



# **Strategy for Enhancing Online Channel for American Family Insurance Life Products**

**Project Sponsor**

***American Family Insurance***

**University of Wisconsin-Madison Student Team**

**Kyle Cooper  
Akhil Dakinedi  
Alec Tiedt  
Sally Theiler**

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## Executive Summary

American Family Insurance (AmFam) has established a highly trusted brand with a strong consumer base that has thrived for more than 80 years. This has been a result of the company's ongoing efforts to find ways to better reach and serve its customers. As AmFam continues to evolve its offerings and communications for future generations, the company has realized the need to better leverage the online channel to continue its successes. Life insurance specifically is one category of products that requires high consumer involvement, and therefore presents an opportunity for AmFam to engage with customers more online who are candidates for this product. Furthermore, the company must investigate this channel to maintain parity with competitors and to reach emerging markets due to changing consumer behavior.

The American Family Life Insurance team has partnered with four students from the University of Wisconsin- Madison to address this challenge. Our project goal has been defined as: *Determine how American Family Life Insurance Company can leverage the online sales channel to increase life policy penetration to existing Personal Lines American Family customers and utilize the online sales channel as a resource for our agents.*

The student team approached this challenge by researching and providing recommendations in the following key areas:

- Competitors: Online presence, products, and best practices
- Customer: Target market and decision-making process
- Marketing: Strategies for marketing online and increasing visibility

Based on our findings from primary and secondary research, AmFam should target the Young Adults and younger half of Middle Market customer segments (as defined by AmFam). These are primary targets for online life insurance due to their online lifestyle and transitional life stage. We would recommend the following strategies to reach this target segment through the online channel:

1. Optimize a quick quote tool
2. Provide ease in navigation
3. Enable effective information search
4. Enhance media and interactivity
5. Increase search visibility
6. Develop SimplyProtected Life Insurance online

The consumer decision-making process should be supported at every step using the strategies above, however the online channel should be specifically leveraged for the information search step in this process. The site should also be structured to support the AmFam agents who are open to online tools by generating awareness of products, educating consumers, and assisting in product analysis for customers. The success of this online channel will ultimately depend on robust site architecture and the support of American Family Insurance agents.

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## Table of Contents

<b>Competitor Research</b>	<b>5</b>
<i>Competitor Summaries</i>	5
<i>Best Practices</i>	9
<b>Customer Research</b>	<b>12</b>
A. <i>What is the ideal target market for online sales, and why?</i>	12
B. <i>What is a customer's thought process when purchasing life insurance?</i>	17
<b>Marketing Research</b>	<b>21</b>
A. <i>What are companies doing to market online?</i>	21
B. <i>Which companies utilize paid keyword searches?</i>	22
C. <i>What keywords do companies pay for?</i>	23
D. <i>How is social media utilized?</i>	23
E. <i>How can AmFam Life Insurance Company increase its search visibility?</i>	24
F. <i>How can we best sell the SimplyProtected product online?</i>	25
G. <i>Internal Web Analytics</i>	25
<b>Agent Research</b>	<b>27</b>
<i>How can amfam.com become a better resource for agents?</i>	27
<b>Recommendations</b>	<b>29</b>
<b>Bibliography</b>	<b>33</b>
<b>Appendices</b>	<b>35</b>
<i>Appendix 1: Competitor Research</i>	35
<i>Appendix 2: Customer Research</i>	50
<i>Appendix 3: Marketing Research</i>	51