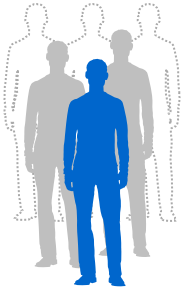




# The Digital Health Insurance Shopper

Google/Compete  
U.S., August 2010

# Summary of Findings



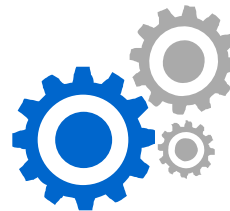
Health Insurance  
Shoppers  
Multiplying Online



Search Leads in  
Option Discovery  
& Conversion



Shopping is  
Not Limited to  
Enrollment Period



Aggregators  
are Capturing  
Non-Branded  
Conversions

# Purpose of Study & Methodology

## Purpose of Study

- Quantify how shoppers research for health insurance and how Search is used when shopping online for health insurance

## Methodology

- Conducted on Compete's proprietary U.S. consumer dataset of 2 million
- Online health insurance researchers were identified based on their activity in the months of Oct-Nov 2009. They were split into categories:
  - Private or Medicare: Depending on the policy researched
  - Open/Extended: Depending on the time of research
- For online health insurance shoppers, Compete pulled a history of online activity including Search activity for the months of Aug-Dec 2009
- Health insurance shoppers were surveyed (Feb 2010) to assess their (offline and online) research and application patterns

# Sites Included in Study

## Included:

States	Brands	Aggregators	3rd Party Research sites
Top 16 most populous states accounting for 65% of the US population*	Four-Six top brands in each of the 16 states included in the study	Top Aggregators listed below	Top 3rd party listed below
Arizona California Florida Georgia Illinois Indiana Massachusetts ** Michigan New Jersey New York North Carolina Ohio Pennsylvania Texas Virginia Washington	<b>National brands</b> Aetna Assurant Healthcare Blue Cross Blue Shield Cigna Humana Kaiser Permanente United HealthCare (includes Pacificare, GoldenRule, SecureHorizons, etc.) WellPoint (includes Anthem and Tonik)  <b>Additional brands</b> Top 4-6 brands within each of the States are included, for example, Americhoice in New York	Netquote eHealth GoHealth AffordableHealth Vimo Insureme UseInsurance Insweb Mostchoice healthinsurance.com	aarmagazine.org health.usnews.com kff.org healthinsurancefinders.com healthinsurance.org content.healthaffairs.org kaiserhealthnews.org healthleadersmedia.com coverageforall.org

# Plan Segments

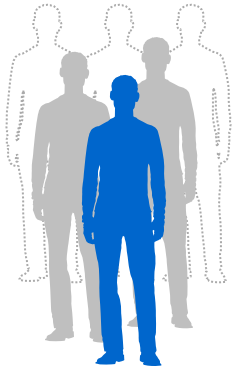
## Survey Definitions

- **Individual Plan**  
Survey respondents who indicated that they were researching an individual or family\* health plan to personally purchase
- **Medicare**  
Survey respondents who indicated that they were researching Medicare
- **Group Plan**  
Survey respondents who indicated that they shopped for a health insurance plan through their employer

## Clickstream Definitions

- **Private Plan**  
Health Insurance shopper who visited 'Individual or Family Plans' related pages within the competitive set. These shoppers could be researching for health insurance through their employer or purchasing it personally
- **Medicare**  
Health Insurance shopper who visited 'Medicare, Medicare Advantage or Supplement Plans' related pages within the competitive set

# Summary of Findings



## Health Insurance Shoppers Multiplying Online

About 7% of Internet users (12.6M) researched health insurance online Oct-Nov.

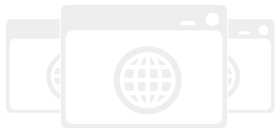
About 36% of individual plan applicants applied online.



## Search Leads in Option Discovery & Conversion

43% used search & then converted at a rate 4–10 pts higher than non-searchers.

Video found useful in simplifying the decision-making process, but content is not readily available.



## Shopping is Not Limited to Enrollment Period

About 1 in 5 Medicare shoppers & 1 in 4 Individual Plan shoppers who shopped during Oct & Nov started research in Aug-Sept.



## Aggregators are Capturing Non-Branded Conversions

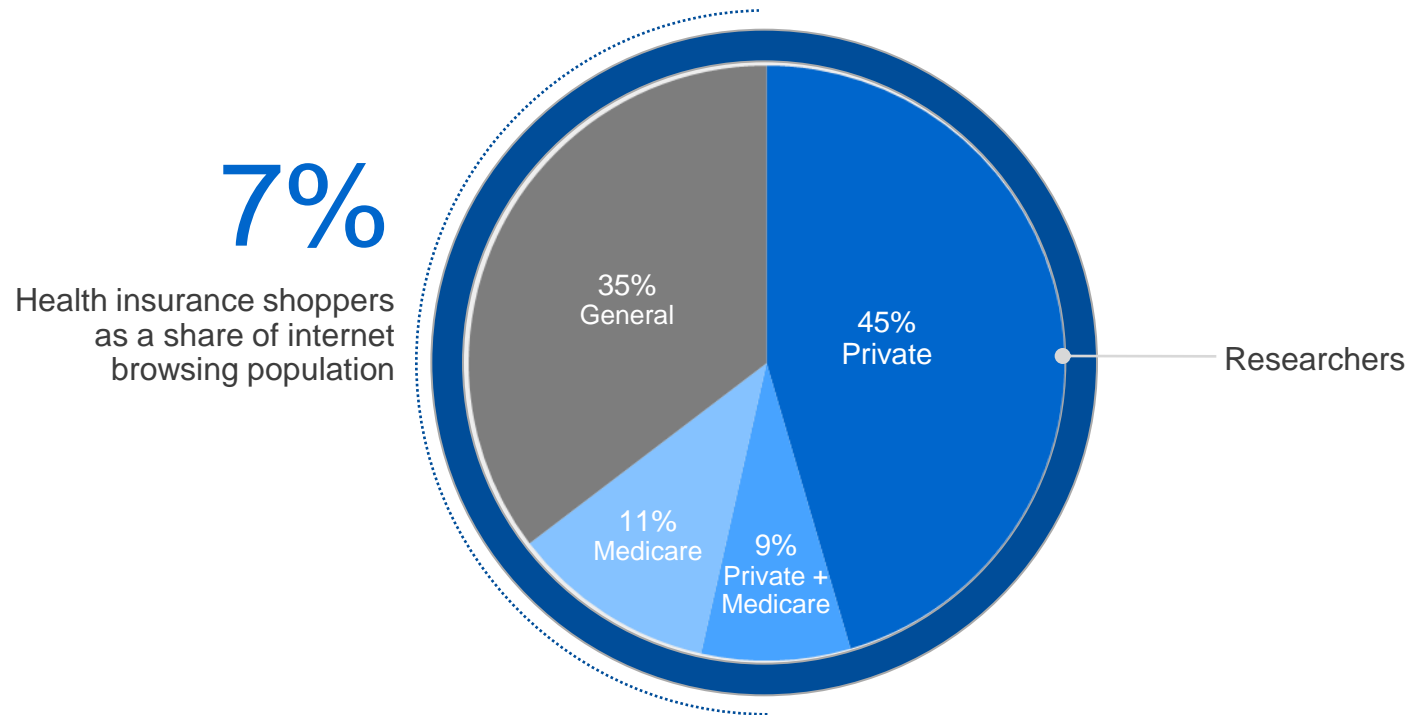
½ of searchers use non-branded terms, but only 1/3 of search referrals to providers came via non-branded terms..

About 71% of referrals to aggregator sites were non-branded.

# Size of the Health Insurance Market Online

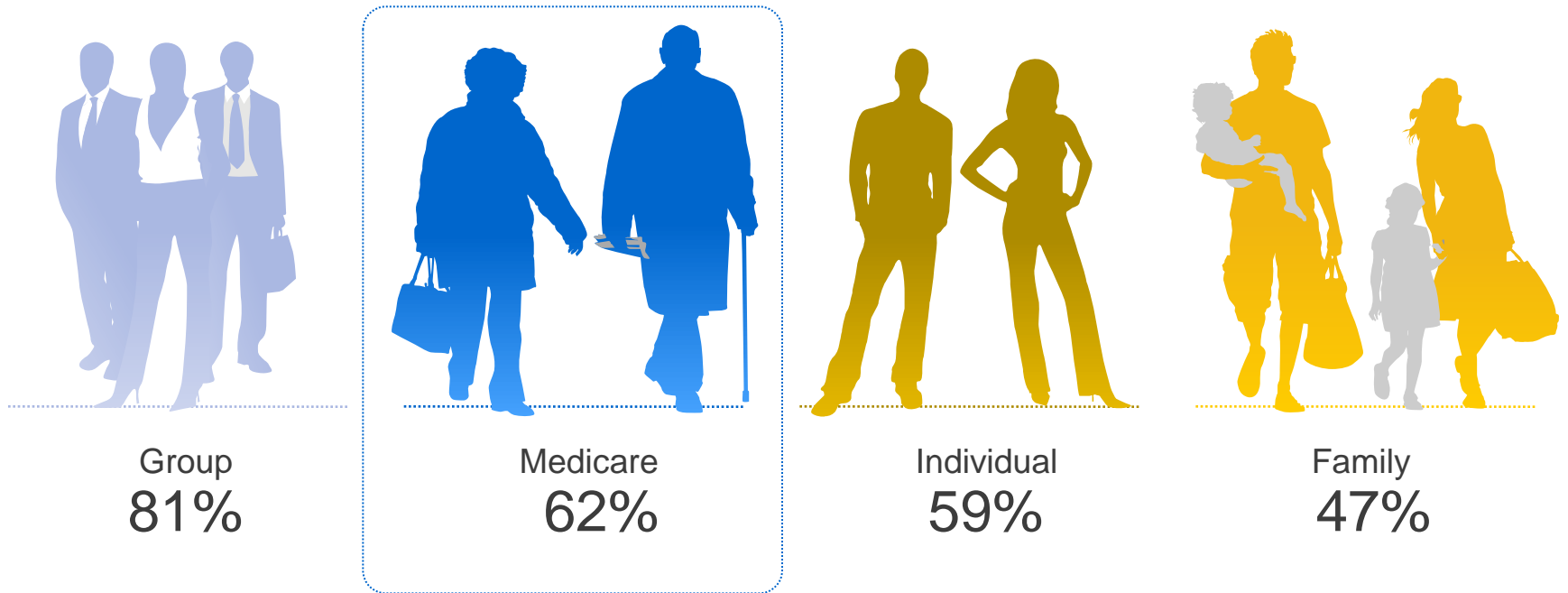
20%\* of 12.6 million estimated to be shopping online for Medicare

