



**WHITEPAPER**

Published: August 21, 2014

**ZY**WAVE

# 2014 Broker Services Survey

The growing need for client communications

# 2014 Broker Services Survey

The growing need for client communications

## Table of Contents

- Summary ..... 3
- Survey highlights ..... 4
- Deliver what they expect and then go beyond ..... 5
- How to go beyond ..... 5
- Top five criteria ranked in selecting a property and casualty broker ..... 6
- Top five criteria ranked in selecting an employee benefits broker ..... 7
- What keeps clients up at night? ..... 8
- Solutions to drive growth ..... 8
- About the survey ..... 9
- About Zywave..... 9

# 2014 Broker Services Survey

The growing need for client communications

## Summary

The landscape for insurance brokers has changed. Brokers can no longer bank on their reputation or price to grow their business; rather, clients are looking for services that can help them stay compliant, stay informed, and effectively communicate to employees. Similarly to last year, there is still a wide gap between what employers expect and what their brokers are actually delivering – leaving huge opportunities for the brokers who are willing to seize this information and provide the proactive services their clients are demanding.

People and service are no longer enough to differentiate an agency. Today, clients are defining “service” differently than they were just a few years ago. Clients are looking for much more than a relationship – they’re looking for someone to be a partner to them, providing services to help them comply with legislation and keep employees informed. Crafting your value proposition to go beyond people and service is key to driving growth.

Our 2014 Broker Services Survey goes beyond people and service to examine what employers really want from a broker—and what they currently aren’t receiving. Using the insight from 3,725 respondents nationwide, examine how your agency compares to these employers’ expectations, so you can position your agency to win business over those who are still touting the “people and service” proposition of old.

# 2014 Broker Services Survey

The growing need for client communications

---

## Survey highlights

- Fitting in with the criteria to select a broker, the biggest factor that would lead clients to make a change in their broker was **not providing prompt and effective service or answering questions in a timely manner**. Over 1/3 of respondents answered that **lack of communication, not providing trusted advice, and not offering compliance resources** would cause them to switch as well.
- Most employers want to hear from their broker **monthly** about benefits, HR, health, safety, risk management and/or compliance issues. If you're not communicating at least that often, your accounts may be at risk.
- **There is a widening gap between what employers expect of their broker, and what brokers are actually delivering**. This gap is especially noticeable with **benefits statements** on the benefits side and **delivering information that will help reduce the frequency and expense of claims** on the P&C side.

# 2014 Broker Services Survey

The growing need for client communications

## Deliver what they expect and then go beyond

To succeed in today's market, brokers need to go beyond making the client satisfied with their insurance coverage. To secure client loyalty, obtain referrals, and differentiate yourself in the marketplace, growth-minded brokers use exceptional people and service as a starting point, adding regular communication and valuable services that turn customer satisfaction into customer evangelism. In the categories below, along with a majority of our results, the number of **employers who thought the service was important was the same or higher than last year**, and yet **employers were still unsatisfied with the service provided by their broker**, illustrating that there is still a lot of opportunity for brokers who are looking to utilize regular employee communication and value-added services to grow.

<b>P&amp;C expected services</b>	<b>Important</b>	<b>Unsatisfied</b>
Timely delivery of certificates of insurance & ID cards	96%	27%
Has coverage and policy language expertise	96%	29%
Has a thorough understanding of our company's business	97%	31%
<b>P&amp;C areas of opportunity</b>		
Proactively provides regulatory and legislative updates	94%	51%
Delivers information that will help reduce the frequency and expense of claims	92%	59%
Offers ability to report claims online and track claims activity	87%	56%
<b>Benefits expected services</b>		
Answers our compliance-related questions (PPACA, COBRA, FMLA, etc.)	97%	28%
Provides updates/guidance on PPACA and other legislative changes	97%	22%
Offers employee communications to help employees make benefit decisions and understand the benefits that we provide	95%	40%
<b>Benefits areas of opportunity</b>		
Offers benefit statements to help our employees understand the value of their benefits	90%	63%
Provides online access to policies and compliance and HR tools	89%	56%
Provides health and prescription drug claims analysis	88%	56%

## How to go beyond

To pinpoint the keys to winning new accounts and securing lasting client loyalty, the following charts highlight the top five criteria respondents ranked in selecting a property and casualty or a benefits broker and what services they most value (from highest to lowest percentage). Ideas to build your compelling story include services that high-growth brokers offer today to meet client needs and position themselves as the broker of choice in the marketplace.

