

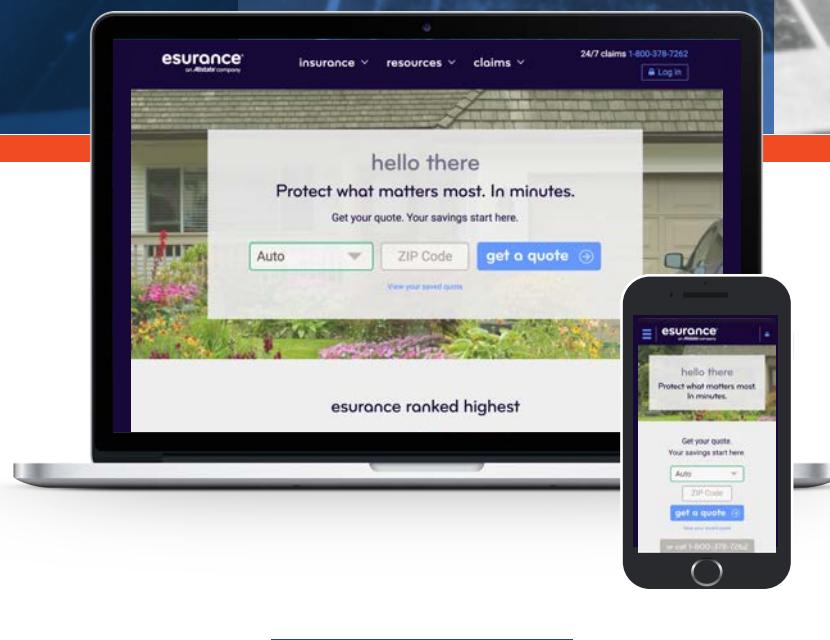


MediaAlpha

CASE STUDY: **Esurance: Monetization Program Improves Consumer Experience and Bottom Line**

Increase CTRs by

30%



Executive Summary

Esurance, the American insurance company selling auto, home, motorcycle, and renters insurance directly to consumers online and by phone, created a new robust revenue source by featuring competitor advertising on its site, and improved its click-through rate while maintaining a minimal impact to its conversion rates. With a new monetization program, Esurance.com visitors now have a better shopping experience by receiving multiple quotes to select the best insurance policy for them.

"The program delivers on our commitment to offer a streamlined shopping experience capable of simultaneously benefiting Esurance, our customers, and our advertising partners."

MediaAlpha's exchange technology platform is the critical tool that enables this program to succeed."

Tolithia Kornweibel
VP Customer Experience Esurance

- Improved Monetization
- Increased Efficiency

Background

Esurance has established itself as a leader in innovation and forward thinking within the insurance industry. Living up to its mission to create and provide Insurance for the Modern World®, Esurance is once again leading the way with an innovative approach to provide consumers with the best and most flexible choices for all their insurance needs. For the last 8 years, Esurance has been serving ads of other insurance carriers directly on Esurance.com. This innovative approach, which also aligns with the Company's "CoverageMyWay" program, delivers multiple quote alternatives for consumers when they visit the site. The result for consumers is a better experience and a more efficient way to receive multiple quotes and select the best policy. The results are also positive for Esurance, creating a new and robust revenue source via advertising that has minimal impact to conversion rates.

Strategic Rationale

The program began with the goal of tailoring Esurance.com to the individual consumer. Esurance wanted to provide consumers with the best alternatives to meet their insurance needs, even if that meant showing other carriers on Esurance's website

Several factors made this an attractive value proposition to Esurance:

- Traffic Conversion: A small percentage of visitors to Esurance.com convert into a new policy, which leaves a significant volume of non-converting consumers. Historically, these consumers would simply leave the site and seek alternatives elsewhere without any benefit to Esurance.
- High Intent Consumers: Visitors to an insurance carrier site represent 'high intent' consumers who are actively seeking a specific product and are close to making a buying decision. This high intent, vertical-specific traffic is extraordinarily valuable with significant opportunity for monetization.
- Consumer Experience: Esurance sought to improve the consumer experience. Previously, consumers would either fail to find what they needed or simply compare rates across websites. In either case, consumers would leave Esurance.com and re-start their shopping process, re-entering information online or offline.
- Advertising Leverage: Monetizing this large volume of high intent consumers provided Esurance with the opportunity to more effectively leverage its total advertising budget by recouping a large percentage of spend through monetization that could then be funneled back into more targeted advertising spend.

These compelling factors led the Company to decide to provide consumers with more choices and the opportunity to discover alternative rates and policy options directly on Esurance.com.

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Roll-out Approach

Esurance had already defined three major categories of site visitors, so it was logical to design a program around the three categories: Non-served market (states where Esurance is not writing business), Do not Quote (DNQ), and the Served Market (states where Esurance is writing business).

Non-Served Market

Out-of-state consumers where Esurance does not sell coverage:

Esurance could quickly implement alternative carrier options with minimal risk of lost sales revenue. This created an improved consumer experience with no cannibalization of the revenue or consumers for Esurance. Serving ads to this category of consumer is completely accretive to Esurance.

Do Not Quote

DNQ visitors who fall outside the Esurance underwriting criteria:

This group is another low risk category to improve consumer experience and connect high intent consumers to advertisers with no cannibalization to Esurance.

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Served Market

Consumers who do receive a quote from Esurance:

This category is referred to as “Additional Listings” and represents an excellent example of where sophisticated technology is helping to augment the consumer’s experience while also optimizing the outcome for Esurance. Once a consumer completes a form requesting a quote, the Esurance algorithms quickly assess the consumer and their coverage needs to determine the best possible policy. Simultaneously, information is sent to the MediaAlpha exchange where multiple advertisers submit real-time bids based upon a wide range of targeting criteria. Within milliseconds, all of this information is quickly processed and synthesized and an optimized combination of quotes and ads are served to the consumer.



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Partnership with MediaAlpha

Esurance initially built an internal system for advertisers to manage their campaigns. But Esurance quickly found that maintaining this system was expensive and a distraction for the internal team. Esurance wanted to focus its internal resources on insurance product related projects, not building an internal ad-serving platform.

Esurance typically seeks to work with best of breed technology providers, so the bar was set high for their search. The Company tested and evaluated multiple ad network platforms, but none met the capability requirements, nor were they able to deliver incremental revenue within the unique Esurance platform and ecosystem. That all changed after a simple meeting in 2012 at the LeadsCon conference.

At the time, MediaAlpha was operating an insurance exchange powered by the MediaAlpha Exchange technology and Esurance was a buyer on the exchange. During the meeting Esurance suggested that MediaAlpha's technology platform might also be applicable for managing the Publisher side of the exchange. This simple idea sparked further discussions and quickly thereafter the two companies began working together.

Esurance was MediaAlpha's first large Publisher to use the exchange platform, so the early integration was customized to meet Esurance's needs. The deployment began with Esurance's non-served market, where there was strong upside and limited risk. After early success in the non-served market, the implementation then moved to DNQ and finally to the served market.

Esurance is a highly metric-driven organization, so the Company a/b tested each new placement and rolled out individual placements only after careful analysis. As the partnership matured, targeting capabilities were added and new insurance products were introduced with similar success.

MediaAlpha also worked with Esurance to create customized reports to track the ongoing success of the program.