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eHealth, Inc. Q3 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator instructions) And your first question will come from the line of Steve Halper from Thomas Weisel. Please proceed.

Steve Halper – Thomas Weisel

Hi, good afternoon. So if you are looking at the third quarter submitted application growth, and clearly I'll draw the assumption, say, the marketing spend worked. Outside of that, did you look at the second quarter performance and say, what did we learn from that?

Gary Lauer

Steve, hey, it's Gary. Yes. And I think what we learned in the second quarter was that we are in an economic environment that was much different than any of us anticipated coming into the year. And as a result of that, we looked at a number of things from a marketing standpoint. One is simply the message that we are communicating to consumers, eAccess is one, but affordability really has become key. Secondly that these products shouldn't be viewed as something that is discretionary rather something that people really need; in fact, probably need even more in an environment like this. Third, we've been trying to take advantage of the growing unemployment numbers that we see and doing a lot of work in the COBRA area. We'll be doing a lot more work in that area, as the next several months unfold for us. Fourthly, we've been doing more offline work than we've ever done before. And here, we think of offline as TV, radio and print media, but specifically TV and media. We've been doing remnant cable TV advertising. We've also been doing some very interesting experimentation in the direct response radio area as well. We have stepped up our PR outreach very significantly once again to get this messaging out and about. In fact, last night at midnight I was looking at the New York Times online and saw an article about what women versus men pay for individual health insurances. And we were prominently featured in that. So those are just some examples. But I think in total what we learned is that it's a different environment than any of us, maybe all of us anticipated. And we've really been sharpening the pencil and really getting much more aggressive about the message and so on. And it's working.

Steve Halper – Thomas Weisel

So when – I was watching CNN this past week, on Sunday in the morning. And that health show gave – mentioned to eHealth where consumers can go to get affordable health insurance. So, is that something that you go to CNN and you lobby for to build awareness, or did that just happen?

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