Sound Advice or Sour Grapes: A Curmudgeon’s Take on Social Media in the Agency

PART ONE: Social Media and E&O

Sponsored by

NUMBER ONE INSURANCE AGENCY, INC.
Sound Advice or Sour Grapes: A Curmudgeon’s Take on Social Media in the Agency

Presented By:
Kevin C. Amrhein, CIC
FISCE and the CE Partnership
kamrhein@fisce.com

What Does “Social Networking” Encompass? In Short, a Lot of Time (and Money):

A Few Stats Worth Noting:
- 47% of Americans say Facebook is the top influencer of their buying decisions
- On average, Americans spend 16 minutes of each online hour on Facebook.
- 71% of users use a mobile device to access social networking

Is Age Relevant?
- 72% of individuals aged 30 to 49 are engaged in social media
- 60% of people between 50 to 60 years old are active on social media
- 43% of those 65 years old and above are engaged in social media
The “Players”: Number of Active Monthly Users

1.28 billion
255 million
187 million
540 million

E&O Issues Concerning Typical Online Actions

• Rise of the “BYOD” workplace (bring your own device)
• Disclaimers (or lack thereof)
• Privacy
• Security
“You Posted WHAT?!”

- Personally Identifiable Info
- Damage control
- State data breach laws (NCSL website)

E&O Issues Concerning Typical Online Actions

- “Hate the player, not the game” (agreement to hold SN harmless)
- Intellectual property and rights of ownership
- Documentation/recordkeeping
User Agreement

- Sample from LinkedIn
- Use of Copyrighted Materials
- Hold Harmless
- Indemnify
- Applies to Mobile Use
- “It’s On You, Brother”

Intellectual Property and Rights of Ownership

- Law set up to favor the content creators
- **Copyright**
- Trademark
- Content (articles, images, etc.)
- Links and sharing

From the U.S. Copyright Office:

A form of protection provided by the laws of the United States for “original works of authorship”, including literary, dramatic, musical, architectural, cartographic, choreographic, pantomimic, pictorial, graphic, sculptural, and audiovisual creations. **A copyright notice is no longer legally required to secure copyright on works first published on or after March 1, 1989**, but it does provide legal benefits.
Intellectual Property and Rights of Ownership, cont.

• What is “personal” use?
• “Licensing” and “royalty free”
• Just giving credit may not equal permission
• You’ve heard of “document, document, document”. Try “ask, ask, ask”!

Q) What is “permissive use?”

Using the YouTube Logo

Clear space
The YouTube Logo should always appear with the minimum area of clear space around the logo. It is essential that the logotype versions have full of all graphics, logos, elements and photography.

Minimum size
In order to ensure legibility and visual prominence, the YouTube logo should never appear smaller than the minimum size shown here for print and digital applications.
Linking and Sharing

- Most users simply copy/paste content
- Go through source

To Know Thyself...

TRUE OR FALSE:

I’ve posted a link to content directly from the WEB without going through or receiving permission from the source.
Establishing Your Agency Social Networking Policy: Best Practices

- Core principles don’t change
- Training new employees
- Gaging comfort level of experienced employees
- Setting the all-important boundaries (standards for employees)


- Creating standards for your customers
- Defamation
- Documentation
- **Who’s the MONITOR?!** (Yep, somebody’s gotta’ do it)
To Know Thyself...

How often does someone check your agency’s Facebook, Twitter or other SM accounts for content?
A) Constantly. Always on.
B) Daily- before the monitor leaves the office
C) Weekly
D) Less often than weekly/no one wants to be the monitor

Example #1 of Bad Monitoring:

An agency employee posted a testimonial from an insured describing how great the agency was in helping the insured recover from a recent theft claim. Employee responded to post: “no problem [Mr. Insured]. Staying one step ahead of the thieves...that’s how we roll! 😊”

The post was not removed for several weeks. During that time, a spree of break-ins effected several of the agency’s insureds; a few of which had purchased policies that did not cover theft.
Example #2 of Bad Monitoring:

An agency employee posted an article about damage resulting from a freezing pipe. In the thread, an insured responded to the article with the following question: “So if the pipes in my office are brand new, insulated and still burst, the resulting damage is covered?” to which the employee responded “Yes- the important thing is that you can show the adjuster you took steps to prevent the pipe from freezing.”

From the ISO Commercial Property Special Form Causes of Loss:

However, Water Damage does not include:

(4) Loss or damage caused by or resulting from freezing, unless:
   (a) You do your best to maintain heat in the building or structure; or
   (b) You drain the equipment and shut off the water supply if the heat is not maintained.