35% of researchers could not be linked specifically to Private or Medicare



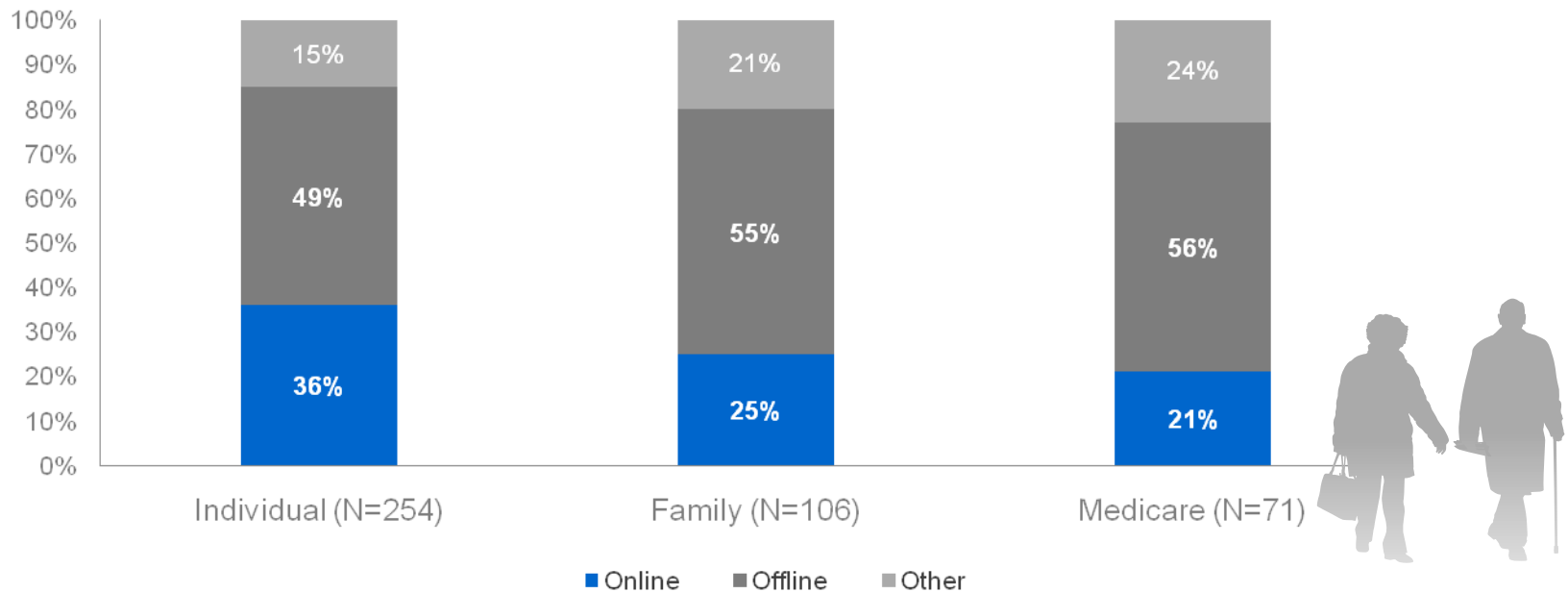
# 62% of Medicare Shoppers Applied

Type of Health Insurance Shopped For  
(Respondents who Reviewed Health Insurance Policies\*)



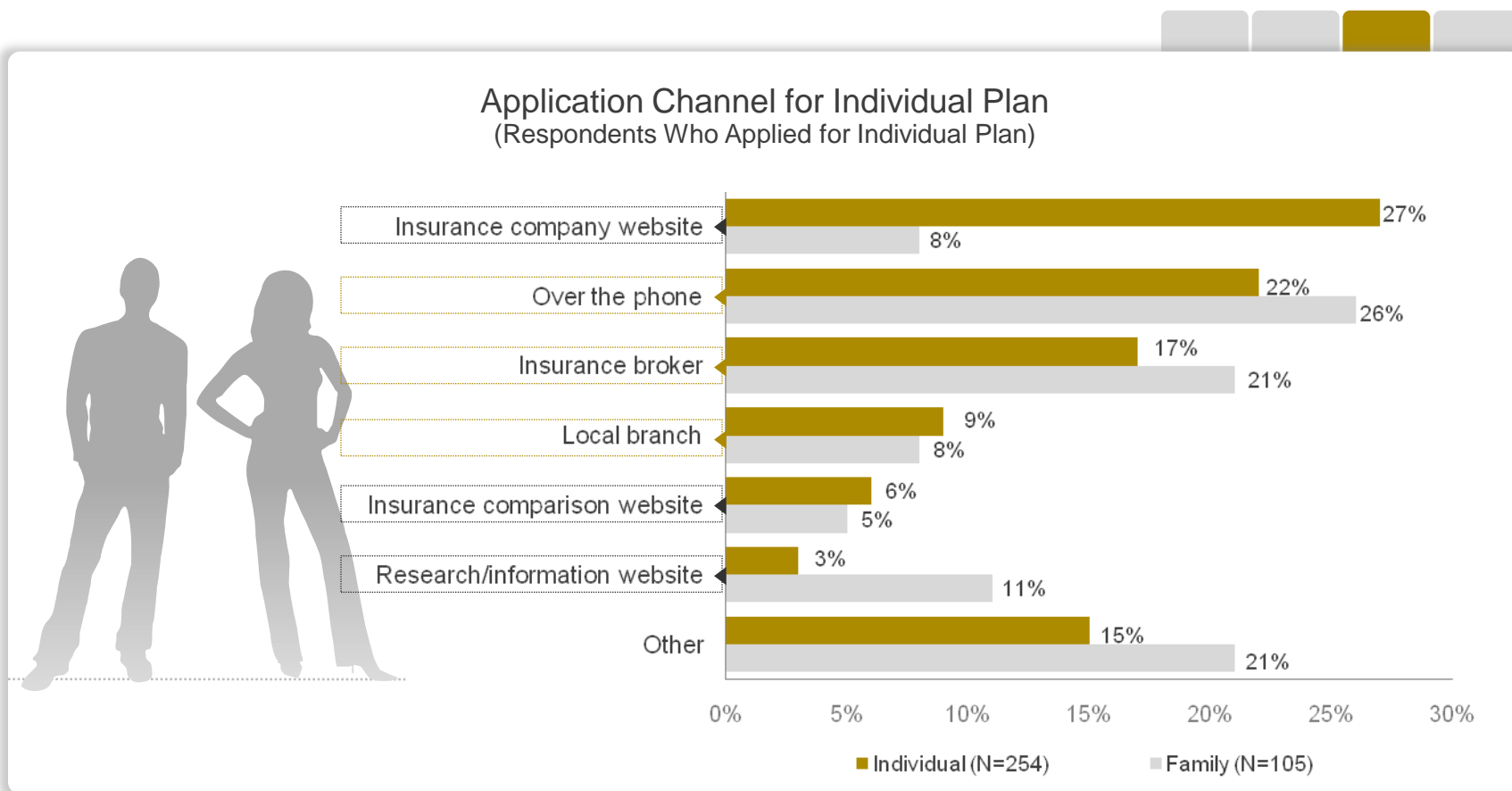
# 21%+ Medicare Applicants Applied Online

Application Channel by Type of Health Insurance  
(Respondents who Applied for Health Insurance Policies)



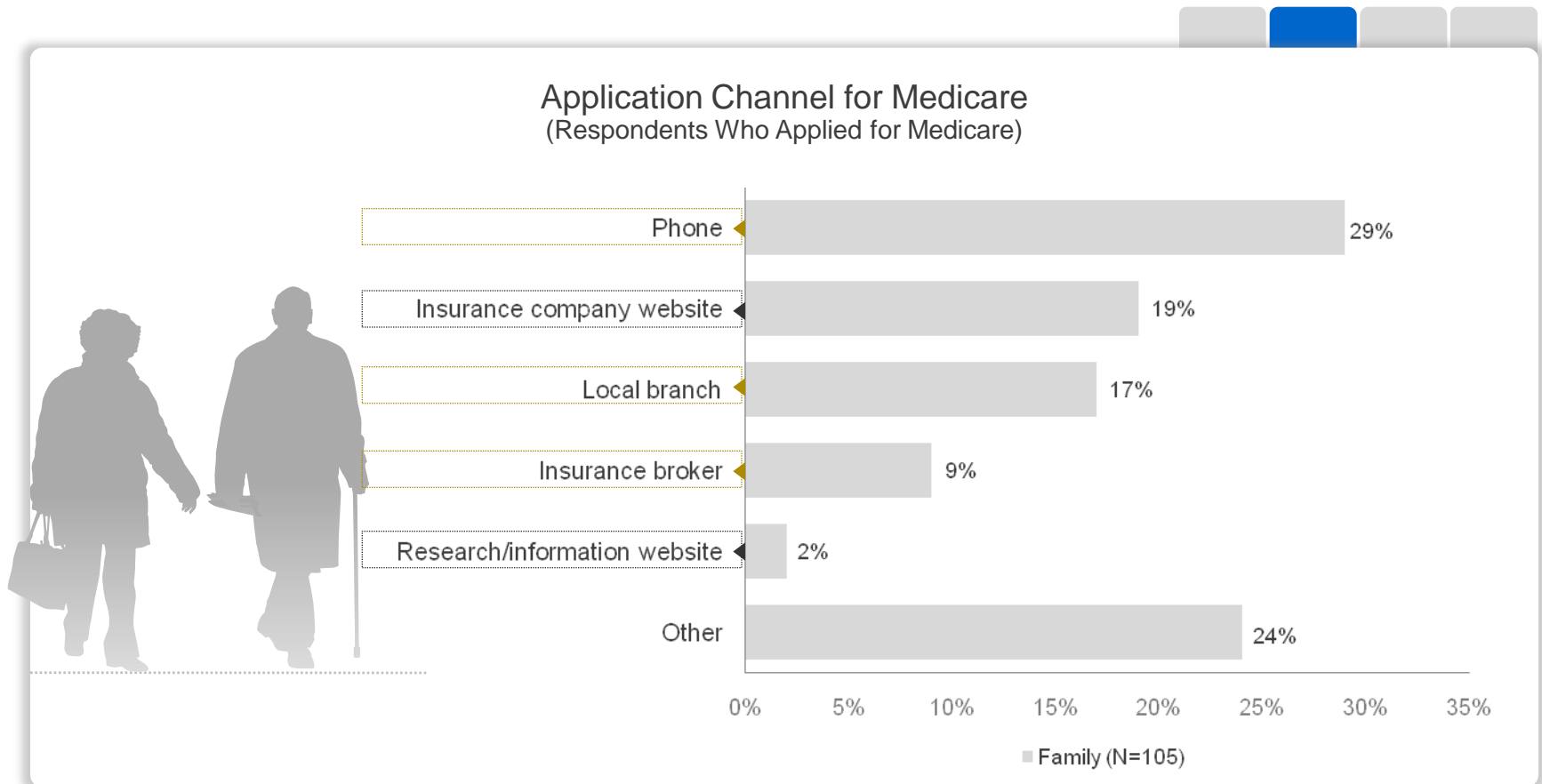
# 36% Individual Plan Applicants Applied Online

Although, phone was the most used application channel, Insurance company websites were also used by large share of applicants.



