The use of social media by short term insurance in South Africa

Zamokuhle Joan Mbatha

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Business Administration

Johannesburg, 2018

ABSTRACT

The evolution of social media has allowed companies to connect with individuals on an online platform in real time. Short term insurance has been around for centuries and insurance companies have been accessing their customers through word of mouth, door-to-door and call centre agents. Social media has opened a new avenue for insurance companies to access new clients and the ability to address current customer needs and concerns. There appears to be little published research on the use of social media by insurance companies in South Africa. This study investigated the use of social media by insurance companies to sell, address complaints and to educate their customers in South Africa. The data was collected using semi-structured interviews with individuals who are responsible for running social media platforms. The data was analysed based on themes to gain an understanding of how social media is used by insurance companies to interact with their customers. The research findings indicate that insurance companies are using social media to address complaints and educate their customers on insurance terms and changes in legislation. Social media has the potential to build an organisation's reputation, however, it can also destroy it at the same time because of disgruntled clients. The research, however, found participants were split in their view of whether social media should be used as a tool to sell insurance products. Social media should be seen as an interactive platform to engage with clients and it can be used to grow an organisation's brand. Short term insurance companies can derive benefits from using social media platforms to connect and interact with new and current customer bases which will allow them to extend their presence in the market.

DECLARATION

I, Zamokuhle Joan Mbatha, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration (MBA) at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Zamokuhle Joan Mbatha

Signed at ……………………………………………………….

On the ……………………………... day of ………………………… 2018

DEDICATION

To my Heavenly Father and my family for their love, constant support in my dream to obtain this qualification, this would not have been possible without them.

ACKNOWLEDGEMENTS

I would like to thank my Supervisor, Jennifer Croll, for her guidance, patience and support throughout this whole process.

To all the respondents who this research would not be possible without their participation and honesty.

Baja thank you for walking this journey with me.

To my Mom, Siya, Bonga, Dawn, Baja and Musa thank you for supporting what seemed to be an impossible dream. Thank you for all that you have done and sacrificed for me to pursue my MBA. I appreciate all that you have done and words cannot express my gratitude. Love you

Dad,Ma-enewcastle Bhuti Nathi, Sisi Thoko, Sisi Mjay, Bhuti BB, Sisi Zani, Sisi Mpume thank you.

To my nephews and nieces, the future is yours.

All my friends for their encouragement throughout this journey.

Table of Contents

CHAPTER 1. INTRODUCTION

1.1 Purpose of the study

The purpose of this research was to assess how insurance companies are using social media to sell new products and services, to handle customer complaints or concerns, as well as to educate customers.

1.2 Context of the study

According to Marett, McNab and Harris (2011) the internet has introduced various networking applications that have been adopted and used by the public that are facilitated by various social networks and websites. The authors found that social media has become a global phenomenon and vital for social networking and content sharing as a result, it allows for easy access, speed, use and reach. Social media is also a platform to set trends, discussions about relevant topics such as the environment, technology, entertainment and politics (Asur & Huberman, 2010).

Furthermore, social media has allowed consumers to become content creators through various platforms such as, Twitter, Facebook, MySpace, video sites such as YouTube and SlideShare, as well as WordPress and TypePad, which are blogging platforms (Carr & Maier, 2013).

Therefore, customer needs and confidence levels will drive the way in which insurance companies utilise their resources (Felício & Rodrigues, 2015).

1.3 Research Problem

1.3.1. Main problem

To evaluate to what extent insurance companies are using social media as a tool to sell new products and services, address customer complaints or concerns and to educate customers.

1.3.2. Sub-problems:

- The first problem is to understand the use of social media by insurance companies to sell new products and services to current and new customers.
- The second problem is to understand the use of social media by insurance companies to address customer complaints or concerns on a various platform.
- The third problem is to understand the use of social media by insurance companies to educate their customers.

1.4 Significance of the study

This research hoped to highlight how insurance companies are using social media as an avenue to sell, address complaints and to educate policyholders in South Africa.

According to the National Association of Insurance Commissioners (2015), policyholders are using social media to acquire information to help them make insurance decisions and to provide information about insurance companies and their products to anyone who has access to a web browser.

Social media can impact an organisation in the following manner;

Firstly, all aspects of personal selling and sales management can be affected by technology in relation to the sales function (Andzulis, Panagopoulos & Rapp, 2013). Secondly, in the past, consumers would voice their dissatisfaction with a company to their close family, friends and colleagues, however, the World Wide Web has opened online avenues for consumers to tell the world of their dissatisfaction and to seek retribution (Ward & Ostrom, 2006, Gre´goire, Salle & Tripp, 2015). Finally, social media provides insurance companies with a platform to educate their policyholders about their services, complete a sale or to build brand awareness about the organisation (Waggoner, 2015).

Therefore, insurance companies may use social media for a variety of reasons to engage with customers and to provide relevant content.

1.5 Delimitations of the study

This research only focused on the short-term insurance companies' use of social media in South Africa. The following areas were excluded from this study:

- Life insurance
- Commercial insurance
- Reinsurance
- Specialised short term insurance companies, eg. offering legal aid cover
- Individuals who do not make use of social media websites
- IT systems and workings

- The study will only address social media uses in major insurance companies
- The study will be carried out using a qualitative data collection method: Interviews will be conducted

1.6 Definition of terms

- Web 2.0: this is the latest computer-mediated system that uses participatory websites that allow individual to interact (Walther & Jang, 2012).
- Trolls: is the disruption of a conversation by posting inflammatory comments for the user (troller) own amusement or for a purpose to be abrasive or quarrelsome onto a discussion board. (Mantilla, 2013).
- Post is an item on a forum or blog or a status update. (Fontein,2016)
- Tag: is a keyword that is posted on social media with a purpose of grouping related content (Fontein,2016)
- Viral: is a manner to distribute content that will creates awareness. It relies on frequent sharing of content and word of mouth distribution. (Stec,2017)
- Cover: the protection that is provided by insurance contract. (InsuranceZA , n.d)
- The word companies will be used interchangeable with the term organisations.

1.7 Assumptions

The following assumptions were made:

- Insurance companies would be willing participants.

- The participants would be able to provide valuable insights about how their organisation is utilising social media.
- The participants would be open and honest in their responses to the questions asked otherwise this would impact on the credibility of the results.

Conclusion

Insurance companies and policyholders find themselves in an era of rapid change. Insurance companies are not only focused on the price of products that are offered to policyholders, they also look at the service that they are providing their insured (KPMG, 2014). As a result, insurance companies need to find innovative ways to convey their messages by using social media (Waggoner, 2015) which will result in their being able to sell, to address complaints and to educate the consumers, therefore providing them with the opportunity to establish and maintain long lasting relationships.

CHAPTER 2. LITERATURE REVIEW

2.1 Introduction

According to Roeder (2014), numerous studies have revealed that policyholders do not understand the basic policy terms and therefore, they may be taken advantage of by insurance companies. Therefore, social media can be used as a successful tool for insurance companies to keep their customers engaged and informed (Waggoner, 2015).

2.2 History

According to Fan and Lee (2015) insurance companies are required, on the one hand, to collect premiums from policyholders in order to protect the insured from risk, and, on the other hand, they need to protect policyholders from undertaking too much risk in the risk pool by being gatekeepers for them.

Insurance in SA

During the period between the early 1950s and the 1970s, the insurance market in South Africa underwent a radical transformation, whereby the nature of business of direct selling and the scale of operations changed. The massive growth of the direct market resulted in the trend towards the "domestication" of the South African insurance sector. The net premium income rose by over 940% during the 25 years. The gross income rose by 335% for the period 1965-1975 and net income rose by around 251%, and the growth in the direct market was not able to meet the demand for insurance (Laing, 1988).

According to KPMG (2014) insurance survey report the short term insurance industry had a 6% growth for the 2013 period, for ten insurance companies in their survey. The investment did not alleviate pressure on the underwriting margin as the return on investment dropped by 1%.

History of social media

The evolution of the internet through the years has been described in the following manner. In 1970, MUD (Multi-User Dungeon, Multi-User Dimension, or Multi-User Domain) was created to provide a real-time virtual world for playing games and online chatting. In 1980, Whole Earth Letronic Link was created to provide virtual communities; by the 1990s, the BlackPlanet, Asian Avenue, and MoveOn platforms were online niche social sites that allowed people to interact and these were also used to advocate public use. In 1997, the social media platform was established to allow individual users to create profiles of themselves (Edosomwan, Prakasan, Kouame, Watson & Seymour, 2011). In 2000, the LunarStorm, Cyworld and Ryze were created to allow organisations and individuals to share information about their interests (Kietzmann, Hermkens, McCarthy & Silverstre, 2011). In 2004, Facebook was established and it enables a user to create an online profile where they can post personal information (Hughes, Rowe, Batey, & Lee, 2012). In 2005, Youtube was established as an online video community that allows users to discover, to watch and to share videos (Kietzmann, Hermkens, McCarthy & Silverstre, 2011).

Traditionally, the internet was used by consumers to simply expand their knowledge about a product or services, now it enables people to create and modify information (Kietzmann, Hermkens, McCarthy & Silverstre, 2011). Social media is different from other traditional or online media in terms of its structure and unrestricted nature (Peters, Chen, Ognibeni & Pauwels, 2013). Social media platforms allow for instantaneous, real time communication that are low cost and utilise numerous formats such as photos, videos, pictures and others, with a global reach on a various of delivery platforms (Habibi, Laroche & Richard,2014).

The content in social networks enables individuals to share or create and recommend information through meaningful exchanges (Hanna, Rohm & Crittenden, 2011), whereby people will create links with individuals who are similar to themselves or whose contributions they find to be interesting; the dynamics of social media are different from that of the general population (Lerman & Ghosh, 2010).

According to KPMG (2014) the high growth market provides insurance companies with new opportunities. There are prospective new clients, a growing middle class, increased regulation and the increased financial literacy and these combined, provide insurance companies with a new market.

According to Kiron, Palmer, Phillips and Kruschwitz (2012, p. 14), there are barriers that companies encounter when seeking to adopt social media tools. Some of these are listed in Table 1

Table 1: Barriers to entry

	Stage 1: Early	**Stage 2: Developing**	**Stage 3: Maturing**
Top 3 barriers to social business	▪ Lack of an overall strategy ▪ No strong business/proven value proposition ▪ Lack of management understanding	▪ Too many competing priorities ▪ Lack of an overall ▪ Security concerns	▪ Too many competing priorities ▪ Security concerns ▪ Lack of an overall strategy

These barriers were identified in the Deloitte and MIT Sloan Management Review (2012).

The last two decades have seen a dramatic change in information and communication technology in terms of content, news and how information is shared on the various social media platforms. Social media, by its very nature, encourages individuals to collaborate, interact and to communicate through discussions, feedback, comments (Malita, 2011).

2.3 Theoretical framework

2.3.1. Social Network Theory (SNT)

Social Network Theory is a social concept that addresses the relationship and connection in terms of a social structure. It attempts to find something that might connect people in communities or a group. A network is described as a structure that ties actors in a social system. The ties may be based on authority, friendship, conversations, kinship, information exchange, affection, economic exchange or anything that is part of a relationship (Jaafar, Abdul-Aziz, Sahar, 2009).

Hansen (2009) describes social networks as being social assemblies of persisting relations that are between social actors, such as organisations, individuals and groups. Actors associate with each other through network positions that both permit and constrain interactions, whereby networks provide stability to a wider social structure. The relationship between actors is referred to as ties, which pertain to an exchange of resources, for example, physical resources, volunteer time, money, expertise, connections, staff, information, market access, customers, clientele, authority and market access. This assists members to be independent, or meet their needs and makes them also to be interdependent within their network position therefore influencing access to the network resources.

Limitations of Social Network Theory

According to Hansen (2009), social network theory has the following limitations: Ties are an indicator of a relationship and not a relationship itself. Social network researchers who utilise surveys may limit the type of responses by network members due to the limitation in the number of ties utilised, therefore excluding members and their responses for analysis purposes. Social movement researchers have noted that social network scholarships understate network members' meanings and perspectives, therefore undermining their efforts to understand members' values, norms and beliefs. Furthermore, network research seems to only consider the network rather than the context.

Four social network propositions

Wetherell (1998) provides four propositions of social networks:

Firstly, they are considered to be interdependent instead of independent. Secondly, there is a relationship or link between the actor's channel affection, information and other resources. Thirdly the structural ties between the actors both facilitate and constrain actions. Fourthly, there is a pattern in terms of relations among actors that define political, economic, and social structure.

Therefore, social network research assists in understanding a social structure, societal actions and norms (Hansen,2009).

2.4 Conceptual Framework

2.4.1. Customer Relationship Management (CRM)

According to Matis and Ilies (2014), the rise in customer expectations has resulted in the insurance industry needing to introduce new customer management initiatives as this has an impact on insurance products' sales. The advances in technology and the decrease in technological costs have reduced the costs that are associated with the adoption of CRM technological initiatives. According to Rababah, Mohd, and Ibrahim (2011), CRM is a business philosophy that has a business process or it has a technological tool. In order for organisations to attract valuable customers, organisations are able to use CRM IT technology to evaluate customer status and profitability (Campbell, 2003).