Social Networking is a Valuable Tool...and Borderline Imposition

- Not everyone is “always on”
- Ask how they prefer to communicate and document
- The more clutter, the greater the probability of error
- Standards for employees (more to follow)
- Standards for customers (more to follow)
Standards for Employees

- Professional conduct and language
- The one absolute truth of humor: not everyone will “get it”
- Agency “owns” the conversation
- “Generify” information before posting
- Professional-related content on employee’s personal accounts

Standards for Employees, cont.

- Identify what’s “personal info” and avoid it like the plague
- Always steer towards phone call or personal meeting
- Politics and other sensitive issues
- Responding to complaints

SN COMPLAINT MANAGEMENT:

GOOD RESPONSE:
“We’d like to know more about your experience. Would you prefer we contact you by phone or email?”

NOT SO GOOD RESPONSE:
“You’re wrong, you’re lying, I can prove it. Hey- everyone else: pay no attention to this knucklehead’s post!”

ALSO NOT SO GOOD:
Doing absolutely nothing at all.
To Post or Not to Post?

Safe
- Original Content
- Original Photos/Video
- Permissive Use Credited
- Content Linked Through Source

Risky
- Links
- Copied/Pasted from Internet
- Coverage Advice
- CLAIMS/POLICY INFO

The “Call Center”: Using Third-Party “Posting” Services/Contractors
- Google search: “Social Media Posting Services”
- Will handle content for a fee
- Does exposure to agency change?
Standards for Customers

Emphasized and easy to locate (Facebook example on following slide)

Disclaimer/rules for chatting and posting:

- **Poster assumes risk for violation of privacy or copyright**
- **Agency reserves the right to control posted content**
- **Policy questions, changes and claims may not be reported here**

Examples on following slides

---

Standards for Customers- EXAMPLE with Facebook #1:
Standards for Customers- EXAMPLE with Facebook #2:

Standards for Customers- Example with Google+
Standards for Customers - Example with Twitter

Formalize Your Agency Social Networking Policy

- Seek legal counsel
- Other helpful resources
  - Peers and associations
  - Trade publications
  - E&O carrier
  - Social network customer support
  - Agency management system provider
- Monitor communications
Example #3 of Bad Monitoring:

Agency offered a promotion for “likes”. Promotion entered each “liker” into a drawing for a $25 Starbucks gift card. Florida department regulators received an anonymous tip about the campaign, issued a cease and desist and applied an administrative fine against the agency for violating the state’s rule concerning “advertising gifts”.

Example #4 of Bad Monitoring:

Agent away from office receives a DM through Twitter from insured requesting proof of insurance. Agent copies DM to agency master Twitter account as request for COI. The staffer who normally monitors the account is gone for the day. Coincidentally, several employees were still at the office at the time of request and could have satisfied it in a timely manner had it come through normal channels.
Example #5 of Bad Monitoring:

Agent posts a reply to an insured’s Facebook comment from his smartphone. The reply was made in haste (as smartphone communications often are) and contained an unfortunate misspelling of a word. The result was the posting of a word construed by many as offensive. The reply was not removed for several days and likely would have stayed up longer had another insured not replied: “Um...are you seriously NOT going to remove this?! Wow. Wow.”

Example #6 of Bad Monitoring:

Employee “mentions” insured in tweet saying “premium due 5/1”. This was unintentional—however, the result is that the message appeared in the Twitter feed of all the agency’s followers.

Several followers of the agency Twitter account replied to the tweet and no response was offered. The result was several calls to agency staffers- unaware of the mistake- asking about the supposed due date.
LEGIT QUESTION: When was the last time you reviewed your E&O policy?

- Coverage and exclusions
- Notice of claim
- Intent
- Limits and defense

To Know Thyself...

TRUE OR FALSE:

Our agency has increased our E&O coverage since we started our Social Networking Policy.
Summary of Overall E&O Strategy

- Don’t be in a hurry- choose “do it right” over “do it now”
- There’s only one agency, not one that is “online” and one that is “offline”
- E&O strategies must be unified over all agency activities
- Good advice offline is good advice online
- **Consistency of procedural enforcement = your E&O carrier’s BFF**

---

Thank you for attending!

MY CONTACT INFO:

EMAIL: kamrhein@fisce.com

TWITTER: @fiscetwit

See you next time! And try to have some fun for cryin’ out loud!!!!