# 21% Medicare Applicants Applied Online

Other includes “Automatic Forms Online” “Website” and “SSA Office” write-in.



# Medicare: Online Driving 1:2 Ratio

Consider how the online channel is driving offline conversions, and not only online applications, in attribution models.

Offline Application Amplification Due to Online Activities  
(Number of Offline Applicants\* for Every Online Applicant, from Online Shoppers)



Individual  
1.06

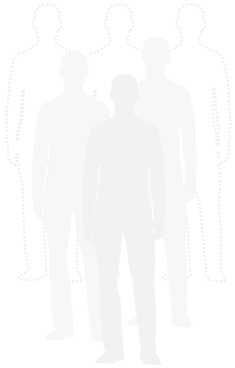


Medicare  
1.83



Family  
3.06

# Summary of Findings



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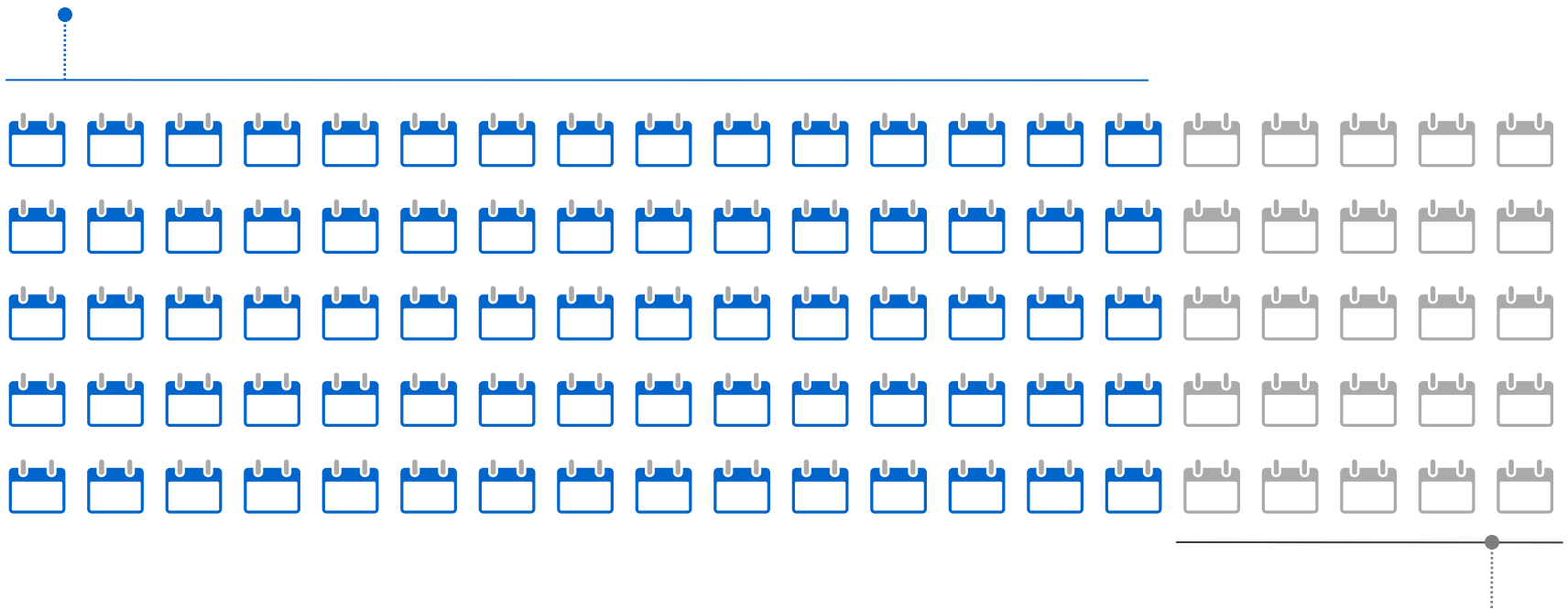
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# ~75% of Shoppers Completed Researching by End of November vs. Continuing into December

~75% of Private and Medicare



of shoppers continued to research  
beyond the end of Nov ~25%

# 18% Medicare Shoppers Shopping in Aug-Sept

Focusing marketing efforts only during Oct-Nov may limit share of shoppers reached



## Private

research began Aug-Sep

25% researching in Oct-Nov

58% continuing in December



## Medicare

research began Aug-Sep

18% researching in Oct-Nov

41% continuing in December

# 69% of Shoppers Completed Their Research Within Two Weeks

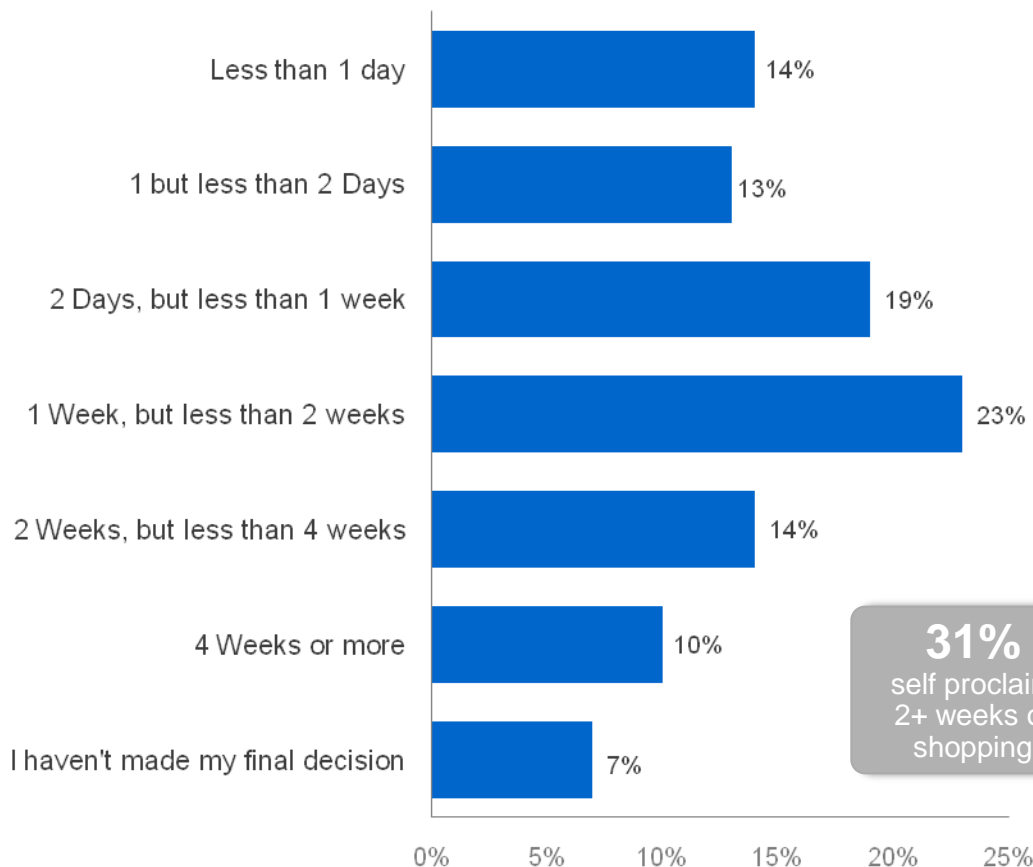
Time Spent Researching Health Insurance  
(Respondents who Reviewed Health Insurance)