CRM processes may provide companies with the following challenges that are explained in Figure 1

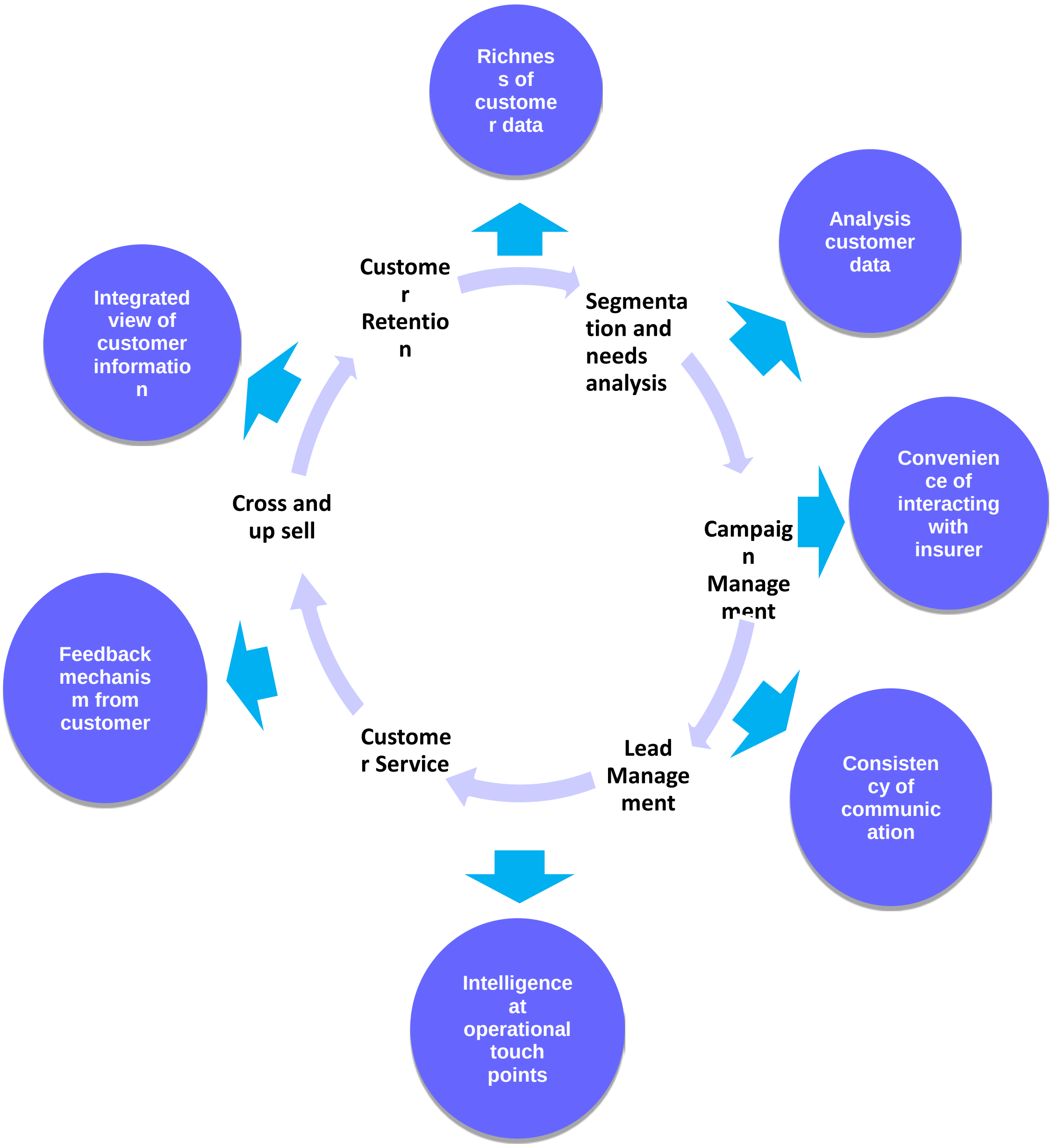

Figure 1: CRM challenges for insurance companies (Matis & Ilies, 2014).

Figure 1 indicates that insurance companies' database should be rich, however the challenge is that data gathered at the sales stage is insufficient. There should be consistent communication between areas such as sales and contact centres. A connection should be established using intelligent measures to link raw data to increase the probability to cross-sell to customers, based on their profile and long-term loyalty. This is due to the fact that as policyholders usually have more than one contract with the same insurer. Collecting customer feedback based on various mechanisms, such as focus groups or research, is also a challenge due to small sample sizes and research frequency. This limits the organisation's ability to introduce or improve products to address customer needs. The organisation should have a holistic view of customer information within all units of the organisation; for this reason, an insurance company should apply CRM across all its businesses, departments and processes. As the profitability of the insurance sector is mainly dependent on the services it offers and on meeting the customer demand on a regular basis, this suggests that good CRM initiatives must be the foundation of the insurance sector (Matis & Ilies, 2014).

Difference between traditional and new CRM

Every post and conversation on a company's page is visible for everyone to see. The advantage of this is that customers are able to read and learn from these posts, however negative conversations can go viral quickly and therefore companies are required to respond to posts in real time.

On a company's page, the company is required to identify posts that are relevant, while on traditional avenues a client is able to call to request assistance. Customers are able to participate in discussions that can assist to resolve issues and to reply to queries by other customers. Companies may want to encourage this to drive customer loyalty (Simkin & Dibb, 2013). Traditional CRM was about relationship initiation, maintenance through cross-selling, up-selling, churn prevention and termination. It assumes that customers are passive and respond to company actions through their purchasing behaviour (Malthouse, Haenlein, Skiera, Wege & Zhang, 2013).

According to Assod and Gomez (2011), social networking provides a source of inexhaustible views and the situation and the challenge is to control the information in an appropriate and meaningful manner for the company to benefit. It does however, provide organisations with some opportunities in that they have the ability to communicate with customers on a personal level better than by using traditional channels.

Roberts-Lombard (2012) suggests that CRM can be used to maximise customer value by differentiating the supervision of customer relationships. Companies can use their understanding of current and future drivers for customer profitability by allocating resources across the various areas that impact on customer relationships.

Therefore, the most important factors that influence customer relationships is effective communication, loyalty and satisfaction, as well as knowledge and trust, which also has a strong influence on whether a client will remain in a relationship with an insurance provider (Loots & Grobler, 2014).

2.4.2. Social Customer Relationship Management (SCRM)

Trainor, Andzulis, Rapp and Agnihotri (2014) describe SCRM as the firm’s ability to generate, integrate and to respond to information that is obtained from customer interactions that are facilitated by social media technologies.

SCRM is the combination of social data with records that provide companies with new customer insights and context and the ability to act on these (Woodcock, Green & Starkey, 2011).

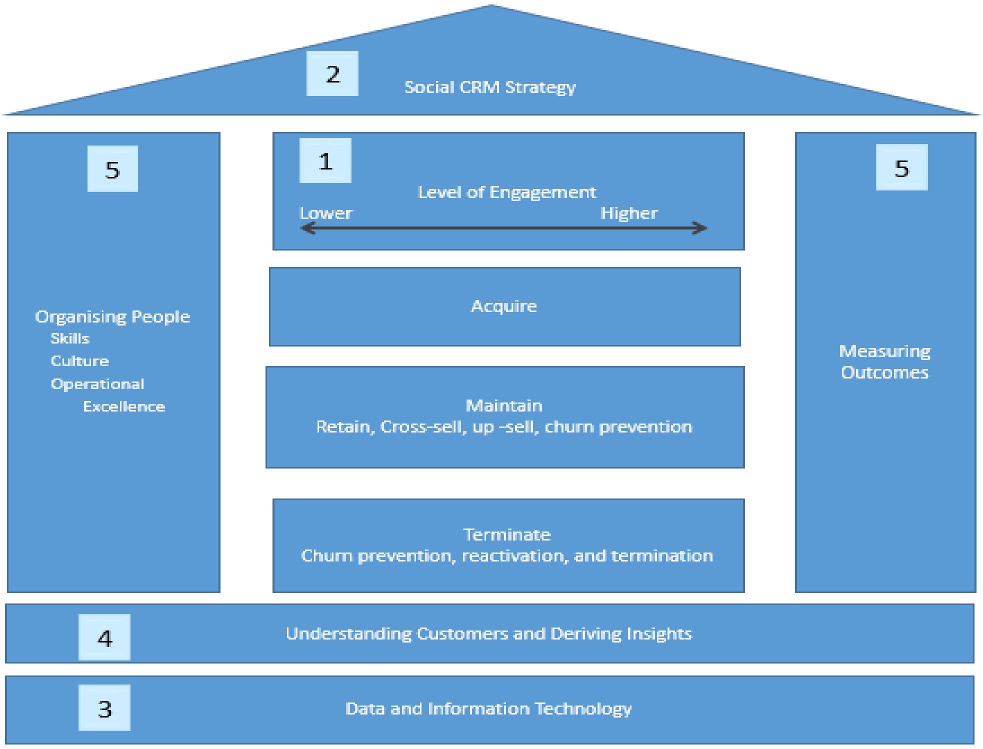

Figure 2 Social CRM House

Malthouse, Haenlein, Skiera, Wege and Zhang (2013) in Figure ***2*** *describe the SCRM House in the following manner:*

Firstly, in the new SCRM there is lower customer engagement by initially acquiring the client through avenues such as advertisement spots on Facebook and, YouTube in order to provide the consumer with information about their products. If the consumer is highly engaged, they will go to the point of being able to distribute an independent review of a company's product or reveal promotions that might be on offer that the company might not want to be exposed to a wide audience.

For low engagement consumers, the organisation is able to use social media to maintain relationships with their consumers by interacting with them. However, with high engaged consumers their acquisition and retention activities cannot be separated. Finally, termination - this can be initiated by the customer or the company, where customer driven companies can use the information from social media to try to identify customers that might leave and through special campaigns, they can try to retain these customers. For the highly engaged consumer, it becomes more difficult for the company and customers to terminate their relationship. Therefore, if the termination is driven by the company, there may be cost implications, such as negative publicity and this may affect a company's reputation.

Secondly, the point in the house indicates that the organisation should determine its strategy based on its level of engagement with its customers and the organisation's CRM objectives.

Thirdly, through the use of data and information technology, an organisation is able to obtain vast amounts of data from various sources.

Fourthly, understanding customer needs and deriving insights.

Fifthly, shows the pillars of the Social CRM House through the organising of people and the measurement of outcomes as employees are an important component in the organisation's strategy, therefore, it is important to change their mind-sets through an empowering culture, providing them with relevant skills and operational excellence.

The **Disadvantages** of SCRM are the high population acquisition that may be isolated from retention activities. Consumers' opinions do not necessarily provide a view of the larger population; however, they may express what others are saying. Unstructured data needs to be managed to gain insights on customers' views of new products, unanticipated benefits of an existing product, better positioning of a product or better segmentation of existing customers. A company may lose control of what is said. Finally social media data is fast as it is real time therefore as market conditions change, the assumptions previously created may no longer be relevant (Malthouse, Haenlein , Skiera , Wege & Zhang (2013) .

However, SCRM should not replace traditional advertising, but should be treated as an element of a company's communication strategy (Schivinski & Dabrowskia, 2013). The authors noted that marketers need to be capture and to be engaging in their use of traditional and social media avenues. Consumers are no longer bystanders instead they are active participants, therefore social media needs to be far reaching and it needs to be intimate and engaged (Hanna, Rohm & Crittenden, 2011).

2.5 Social media avenues

Social media is viewed as a critical tool in information distribution, marketing, searches, expertise, and discovery and can be an important tool to mobilise people (Lerman & Ghosh, 2010).

According to Hughes, Rowe, Batey and Lee (2012, p. 561), "All social networking sites facilitate online, social interaction, yet they do not all offer the exact same services or have the same focus". There exists a diverse and rich platform of social media sites that have varied functionality and scope (Kietzmann, Hermkens, McCarthy & Silverstre, 2011).

Social media is inexpensive to implement, however the organisation needs to consider the industry, organisation and line of business and human resource commitment (Andzulis, Panagopoulos & Rapp, 2014).

Statista (2016) compiled a list of the leading social networks worldwide as of January 2016.

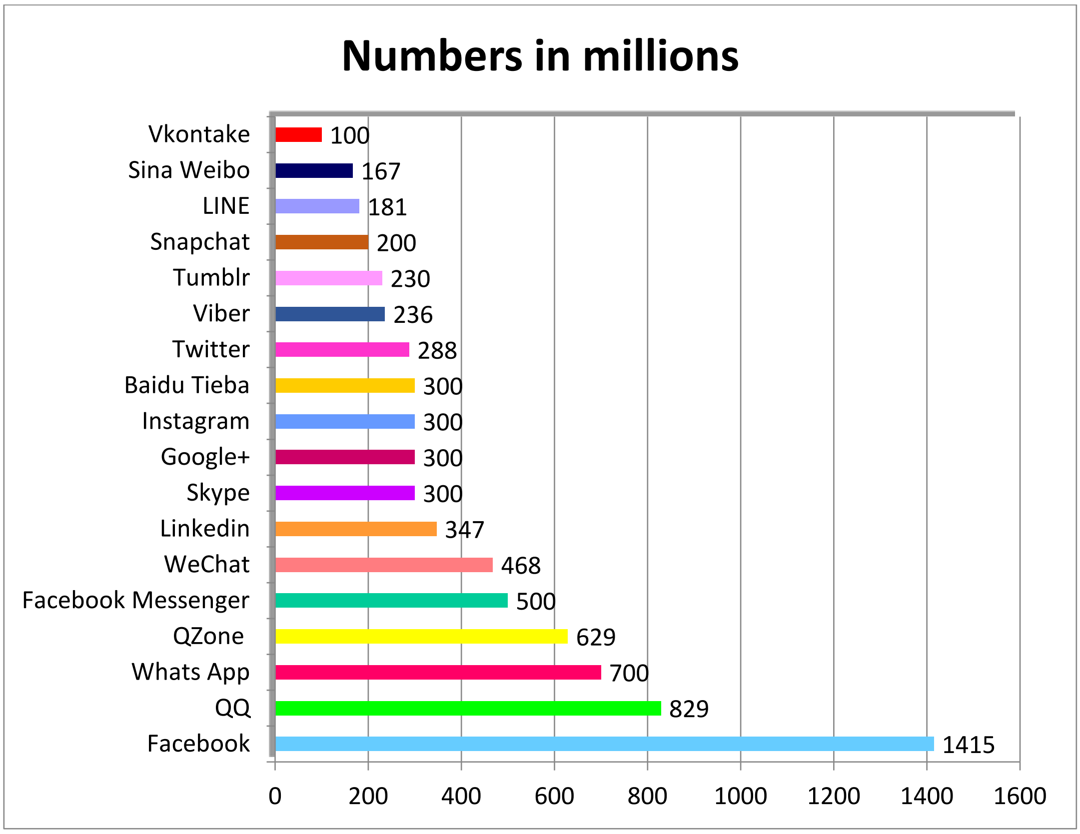

Figure 2 Social Networks Worldwide

Social networks are available in various languages and allow users to connect with individuals across geographical, economic and political borders. There are approximately 2 billion internet users that are using social media networks and these numbers are growing as a result of growing mobile device usage and mobile social networks, the market leader being Facebook with over a billion users and Pinterest the recent newcomer reaching 10 million. Social networks with over 100 million users originate from the United States, but the Chinese social networks Renren and Qzone, as well as the European services VK, are gaining momentum as a result of their local content and context. Due to their constant presence, social networks have a strong social impact (Statista, 2016).

