The Zero Moment of Truth
Finance Study - Insurance
Google/Shopper Sciences, U.S.
April 2011
Summary

- The path to purchase in the insurance category is quite extensive. The vast majority of shoppers take a month or more to go from decision to action.

- While shoppers are using a wide array of sources, ZMOT is the most dominant. Online Search, comparison shopping and information gathering from brand controlled websites showed higher usage compared to FMOT sources such as phone and in-person discussions with representatives.

- Shoppers clearly identify experiences with insurance representatives as the most influential source – whether on the phone or in-person. Comparison shopping rates online was also very influential in this category.

- Stimulus sources seem to be the most effective at communicating reputation of the brand and features/benefit of the policy while ZMOT sources are more effective at communicating rate information and salesperson contact information.
Objectives & Methodology

How is insurance purchase behavior changing in a digitally powered world?

What role do new media like social & mobile in insurance decision making?

How effective are traditional ads at changing actual purchasing?

Online shopper surveys with interactive game-like construct

Fielded in March 2011 in the US

Adults who switched to a new insurance provider, purchased a new Auto or Home insurance policy or new Life insurance policy in the past 6 months

N=250 shoppers

Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Traditional 3-Step Mental Model of Marketing

1. Stimulus
2. First Moment of Truth: Sign insurance contract
3. Second Moment of Truth: Experience

Thinkfinance with Google
The New Mental Model of Marketing

Stimulus

First Moment of Truth
Pre-shopping | In-store | In-home

Sign insurance contract

Second Moment of Truth
Experience
We asked insurance shoppers…

**When? Purchase Timeline**
How far in advance do shoppers start thinking about changing their insurance or renewing?

**What? Source Usage**
What traditional and new media sources did shoppers use to help them decide on their insurance carrier?

**How? Influence**
How influential were each of the sources in the ultimate decision making?

**Why? Information-Seeking**
Why did shoppers consult the internet? What information were they looking for related to the insurance selection process?

*Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011*
Purchasing an insurance plan is a very considered decision for shoppers.

Q1. Again, for the rest of this survey we would like to focus on your most recent transaction: PIPE IN FROM QS6. First, in TOTAL, how long were you thinking about [PIPE] before you actually completed the transaction?

Base N=250

Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Insurance shoppers used on average 11.7 sources of information to help them make their purchase decision.

For any one source, on average 26% of shoppers used it.

Q2 When you were considering [INSERT], what sources of information did you seek out to help with your decision?
Base N=250
Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Even among above average sources, ZMOT outpaces traditional avenues of research.

Sources Used – Above the 26% Average Usage Score

- Received mail at home from an insurance company: 45%
- Saw ads on TV: 42%
- Read an email received from an insurance company: 39%
- Noticed ads while browsing online: 32%
- Read magazine articles about the insurance policy/company: 29%
- Searched online with a search engine: 75%
- Comparison shopped rates online: 64%
- Talked with friends/family: 60%
- Sought info from an insurance company website: 53%
- Read reviews about the policy/company online: 40%
- Talked to a customer service rep online: 36%
- Talked with a customer service rep on the phone: 60%
- Talked with an insurance company representative in-person: 53%

Q2. When you were considering [INSERT], what sources of information did you seek out to help with your decision?
Base N=250
Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Shoppers rely on ZMOT sources for insurance

Q2 When you were considering [INSERT], what sources of information did you seek out to help with your decision?
Base N=250
Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Most influential sources for insurance shoppers

Talked with a insurance company representative in-person: 69%
Talked with a customer service representative on the phone: 62%
Comparison shopped rates online: 56%
Talked with friends / family: 46%
Talked to a customer service representative online: 43%
Read comments following an article / opinion piece online: 39%
Sought information from an insurance organization website: 37%
Read reviews or endorsements about the policy / company online: 37%
Searched online, used search engine: 33%
Read information in an email received from an insurance company: 33%
Read magazine articles / reviews / information about the insurance policy / company: 31%
Received mail at home from an insurance company (e.g., catalogue, brochure): 14%
Saw an ad in a newspaper / newspaper insert: 5%
Saw advertisements on television: 4%
Noticed advertising while browsing online: 3%