Private  
20 days | 30 pages

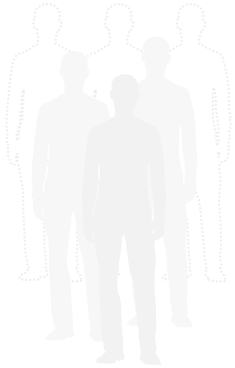


Medicare  
17 days | 39 pages



**31%**  
self proclaim  
2+ weeks of  
shopping

# Summary of Findings



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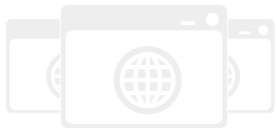
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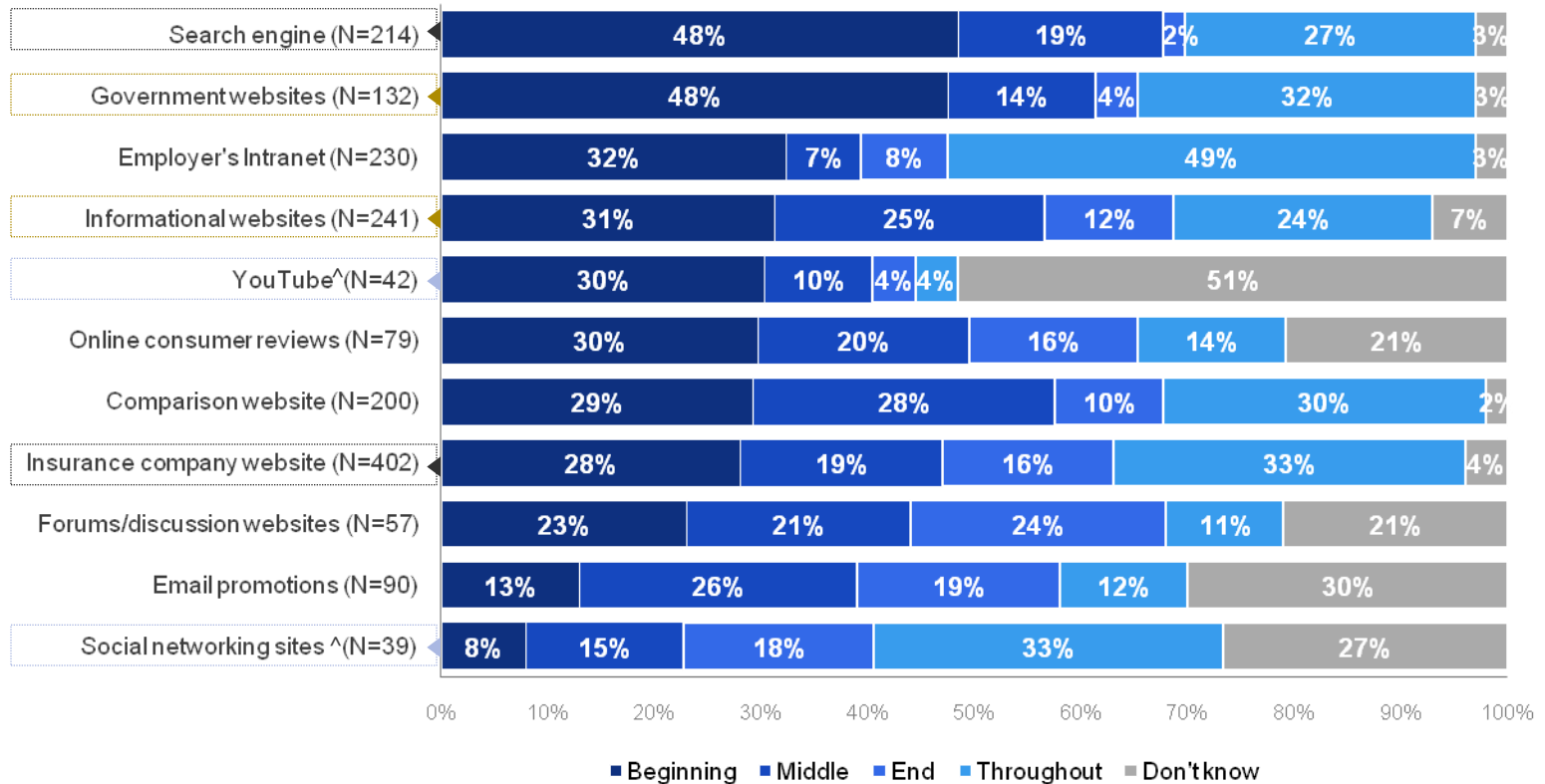
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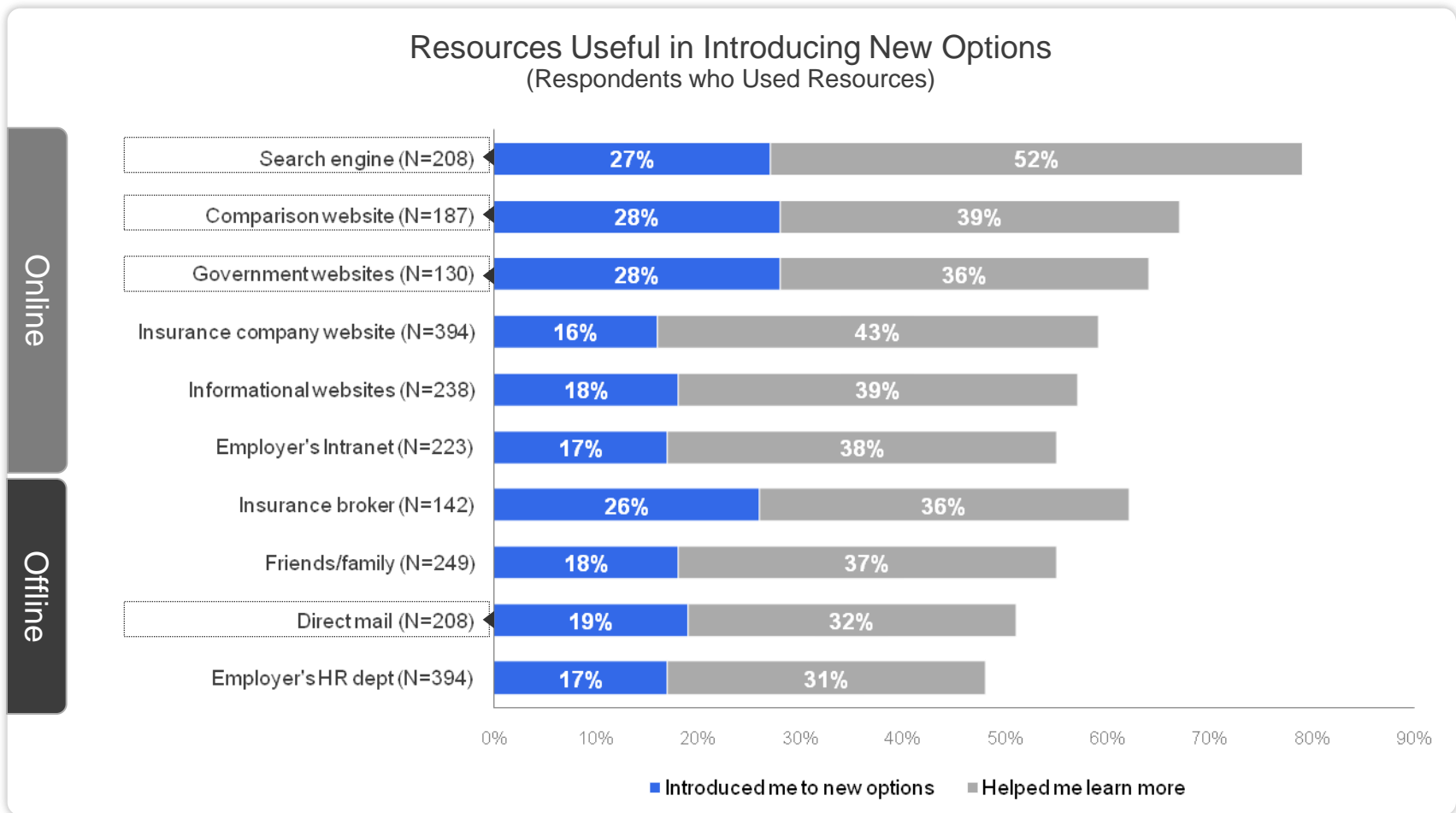
# Search and Government Sites Used to Begin Research

Shoppers leveraged Search as an upper funnel tool to narrow product/brand choices

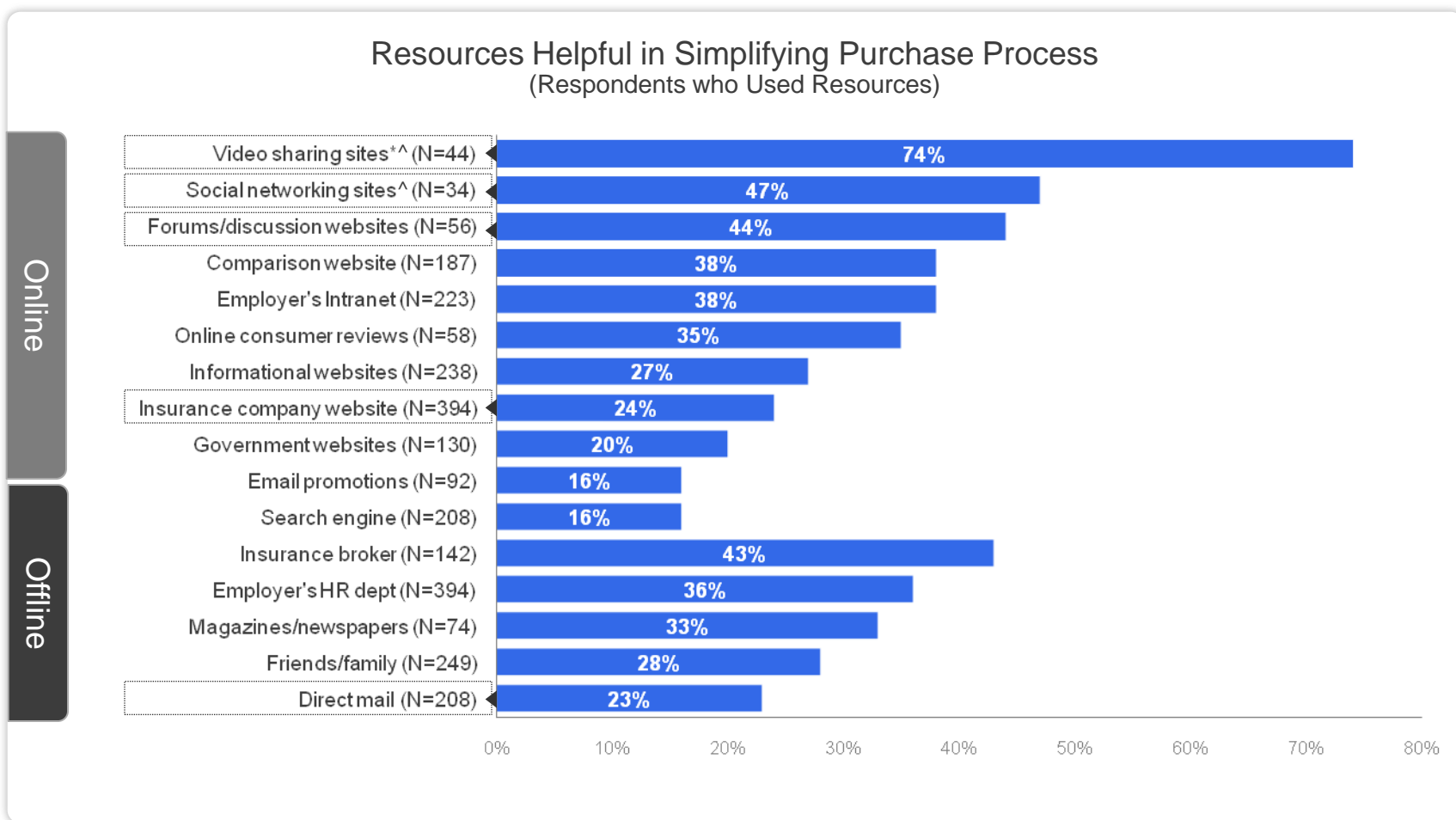
Research Phase in Which Online Resources Used  
(Respondents who Used Online Resources)