Two commonly used social media platforms

Twitter

Twitter was launched in 2006 (Bollen, Pepe & Mao, 2009) and is considered to be one of the largest and most popular social media platforms (Mazzia & Juett, 2009). The company currently has 320 million active users (Statista, 2015) comment on events in real time (Petrovi´c, Osborn & Lavrenko, 2010). Any individual with an internet connection is able to set up a twitter account and gain unlimited access to other twitter accounts (Page, 2014).

A tweet uses 140 characters and syntax @username is also used to broadcast information to the user's followers, using the syntax "RT@username". When replying in twitter universal a user does not need to receive the message directly (Kaufmann, 2010).

Twitter users will tweet short messages that contain links to new stories about which they will also comment and/or retweet other users' messages. A user will post a new tweet which will be visible to their followers and every other user that retweets their tweet (Lerman & Ghosh, 2010).

Facebook:

Facebook was launched in 2004 (Stutzman, Gross, & Acquisti, 2012) and has over a billion registered users. For the periods 2004-2011 the social media phenomenon expanded rapidly in terms of popularity with Facebook being the dominate player in the market. Facebook allows the user to create an online profile of themselves where they can post information that includes their occupation, religious beliefs. On their wall the user can post links and pictures. The user can post private and public messages and they can also send instant online messages (Hughes, Rowe, Batey, & Lee, 2012).

Therefore, Twitter can be utilised as a warning system, while Facebook can be used to engage with customers in a meaningful way (Kotler & Keller, 2012).

Social media challenges for organisations

Organisations that adopt social media are losing control of their customers (O'Brien, 2011). Customers are able to gain access to information from different social media sources and therefore, their online queries may be intercepted by competitors (Agnihotri, Kothandaraman, Kashyap & Singh, 2013).Digital technology provides for a global marketplace, and consumers are able to access information about a product, price and distribution. Businesses are unable to control search processes and possible choices to which customers have access (Tiu Wright, Pires, Stanton & Rita, 2006).

The reason why social business fails is a result of organisations failing to integrate social software into their day to day processes (Kiron, Palmer, Phillips & Kruschwitz, 2012).

Customers are able to dictate their specific needs and requirements as a result of customisation. As a result, sales people are no longer able to dictate information to the client instead clients are telling the supplier what they expect or else a competitor will be able to satisfy their needs (Moncrief, Marshall, & Rudd, 2015). As a result, organisations need to have policies in place to address social media challenges (Agnihotri, Kothandaraman, Kashyap & Singh, 2013).

Benefits of social media

Social activities provide benefits, such as access to customers, early identification of customer needs and referrals, resulting in revenue. Successful use of social media has contributed to trust building activities that help to strengthen customer bonds and therefore, network expansion that substantially increase a salesperson’s reach (Agnihotri, Kothandaraman, Kashyap & Singh, 2013).

According to Assaad and Gómez (2011), social media provides the organisation with the opportunity to build closer and more profitable relationships with their customers. Marketing is used to determine what products or services can benefit a customer. Social networking provides a source of inexhaustible views and situations and the challenge is to control the information in an appropriate and meaningful manner for the company to benefit. Social media provides new opportunities to communicate with customers on a personal level better than traditional channels.

Insurance companies’ use of social media

The content that is provided on social media by insurance companies should be relevant and it should make users feel inclined to “share” it with their circle of friends. Policyholders may find it difficult to search for insurance cover as they may not understand insurance jargon. Insurance companies can use social media to educate their policyholders by focusing on the type of content that they post on their websites (Waggoner, 2015).

Policyholders should be made to feel that they are heard, so insurance companies should respond to policyholders’ questions, concerns or complaints. Insurance companies should use social media to convey memorable short messages that will be remembered. The web has become a powerful business tool as it allows companies to convey information, brand or product promotions or to make a sale (Waggoner, 2015).

2.6 Sales

According to Andzulis, Panagopoulos and Rapp (2014), all aspects of personal selling and sale management can be affected by technology. Customers want instant satisfaction in the relationships that they engage in, in terms of those companies that they do business with. However, Moncrief, Marshall and Rudd (2015) found that organisations have been slow to take up social marketing tools. This was further found in a study that was conducted by MIT Sloan Management Review and Deloitte where they found that, although organisations are embracing social media, and many leaders are enthusiastic about its value, others have taken to it in a more cautious manner and feel its potential will only be recognised in a few years' time. The leaders indicated that marketing, sales and customer service drive social network technologies in the organisation (Kiron, Palmer, Phillips & Kruschwitz, 2012).

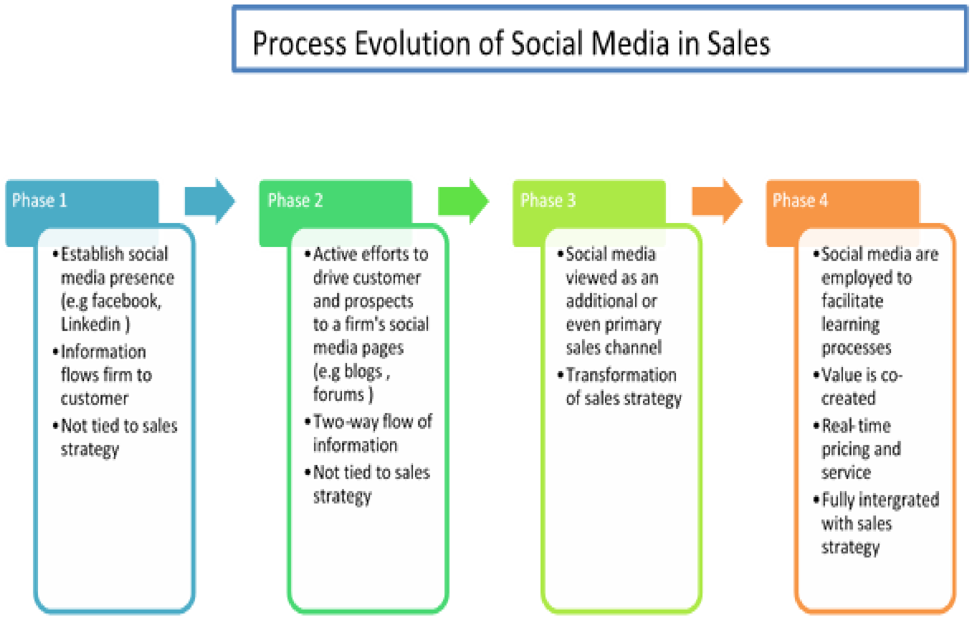

Figure 3: Process Evolution of Social Media In Sales

The new sales process is described by Andzulis, Panagopoulos and Rapp (2013) in the following manner:

The sales department ***needs to understand the customer***, by gathering information, generating leads and calculating potential risks in buying. The organisation has the potential to listen to their consumers, monitoring issues, questions, concerns, and even experiences shared by existing customers that are discussed in the various social media forums.

Approach allows the sales person to build rapport, gain attention, introduce themselves to gain creditability and qualify prospects.

Needs Discovery: the sales person needs to discover specific needs and wants through effective questioning, listening, identify latent needs and prospects motivation. Social media allows customers to post concerns and questions to the sales person or marketing group and responses are posted online, therefore alleviating similar concerns for future customers.

Presentation indicates the salesperson’s ability to demonstrate the specific value propositions using visual aids and demonstrations while confirming the prospect understands. By using social media, both salespeople and customers can now take an active role in determining the appropriate solution and developing new sales drivers and value propositions.

Close: convert a prospect customer to an actual customer and close the sale. Social Media helps by helping to overcome or prevent objections and providing testimonials.

Follow-up: can emphasis communication, gain referrals for future sales and uncover other sales opportunities

This sales process is described in a similar manner by Moncrief, Marshall and Rudd (2015).

2.7 Consumer complaint sites

Social media has transformed the manner in which consumers complain to firms with regard to service failures (Gre´goire, Salle & Tripp, 2015). Customer complaints are a fact of life that organisations need to deal with in one way or another and complaints should be taken seriously (Vos, Huitema & De Lange-Ros (2008). The reason for customer complainants is because that they have spent money on a product or service that did not meet their expectations and have spent time and effort to bring this to the attention of the organisation. Customers may switch to competitors and the costs associated with getting new customers are higher (Gruber, Szmigin & Voss, 2009). Consumers want to warn other users of a product or service resulting from bad experiences by highlighting those firms with questionable reputations or poor customer service (Chelminski & Coulter, 2011). Companies need to mitigate negative public posts that may threaten their reputation even when the offence was relatively minor in nature (Page, 2014).

According to Cho, Im, Hiltz and Fjermestad (2002), complaint data is important for process correction and increased performance. Customers have issues with Web-based customer service centres. Online services should provide online chat services or a combination of customer communication channels. There should be a rapid response to customers. Taking complaints to management will affect product/service quality, website and operational policies. Complaint management is essential for the development of a strategy to resolve disputes and to improve ineffective services and products to establish a firm's reliability.

Complaints site: HelloPeter

This is a South African complaints website that allows consumers to publicly rate companies on their service delivery. Companies are able to respond transparently (Hadfield, 2007). It allows users to also compare statistics of up to seven companies of their choice within an industry (HelloPeter, n.d.) as shown in Table 2.

Table 2: HelloPeter

Insurance company	Conversions ratio		Compliments ratios		Complaints ratio	
	number	percent	number	percent	number	percent
DialDirect	21	7%	632	69%	285	31%
Auto and General	18	6%	790	73%	293	27%
Outsurance	86	5%	2770	63%	1647	37%
King Price Insurance	35	4%	718	48%	789	52%
Iwyze	7	4%	17	9%	165	91%
Santam	19	4%	52	11%	409	89%
Hollard Insurance	20	3%	55	8%	678	92%
Industry Average	680	6%	21460	64%	12284	36%

Retrieved 22 July 2015

In conclusion, each complaint provides an organisation the opportunity to correct a flawed process, to educate their customers and to strengthen customer loyalty. Customers will reward an organisation that gets the basics right by keeping the customer informed, providing the right products and providing consistent service (Goodman, 2006).

2.8 Education

Consumer education is about providing consumers with the necessary skills to utilise the presented information (Burton, 2002).

Information can be described in the following manner:

Information that is shared should provide the company with an opportunity to gather a response or reaction. Information can be considered as dynamic or static; where dynamic information generates multiple conversations and static information is used for the sole purpose of sharing information, such as reminders or deadlines. Furthermore, information is classified as being primary information which is first hand which is considered to be original material. Secondary information is documented after the fact by interpreting and evaluating primary information. Finally, tertiary information collects and aggregates primary and secondary information. The greatest uncertainty with social media is the credibility of the information source and the information shared (Osatuyi, 2013). Consumers do not have sufficient knowledge about the services or products and the laws that are in place to protect them from being taken advantage of by organisations. Therefore, there are two aspects of consumer education objectives in that, firstly, the company is able to determine what a customer needs to know in order to allow them to make meaningful purchases. Secondly, consumer education can be integrated into the existing budgeted promotional plan incurring no extra cost (McNeal, 1978).

Customers want to be educated about a product or services that are offered as well as when, why and how these might change (Andzulis, Panagopoulos & Rapp, 2012).

Education should include the presentation of information that pertains to services and goods, the improvement of the customer's basic and in-depth knowledge and the development of skills in order to use the information (Bonfanti & Brunetti, 2014).

Furthermore, Suh, Greene, Israilov and Rho (2015) noted that customer education provides in-depth information about a product's qualities and usage. Consumers can make critical decisions thus empowering them and increasing their self-confidence. Consumers feel more comfortable in asking questions as they are educated.

Various authors have found different benefits in their research of educating consumers:

Oumlil and Williams (2000) found that consumer education assists in the identification of market information, complaints and redressing procedures by understanding the technological based environment. Bell and Eisingerich (2007) noted that customer education has been seen as a way to create value for the customer, resulting in customer loyalty and repeat purchases. It helps the customer to realise the full potential of a product, solve any problems that may arise and to mitigate any new or sophisticated problem.

Disadvantages have been identified in studies:

Burton (2002) found that not all customers require similar levels of educational support in the same service aspect and this is not appropriate in all service industries.

Bell and Eisingerich (2007) noted the following in the retail sector, that the purpose of customer education is to try and add value to customer. By teaching customers to use their service, the disadvantage for retailers is that they are more vulnerable to losing their customers, as they are equipping them with the skills and tools that they need in order to shop around for competitive offers.

Managers should manage the risk of creating knowledge about a service alternative and evaluating what information can be offered to consumers to increase their knowledge (Bonfanti & Brunetti, 2014). More knowledge means customers have greater expectations of the organisation, they may leave and try to produce a product or service themselves and therefore the organisation needs to ensure that it educates consumers on aspects that the consumers cannot duplicate (Suh, Greene, Israilov, & Rho, 2015). According to Burton (2002), consumer education can be used to expand the market strategy to consider what the client may want as well as what the company wants from the product. Consumer education should be at the core of an organisation's marketing strategy.

Research has found that, in educating the consumer, the organisation is ultimately empowering them. McGregor (2005) describes an empowered consumer as being able to access information and the competition, it allows the individual to take action. Empowerment means increasing a person or group's economic, social and political strength that have been discriminated, marginalised, exploited from the main structures of society. Tiu Wright, Pires, Stanton and Rita (2006), in their studies describe empowerment as a mechanism for consumers to control access to things that are of concern to them including the opportunities to gain new skills to have control of their decision making. Empowerment means the consumer is able to select a supplier, based on a value proposition provided by the supplier or rejecting an offer and carrying on looking and that they have higher expectations. Camacho, De Jong and Stremersch (2014) found that experts should empower consumers to make their own decisions. Information empowerment is beneficial if it is driven by the consumer. Empowerment is not about merely sharing information; the expert needs to understand the consumer's problem and to discuss solutions and supply relevant information. The expert will allow the consumer to make the final choice. Empowerment may not be effective if not requested by consumers and may impair information processing, resulting in impairment.

