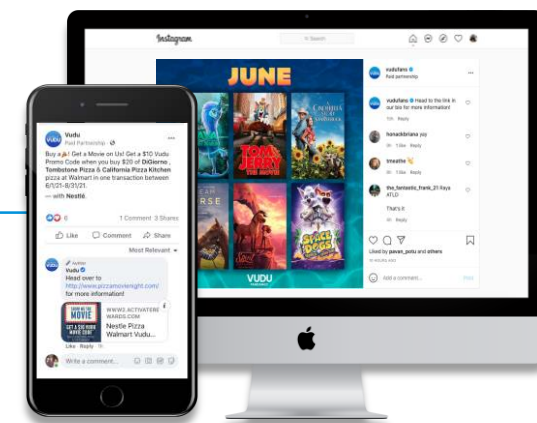
### Fuel Interactivity with Commercial Innovation

- Seamlessly blend advertising and content to better engage the consumer and create interactive viewing experiences.
- Innovation formats include but are not limited to Must Hear TV, Stay in Show, Choose Your Destiny etc.



### Influence Behavior via Apple News Tap-to Capabilities

- Reinforce messaging and generate quality leads via Apple News engaging ad solutions.
- Tap-to capabilities can drive users to agents, site, app download, deep link within app, email, chat, map, wallet etc.



### Direct Engagement with Social Sync

- Utilize NBCU Social Synch to amplify campaigns across social channels through interactive and actionable content such as rewards offerings
- Extend reach by targeting custom audience segments, and optimize campaign performance in real time

# NBCU INSURANCE RELEVANT MATERIALS

---

*NBCU Insurance Industry Content*



KEY PARTNERSHIPS FOR THE CATEGORY @ NBCU





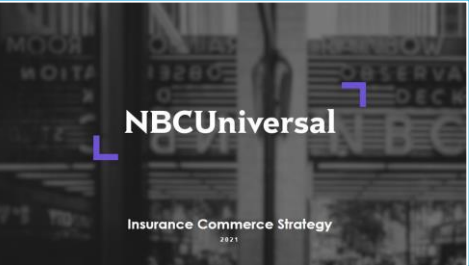
# NBCU INSURANCE INDUSTRY CONTENT

TOGETHER SITE

## Category Content & Strategies



Capitalizing on Streaming



Insurance Commerce  
Strategy

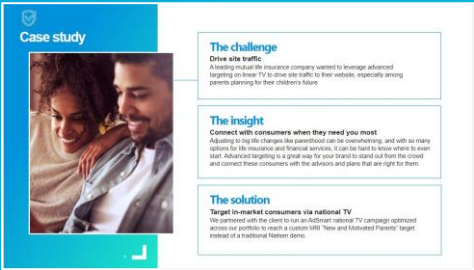


Harnessing the Power  
of Data



Purpose and Purchase  
Driving Business  
Impact Today

## Insurance Case Studies



AdSmart + Insurance  
Provider



2021

# INSURANCE INDUSTRY ASSESSMENT

---

**NBCUniversal**

**NBCU INSURANCE CLIENT STRATEGY TEAM:**

*Adam Daniele, Logan Knisely, Eitamar Nadler, Jenn Tran*