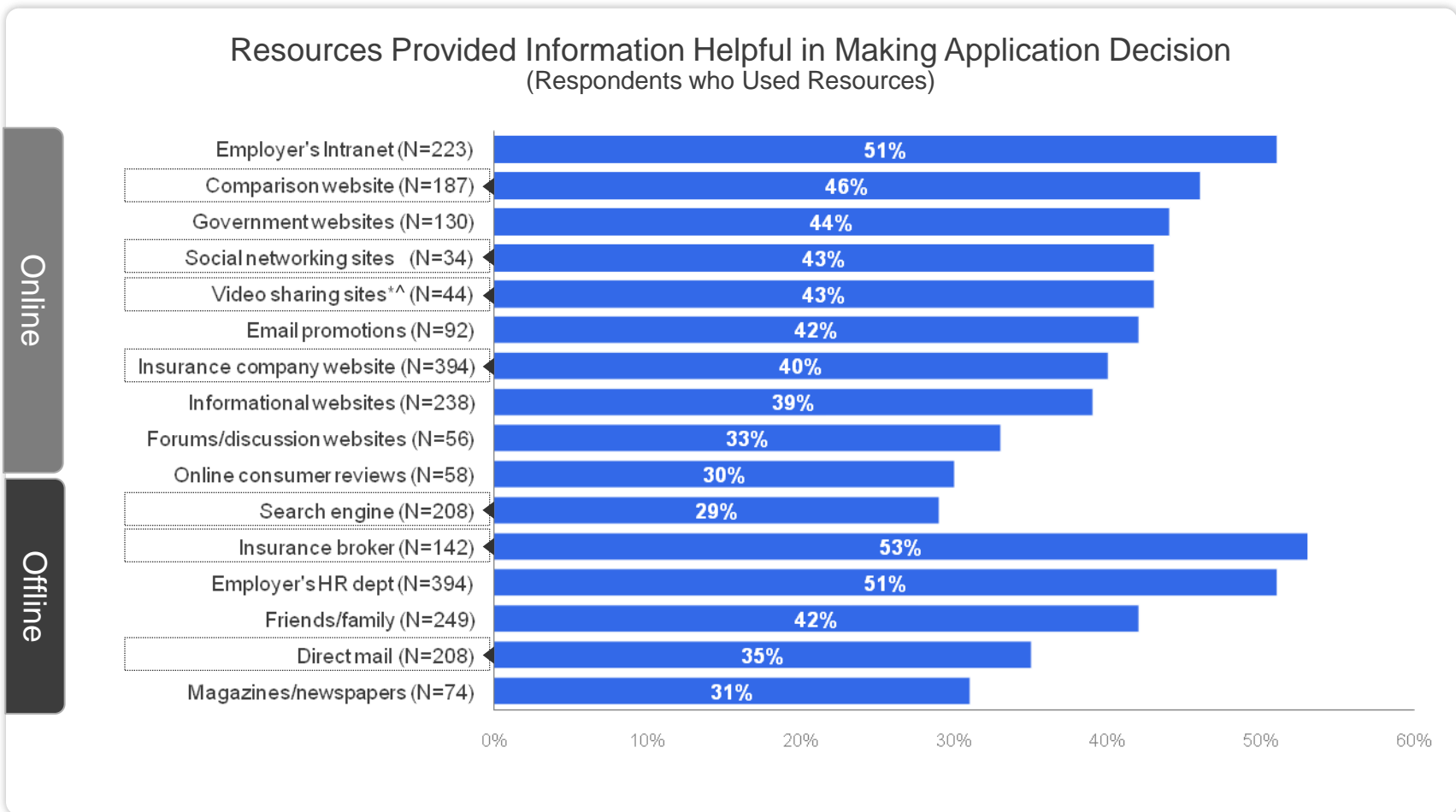
# Online Helps Individuals Find Options



# Shared Videos Helped Simplify Purchase Process

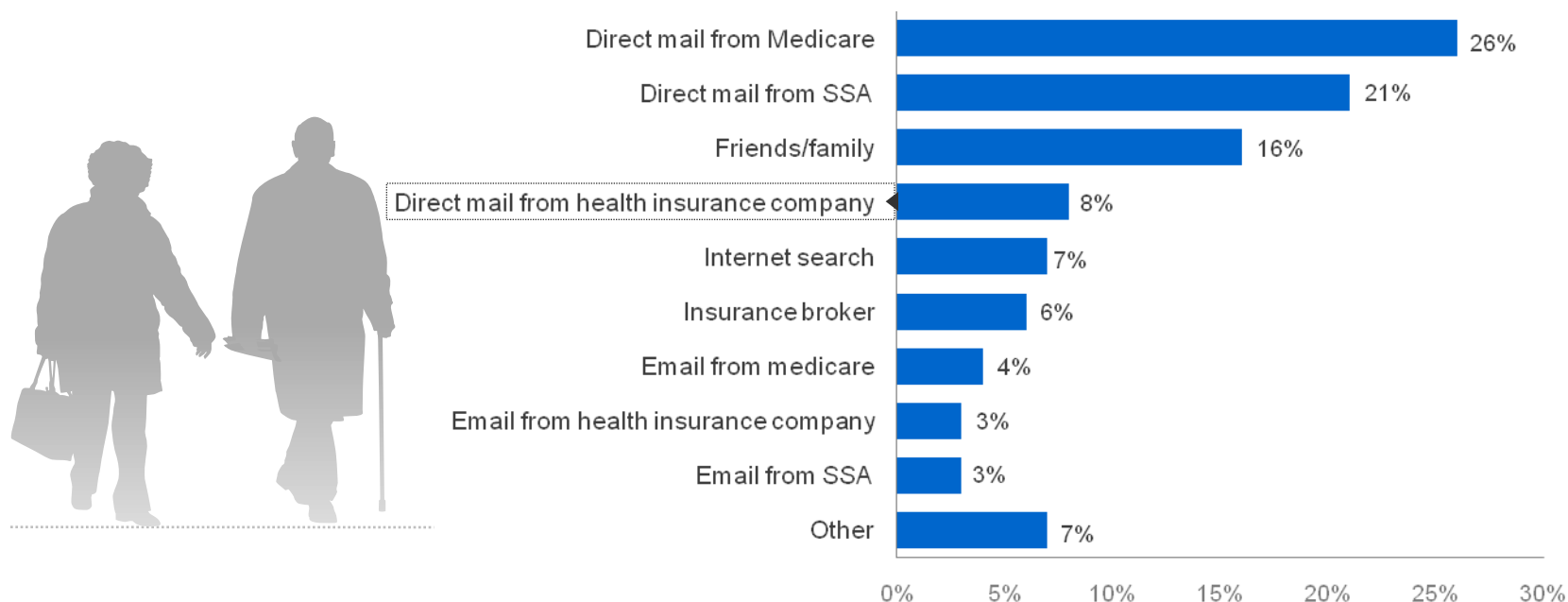


# Offline Resources Help Decide Option to Apply



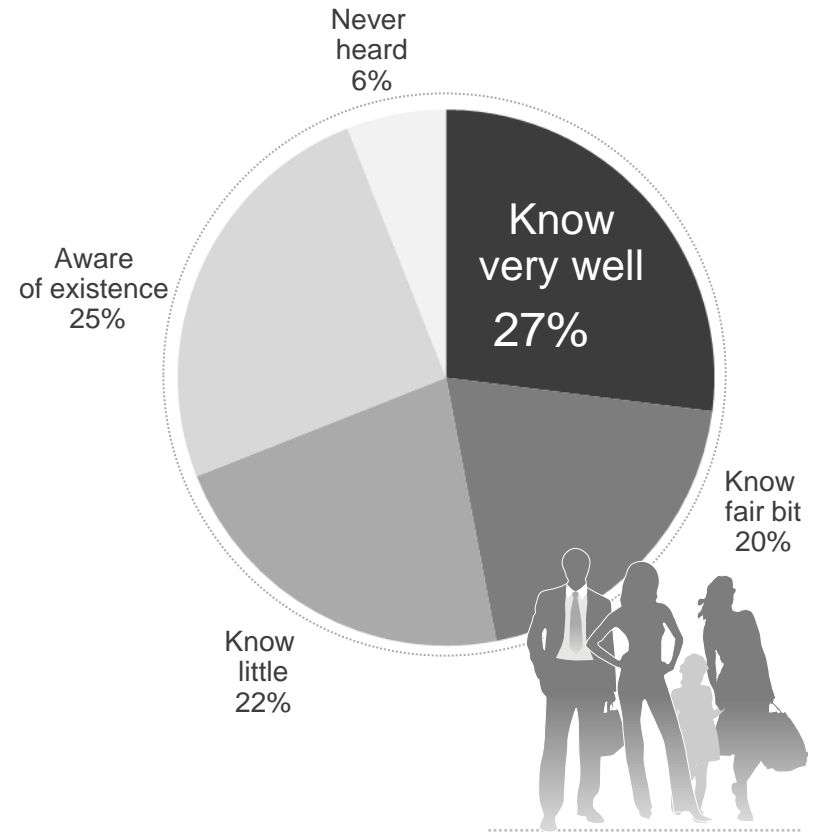
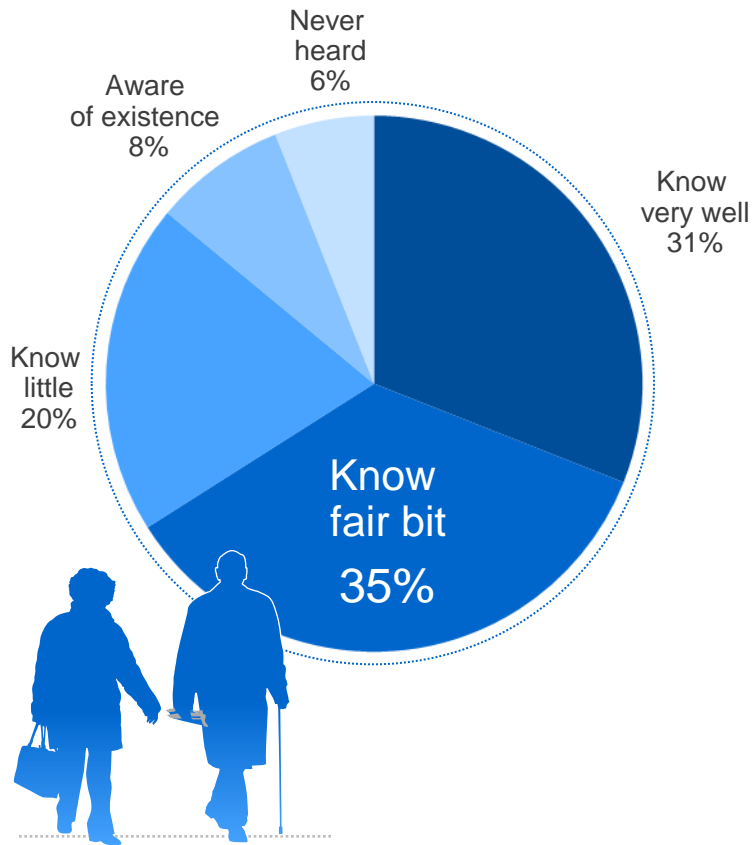
# Direct Mail Introduced Medicare Shoppers to Open Enrollment

Sources that Introduced Open Enrollment for Medicare  
(Respondents Who Were Aware of Medicare open Enrollment)



