The value of aggregators

Health Insurance
Shopping for Health Insurance is confusing for many enrollees. Health illiteracy and increased choice are main contributing factors.

Based on a research study in 2019:

- **12%** of people knew the correct date for Open Enrollment
- **80%** of people still believed there is a tax penalty for foregoing health insurance
- **29%** of people could correctly define premium, copay and deductibles

Continual **regulatory changes**, rising popularity of **short-term plans** and increased Medicare Advantage **options** add to the confusion.

Source: Policygenius 2019 Survey of 1,500 people (Oct 1-3, 2019)
New Medicare enrollees depend on help from agents and online resources to make their decisions.

**Survey: Importance of assistance in enrolling in Medicare**

<table>
<thead>
<tr>
<th>Service</th>
<th>Didn't Use</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistance from a health insurance agent</td>
<td>21%</td>
<td>15%</td>
<td>21%</td>
<td>43%</td>
</tr>
<tr>
<td>Online information about Medicare</td>
<td>18%</td>
<td>12%</td>
<td>33%</td>
<td>37%</td>
</tr>
<tr>
<td>Assistance from representatives of the company you enrolled with for Medicare</td>
<td>30%</td>
<td>14%</td>
<td>25%</td>
<td>31%</td>
</tr>
<tr>
<td>Advice of friends and family</td>
<td>23%</td>
<td>17%</td>
<td>33%</td>
<td>27%</td>
</tr>
<tr>
<td>Mail from the company you enrolled with for Medicare</td>
<td>27%</td>
<td>23%</td>
<td>28%</td>
<td>22%</td>
</tr>
<tr>
<td>Advice from your doctor’s office or pharmacy</td>
<td>45%</td>
<td>25%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Assistance from a government agency or volunteer organization</td>
<td>45%</td>
<td>32%</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>Assistance from representatives of other companies that you did not enroll with</td>
<td>41%</td>
<td>32%</td>
<td>17%</td>
<td>10%</td>
</tr>
<tr>
<td>Mail from other companies that you did not enroll with</td>
<td>30%</td>
<td>37%</td>
<td>26%</td>
<td>7%</td>
</tr>
<tr>
<td>Assistance from your employer</td>
<td>56%</td>
<td>33%</td>
<td>5%</td>
<td>7%</td>
</tr>
</tbody>
</table>

**64%**  
COVID-19 may make it challenging for some seniors to seek in-person help with agents and representatives.

**70%**  
There is an opportunity for digital marketers to interact more with Medicare enrollees.

Source: Deft Research – 2019 Medicare Age-In Study, Base = Recently Enrolled in Medicare (n=506)
With the COVID-19 pandemic shifting the healthcare industry into the digital space, consumers crave more digital communication.

71% “I want my Health Insurer to communicate with me using more modern platforms.”

63% “Communication with my Health Insurer would be easier if it was all digital.”

65% “When it comes to addressing my healthcare needs, I feel like a general contractor.”

Health Insurance digital marketers have an opportunity to make the decision journey less complicated for enrollees. Aggregators play an important role in this journey.

Source: The Harris Poll – 2020 Change Healthcare – Harris Poll Consumer Experience Index
Industry trends

Aggregators vs. Insurers
Aggregators are an increasingly important part of the online experience for users searching for Health Insurance.
Higher vertical clicks are projected in the upcoming annual enrollment period (AEP) cycle, with projected lower click through rate (CTR) due to projected increased competition.


2020 AEP forecast: +4% year over year (YoY)

2020 AEP forecast: -28% YoY
Projected click increase during upcoming AEP driven by Aggregators


Trended Clicks (Insurer)

Trended Clicks (Aggregator)

2020 AEP forecast: -12% YoY

2020 AEP forecast: +11% YoY

CTR rates run higher for Insurers compared to Aggregators


2020 AEP forecast: -35% YoY

2020 AEP forecast: -25% YoY
Path to conversion

Medicare
Query path definition

Analyzed paths of users who searched for terms triggering health insurance search advertisement and converted

Query paths are the filtered search histories of Bing users who have impressions with an advertiser or relevant competitor

The example to the right shows the query path for a Customer X who ran 4 total searches before converting with the account

Metrics may appear higher than they really are

Query Paths are based on “successful” paths that end in conversion. Metrics should be viewed in comparison to other metrics within the analysis and are not representative of entire marketplace
Methodology

Two conversion periods analyzed
July – December 2019
January – June 2020

Market filters
Users converting on Medicare

Unique paths
219K

Footnotes: Medicare includes Medicare Advantage, Medicare Supplemental, PDP, and general Medicare queries.
When comparing the top 10 Aggregators vs. Insurers, Aggregators consistently dominate click share.

During AEP, Insurers improve their click share ranking.

Aggregators make up the majority of first and last touch for Medicare converters, especially with last touch.

Aggregator click share begins to converge when we approach AEP months

Medicare researchers who did not click on aggregator ads had **shorter journeys**

- **Path Contained Agg.**: 93.5% of paths
- **Insurer-Only Path**: 6.5% of paths

**Paths where an aggregator was clicked were 6% longer and had 62% more searches on average**

- Average journey duration:
  - Insurer-Only Path: 35 days
  - Path Contained Agg.: 37 days

- Average searches:
  - Insurer-Only Path: 5
  - Path Contained Agg.: 8

Most Medicare researchers are **cross shopping** with different advertisers.

44% **Did not cross shop**

56% **Did cross shop**

41% **Clicked on more than 1 Aggregator**

7% **Clicked on more than 1 Insurer**

Attribution case study: During 2019 AEP, users who clicked on Aggregator search engine marketing (SEM) ads were more likely to click on Insurer SEM ads.

Insurers perform better on branded queries whereas Aggregators outperform on non-brand.

Insurers need increased investment and campaign tuning on Medicare non-brand terms to get the lower CPCs enjoyed by Aggregators.
Summary of opportunities

For: Aggregators

Increase **presence during AEP** to maintain dominant click share

Expand KW coverage to cover **non-brand terms** that perform well

**Conquest on competitors** to capture researchers who cross shop

Maintain **educational** landing pages to assist with consumer journey
Summary of opportunities

For: Insurers

Activate on non-brand terms that drive Aggregator success

Enhance off-season coverage to capture IEP enrollees and diligent researchers

Consider conquesting on Aggregator brand terms

Maintain strong educational content on landing pages to aid in consumer journey
Strategies and recommendations