Average: 37%
Top reasons for insurance shoppers to consult the internet

- Called an insurance company office / location from phone number provided online: 41%
- Used internet to request additional information (e.g., brochure) be sent to me: 29%
- Found locations of the insurance company: 28%
- Got information on a particular insurance company office / location (hours, parking, etc.): 26%
- Bookmarked pages with information you want to save for future reference: 19%
- Read reviews on a particular insurance company location: 18%
- Got maps / directions to the insurance company office / location: 15%

Q8 Below are some ways that other people say they use the Internet when researching a financial decision. Which of the following things did you do during your recent transaction, [PIPE]? You may select as many as apply.
Base N=250
Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Post Purchase Behavior

- 61% mentioned it to friends/family
- 24% mentioned it to a co-worker
- 13% took a survey
- 6% wrote about it on a Facebook page
- 5% wrote a customer review on a website
- 5% posted Tweets about it
- 4% wrote about it in a blog
- 28% none of the above

*20% of shoppers engaged in at least one form of digital sharing behavior.*

Q7 After [PIPE], which of the following activities did you do to share your experience?
Base N=250
Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Heat Maps

The intersection of when, what, how and why
Searched online with search engine

Fewest People

Most People

Time From Purchase

Degree of influence

75% Usage 78% Repeat Usage

13%

21%

30%

43%

28%

66%

Convenience/Agent Relationship Information

Convenience/Customer Service Preferences Features

Online access to account information

Features & Benefits of Different Policies

Reputation of Company

Rates/Costs/Pricing

Base N=250

Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Talked with friends & family

**Degree of Influence**

<table>
<thead>
<tr>
<th>Degree of Influence</th>
<th>10</th>
<th>9</th>
<th>8</th>
<th>7</th>
<th>6</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>10%</td>
<td>19%</td>
<td>21%</td>
<td>19%</td>
<td>25%</td>
<td>21%</td>
<td>19%</td>
<td>16%</td>
<td>60%</td>
<td>16%</td>
</tr>
</tbody>
</table>

**Time From Purchase**

- Fewest People
- Most People

**60% Usage**

- Convenience/Agent Relationship Information: 21%
- Convenience/Customer Service Preferences Features: 19%
- Online access to account information: 10%
- Features & Benefits of Different Policies: 25%
- Reputation of Company: 44%
- Rates/Costs/Pricing: 34%

Base N=250
Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
Saw advertisements on television

![Heatmap showing degree of influence over time from purchase to purchase](image)

### Usage and Repeat Usage
- **42% Usage**
- **45% Repeat Usage**

#### Factors
- Convenience/Agent Relationship Information: 16%
- Convenience/Customer Service Preferences Features: 13%
- Online access to account information: 12%
- Features & Benefits of Different Policies: 32%
- Reputation of Company: 42%
- Rates/Costs/Pricing: 15%

Base N=250

Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011
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Appendix
Shoppers 18-34 used more sources on average, were more likely to share their experience through SMOT and to use online social and mobile to research their purchase. Those 50+ were most likely to respond to an internet call to action.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Sources Used</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-34</td>
<td>13.5</td>
<td>29%</td>
</tr>
<tr>
<td>35-49</td>
<td>12.4</td>
<td>22%</td>
</tr>
<tr>
<td>50+</td>
<td>9.6</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Tactical Internet Behaviors**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Mobile</th>
<th>Sharing/Social</th>
<th>Call to Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-34</td>
<td>47%</td>
<td>29%</td>
<td>29%</td>
</tr>
<tr>
<td>35-49</td>
<td>61%</td>
<td>18%</td>
<td>47%</td>
</tr>
<tr>
<td>50+</td>
<td>70%</td>
<td>10%</td>
<td>29%</td>
</tr>
</tbody>
</table>

**Mental Model Breakdown**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>SMOT</th>
<th>FMOT</th>
<th>ZMOT</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-34</td>
<td>76%</td>
<td>80%</td>
<td>78%</td>
</tr>
<tr>
<td>35-49</td>
<td>87%</td>
<td>93%</td>
<td>81%</td>
</tr>
<tr>
<td>50+</td>
<td>75%</td>
<td>96%</td>
<td>78%</td>
</tr>
</tbody>
</table>

Source: Google/Shopper Sciences, Zero Moment of Truth Study – Insurance, Apr 2011