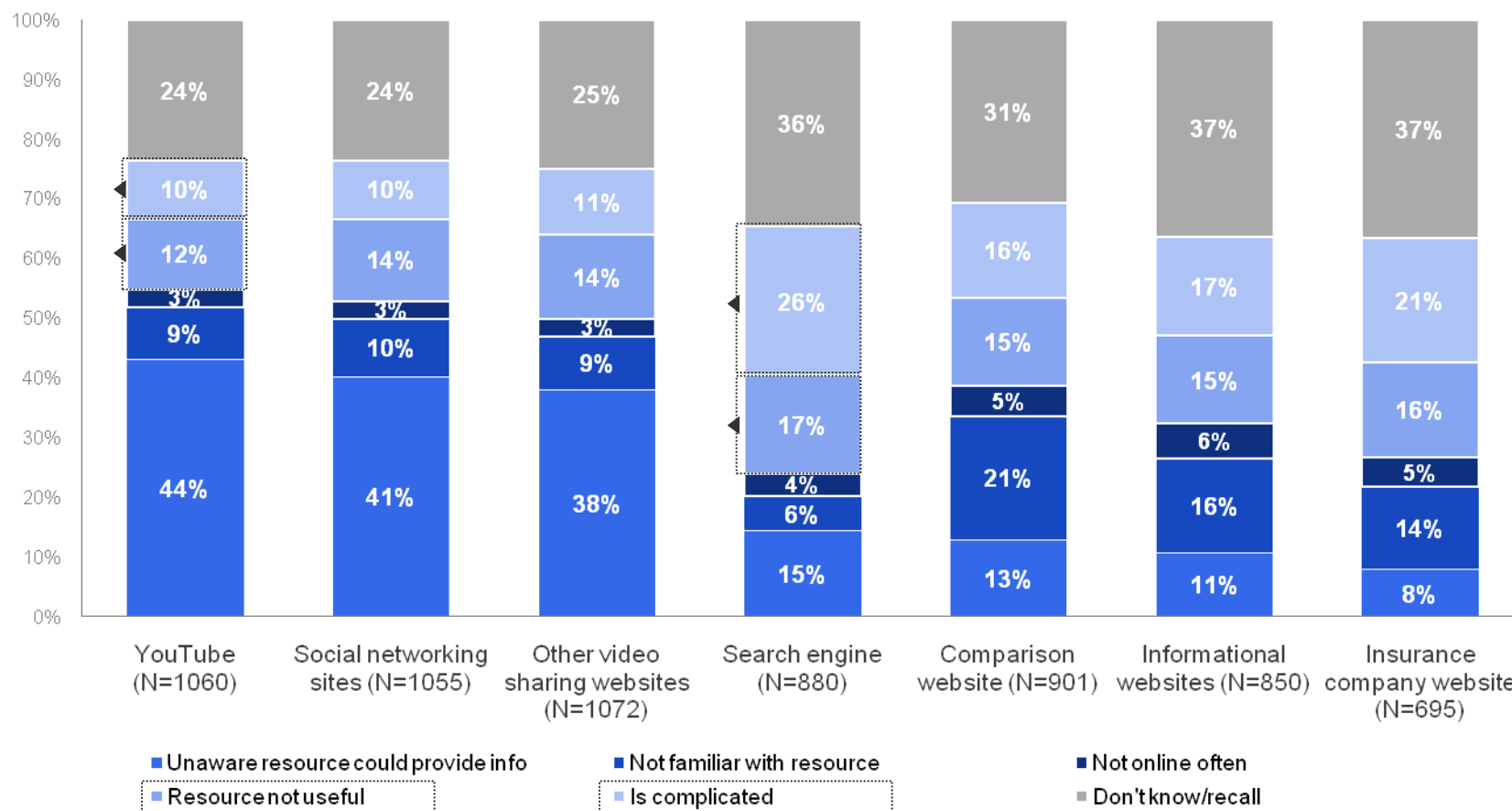
# Medicare Shoppers Knew Less About Enrollment

Familiarity with Open Enrollment  
(Respondents Who Reviewed Medicare or Group plans)

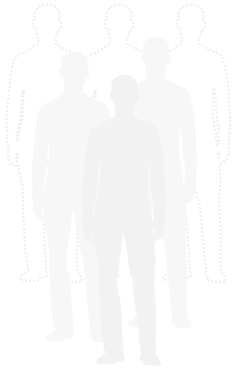


# Awareness Hurdle to Use Video Sharing Sites

Reasons to Not Use Online Resources  
(Respondents Who Did Not Use Online Resources)



# Summary of Findings



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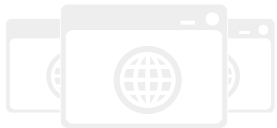
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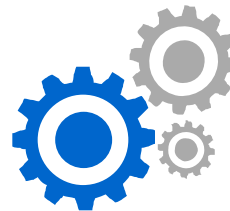
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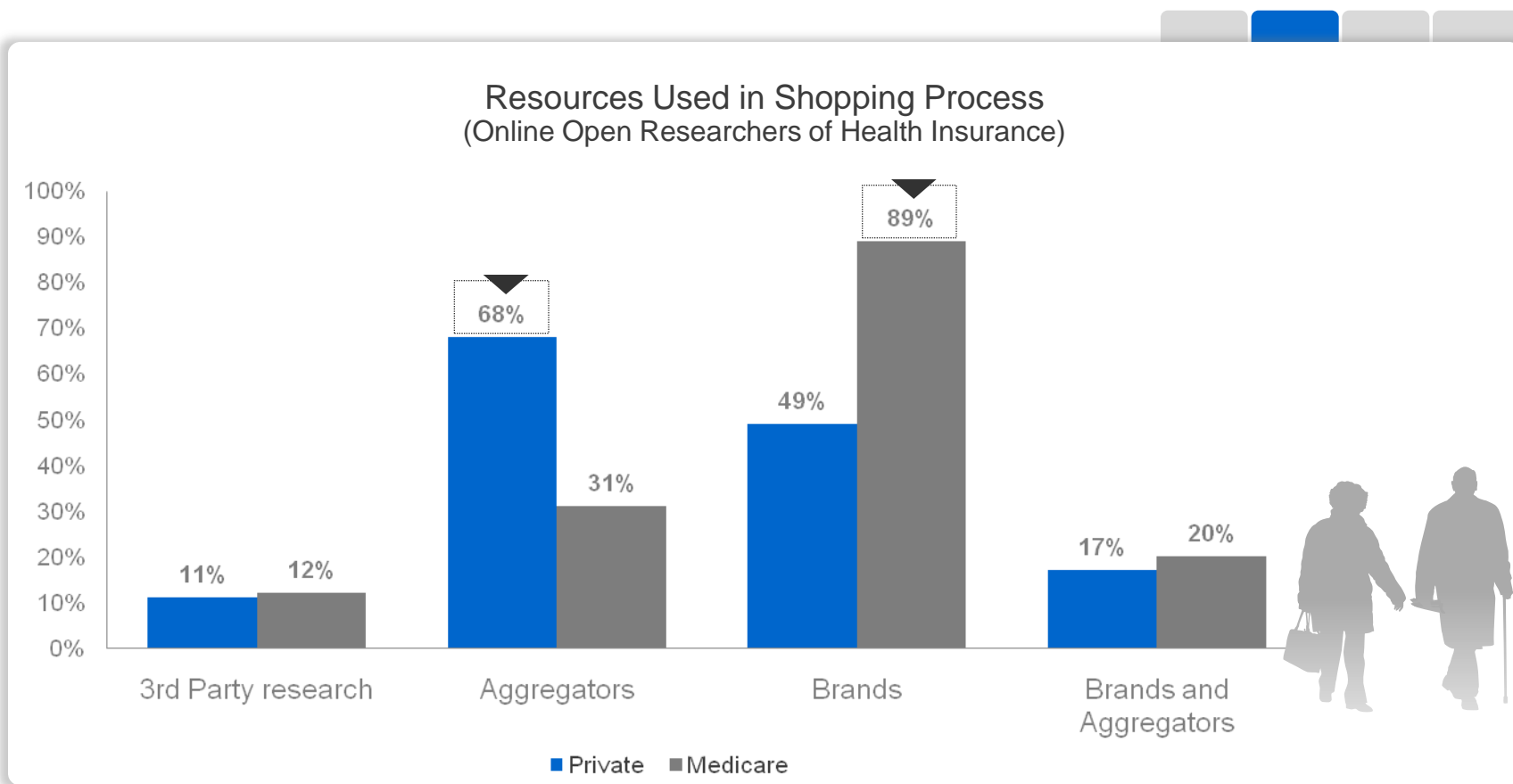


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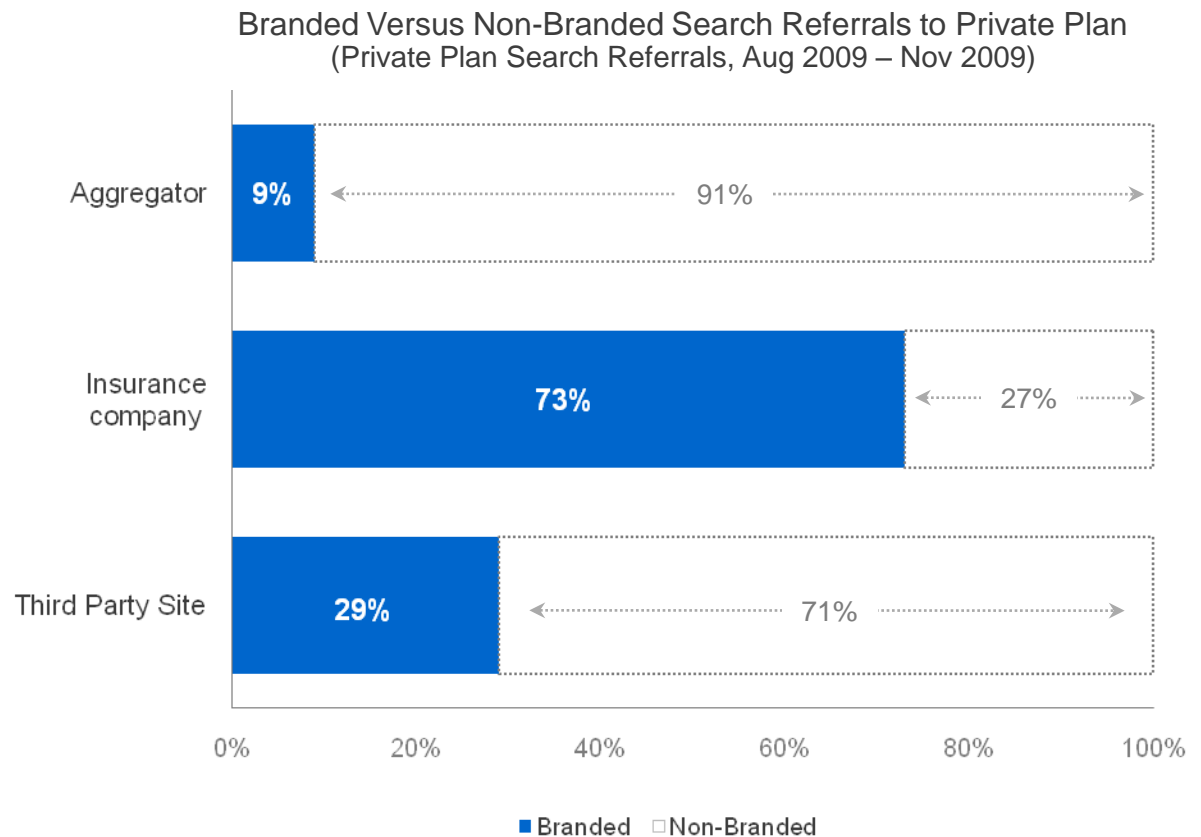
# Compared to Private Plan Shoppers, More Medicare Shoppers Visited Brand Sites



# Most Referrals to Aggregators Non-Branded

Aggregators were more reliant than Insurance companies on Non-Branded terms to drive traffic.

