

Connecting with Millennial **ACA Clients**



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The underage market is shifting — it's time to focus on Millennials.

Why, might you ask? The Millennial consumer mindset is going to be dictating the insurance customer experience for the next three decades.

Millennials are the largest generation in history so far, surpassing both Generation X and the Baby Boomers in 2015. Also, Millennials now have members in their mid-thirties and are starting to dominate the consumer mindset.

Millennials are hitting the prime of their life, while Baby Boomers are retiring. By 2025, according to the Bank of America Merrill Lynch, it is estimated that Millennials will have \$8 trillion in spending power.

First, let's start by learning more about Millennials. Millennials were born between 1980 and 1995. They grew up with a markedly different economic, political, and technological time than those before them. It would be naive to assume that Millennials are not different and are not inclined to their own unique buying philosophy.

There have been two significant economic declines and the widespread growth and integration of technology into their daily lives — this all has had a considerable impact on Millennials.

For Millennials, work-life balance is one of their highest priorities. They are also seen as super savers — some started to save for retirement at ages as young as 22 years old. There are more ways Millennials have set themselves apart that are important in your marketing to them.



Millennials get married later in life. Pew Research Center found that around a quarter of Millennials are married, compared to almost half of Gen X and Baby Boomers at the same age. Unmarried Millennials say that they, for the most part, would like to be married, but they do not yet have a solid economic foundation.

This means **Millennials are pushing back the settling down phase of life**, delaying the purchase of assets like cars, homes, etc., and hinders their starting of a family.

> *Millennials are the largest generation in history*



➤ *Millennials are educated — but more in debt*

Over half of Millennials are worried about their student loan payments, and a little less than half are worried their debt will limit their career options. Along with this, according to The Atlantic, half of the recent college grads are working at a job that hasn't historically required a degree — labeling them as “underemployed.”

One thing that makes Millennials stand out the most is that they are the first true digital natives. They were raised in a digital, media-saturated world unlike those before them. With this comes three misconceptions often made about Millennials:

1. Digital natives possess lesser social skills and are more likely to avoid personal interaction
2. Digital natives are much better at multitasking than those who joined the digital world later in life
3. Digital natives have an instinct about how to fix or use computers or other digital devices

These are false.

Still, the early experiences that Millennials have had with technology have shaped their views and behavior when it comes to how and which products they choose to use. Notably, Millennials are quick in adapting to and using new technology than older generations. They are more likely to use the internet, post online, and contribute content on digital platforms. On the other hand, they are highly critical of digital products with a lackluster user or customer experience.

This means that Millennials do trust technology, but they expect a high-quality user experience from the products that they do use.

Millennials are also more racially diverse. In general, they have grown up in more multicultural communities than those before them.

This means that Millennials want to work with someone who is understanding and respectful of cultural and social differences

➤ *Millennials want to work with someone who is understanding and respectful of cultural and social differences*





The Millennial Problem?

It would be the easy way to blame traditional marketing strategies used by insurance agents for the problem marketing to Millennials. But the issue lies more in who we think of when we hear the word Millennial. Many still think of Millennials as teenagers — but Millennials are no longer children. They are moving into prime purchasing years of their lives and have aged off their parents' insurance. To effectively market to them, we need to understand that Millennials are the clients we want to write to. The lack of interest in Millennials (or who we considered them to be) has so far led to the lowest agent penetration of any generation.

Sometimes, it is hard for agents to connect with Millennials — and we understand that.

Sometimes Millennials see agents as out of touch or inconvenient. **We need to show them the value of working with an insurance agent.**



They may think insurance agents do not leverage technology or that they do not prioritize the customer experience.

Some of this comes from the fact that insurance agents have somewhat ignored Millennials, so they do not know who we are or what we offer of value. Think about it — **have you done marketing to attract Millennials?** Do you create video content? Do you use social media for your insurance agency? Are you involved with any local organizations that Millennials are also involved in?

If you answered no to any of these, **you need to step up your game to market to Millennials.** To make it a little more complicated, Millennials are often disengaged from their insurance carrier and agent.

Why is being engaged by their insurance carrier and agent important?