Marketers need to find the empowered consumer in order to create, manage and massage the relationship to ensure that they continue to buy from the organisation (McGregor, 2005). Business efforts need to be transformed as consumers can no longer be pitched too, but need to be engaged (McGregor, 2005; O'Brien, 2011). Consumer education should form part of a competitive strategy by keeping a consumer satisfied and ensure consumers form a favourable attitude towards an organisation (McNeal, 1978).

According to Bell and Eisingerich (2007), financial services firms need to integrate customer education into their marketing strategy. They need to be aware of the changing nature of customer perceptions as consumer education may contribute to customer expertise over time. They should incorporate customer education into relationship management initiatives and equip financial advisors with the skills to explain complex financial terms simply. Financial Advisors will be able to educate consumers if they understand the consumer gaps. Consumers will change the way they view and engage with a service over time.

The economic spectrum to actively seek to satisfy their client needs can result in customer loyalty (Oumlil &Williams, 2000). Organisations have started to see the benefit of customer education and some have made it a priority, believing that this will lead to greater customer loyalty and profitable relationships. Service providers can provide consumer education and also technical support which can result in consumer loyalty. Educated consumers will experience higher levels of satisfaction and therefore, a stronger sense of customer loyalty (Suh, Greene, Israilov, & Rho, 2015).

Consumer education needs to be recognised and needs to be updated on a regular basis to take into account new developments. The quality of education has an influence on a customer's decision to buy a product, therefore there is a link between consumer education, service quality and sales (Burton, 2002). Consumer education should keep up with global changes. This opens up the possibility for the re-education of the consumer. Significant resource spend on education will have a positive impact on the brand management. Critical consumer education should balance responsibility, consequence of being irresponsible with a cause and effect perspective (Mcgregor, 2005).

Due to the wide spread and consumption of social media, this has created an environment that is extremely competitive where everyone is seeking the consumers' attention. Customer education has been seen a way to create value for the customer (Bell & Eisingerich, 2007).

2.9 Conclusion of Literature Review

Social media provides a platform that enables interaction between companies and customers, therefore allowing for long term relationships to be formed through two-way communication that benefits the company and the client (Papasolomou & Melanthiou, 2012). Many problems that arise from complaints can be prevented through proactive customer education (Goodman, 2006).

2.9.1 Research Question 1:

- How are insurance companies using social media platforms to sell their insurance products?

2.9.2 Research Question 2:

- How are insurance companies using social media platforms to address complaints?

2.9.3 Research Question 3:

- How do insurance companies make use of social media to educate their policyholders?

CHAPTER 3. RESEARCH METHODOLOGY

3.1 Introduction

The following chapter outlines the research methodology that was used to conduct the research. The first section discussed qualitative research and its appropriateness for this research topic and the value that was obtained from conducting interviews. Using a qualitative approach, the following sections were covered:

- The research paradigm
- The research methodology
- The research design
- The population and sample
- The research instrument
- The procedure for data collection
- The data analysis and interpretation
- The limitations of the study
- The validity and reliability

3.2 Research Paradigms

A paradigm is defined as a grouping of logically linked propositions, assumptions or concepts that facilitates thinking and research (Krauss, 2005). The interpretivist paradigm serves as a philosophical foundation for the study. The Interpretive methodology requires the social phenomena to be seen through the perspective of the participants instead of the researcher (Mackenzie & Knipe,2006). According to De Villiers (2005), Interpretivism's aim is to find underlying meanings or new interpretations and multiple assumptions that adhere to ontological assumptions, which are context and time dependent. Therefore, it is appropriate for studies pertaining to complex human behaviour and social phenomena. Interpretivism investigates research questions that are focused on understanding phenomena that occur in a natural setting and uses verbal data. The research was based on a qualitative method. The ultimate goal of qualitative research is not to generalise, instead it focuses on providing rich data; contextualises the understanding of an aspect of human experiences by studying particular cases (Polit & Beck, 2010).

3.3 Research Methodology

The researcher used a qualitative approach in order to obtain the appropriate data. Qualitative research aims to reach a universal profile of a population that provides conclusions that account for a particular case. It explores the complex everyday environment of individuals in their natural world. It is subjective and therefore explores the reality as created by individuals (Erlingsson & Brysiewicz, 2013). According to Creswell (2008), qualitative procedures are reliant on images, data and texts and have unique procedures to analysis data, through various enquiry strategies. A qualitative research is relevant for this study as there is limited research on short term insurance in South Africa (Mackay, Petzer & Mostert, 2014) and social media.

There are various ways that qualitative research can be undertaken by reviewing similarities, patterns and differences through individuals' representations using questionnaires, transcripts, observations and recordings (Erlingsson & Brysiewicz, 2013).

Therefore, a qualitative method was appropriate for this study as subjects' opinions and past experiences were used to obtain and understanding of how insurance companies are using social media to interact with their customers.

The qualitative interview answers were analysed using thematic analysis, which identifies analyses and reports themes by organising the data and interpreting this in line with the research topic (Cruzes & Dybå, 2011).

3.4 Research Design

The research was conducted using a series of one-on-one interviews in order to build rapport with the interviewees (Wolgemuth, Erdil-Moody, Opsal, Cross, Kaanta, Dickmann & Colomer, 2015). Open-ended questions were asked of the participants in order to obtain their views and opinions (Creswell, 2003) on insurance and social media.

According to Wolgemuth, et al. (2015), the benefits of qualitative research are:

- There is an opportunity to talk to someone;
- It opens up the opportunity to self-reflect;
- Individuals are able to emotionally cleanse themselves;
- It allows an individual to become more knowledgeable in terms of the topic personally or professionally;
- It allows one to connect with a broader community based on various experiences;
- It allows an individual to advocate for a community or cause, and
- It helps an individual in their journey.

The potential problems that could have been encountered are:

- Participants may be afraid of being identified and therefore specifically request that the responses are kept confidential;
- Participates may be concerned about how their responses will be represented in the study;
- Participants may be afraid that their responses will cause problems for themselves or others; and
- Participants may be afraid that they may experience emotional pain Wolgemuth, et al. (2015).

3.5 Population and sample

3.5.1 Population

The population consists of individuals who have an understanding of social media and who work within social media departments in short term insurance companies. For this research, individuals from digital and social media departments in various short term insurance companies were approached and requested to form part of this study.

3.5.2 Sample and sampling method

The purpose of sampling is to increase the generalisation of responses and findings (Creswell, 2003). For the purpose of this research, the purposive sampling method was used. The technique is also called judgement sampling whereby the choice of the participant is deliberate due to the qualities that the participant possesses. It does not require a specific number of participant or any underlying theories. The researcher is therefore able to decide on what needs to be known and finds the individuals who are willing to provide the required information based on their experience or knowledge (Etikan, Musa &Alkassim,2016).

The researcher interviewed nine individuals working with social media/ digital departments from nine insurance companies in Johannesburg, who are responsible for social media platforms within the company. These individuals who work in social media departments in these companies were approached by email or phone and were asked to be part of the study.

On Wed, 21 Oct 2015 11:57:18 +0200 "Joan Mbatha"
<joanmbatha@webmail.co.za> wrote

> Hi Steven
>
> Thank you for taking my call and your willingness to assist me with my
> research.
>
> This is to confirm our appointment for this Friday the 23rd at 8:00 at
> your offices.
>
> I am looking forward to meeting you.
>
> Kind regards
> Zamo
>
> ____
> South Africas premier free email service - www.webmail.co.za

Source: researcher

It should be noted that a further ten participants were approach to be part of this research, however no responses were obtained. As a result, the researcher experienced a limitation in terms of the sample size and this is discussed further under limitations.

3.5.3 The research instrument

Semi-structured interviews were conducted with the identified sample of companies. The interview schedule is provided in Appendix A. The questions were formulated based on the literature review and a series of open-ended questions. Interview questions can be general and open-ended, ensuring the participant responses are not influenced by the content or the implications of questions asked (Carp, 1974).

Insurance company's representatives were asked open-ended questions as this allowed them to answer in their own terms. These allowed for exploration of new areas about which the researcher has limited knowledge (Bryman, 2012).

The first part of the interview began with obtaining the participants' knowledge of the use of social media by insurance companies. The second part of questions related the use of social media by insurance companies to sell, address complaints and to educate consumers. Finally, participants were requested to provide their perspective of where they see social media going in the future.

3.6 Procedure for data collection

The participants were requested to provide a date and time that was suitable for them to meet. The majority of the interviews were recorded, based on the approval of the participants. Two participants asked if they could provide email responses as they were not able to find time to meet with the researcher.

3.7 Data analysis and interpretation

Interviews were captured using audio recording, then were transcribed and analysed. The transcribed data was coded into predetermined themes and any other themes were categorised into new themes. The data was coded by labelling the units in terms of their significance (Bryman, 2012). The data needed to be interpreted in order to provide a true reflection of the information that was gathered (Creswell, 2003). Using thematic analysis, the data was split and categorised according to common themes to find meaning in the data (Leedy & Ormrod, 2013). Maziriri, Madinga and Lose (2017) describe a thematic analysis as a process of identifying, analysing and reporting themes that arise from a qualitative study. One major advantage of thematic analysis is that it is a logical process that allows the researcher to scrutinise interview transcripts comprehensively and identify all possible themes (Maziriri, Madinga, & Lose, 2017).

3.8 Limitations of the study

- The population was demographically limited to Gauteng:
- Some of the major insurance companies were not willing to participate in the research and therefore, only nine individuals were interviewed. With eight participants providing insights on their use of social media and one providing insights on their non-use of social media.
- The recent social media comments in South Africa may have made some insurance companies cautious about the information that they are willing to share.
- As a result of the type of questions, the majority of participants wanted to be anonymous; for one question the individual did not want to comment and one participant requested to provide generic responses due to the company's social media polices.

- Some insurance companies are part of a group of companies. In other cases, the insurance companies have provided the mandate to underwriting managers and brokers to bring in business and provide administration roles to process claims within this mandate.
- The researcher could have been considered to be biased in the following manner:

- The design of the questions;
- Personal traits or characteristics;
- Their reaction to the respondent's answers;
- There are flaws in the instrument used; and
- The analysis and interpretation of the data (Roulston & Shelton, 2015).

3.9 Validity and reliability

3.9.1 External validity

This is the degree which allows findings of the research to be extended to individuals, areas, time or locations other than those individuals that are directly affected by the study (Hannes, Lockwood, & Pearson, 2010). According to Polit and Beck (2010, p. 1451) "Generalization is an act of reasoning that involves drawing broad conclusions from particular instances that is, making an inference about the unobserved based on the observed."
This research was drawn from nine major insurance companies in South Africa, this makes it impossible to generalise the results to all social media platforms and all insurance companies.

3.9.2 Internal validity

Internal validity establishes if there is a match between the developed theory and the researcher's observations (Bryman, 2012). Audio recordings were used and transcribed and compared to the literature.

3.9.3 Reliability

Reliability pertains to whether the results of the research can be repeated (Bryman, 2012). To order ensure reliability of the research, the data was collected and analysed concurrently and compared to the literature. Follow-up questions were asked where clarity was needed.

3.10 Ethical Issues

Ethics is described as a manner of doing and avoiding harm. In a qualitative research, the relationship between the participant and researcher will be influenced by the researcher's personal characteristics such as age, race gender and political views. The researcher may relive their own experiences through a similar experience of a participant. (Aluwihare-Sumaranayake, 2012).

Ethical principles

- Autonomy: pertains to the respect of participants rights, being informed about the research, the right to choose freely to participate and the right to withdraw from the study without consequences.
- Beneficence: pertains to doing unto others without harm.
- Justice: pertains to fairness and equal share therefore avoiding any cases of abuse or exploitation of participants. (Orb, Eisenhauer & Wynaden, 2000).

For the purpose of this research, the identities of the companies and individual participants were protected, therefore assuring confidentiality of the information that was provided. This was a request received in particular from one participant and therefore the researcher applied this to the whole sample. This approach allowed for each respondent's identity to be protected and the information shared to be treated with confidentiality.

For this research, each participant was called by the researcher to proposition the research and to provide context of the research. The researcher sent the participant a follow-up email emphasising the research title and an appointment time was set up to conduct the interview.

This chapter addressed an introduction to the research paradigm, methodology, design, instrument, sampling, data collection and analysis, limitations and validity and reliability.

The research methodology was used to present the results of research in chapter 4.

CHAPTER 4. PRESENTATION OF RESULTS

4.1 Introduction

This chapter presents the results of the semi-structured interviews that were conducted, based on the three research questions. The results that are presented were obtained from a total of nine participants, these were individuals who are responsible for or who work on social media departments within the nine short term insurance companies. Finally, a view from a company that does not use social media is provided at the end.

4.1.1 The first part the interview guide was designed to understand social media in terms of short term insurance

In order to understand social media in South Africa for short term insurance companies, a detailed understanding was obtained from the participants about their experiences of using social media. This section provides the insurers' view of social media in terms of their opportunities and challenges for insurance companies

The results are presented in the following format:

Theme 1: Relationship

Theme 2: Social media platforms used

Theme 3: Traditional platforms vs social media platforms

Theme 4: Challenges

Theme 5: Monitoring

The themes are presented below:

Theme1: Relationships

Some of the participants felt that social media has allowed companies to interact with the consumer directly through a one-on-one engagement. This is a platform that allows the companies to provide customers with content as well as information which directly impacts the consumer, such as providing hailstorm warnings to clients, in order to allow them to park their vehicles or motor cycles under shelter in order for their vehicles not to sustain damage by the hail stones. According to some of the participants, they noted that:

"It has also given us the opportunity to directly communicate with our clients and also potential clients."

"…we get to understand what consumers are after, we get to understand their needs, and because we are interacting it is in real time"

"So if we want to build engagement social media is the perfect platform."

"A lot of our content is geared towards to facilitating a conversation or starting a conversation with our clients"

"Social media has enabled us to have a closer relationship with our customers…. It has also opened up more channels or ways that a customer can talk to us."

"It has definitely invited and enhanced communication. We receive far more feedback from our clients than before."

"Social media page is very focused on our clients, so we communicate any changes for instance, if there is a hail storm coming we communicate that on social media."