# 2014 Broker Services Survey

The growing need for client communications

## Top five criteria ranked in selecting a property and casualty broker

CLIENT NEED	%	WHAT TO ADD TO YOUR STORY
Has a thorough understanding of our company's business	97%	Demonstrate both company and industry knowledge to your clients. Provide industry-specific news, updates, and regulatory information on a recurring basis.
Helps our organization become a more educated insurance buyer	96%	Teach workers' compensation clients the importance of the mod factor and the cost-saving power of mod analysis to strategically identify and counteract cost drivers. Help clients impact the bottom line by developing loss control programs, supplemented by educational materials, safety programs, checklists and employee communications.
Timely delivery of certificates of insurance and ID cards	96%	Give clients a simple way to request certificates of insurance, ID cards and other similar services online—for your agency to quickly and easily provide.
Has coverage and policy language expertise	96%	Do more than placing coverage; educate your clients on their risks, liabilities and coverage gaps, then recommend the best policies to fit their unique needs.
Proactively provides regulatory and legislative updates	94%	Give clients immediate, thorough explanations of the latest regulatory and compliance updates first.  Stay on top of developing legislative news so you can be the first to provide clients with breaking updates.

# 2014 Broker Services Survey

The growing need for client communications

## Top five criteria ranked in selecting an employee benefits broker

CLIENT NEED	%	WHAT TO ADD TO YOUR STORY
Answers our compliance-related questions (PPACA, COBRA, FMLA, HIPAA, etc.)	97%	<p>Give clients immediate, thorough explanations of the latest regulatory and compliance updates first.</p> <p>Stay on top of developing legislative news so you can be the first to provide clients with breaking updates.</p>
Provides updates and guidance on health care reform and other legislative changes	97%	<p>Provide tools specific to health care reform, such as calculators, timelines and other important information to help employers make important decisions and understand how health care reform impacts their business.</p>
Offers employee communications to help our employees make benefit decisions and understand the benefits that we provide	95%	<p>Provide a wide range of benefits and consumerism educational materials for employees.</p> <p>Offer comprehensive total compensation statements to help employees understand and appreciate their benefits.</p> <p>Provide reference tools to help employees make informed benefits decisions and assist employers with effective enrollment communications.</p>
Offers employee communications to help our employees understand how health care reform affects them	94%	<p>Provide easily understandable articles with health care reform updates and details, relevant to the employee audience, including enrollment support.</p>
Offers employee communications to help our employees improve their health and become wise consumers of health care	93%	<p>Provide communications and reference tools to help employees make informed benefits decisions and assist employers with effective enrollment communications.</p> <p>Make a variety of materials available, including presentations, articles, posters, videos, emails, etc.</p>

# 2014 Broker Services Survey

The growing need for client communications

## What keeps clients up at night?

TOP RISK MANAGEMENT CHALLENGES	
Keeping up to date on regulatory changes	44%
Controlling workers' compensation costs	43%
Educating employees on safety	32%
Managing exposures	31%
Managing risk at multiple locations	27%
Reducing costs on existing claims	24%
Cyber security (data breach, hacking, etc.)	24%
Addressing management liabilities	23%
OSHA compliance	20%
Disaster planning	16%

TOP EMPLOYEE BENEFIT CHALLENGES	
Managing health care costs	73%
Keeping in compliance and up to date on changing legislation, including health care reform	50%
Benefits administration and employee benefits education	34%
Attracting and retaining employees	29%
Helping employees become better consumers of health care	27%
Human resources issues	21%
Educating employees on health and wellness	18%
Worksite wellness programs	14%
Managing prescription drug costs	12%
Helping employees prepare for retirement	9%

## Solutions to drive growth

How are you addressing these top challenges of prospects and clients? In reviewing these survey results, are you focusing on your agency's story to win new business and solidify client retention? Do you have the services and solutions to market to today's business owner, meet their expectations and become a strategic consultant? To learn more about how Zywave tools can help you strengthen your prospecting pitch to drive organic growth, call 877-MYZYWAVE.

# 2014 Broker Services Survey

The growing need for client communications

---

## About the survey

The Broker Services Survey was conducted in early 2014 and was available to over 130,000 individuals through Zywave broker clients' MyWave® or MyWave Elements™ portal website. This survey was anonymous, so responses have not been validated for statistical significance or margin of error.

## About Zywave

Zywave is the leading provider of software-as-a-service (SaaS) technology solutions for the insurance industry. The company's products include Web-enabled marketing communications, business intelligence and analytics and agency automation tools. More than 2,700 brokerages worldwide, including 93 of the Top 100 U.S. insurance firms use Zywave's proven solutions to help them differentiate from the competition, enhance client services, improve efficiencies and achieve organic growth. To learn more, visit [www.zywave.com](http://www.zywave.com).