1. They are less sensitive about prices
2. They spend more and buy more products
3. They stay with the company (and, in turn, the agent) longer
4. They are more likely to recommend you to others. Unfortunately, due to Millennials' distrust of many corporations and advertising burnout, it is a little harder and different to engage with Millennials.

➤ *Millennials are no longer children*

How Millennials buy stuff

Now, let's talk about how Millennials buy stuff. Before you understand everything about the Millennial's buying process, you must accept your new role in the insurance buying process as an insurance agent. **Insurance agents are no longer considered the gatekeepers of insurance expertise.**

Many traditional insurance practices seem more like obstacles to Millennials rather than standard method, such as:

1. Waiting three days for a quote
2. Requiring in-person visits
3. Paper forms
4. Requiring phone calls
5. Having to wait until the morning to make a policy change

Think of your role as an insurance agent as being more like a tour guide. This is a good thing; you step back into the sweet spot of relationship building. You get to focus your full attention on the customer experience (which we know is essential to Millennials). Millennials want a more personalized and sophisticated buying experience. This started with showing up in a Google Search. They are twice as likely to use a search engine to solve a problem before using a phone call, a store, or even social media. **People seek answers through search engines.**

Millennials seek a solution first and relationships second and lean heavily on the internet to inspire their purchases. However, they still value good in-person customer experience. They prefer to use the internet to help them make the most informed decision before taking the next step. Here are some other facts to think about when you think about marketing to Millennials:



1. They value authenticity over content
2. They want to be able to engage with a brand on a social network
3. They are brand loyal

So, even though the buying process is slightly different, there are some similarities to previous generations.

➤ *Traditional insurance practices seem more like obstacles to millennials*



Tips to keep in mind when marketing to Millennials

Create Agency Advocates

Millennials trust their friends more than a corporate ad or mouthpiece. One way to use this is to encourage referrals with current clients, post testimonials online, and ensure you get clients to post reviews on your social media pages. They are more likely to trust an insurance agency that they see real people (and maybe even people they know) engaging with and speaking well.

Optimize Your Website for Mobile

Make sure your website is easily available on both a desktop and a mobile device — many people prefer searching for answers on their smartphones.

Pick Up the Phone

Millennials do not want to speak with an automated phone tree — make sure you always have someone available at your insurance agency to pick up the phone. This might mean that you have to hire someone designated at your business to do this, but it will be well worth the impact it will have on new business.

Be Available

This builds off the previous recommendations mentioned, but it is a major plus to have hours outside of a standard 9 a.m. to 5 p.m. Many people are also busy during those hours. This could be something as simple as policy access on mobile apps or a web portal or hiring a call center to take calls after hours or hiring an employee to stay later. Will these solutions cost money? Yes. But once again, it will have a significant impact on your customer experience and building new business with Millennials.

➤ *Marketing to Millennials provides increased opportunities.*

Tell Your Brand Story

You can't do this with just one piece of content, but start now. All of your content, such as blog posts, videos, emails, social media posts, etc., all tell a piece of the story about your business. Make sure you're telling a good story by filling in these three content buckets:



Company: Who are you? Who are your staff? Why do you show up every day? Why has this employee stayed with you for X number of years? Why did you decide to become an ACA agent or start an insurance agency?



Client: Who are your clients? Why do they do business with you? Where do your clients hang out? What interests do your clients have?



Community: How has your insurance agency integrated with the local community? What charities do you support? Where do you hang out in town? What organizations are you a part of?

Each piece of content helps you tell your story and builds trust with possible clients.

Live in a Tradigital Marketplace

Marketing to Millennials will work best when you are using some traditional methods combined with today's modern digital tactics. Mix the old-school human connection with the fast-paced online world. Some ideas include live videos, text message clients who prefer it and short videos to educate clients on common questions and topics.

Marketing to Millennials presents unique challenges. But it also provides increased opportunities. Because this generation is shifting the way they approach marketing, it opens doors for us as agents to increase engagement and find more ways to connect with our clients.

As you review the materials in this book, ask yourself how you can maximize your ability to reach Millennials and what you can do to cater to the evolving changes of the insurance market. As you do, you'll not only build a solid foundation for working with new generations, you will also expand your marketing abilities for all ages and products.