Social media as a platform has therefore allowed insurance companies to communicate, to grow and to reach new customers.

Theme 2: Social media platforms used

The majority of participants are using various social media platforms to grow their brands, such as Facebook, Twitter, Google +, YouTube, own blogs, LinkedIn and Instagram. The two most popular platforms that are currently being used by insurance companies are Facebook and Twitter. They have noted that these two platforms have proven to be the most engaging and provide the best platforms to interact with their customers timeously and are used to provide informative information and fun content. These entities have opted to post short and specific information on Twitter and fun and detailed messages posted on Facebook. This is not to say that these are the only two platforms; some insurance companies have a strong presence on Instagram, YouTube, Google+ and Pinterest, however Facebook and Twitter are the most popular amongst the participants. According to some of the participants, they noted that:

"..if we are wanting to education our clients and engaging with them to get a glean(I think you meant clear) and understanding on how much do they understand of this particular product and get very specific messages out there, we find that Facebook and Twitter is fabulous."

Due to the nature of the products of the participants' organisations, which offer life, investments and short-term insurance products, these companies have opted to make use of one corporate social media account for all their various social products and therefore rotate on which product or department will be using the account at that particular time. This allows for the mitigation of unwarranted and image damaging messages as any negative thing can damage the overall organisational brand.

One respondent felt, though that there should not have too many social media platforms as each and every one of these need to be managed.

Limited platforms allow the organisation to have control in terms of platforms and this is more efficient.
"…*we limit the amount of social media platform, so more control, because every time you open up a new platform, we need a new team of people to manage it. So from an efficiency perspective, it is not a good idea to have too many platforms."*

Although there are various social media platforms available to insurance companies, Facebook and Twitter have provided greater accessibility to new and current clients. Furthermore, brand identification and the need to be able to have a presence in limited platforms allows these companies to be efficient in terms of resources and their responses to their customers.

Theme 3: Traditional platforms vs social media platforms

Due to the evolution of social media, the move is now to engage with customers directly, compared to traditional and conventional avenues of marketing, such as television and radio; these avenues are better able to push information to the customer instead of engaging with the customer as social media can do. As noted by one participant, in the past, traditional insurers' interaction with clients was broker driven, however, direct insurers promoted clients to interact with them directly by either by way of telephonic communication or by email. The direct communication between insurers and clients encouraged clients to become comfortable with interacting with companies on their own website or the various social media platforms. The difference between the channels is that social media requires real time feedback and engagement with the consumer, whereas traditional avenues takes on more of a delayed response model.
Even though social media has opened new ways to interact with customers, the message that is relayed on social media and traditional advertising platform is the same. The form of communication and method of

communication may differ but the same message is relayed to all consumers. According to some of the participants, they noted that:

"The coordination between tv and digital, we have to be in sync with them so when they are telling the community outside, in digital it has to be the same, we can't be speaking different languages."

"We never talk to our clients differently if you have a conversation with a call centre today and have a twitter conversation tomorrow and you are on the web the next day, the tone and everything about the conversation is exactly the same. So we don't believe in changing the communication to suit a channel"

In terms of utilising one social media more than traditional avenues two participants do not focus a lot of their resources on traditional marketing avenues and prefer rather to communicate with their customers on social media as the response and reaction occurs in real time.

One participant stated that *"…. we don't focus a lot on your traditional marketing advertising, so we have a bigger focus on social media."*

Therefore, the messages that are conveyed on social media and on traditional avenues need to be linked as all customers need to be treated the same by their insurance company.

Theme 4: Challenges

All the participants agree that social media has opened up insurance companies to public scrutiny whereby clients can show their satisfaction and dissatisfaction with an organisation. Companies need to be transparent and honest in the manner in which they deal and address customers with regards to the brand or the service. As one participant noted:

"Full time manning (sic) of the various platforms means, the longer time lapses before responding, the less chance one has to resolve or assist which can have negative results."

Some customers have started using social media as a platform to show their dissatisfaction with an organisation for example, them having their claim being rejected, for example. Regardless of the message that is posted by an insurance company, some individuals will go out of their way to complain.

Two participants from their experience have found that some customers will form a group with other disgruntled customers to spread negative comments on a particular company. The post by disgruntled consumers can result in reputational damage to an organisation. This has forced insurance companies to be mindful of the manner in which they respond and the timeliness of their response.

According to some of the participants, they noted that:

"So it's about keeping that balance of attending to all our clients or complaints that come for social media by giving it the validity it needs, but also knowing that sometimes people over exaggerate or go overboard because it is social media."

"Disgruntled individuals use social media to try and get their issues to be solved quickly."

"People become spiteful, however, some of the loudest complainers are from individuals with fraudulent claims."

"If you don't respond quickly people pick up ***trolls'*** *people memories your responses, especially if they are standard responses.*"

Social media requires the conversations that the organisations have with their customers to be relevant and interesting for the consumer. According to some of the participants, they noted that:

"*The biggest challenge is managing the conversation, so if you are going to post something it has got to be very clearly defined by what you are expecting the conversation to be post posting it(this former part really had me confused, please relook at it), because what happens it goes viral. So soon as someone picks up on it and they start sharing it, commenting on it and then you have got to able to manage the relationship and conversation post posting."*

“There are a lot of things that you need to consider when you are doing a post on social media , you need to consider the impact , the target , consider the message how it is going to be interpreted , how the public is going to react to it , how they are going to respond.”

“Challenge is to make it interesting, exciting, creating the content that people actually want to read it that is useful to the customer.”

Although social media has brought challenges, it has also provided insurance companies with some benefits, such as exposure to new customers. One respondent said that the benefit of social media is that *“It’s allowed our customers and potential customers to access our brand, talk to us and get the information they’re looking for a lot faster than they would normally.”*

Therefore, social media has allowed insurance companies to expand their brand, however, it has also opened up these companies to negative comments and these companies need to be mindful of how they respond to these comments due to the platform being public and this can easily damage an organisation’s reputation. Furthermore, for them to remain relevant they need to provide their consumers with interesting and relevant conversations.

Theme 5: Monitoring

Most of the insurance companies have departments or individuals whose sole purpose it is to monitor social media and to respond to each message in a timely manner, or, the social media function has been outsourced in the case of one participant.

The strong influence that social media has on organisations requires them to be very conscientious about the things that are posted online as these can go viral (widely and uncontrollably spread) quickly. Organisations also need to be aware of the information that is being said about them by consumers. Participants felt customers’ opinions, regardless of being negative or positive, need to be addressed and never left without being resolved. Some of the participants stated that:

"*Social media is monitored in the morning, afternoon and sometimes evening."*

"Social media team manages Facebook, website and any communication that comes through."

Two participants stated that once they have received complaints on social media, the following processes are followed:

1. The social media department liaises directly with the relevant departments with regards the compliment;
2. Feedback of the resolved complaint is hereafter communicated back to the social media department;
3. The social media department will provide the client with the necessary feedback.

One of the participants had stated that the feedback from the related or affected department upon which the complaint has been lodged is slow and usually fails to treat the complaint with the urgency that is warranted, as they need to follow certain procedures before responding to clients. Therefore, this process is cumbersome in nature and can result in delays in providing feedback.

*"So in most times responding to clients we are very quick on that but the biggest problem comes to when departments (*other departments within the company*) need to respond…"*

Three respondents' organisations have invested in sophisticated monitoring tools that are able to pick up when the organisation name is mentioned in any post on any platform. According to some of the participants, they noted that:

"The organisation has sophisticated tools to monitor social media whereby the organisation's name is mentioned and there is a team that monitors social media interactions."

One participant said that they use strategic management social media management tool which. incorporates all social media platforms into one. We have three individuals who are responsible for the various social media platforms. One individual address queries and another also responds to social media comments. The final individual is responsible for posting interactive and fun stuff. *“So that is a cool way to engage with people”*

The company uses social media listening software to monitor all the information making reference to the company on social media

The types of development of social media platforms cannot be predicted fully therefore companies need to be able to adapt. One respondent felt that voice communication will never die as some people still want to hear a voice at the end of the line and not that they are dealing with a machine, therefore the human element will have an influence in the future, regardless of how social media evolves.

4.2 Response to Research question 1

The use of social media to sell products to their consumers

Four participants felt strongly that social media is not a platform to sell products to consumers, instead social media is a platform to engage with current and prospective clients in an interactive manner and for entertainment and to plant the brand in the mind of the consumer. The messages and posts that are posted should hopefully prompt the consumer to want to engage with the company and if they require more information, they can go to the company website to get more information about a product or service and therefore prompting the consumer to want to request a quote and hopefully resulting in a sale. Companies are constantly encouraging their consumers to give them ideas and to provide them with feedback on their products and services with regards to the content on the various platforms. According to some of the participants, they noted that:

"By selling you are pushing information to the client."

"Social media is not a platform to push products instead it is a platform to engage."

"Selling on social media is a no no and social media is used to drive particular campaigns"

For some participants, selling and attracting leads on social media form part and parcel of their social media strategy. Four participants felt that social media should become a lead generator of communication, based on the messages that are placed on social media. The participants noted that:

"… We use it as a lead generator great thing you are able to measure, which is very hard to do on any other type of platform.

"I think that in any marketing activity the objective is to gain leads, so where it is on a billboard or an advert or social media any marketing activity the underlying objective and in some cases the main objective is to gain leads."

"Social media is a powerful tool for advertising"

Therefore, there are differing views by participants on whether social media should be used to sell insurance products to consumers.

4.3 Response to research question 2

The use of social media to address customer complaints

Participants agree that social media is a public platform where customers use it to voice their dissatisfaction with the organisation due to either service failures or to voice their dissatisfaction with their claims being repudiated or rejected, in some instances, as a result of a fraudulent activity. Customers whose complaints are addressed and responded to in a timely manner will sometimes go back onto the company's social media profile or HelloPeter and change a complaint to a compliment which is then positive for the company. According to some of the participants, they noted that:

"People pickup trolls and will tag the organisation and some people will gang up to start a group which can be damaging to the organisation."

"Sometimes there is an odd occasion where the client will complain so we will resolve it and the client will come back to the page and say thank you so much for resolving this and that is quite nice."

One participant stated that social media is not going to be disruptive, but is going to play a vital role in everyday life.

"Social media has evolved in the past 2 years and it is going to play a vital role in our everyday lives, because I see so many people moving away from your traditional complaints platforms."

In South Africa, HelloPeter has been one of the most commonly used social media platforms by many clients to voice their dissatisfaction with their insurer. In some instances, insurance companies found that some clients have resorted to using social media to get their insurer to respond to their claims quicker. In the past, HelloPeter was not taken seriously by three of the participants' organisations, however, there has been a huge paradigm change in these organisations as they have opted to change their stance in terms of their attitude towards the platform and therefore they have decided to embrace the platform, the result of which has improved the organisations' reputation. According to some of the participants, they noted that:

"We encourage them to give a compliment if they want to, to send an email or to go on to social media and they do the same with a complaint."

"HelloPeter is a well-known complaints forum that is often the first course of action that customers take. Positive to HelloPeter is that it has allowed to address key areas that needed improvement."

"Definitely still relevant we place a lot of emphasis on what people are saying about us on HelloPeter because it is a reputable source, it is still an important factor for us."

Another insurer felt that HelloPeter has no bearing on a potential customer's decision to take out cover with an organisation or not.

The participant stated that*; "New sales show that less than 10% of people actually go and screen their insurance company against it."*

Two participants felt that HelloPeter's influence is dying down as consumers are now able to interact with a company directly on social media. Therefore, to stay relevant HelloPeter is tapping into other social media avenues to stay relevant.

One participant stated that:" *HelloPeter is dying down as people are coming directly to insurance companies to help resolve their issues. HelloPeter is plugging into Facebook where they say if you want your complaint to be viewed by your company that you are complaining about on Facebook or twitter they have links now, so you can click there and the complaint will be published on their page, your page and they will tag us directly."*

According to one participant, some companies have decided not to respond to HelloPeter complaints, even though HelloPeter has the option for companies to subscribe to respond to comments and this is not good for the organisation's brand.

Therefore, all participants agree that social media complaints should be addressed timeously by insurance companies regardless of the social media platform.

4.4 Response to research question 3

The use of social media to educate to their consumers

The various insurers are using social media to educate their consumers on various topics and to provide useful tips. The methods and messages that are used may be different, but social media is seen by the industry as vital to educating their consumers. According to some of the participants, they noted that:

“Educate people about the company, products, and technical terms and also provide tips to customers, therefore helping clients to reduce their risks.”

“It is about identifying the relevancy and need, and again to share content. We want people to walk away and say wow this possibly changed my day.”

"… To provide relevant content to our community about driving tips, household tips, and key messages regarding events that we wish to convey.”

“So giving them those ideas, so that a person can think about.”

. The company uses the various social media platforms to plant a seed, in the hopes that the client will go to their website to obtain further information

One participant noted that it is important that internal staff are also educated in changes in legislation, for example, and these changes need to be understood by staff so that when customers query a certain matter the internal staff will have sufficient knowledge to assist the consumer.

“So there is a lot of legislation that has come into play now, however from a short term space it is more for us to make sure we are aligned, to them. So those instances we have to run an internal campaign to educate staff.”

Therefore, insurance companies are using videos, infographics, articles and blogs to convey educational information to their customers. A short post is placed on social media pages with a link for the consumer to click to receive more information.

4.5 Organisations’ social media strategy

The majority of the participants felt that social media has had to form part of the organisation’s strategy. According to some of the participants, they noted that:

“They don’t take it seriously and they think it is just some hype that will quieten down and they don’t actually have a proper strategy for social media, they just think that everyone has a social media page, everyone has Facebook we might as well, but they don’t take it as a strategy, but you need a strategy in order to optimize its “

“Need to formulate strategy, research market, research competitors, understand your audience, understand what they into and looking for, understand how get your ideas, information across to them in the way they are going to receive it.”

The current as well as the future consumers will be and are already techno savvy and they expect information to be available with a click of a button and therefore it is more damaging not to have a social media presence.