Insurance companies have an opportunity to increase traffic through including Non-Branded terms in their Search strategy



# More Than 40% of Shoppers Utilized Search

Researcher of Medicare were slightly more likely to use Search than researchers of Private plan.



Searcher versus Non-Searcher  
Shoppers of Private and Medicare  
56% are non-searchers

41%

Private Searchers

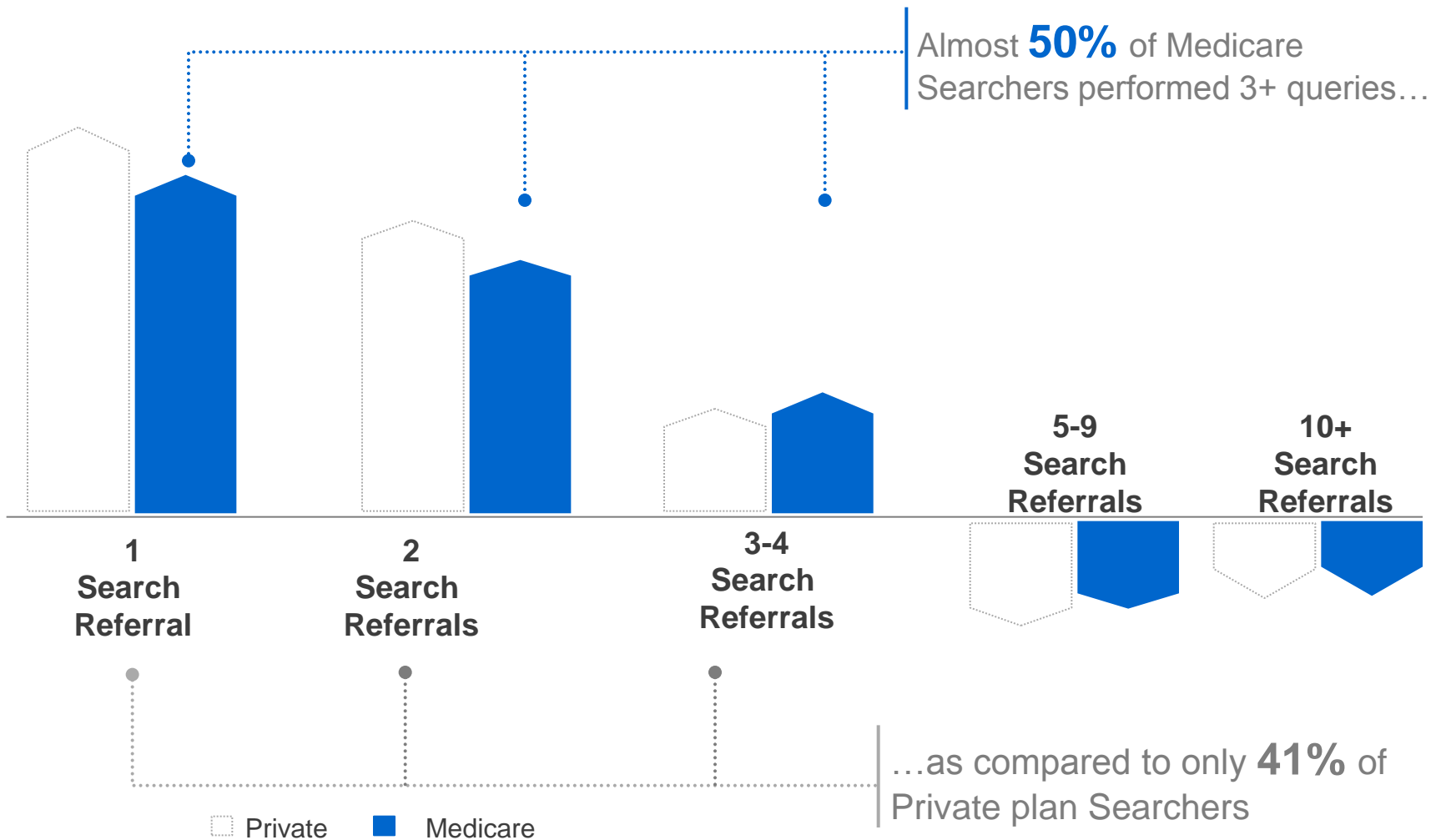


Searcher versus Non-Searcher  
Shoppers of Private and Medicare  
59% are non-searchers

44%

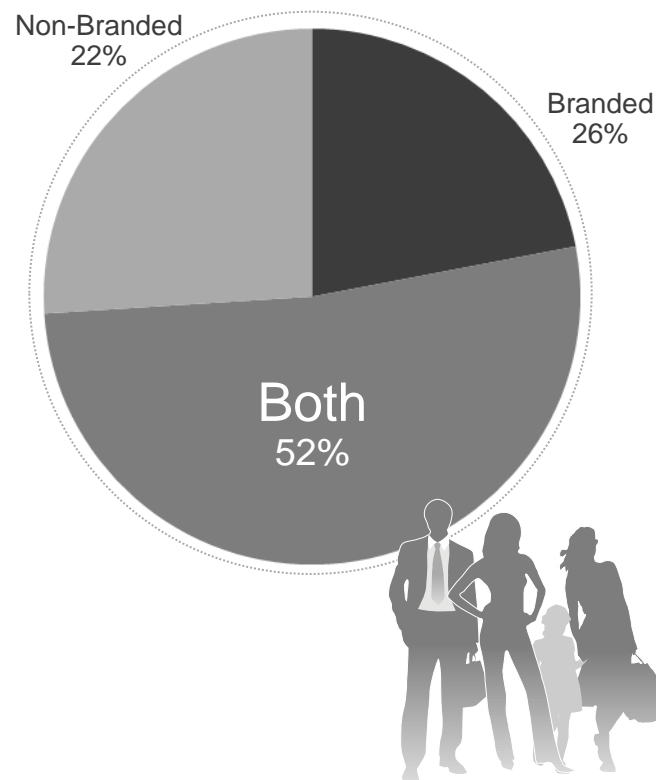
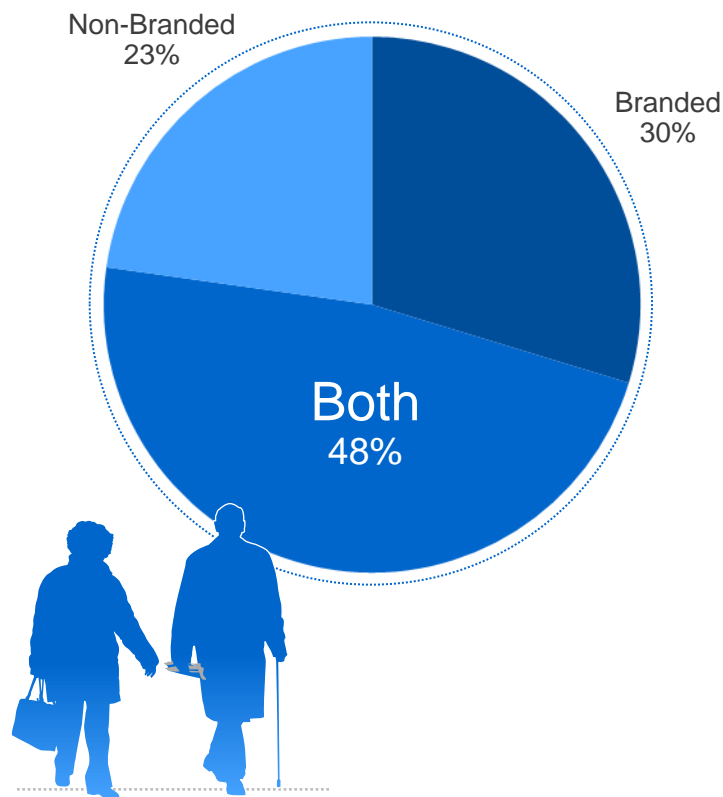
Medicare Searchers

# 44% of Shoppers use Search & Shoppers Perform Multiple Queries



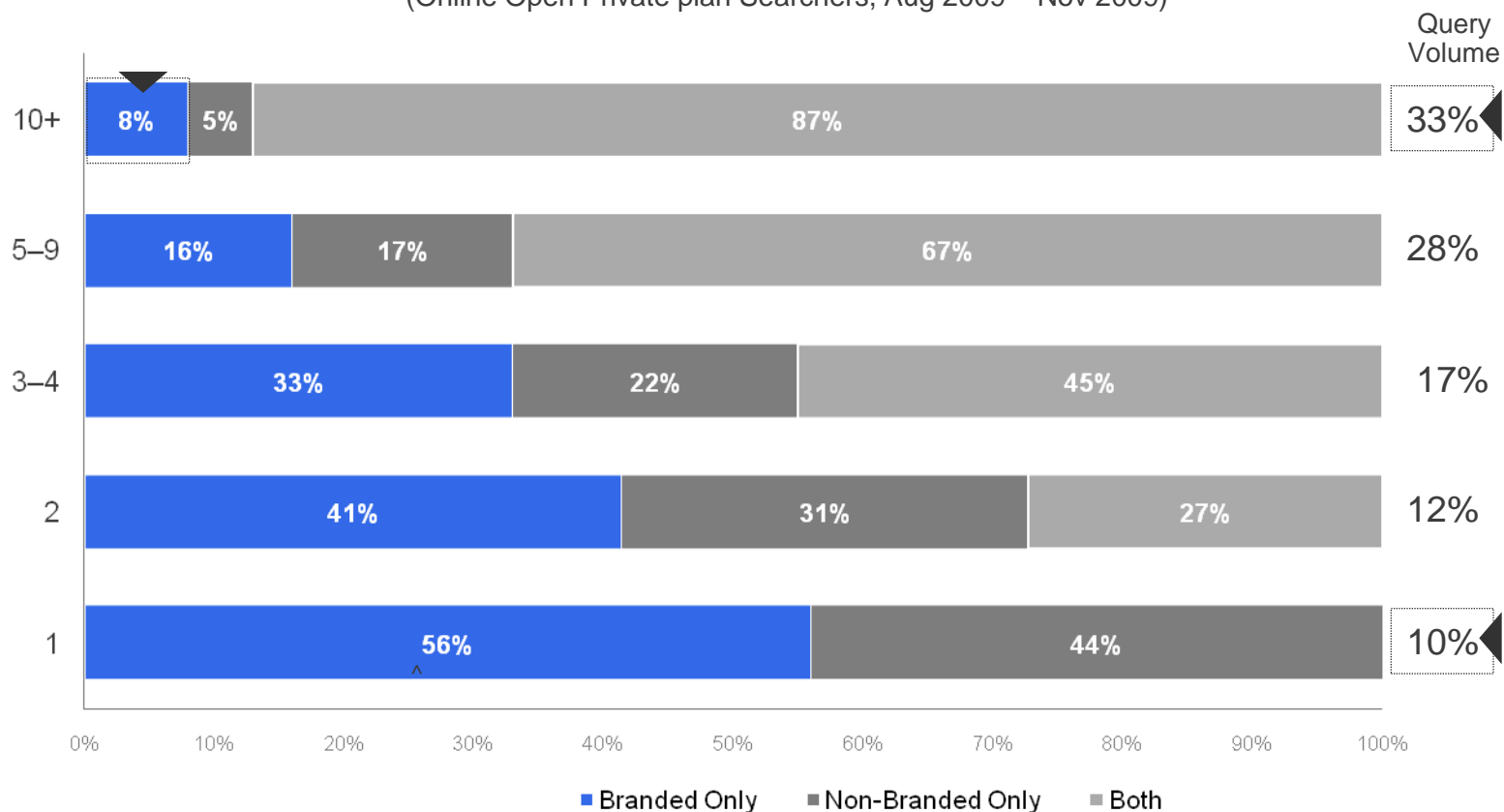
# ~75% of Shoppers Who Utilized Search Used Non-Branded Search Queries