One participant stated that: *“I don’t think any business can operate without a social media platform, not a big company and honestly the new generation are going to be our future clients.”*

4.6 Future of social media

There has been a spectrum of different views on the future use for social media by participants:

Two participants felt that social media platforms may change and they do not know how it will change, however, organisations need to be able to adapt in order to stay relevant. Furthermore, according to one participant even though social media is evolving, consumers will still want to engage with companies on the phone, it provides them with the comfort that they are talking to a human and not a machine.

"You can see that people are starting to demand from social media companies, to have a more rigorous adjudication of what is relevant to them and what isn't, I think that is probably going to be the biggest change. I think it will move to an environment where there will be a lot more voice type of conversations. I think it's particularly Facebook which is currently more about the written word at the moment, I think it will evolve into something more virtual, you never know unless this is, you are in the field of 'predicting what is going to happen in the future."

"So you need to keep those channels open, I don't know what is going to happen on social media going forward in terms of industry and in South African terms"

Some of the participants felt that social media is evolving so fast and that companies need to be able to evolve with it.

"So I see it evolving, so much so to a point where call centre agents will need to be trained on two aspects on social media and sales."

"Data or texting or WhatsApp or live chat is the future of communication. Social media has already changed the way consumers interact with companies."

"It will become a tool more and more people will be using in future. It's easier now than 2 years ago, people communicate using their cellphones and don't have to rush to a pc or laptop any longer to make a point for many to see immediately."

"Because the world of digital and the digital space is forever changing it is very difficult to see or to say where it is going we just don't know. I mean facebook is around now, but in 10 years' time it could be something else. I think the objective is to keep up to date with the current trends within the digital space, it is pretty difficult to say how it is going to change."

Therefore, as social media continues to grow and change, no one can fully predict what the new advancements are going to be, but insurance companies are going to have to prepare themselves to embrace any future advances.

4.7 View from companies that have not embraced social media

Another five short-term insurance companies were approached and requested to be part of the research, however, these companies' representatives advised that the organisation does not make use of social media.

Through discussion with one of the smaller insurance companies, currently the organisation has no capacity to dedicate resources and time to social media platforms. The company is content to communicate with their consumers on traditional platforms and the need to convert to social media is not considered to be urgent and relevant. Some individuals in the organisation are unable to see or maybe do not understand the benefits of using social media. Furthermore, the underwriting manager /broker model that the organisation is using has not necessitated the need to use social media.

Therefore, the risk that these companies are facing is that the new generation may want to be fully engaged on social media and if a company is unable to provide them with the necessary platforms to engage with them, they will lose potential business to their competitors.

4.8 Summary of results

The researcher found that social media has provided companies with the ability to interact with the customers directly. However, social media has opened up insurance companies to public scrutiny. Timely responses are imperative to address customer needs. Participants felt that social media should not be used to sell new products, however it is an efficient platform to address complaints. Finally, social media provides insurance companies with a platform to educate their customers.

CHAPTER 5. DISCUSSION OF RESULTS

5.1 Introduction

This chapter discusses the results from the interviews which were undertaken with participants from various short term insurance companies. The research results were obtained from information provided by nine participants from eight different entities whose organisations had embraced social media and one organisation that had not embraced social media. This chapter reviews and discusses assertions from the relevant literature to the findings.

5.2 A view of social media by insurance companies in South Africa

Social media has provided an alternative platform for insurance companies to utilise to interact with customers. This study focused on the use of social media by short term insurance companies especially to sell, address complaints and to educate current and potential customers.

The participants provided their understanding and knowledge of the insurance industry and their organisation's perspective of social media and the following was identified about the use of social media in South Africa. The responses obtained are based on eight participants whose companies utilise social media and hereafter will be referred to as "all". The following is a discussion of the themes on the uses of social media

Theme1: Relationship

Social media has had a significant impact on short term insurance companies that have embraced the various platforms, it has allowed these organisations to expand their brands exponentially on the various platforms. The evolution of technology and accessibility of various tools on social media has allowed organisations to gain access to customers who, in the past, would not have been exposed to their brands. Customers from various backgrounds and interests are now privy to this type of versatile branding. According to Agnihotri, Kothandaraman, Kashyap and Singh (2013), social activities provide benefits, such as access to customers, early identification of customer needs and referrals, resulting in revenue.

It is important for companies to ensure that they manage social media platforms and this can be addressed using social customer relationship management. Trainor, Andzulis, Rapp and Agnihotri (2014) describe social customer relationship management as the firm's ability to generate, integrate and to respond to information that is obtained from customer interactions that are facilitated by social media technologies. The research has found that where participants have allowed themselves to have a presence on social media, this has allowed them to engage with their customers and therefore able to respond to their customer's needs. Therefore, social media management by organisations is vital to the way in which companies are managing the relationships that they have with their customers.

However, on the other hand, participants have found that opening themselves to social media has also exposed them to public scrutiny as well as bad publicity which was not there prior to engaging their customers on social media platform. Organisations that adopt social media are losing control of their customers (O'Brien, 2011). Customers are able to gain access to information from different social media sources and therefore, their online queries may be intercepted by competitors (Agnihotri, Kothandaraman, Kashyap & Singh, 2013).

In conclusion the social media platform has allowed insurance companies to share all sorts of information to their consumers, be it something entertaining or providing customers with tips to safeguard their properties. All the participants agreed that all social media has provided them with a platform to engage with their customers in real time. According to Habibi, Laroche and Richard (2014) social media platforms allow companies to be able to instantaneously communicate with their consumers in real time.

Theme 2: Social media platforms used

There are various platforms that can be used by insurance companies to interact and to convey various messages to their clients or potential customers. Even though there are various platforms that are currently being used by various organisations, the most popular amongst the participants are Facebook and Twitter. In the literature review, the statistics that were provided by Statista (2016) for January 2016 showed that Facebook has over a billion active users and Twitter 320 million; these two platforms' accessibility are large and instant and hence their popularity amongst the participants. These platforms allow insurance companies to gain an understanding of how much customers understand about the company's products and to convey specific and precise messages.

Corporate identity and branding is linked to a company's image regardless of it providing various products in its offering. Three participants' organisations have opted to use one corporate account for all products and therefore this allows the consumers to identify the company's offerings as one.

There are various social media platforms that are available for companies to use, but the majority of the participant's organisations are making use of three social media platforms. It is important to have limited presence on social media as identified by one participant, due to the various exposures that are on social media.

In conclusion, the popularity and accessibility of Facebook and Twitter has allowed insurance companies to attract new consumers and to converse with their current customers directly. According to Kotler and Keller (2012), the reality is whether an organisation chooses to use social media or not, the internet will always allow organisations to be scrutinised and/or criticised by customers or other organisations. Lerman and Ghosh (2010) found that Twitter and other social media sites can be used in a smart and productive manner, however due to the continuous developments, they are unpredictable. Therefore, by using social media and the internet in a manner that is thoughtful and constructive, an organisation can create a strong online presence and offer a credible alternative perspective.

Theme 3: Traditional platforms vs social media platforms

Even though social media has provided new platforms for communication, the majority of participants agree that the messages and information that are distributed on social media and traditional advertising platforms, such as radio and television, should be the same.

According to Assaad and Comez (2011), social media has provided organisations with the opportunity to communicate with customers better than traditional methods. However, Schivinski and Dabrowskia, 2013 found that traditional advertising cannot be substituted for social media campaigns, but rather social media can be used as part of a company's marketing communication strategy. Chikandiwa, Contogiannis and Jembere (2013) in comparison, found that social media needs to be integrated with tradition media.

This study found traditional avenues are considered to be an information pushing platform, unlike social media, which is considered to be an interactive platform whereby companies and customers are able to engage with each other in real time. However, according to one participant, the evolution of technology has led to a shift in media spend from television to mobile and digital advertising.

Theme 4: Challenges

Kietzmann, Hermkens, McCarthy and Silvestre (2011) noted that social media provides substantial and pervasive changes, that provides a means of communication between organisations, individuals and communities. This has provided a challenge for firms who have well established management. They found that customers want to be listened to, to be properly engaged and responded to.

This study found that all the participants agreed that even though social media has allowed their organisations to access new customers, social media has also exposed these companies to various challenges and dangers. According to Simkin and Dibb (2013), all conversations on social media are visible to the public and customers can learn from these posts, however negative conversations can go viral instantly and therefore companies need to be able to respond to conversations in real time.

All the participants agreed that dissatisfied customers are now using social media to try and to get their requests or complaints processed quicker. On the converse side of social media, the entities are perpetually have to post conversations and posts that insurance companies can use to their benefit and these posts have to be well planned, relevant, interesting and enjoyable to read for the consumer. If messages are unplanned and unstructured, this can result in messages being misunderstood and going viral and therefore damaging the brand.

Customers know that social media is a public platform and that insurance companies have no control over the content of what is posted by the customers in their posts and comments and therefore they can use the platform to either criticize a company or to compliment it.

Furthermore, participants have found that some of their customers who have had their claims repudiated are the ones that are using social media as a platform to try and get their repudiated claims decisions changed. These clients are using social media to complain or in some cases, they are resorting to forming groups or tagging companies in order to damage these companies' reputation. Brand management will then become vital in managing social media platforms. According to Kotler and Keller (2012), social media has allowed consumers to engage with a brand on a broader and deeper level. Social media encourages and harnesses word of mouth and therefore creating an awareness of the company and organisations need to be able to accept the good and the bad that is associated with using social networks. If social media is not managed and where there are no strategies and policies, this could have an impact on a company's brand image (Chikandiwa, Contogiannis &Jembere ,2013)

The challenges that have been identified and all the participant's information have to be addressed and managed by insurance companies in a timely manner to ensure that the organisation's reputation is maintained.

Theme 5: Monitoring

Insurance companies are monitoring social media platforms by having dedicated departments and individuals to address and resolve clients' queries and therefore providing a human element to the various platforms. Participants agreed that consumer posts should be addressed regardless of the consumer's message as this has an impact on the brand. The way that organisations address consumer posts may impact a potential consumer's perception of the organisation. This was found by Agnihotri, Kothandaraman, Kashyap and Singh (2013) that social media has allowed a two-way communication between companies and their customers and this has provided organisations to address customer concerns. Therefore, if no responses are received from companies, it could result in customers viewing the company as being unreliable.

All the participants' social media departments have well established processes in place to address consumer concerns. The consumer's complaint is addressed internally with the relevant department that is concerned, the feedback received is communicated directly to consumer. In some organisations, the internal responses and feedback to the consumer process is efficient and effective, however, as one participant has found, the urgency that is felt by the social media department is sometimes not understood by the internal departments and therefore feedback is slow.

The participants agreed that the social media interactions need to be addressed timeously and therefore it is imperative of organisations to use tools and departments that monitor social media platforms. The participants agreed that organisations' strategies and processes need to cater for the social media, as the future generation of clients may require organisations to engage with them on social media.

Therefore, an organisation's ability to monitor and to address challenges and react to social media content will be highly dependent on the organisation's social media strategy.

5.3 The use of social media to sell products

In response to research question 1"***To understand the use of social media by insurance companies to sell new products and services to current and new customers"?***

There were dynamic answers provided, in response to this question.
Some of the participants firmly believe that social media is not a platform to sell insurance products to customers. Four participants agreed that social media should be an interactive and entertaining platform to get customers to get to know the brand. Through social media interaction, the customers may find themselves in the future wishing to obtain cover based on something that they remember seeing about the company's brand online and therefore leading to a sale.

However, four other participants had a different opinion in their responses, in that they felt social media can be used to generate sales. The literature review identified that social media provides an organisation with the opportunity to attract new business using various social media avenues.

According to Agnihotri, Kothandaraman, Kashyap and Singh (2013), effective execution of social media requires sales people to accept the co-creation value and profitable customer relationship as an optimal outcome of the sales process. Sales people need to provide information, customer service, build trust and close the sale. Customer value is created during the consumption of a product. Therefore, with value creation aspects of using social media the organisations will be able to increase their sales. Trainor, Andzulis, Rapp and Agnihotri (2014) and Assaad and Gómez (2011) in their studies found that the use of social media to learn from their customers benficial, and that it also provides companies with an opportunity to grow.

In conclusion, participants were split 50/50 where some participants believed that social media can be used to drive sales and others believed that it should be used to engage with consumers. The organisation's social media strategy which drives social media is utilised for the customers' benefit.

5.4 The use of social media to address complaints

In response to research question 2 "***To understand the use of social media by insurance companies to address customer complaints/concerns"***

The response to the question was as follows:
All the participants firmly believe that social media is not only a platform for customers to complain, it is also a platform that allows insurance companies to turn a negative service experience into a positive experience for the customer. In order to effectively manage customer relationships, timely and ongoing feedback is required to reassure customers and build the necessary relationships. All participants' organisations have well established social media department or individuals to manage communication between the customer and the company. This reflects the findings in the literature review that social media complaints should be taken seriously as these may impact a company's reputation. In their study, Agnihotri, Kothandaraman, Kashyap and Singh (2013) found that social media has allowed a two-way communication between companies and their customers and this has provided organisations a way to address customer concerns. Therefore, if no responses are received from companies, it could result in customers viewing the company as being unreliable. According to Matis and Ilies (2014), the rise in customer expectations has resulted in the insurance industry needing to introduce new customer management initiatives as this has an impact on insurance products sales. The advances in technology and the decrease in technological costs have reduced the costs that are associated with the adoption of CRM technological initiatives. To have a customer relationship management process is imperative to manage customer expectations.

The impact of HelloPeter was discussed with the participants and the majority of complaints on HelloPeter were predominantly based on service delivery issues. Four participants felt that their ability to resolve customer issues can impact their reputation and their ability to attract new customers, therefore it is taken seriously. However, on the contrary, two participants felt that HelloPeter does not have any impact on their company's ability to attract new business.

However, another two participants have found that HelloPeter's impact and effectiveness may be on the decline as consumers now prefer to engage with their insurers directly and "cut out the middleman". These customers may be finding that their queries and concerns are being given priority by the insurance companies as a result of the prompt responses.

According to one participant, HelloPeter's impact on their website seems to be on the decline and this has forced the company to "tap" into other platforms such as Facebook, as it has a greater audience and therefore a greater impact on an insurance company's reputation.

According to Cho, Im, Hiltz and Fjermestad (2002), proper management of online complaints may affect customer retention. Complaint management is essential for strategies to resolve disputes and to improve ineffective services and products to establish a firm's reliability. Complaint data is important for process correction and increased performance.

In conclusion, a customer's perception of a company could have an impact on the company's reputation, therefore an organisation's ability in resolving a complaint timeously on social media, regardless of the platform, has become an important factor in brand management.

5.5 The use of social media to educate customers

In response to research question 3 "***To understand the use of social media by insurance companies to educate their customers."***

The response to the question was as follows:

All the participants have a firm belief that social media is the best platform to educate customers about insurance terms and to provide them with tips on how to protect their insured items.

Each post that is made on social media should be carefully planned and it should have a particular purpose. The changes in legislation require insurance companies to educate their staff internally, thereby allowing them to have the technical knowledge to be able to assist consumers. Due to the advance of social media and various applications, insurance companies are able to create content using various avenue streams such as videos, articles and other avenues to educate.

The literature review revealed that companies need to assist their customers to understand their products and insurance based covers and also for the consumers to understand the risk that they are undertaking when taking cover. Waggoner (2015) found that consumers struggle to understand short term insurance jargon and that social media provides insurance companies with a platform to educate their customers. Therefore, as previous studies found, education leads to customer expertise (Suh, Greene, Israilov & Rho,2015; Bell & Eisingerich,2007).

In conclusion, the advances in social media platforms, provides insurance companies with an opportunity to assess their customers' understanding of their products, risks and insurance terms. Based on the information gathered, insurance companies will be able to provide their customers with content where there is a lack of understanding.

5.6 Organisations' social media strategy

Social media should form part of an organisation's strategy because social media posts are happening on a public platform. The inability of an organisation to handle and manage the brand online, may have a detrimental effect on the organisation' brand in the future.

In the literature review, the Social Customer Relationship Management (SCRM) was discussed as a tool that helps an organisation to manage their social media. It allows an organisation to engage with customers in a convenient manner to address their needs, wherever they are. This means an organisation is able to get an understanding of their customer needs and to provide their client with a personalised service that keeps them informed, interested and engaged (Woodcock, Green & Starkey, 2011).

Due to the rapid growth in social media and its associated risks, management should have a social media strategy that can be facilitated by SCRM. The future consumer is already engaged on various social media platforms and it is imperative that these consumers are able to identify with a brand as early as possible. In conclusion, social media needs a strategy and this strategy will drive the organisation's ability to interact with future generation of customers.

5.7 The future of social media as described by the participants

The future of social media in terms of the industry will depend on how the company views the use of social media, even though a number of insurance companies have decided to embrace social media and to take advantage of the new developments that are available. The participants have various

views of where social media is going to in the future, however, it is vital in terms of engaging with new and current customers.
For some participants, the new platforms will provide them with the ability to streamline their processes, for example, processing claims on social media using various applications.

Some of the participants felt that the future of social media cannot be fully predicted, however when the latest development comes it can be embraced. For some, the use of other social media platforms, such as WhatsApp, will bring new advantages in how companies streamline their process to address customer needs.

In conclusion, the future of social media cannot be fully predicted, however, those companies that are able to embrace social media and to cater for any changes will have a competitive advantage.

5.8 View of a company that is not making use of social media

Five other insurers were phoned and requested that they should be part of the research, however, they advised that they were not on social media. According to Hanna, Rohm and Crittenden (2011), the challenge faced by some organisations is that they recognise the need for them to be active on social media, however they struggle to understand how to use it effectively, what performance indicators they should measure, and how they should measure them. It should be noted that when embarking on and embracing social media platforms, companies need to have dedicated staff members or a social media department and resources to manage social media as messages can come through at any time. According to Chikandiwa, Contogiannis and Jembere (2013), social media is still in its infancy phase in South Africa. Legal and regulatory issues have been identified as obstacles in the adoption of social media.

These can be considered as some of the drivers that may impact the organisation's willingness to embrace social media.

The discussions that were held with one particular entity revealed that, due to the nature of the company structure, the company has not been able to embrace social media and even their business partners are not on social media.

In the short term the relevance and need for social media may not be obvious, however, in the long run this may be detrimental to these organisations as the future generation of consumers may have an expectation that all the information they require is available to them online 24 hours a day. Recommendations for these types of entities are discussed in chapter 6.

5.9 Conclusion

Social media has and continues to evolve, it has allowed organisations to access new clients and it has also allowed them to engage with current clients on a different platform from traditional avenues of television and other media.

Some of the participants feel that you should not sell products and insurance policy covers on social media as this is not the platform to do so. On the contrary, other participants felt that social media should be used to generate leads. All participants agree that complaints should be addressed timeously as this may have a negative impact on the organisation's brand. Finally, all the participants agree that social media can be used to educate their customers.

Social media does however come with challenges that require insurance companies to have strategies in place to address these challenges. Furthermore, the future of social media cannot be predicted, however, it does provide new and exciting opportunities for those companies who are willing to embrace social media to grow their brand and to generate income using new avenue streams.

CHAPTER 6. Conclusions and Recommendations

6.1 Introduction

This chapter presents a summary of the findings and the conclusion of the research. The chapter concludes with presenting the limitations of this research and makes recommendations for future studies. This study made use of the qualitative methodology to understand the use of social media by short term insurance companies in South Africa. The qualitative methodology provided a view from nine individuals in social media or digital positions in short term insurance companies in South Africa.

6.2 Summary of findings

An overall understanding of the social media industry was obtained from the participants, as this provides the platform for insurance companies to function on social media. In the literature review, the findings that were identified by Kiron, Palmer, Phillips and Kruschwitz (2012) in their study, suggested that some organisations have embraced social media, but others are cautious about its value and that marketing, sales and customer service are what drives marketing sale for companies.

Social media and technological advances have allowed organisations to gain access to customers with various backgrounds and interest. The participants agreed that all social media has provided them with a platform to engage with their customers in real time. These platforms have allowed organisations to expand their brands. The various platforms allow insurance companies to share a variety of information that is interactive and entertaining as well as information that is beneficial to the consumers for example, tips to safeguard their properties. The platforms that emerged as being the most popular for insurance companies to use are Facebook, Twitter as these platforms are the most engaging and they can reach millions of users. Even though social media is growing, insurance companies are distributing the same message to their users on social media and traditional avenues of advertising such as television.

The participants agree that even though social media has allowed organisations to access new customers, and the ability to interact with consumers in a larger platform, social media has also exposed companies to various challenges which can result in reputation damage to the organisation. Therefore, insurance companies should use social media to post well planned, relevant, interesting and enjoyable items to be read by the consumer.

Research question 1: ***To understand the use of social media by insurance companies to sell new products and services to current and new customers***.

The view by participants was split in the middle as some participants were of the opinion that social media is not a platform that should be used to generate sales. Social media is a platform that should be used to establish relationships with new and existing customers online. On the contrary, other participants felt that social media can be used as a lead generator for insurance companies to attract new and current customers. Those embracing social media are in agreement with literature that provides that social media can be used to sell to consumers. The decision to use social media as a selling platform is a decision that each and every company needs to decide on.

Therefore, it cannot be concluded that social media should be used to sell to consumers as participants were split 50/50 on the matter.

In response to research question 2: ***To understand the use of social media by insurance companies to address customer complaints/concerns.***

Social media has allowed consumers to directly interact with the company with regard to their concerns. Complaints on social media have to be responded to by insurance companies regardless of the platform as these comments may have a negative impact on the organisation's reputation.

The participants advised that the majority of social media complaints are a result of poor service delivery and, in some cases, are being used as an avenue by some consumers to speed up their claims. These companies need to be able to balance out their responses to complaints and, at the same time, be able to protect their reputation as a result of negative posts. Each conversation and post should be treated with urgency and adequate feedback should be provided to the consumer, regardless of the type of complaint. Vos, Huitema and De Lange-Ros (2008) found that complaints or the elimination of certain organisational practices could lead to complaints, therefore complaints should motivate companies to find resolutions. As a result social media complaints provide an organisation with an opportunity to improve their processes.

Therefore, it can be concluded that complaints are being addressed on social media by insurance companies.

In response to research, question 3: ***To understand the use of social media by insurance companies to educate their customers.***

Social media allows organisations to be innovative in their use of various platforms and organisations need to be able to provide their clients with various ways to interact with the organisation. The importance of accessing underwriting and claims processes in an easier way can lead to a competitive advantage to any organisation that is able to embrace social media effectively.

Therefore, it can be concluded that social media is used by insurance companies to educate their consumers.

General observation

The research, however, revealed that there are some insurance companies in South Africa that have decided not to make use of social media and rather to engage with their consumers via traditional avenues, such as call centres, television and radio advertisements.

6.3 Recommendations

The ability to use social media as a lead generator to attract new clients should be considered, especially by those organisations who have decided not to use it to sell their products. Social media should not be used to sell insurance products to customers, instead it should be used to share content and this should prompt customers to want to obtain insurance products insurance cover with the particular company.

Insurance companies should take into consideration the impact and developments of the current popular complaints website, for example HelloPeter, with their embracing of other social media avenues besides their own website and how this will impact the brand in the future.
The risk of not joining social media by insurance companies should be taking into consideration for companies who have not embraced social media.

The benefits that have been identified through this research have shown that social media must be considered by insurance companies for the following reason:

- Exposure that social media can provide to the insurance company as a result of the brand awareness to potential clients.
- Providing clients with a different view of the brand that can be fun, informal and entertaining.

- The organisation will be able to engage with new and potential clients on a personal level.
- Ability to educate new and current clients about the risks they may be exposed to in terms of the various insurance products, services and benefits.
- Interactions on social media can help an organisation to improve their processes and therefore improve the organisation's service delivery.
- Social media also exposes organisations to new technological developments in order to gain a competitive advantage.
- Companies will need to have a social media strategy that should be in line with the overall company strategy. Companies need to have set social media policies and procedures in place to protect the organisation.

6.4 Future research

Although this study has provided some contribution towards understanding the short term insurance companies' use of social media in South Africa, it has its limitations.
Further research is required to understand the overall use of social media by South African short term insurance companies.

Firstly, the understanding of the use of social media by underwriting managers and brokers.

Secondly, the threat that short term and life term insurance companies face for not embracing social media.

Thirdly, the impact that social media will have on the policy protection rules and customer policy documentation.

Fourthly, the emergence of new competitors, such as cell phone companies and Google insurance, and the ability to attract new customers through social media or traditional avenues, such as radio advertising and the threat it causes to traditional insurance companies.

Finally, the move to big data analytics by the short term insurance industry and its ability to enhance social media content and the associated technological costs.

REFERENCES

Adkins, N.R., & Ozanne, J.L. (2005). Critical Consumer Education: Empowering the Low-Literate Consumer. *Journal of Macromarketing,* 25(2), 153-162.

Aluwihare-Sumaranayake,D.(2012). Ethics in Qualitative research: A View of the Participants' and Researchers' World from a Critical Standpoint. *International Journal of Qualitative methods*,11(2),64-81.

Agnihotri, R., Kothandaraman, P., Kashyap, R., & Singh, R. (2012). Bringing "social" into sales: The impact of salespeople's social media use on service behaviors and value creation. *Journal of Personal Selling & Sales Management*, 32(3), 333-348.

Andzulis, J. M., Panagopoulos, N. G., & Rapp, A. (2012). A review of social media and implications for the sales process. *Journal of Personal Selling & Sales Management*, 32(3), 305-316.

Assaad, W., & Gómez, J. M. (2011). Social Network in marketing (Social Media Marketing)-Opportunities and Risks. *Journal of Managing Public Sector Information and Communication Technologies*, 2(1), 13-22.

Asur, S., & Huberman, B. A. (2010). *Predicting the Future with Social Media*. EEE/WIC/ACM International Conference on Web Intelligence and Intelligent Agent Technology, 1, 1–8.

Bell, S.J.& Eisingerich.A.B (2007). The paradox of customer education: Customer expertise and loyalty in the financial services industry. *European Journal of Marketing*, 41(5&6), 466 - 486.

Benn, J. (2004). Consumer education between ‘consumership’ and citizenship. *International Journal of Consumer Studies*, 28(2), 108-116.

Bollen, J., Pepe, A., & Mao, H. (2009). Modeling public mood and emotion: Twitter sentiment and socio-economic phenomena. *arXiv preprint arXiv:0911.1583*.

Bonfanti A. & Brunetti. F. (2014). *Customer Education, Evaluation Skills And Perceived Value: A Theoretical Framework*. Paper presented at the 17th Toulon-Verona International Conference, Liverpool.

Broniarczyk, S. M., & Griffin, J. (2014). Decision difficulty in the age of consumer empowerment. *Journal of Consumer Psychology*, Forthcoming.

Bryman, A. (2012). *Social Research Methods (4th ed.).* New York: Oxford.

Burton, D. (2002). Consumer education and service quality: conceptual issues and practical issues. *Journal of Services Marketing*, 16(2), 125-142.

Camacho, N., De Jong, M., & Stremersch, S. (2014). The effect of customer empowerment on adherence to expert advice. *International Journal of Research in Marketing*, 31(3), 293-308.

Campbell, A. J. (2003). Creating customer knowledge competence: managing customer relationship management programs strategically*. Industrial marketing management*, 32(5), 375-383.

Carr, N.K & Maier, S.P. (2013). Social Media Policies: Managing Risks In A Rapidly Developing Technological Environment. *Mustang Journal of Law and Legal Studies*, 4, 87-107.

Chelminski, P., & Coulter, R. A. (2011). An examination of consumer advocacy and complaining behaviour in the context of service failure. *Journal of Services Marketing*, *25*(5), 361-370.

Chikandiwa, S.T, Contogiannis,E. & Jembere,E. (2013).The adoption of social media marketing in South African banks, *European Business Review*, 25 (4) , 365 – 381.

Cho, Y., Im. I., Hiltz,R. & Fjermestad, J. (2002). *An Analysis of Online Customer Complaints: Implications for Web Complaint Management*. Paper presented at the 35th Hawaii International Conference on System Sciences, Hawaii.

Creswell, J. W. (2003*). Research Design: Qualitative, Quantitative, and Mixed Methods Approaches.* Los Angeles: Sage Publications.