Use of Branded Versus Non-Branded Search  
(Online Open Researchers who Performed Multiple Searches, Aug 2009 – Nov 2009)



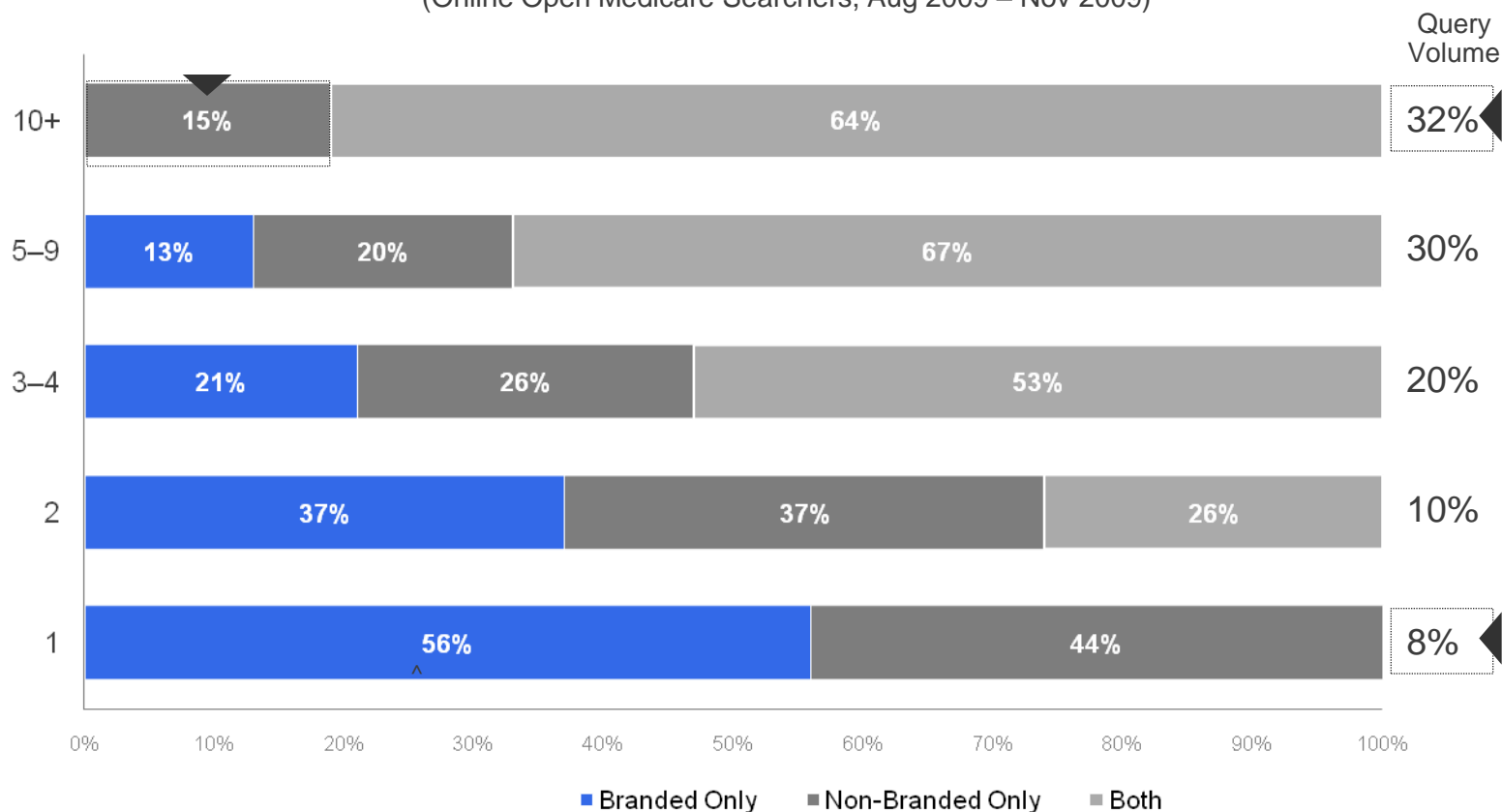
# Private Plan Searchers Use Combination of Terms

Branded Versus Non-Branded Queries by Private Plan Researchers  
(Online Open Private plan Searchers, Aug 2009 – Nov 2009)



# More Medicare Searchers Used Only Non-Branded Terms

Branded Versus Non-Branded Queries by Medicare Researchers  
(Online Open Medicare Searchers, Aug 2009 – Nov 2009)



# More Medicare Shoppers Began Applications



**71%**

**Medicare shoppers  
were more likely to  
begin applications**

**47%** Began Application on  
Brand only



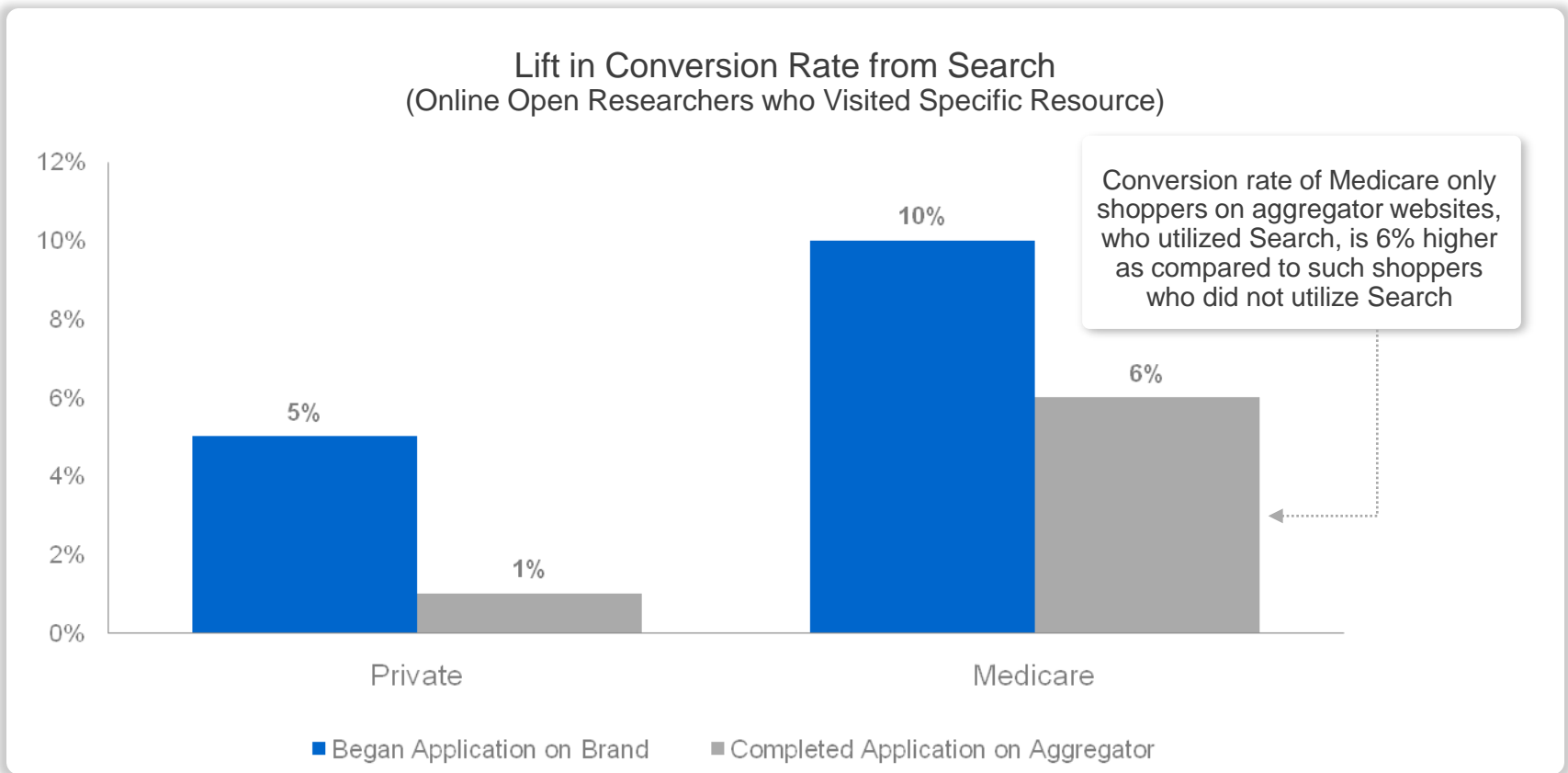
**60%**

**Private plan shoppers  
were more likely to  
begin applications**

**37%** Began Application on  
Aggregator only

# Searchers Convert at a Higher Rate

Medicare and Private plan shoppers utilizing Search converted at a higher rate on Aggregator and Brand websites than those who did not use Search



# Key Takeaways

There is a great opportunity **to educate health insurance** shoppers on their choices and simplify their decision making process, especially for Medicare.

There is an opportunity **to be the top of funnel leader**, and chance to capture non-branded conversions, for private and Medicare plans.

There is an enormous opportunity **to achieve Medicare consumer attention** and **brand recognition** prior to annual enrollment.

Include **online to offline conversions** in attribution modeling.

Like what you learned?  
Find more data and thought starters at

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