Cruzes, D. S., & Dybå, T. (2011, September). *Recommended steps for thematic synthesis in software engineering.* In: Empirical Software Engineering and Measurement (ESEM), 2011 International Symposium (pp. 275-284).

De Villiers, M. R. (2005, July). Three approaches as pillars for interpretive information systems research: development research, action research and grounded theory. *In Proceedings of the 2005 annual research conference of the South African institute of computer scientists and information technologists on IT research in developing countries* (pp. 142-151). South African Institute for Computer Scientists and Information Technologists.

Edosomwan, S., Prakasan, S. K., Kouame, D., Watson, J., & Seymour, T. (2011). The History of Social Media and its Impact on Business. *The Journal of Applied Management and Entrepreneurship*, *16*(3), 1–13.

Etikan, I., Musa, S. A., & Alkassim, R. S. (2016). Comparison of convenience sampling and purposive sampling. *American Journal of Theoretical and Applied Statistics*, 5(1), 1-4.

Fan, C. K., & Lee, Y. H. (2015). Using Social Media Networking Data in Insurance Underwriting. *World Scientific Research*, 2(1), 10-16.

Felício, A. J., & Rodrigues, R. (2015). Organizational factors and customers' motivation effect on insurance companies' performance. *Journal of Business Research*, *68*(7), 1622–1629.

Fontein,D (2016), The Social Media Glossary: 226 Essential Definitions. Retrieved August 06, 2017, from https://blog.hootsuite.com/social-media-glossary-definitions/

Garg, P. (2010). Critical failure factors for enterprise resource planning implementations in Indian retail organizations: An exploratory study. *Journal of Information Technology Impact*, 10(1), 35-44.

Goodman, J. (2006). Manage complaints to enhance loyalty. *Quality Control and Applied Statistics*, *51*(5), 535.

Grégoire, Y., Salle, A., & Tripp, T. M. (2015). Managing social media crises with your customers: The good, the bad, and the ugly. *Business horizons*, 58(2), 173-182.

Gruber,T., Szmigin I., Voss, R. (2009). Handling customer complaints effectively: A comparison of the value maps of female and male complainants. *Managing Service Quality. An International Journal, 19(6), 636 - 656.*

Habibi, M.R., Laroche, M., Richard, M. (2014). Brand communities based in social media: How unique are they? Evidence from two exemplary brand communities*. International Journal of Information Management*, 34, 123–132.

Hadfield, A. (2007). *Hello Peter Tells It Like It Is*. Retrieved July 21, 2015, from http://www.andyhadfield.com/2007/08/hello-peter-tells-it-like-it-is.html.

Hanna, R., Rohm, A., & Crittenden, V. L. (2011). We're all connected: The power of the social media ecosystem. *Business horizons*, 54(3), 265-273.

Hansen, T. (2009). Applying social network theory and analysis in the struggle for social justice. *Peace Research*, 5-43.

Hannes, K., Lockwood C., & Alan Pearson. (2010). A Comparative Analysis of Three Online Appraisal Instruments' Ability to Assess Validity in Qualitative Research. *Qualitative Health Research*, 1-8.

HelloPeter. (n.d). *Compare Companies in insurance Industry (last 12 months).* Retrieved 22 July 2015, from hellopeter.mobi/industry/insurance/compare-companies?compare=customs&372&202&26&748787&30&802228&203.

Hughes, D. J., Rowe, M., Batey, M., & Lee, A. (2012). A tale of two sites: Twitter vs. Facebook and the personality predictors of social media usage. *Computers in Human Behavior*, *28*(2), 561-569.

InsuranceZA (n.d) *Glossary of Insurance Terms* Retrieved 02 August 2017 from
http://www.insuranceza.co.za/insurance-terms-glossary.htm

Jaafar, M., Abdul-Aziz, A. R., & Sahari, M. H. (2009). The use of social network theory on entrepreneur's linkages development. *Theoretical and Empirical Researches in Urban Managemen*t, 4(1S), 101-119.

Krauss, S. E. (2005). Research paradigms and meaning making: A primer. *The qualitative report*, 10(4), 758-770.

Kaufmann, M., & Kalita, J. (2010, July). *Syntactic normalization of twitter messages.* In International conference on natural language processing, Kharagpur, India.

Kietzmann, J. H., Hermkens, K., McCarthy, I. P., & Silvestre, B. S. (2011). Social media? Get serious! Understanding the functional building blocks of social media. *Business horizons*, 54(3), 241-251.

Kiron, D., Palmer, D., Phillips, A. N., & Kruschwitz, N. (2012). Social business: What are companies really doing. *MIT Sloan management review*, 53(4), 1-32.

Kotler, P., Keller K.L. (2012). Marketing Management (Fourteenth ed.). Edinburgh: Pearson Education Limited.

KPMG. (2014). *The South African Insurance Industry Survey 2014*. Johannesburg, South Africa: KPMG.

Laing, A. (1988). Change and Development in Short-Term Insurance In South

Africa 1950-1985. *South African Journal of Economic History, 3(1),* 33-44.

Leedy, P. D., & Ormrod, J. E. (2013). *Practical Research: Planning and Design (10th ed.).* London: Pearson Education

Lerman, K., & Ghosh, R. (2010). *Information Contagion: An Empirical Study of the Spread of News on Digg and Twitter Social Networks*. ICWSM, 10, 90-97.

Long, T., & Johnson, M. (2000). Rigour, reliability and validity in qualitative research. *Clinical Effectiveness in Nursing*, 4(1), 30–37.

Loots H., & Grobler, A.F. (2014). Applying marketing management and communication management theories to increase client retention in the short-term insurance industry. *Public Relations Review, 40,* 328–337.

Malita, L. (2011). Social media time management tools and tips. *Procedia Computer Science*, *3*, 747–753.

Malthouse, E. C., Haenlein, M., Skiera, B., Wege, E., & Zhang, M. (2013). Managing customer relationships in the social media era: introducing the social CRM house. *Journal of Interactive Marketing*, 27(4), 270-280.

Mackenzie, N., & Knipe, S. (2006). Research dilemmas: Paradigms, methods and methodology. *Issues in educational research*, 16(2), 193-205.

Marett, K., McNab, A.L., & Harris, B.R. (2011). Social Networking Websites and Posting Personal Information: An Evaluation of Protection Motivation Theory. *AIS Transactions on Human-Computer Interaction, 3*(3), 171-188.

Matiş, C., & Ilieş, L. (2014). Customer Relationship Management in the

Insurance Industry. Procedia Economics and Finance, 15, 1138-1145.

Maziriri, E. T., Madinga, W., & Lose, T. (2017). Entrepreneurial Barriers that are confronted by Entrepreneurs living with Physical Disabilities: A Thematic Analysis. *Journal of Economics and Behavioral Studies*, 9(1), 27-45.

Mazzia, A., & Juett, J. (2009). *Suggesting hashtags on twitter*. EECS 545m, Machine Learning, Computer Science and Engineering, University of Michigan.

McGregor, S. (2005). Sustainable consumer empowerment through critical consumer education: a typology of consumer education approaches. *International Journal of Consumer Studies*, 29(5), 437–447.

McNeal, J. (1978). Consumer Education as a Competitive Strategy. *Business horizons,* 21, 50-56.

Mantilla, K. (2013). Gendertrolling: Misogyny adapts to new media. *Feminist Studies*, 39(2), 563-570

Moncrief, W. C., Marshall, G. W., & Rudd, J. M. (2015). Social media and related technology: Drivers of change in managing the contemporary sales force. *Business horizons*, 58(1), 45-55.

National Associational of Insurance Commissioners. (2015, March 6). *Social Media*. Retrieved 20 July 2015 from http://www.naic.org/cipr_topics/topic_social_media.htm

O'Brien, C. (2011). The emergence of the social media empowered consumer. *Irish Marketing Journal*, 21(1 & 2), 32-40.

Orb,A, Eisenhauer,L & Wynaden D (2000). Ethics in Qualitative Research. *Journal of Nursing Scholarship*, 33(1),93-96.

Osatuyi, B. (2013). Information sharing on social media sites. *Computers in Human Behavior*, 29(6), 2622-2631.

Oumlil, A.B., & Williams, A. J. (2000). Consumer education programs for mature consumers. *Journal of Services Marketing*, 14(3), 232-243.

Page, R. (2014). Saying 'sorry': Corporate apologies posted on Twitter. *Journal of Pragmatics, 62, 30-45.*

Papasolomou, I., & Melanthiou, Y. (2012). Social media: Marketing public relations' new best friend. *Journal of Promotion Management*, *18*(3), 319-328.

Peters, K., Chen, Y., Kaplan, A. M., Ognibeni, B., & Pauwels, K. (2013). Social Media Metrics — A Framework and Guidelines for Managing Social Media. *Journal of Interactive Marketing*, *27*(4), 281–298.

Petrović, S., Osborne, M., & Lavrenko, V. (2010). *Streaming first story detection with application to twitter.* Paper presented at the In Human Language Technologies: The 2010 Annual Conference of the North American Chapter of the Association for Computational Linguistics (pp. 181-189).

Polit, D. F., & Beck, C. T. (2010). Generalization in quantitative and qualitative research: Myths and strategies. *International Journal of Nursing Studies*, 47(11), 1451–1458.

Rababah, K., Mohd, H., & Ibrahim, H. (2011). Customer relationship management (CRM) processes from theory to practice: The preimplementation plan of CRM system. *International Journal of e-Education, e-Business, e-Management and e-Learning*, 1(1), 22-27.

Roberts-Lombard, M. (2012). Exploring the relationship between trust, commitment and customer loyalty through the intervening role of customer relationship management (CRM). *African Journal of Business Management, 6(10),* 3803-3816.

Roeder, C. (2014). Reforming Consumer-Insurer Dispute Resolution in the Auto Insurance Industry. *Journal of Business & Securities Law, 14(7),* 148-172.

Roulston, K., & Shelton, S. A. (2015). Reconceptualizing Bias in Teaching Qualitative Research Methods. *Qualitative Inquiry*, *21*(4), 332-342.

Schivinski, B., & Dabrowski, D. (2014). The effect of social media communication on consumer perceptions of brands. *Journal of Marketing Communications*, 1-26.

Simkin, L., & Dibb, S. (2013). Social media's impact on market segmentation and CRM. *Journal of Strategic Marketing*, 21(5), 391-393.

Statista. (2016, March). *Leading social networks worldwide as of January 2016, ranked by number of active users (in millions)*. Retrieved 7 March 2016, from http://www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/

Stec, C (2017). *Social Media Definitions: The Ultimate Glossary of Terms You Should Know.* Retrieved August 06, 2017, from https://blog.hubspot.com/blog/tabid/6307/bid/6126/the-ultimate-glossary-120-social-media-marketing-terms-explained.aspx

Stutzman, F., Gross, R., & Acquisti, A. (2012). Silent Listeners: The Evolution of Privacy and Disclosure on Facebook. *Journal of Privacy and Confidentiality*, 4(2), 7–41.

Suh, M., Greene, H., Israilov, B., & Rho, T. (2015). The Impact of Customer Education on Customer Loyalty Through Service Quality. *Services Marketing Quarterly*, *36*(3), 261-280.

Tiu Wright, L., Pires ,G.D., Stanton J., & Rita, P. (2006). The internet, consumer empowerment and marketing strategies. *European Journal of Marketing*, 40(9), 936 - 949.

Trainor, K. J., Andzulis, J. M., Rapp, A., & Agnihotri, R. (2014). Social media technology usage and customer relationship performance: A capabilities-based examination of social CRM. *Journal of Business Research*, 67(6), 1201-1208.

Vos, J., Huitema, G., & de Lange-Ros, E. (2008). How organisations can learn from complaints. *The TQM Journal,* 20(1), 8-17.

Waggoner, A. (2015). *5 Social Media Best Practices for Insurance Companies*. Retrieved 17 July, 2015, from http://www.skmgroup.com/5-social-media-best-practices-for-insurance-companies/.

Walther, J. B., & Jang, J. W. (2012). Communication processes in participatory websites. *Journal of Computer Mediated Communication*, 18(1), 2-15.

Ward, J. C., & Ostrom, A. L. (2006). Complaining to the masses: The role of protest framing in customer-created complaint web sites. *Journal of*

Consumer Research, *33*(2), 220-230.

Wetherell, C. (1998). Historical social network analysis. *International Review of Social History*, 43(S6), 125-144.

Wolgemuth, J. R., Erdil-Moody, Z., Opsal, T., Cross, J. E., Kaanta, T., Dickmann, E. M., & Colomer, S. (2015). Participants' experiences of the qualitative interview: considering the importance of research paradigms. *Qualitative Research*, *15*(3), 351-372.

Woodcock, N., Green, A., & Starkey, M. (2011). Social CRM as a business strategy. *Journal of Database Marketing & Customer Strategy Management*, 18(1), 50-64.

APPENDIX

I would like to thank you for this opportunity to sit with you. This research forms part of my MBA course work.

The purpose of this research is to determine the use of social media by insurance companies in South Africa.

My main focus area:

- The first problem is to understand the use of social media by insurance companies to sell new products and services to current and new customers.
- The second problem is to understand the use of social media by insurance companies to address customer complaints/concerns.
- The third problem is to understand the use of social media by insurance companies to educate their customers.

1. How has social media impacted the relationship the organisation has with it customers?
2. Which social media avenues are you currently using to interact with your customers?
3. In general what challenges has social media bought?
4. How different is social media interactions compared to traditional avenues such as television and radio?
5. Majority of people are still using the traditional avenues of word of mouth to interact with insurance companies, does this mean you have to come up with different approaches when dealing with these clients?
6. How do you monitor social media interactions?
7. What type of information are you distributing on these social media platforms?
8. How are you using social media to sell new products to new and current consumers?

9. If you are using social media to sell products online have you seen an substantial growth in sales
10. How are you using social media to address complaints?
11. How has the introduction of complaints websites such as HelloPeter impacted the organisation?
12. Have there been any negative outcomes of HelloPeter to the organisation and how is the organisation dealing with these?
13. Are you able to use social media to educate your customers for example changes in legislation for example
14. Has social media had a positive impact on the reputation of the organisation?
15. How do you see the evolution of social media and how will it impact your organisation in the future?
16. Any last thoughts?