

# the ultimate guide to marketing like an agent for the future<sup>TM</sup>



At Safeco, we believe in the enduring value of independent agents as trusted advisors, providing their clients with ease, choice, and advice. While InsurTech companies and direct-to-consumer carriers like Lemonade are upping the ante with sleek marketing campaigns and frictionless online customer experiences, the independent agent channel has an opportunity gain a competitive advantage by taking immediate steps to market like an Agent for the Future.

Safeco recently conducted its Agent for the Future survey to get input from independent agents about how they are adapting to current changes, what they think will be important in the future and what they are doing today to prepare for tomorrow. We received responses from 600 independent agents regarding current industry trends and how those trends are expected to shape insurance through the year 2020.

The survey revealed that as agents push for more growth, they see a need for increased marketing investment and are faced with the difficult decision of whether they should hire a dedicated, in-house marketer.

### agent for the future

Independent agents know that it is no longer business as usual. While it may once have been thought that every interaction with a customer is an opportunity to build long-term loyalty, that’s no longer the case. Given this shift, by 2020, independent agents want to spend more time growing their businesses, and less time serving existing clients with lower-value touch points like printing ID cards and mundane administrative tasks like updating contact information.

In fact, by 2020—just two years from now—-independent agents want to double the amount of time they spend prospecting for new clients and plan to increase the amount of new business they write. With these goals in mind, marketing enables independent agents to change how they work in their agency, and provide them with new leads, processes and energy.

Our survey revealed that independent agents have developed a compelling mix of strategies for expanding their businesses. At the top of that “must-do” list are marketing investments and campaigns, as marketing directly impacts all components of agencies’ growth strategies.

### how agencies plan to grow in the next 5 years



Yet, while **38 percent** of independent agents surveyed said they planned to increase their marketing investment, only **16 percent** said they planned on hiring a dedicated marketing specialist.

## what can a marketer do for your agency?

A marketer's job is to drive qualified leads to your sales team and increase the awareness of your agency's brand, products, services and people. Marketers help drive revenue by delivering new prospects to your producers by ensuring that the right contacts get the right information at the right time and through the right channels. This important role can fill the top of the funnel with new prospects for all producers by creating interest in your product, while concurrently capturing contact information and moving new leads along the buying journey to become qualified prospects. Marketing will also keep the process organized and track the conversion rate to meet sales goals, and allow you to project revenue accurately so agencies can hire new producers.

Marketing also has an important role to play in retention. Marketing-led nurture campaigns deepen client relationships and enable cross-sell opportunities. Agencies that make themselves available online, communicate regularly with their clients and provide a great customer experience continue to grow despite the challenges faced by the independent agent channel. In addition, the more meaningful interactions you have with your clients, the more likely they are to become ambassadors for your agency and a referral source for new business.

*Did you know that agencies who authentically communicate on a regular basis with their clients see a 1.5 point retention lift over a 12-month period?*

Being able to track and collect data about where new business and client referrals are coming from, is an important aspect of marketing. According to our Agent for the Future survey, **27 percent** of independent agents believe that they need more data to help them grow. In fact, **69 percent** of independent agents believe that additional data would improve referral marketing, **65 percent** believe it would improve social media effectiveness and **54 percent** believe that more data would help them anticipate their client's life event changes. The Agent for the Future survey showed that data collected and curated by marketing can also enable independent agents to have deeper risk conversations **53 percent**, and assist with cross-sell opportunities **65 percent**.

*According to Safeco's Agent from the Future survey, all roles within an agency, principals, producers, customer service representatives, and agency managers, want to increase the amount of time dedicated to marketing activities. However, finding the time is the challenge so that raises the question – should you hire a dedicated marketer?*

## the case for hiring a marketer

Safeco conducted another survey of the 240 fastest growing independent agencies in the country and found that **100 percent** of those agencies were actively marketing themselves, resulting on average in **26.7 percent** policies in force growth year over year.

Of those fastest growing agencies, **52 percent** hired a dedicated marketer on staff, **38 percent** had producers also doing marketing and **10 percent** of agencies surveyed had the principal also doing the marketing. We believe that hiring a marketer can reduce workload and encourage growth throughout the agency with new leads and increased referrals.

Safeco's Agent for the Future survey revealed that **60 percent** of independent agents think that by 2020 there will be an increasing consumer need for online and mobile, as tech-savvy millennial clients continue to influence the market. Furthermore, consumer expectations have been influenced by experiences with companies outside of the insurance industry like Amazon that provide frictionless digital experiences, increasing clients' expectations of the independent agent channel.

Hiring a full-time marketer will accelerate your agency growth in a way that reflects both the values of your agency and the community. Every agency is unique and having a marketer on your team that's aligned with your values and has knowledge of the insurance industry, will help you raise awareness for your brand in an authentic way – a quality we know is important to the maturing millennial population.

Hiring a new and aggressive marketer is also a great way to energize your team and further develop a metric-focused sales culture. A strong marketer will inspire everyone in the agency to think differently when engaging with clients both online and in person. In an independent agency, marketing and metrics are everyone's responsibility – whether it is asking new clients about how they heard of the agency, or tracking your customers' participation in online review campaigns.

In addition, hiring a marketer will not only create growth, increase revenue, enhance relationships, and improve productivity, it will also assist with perpetuation planning. Many agencies face a serious strategic challenge as the average age of an insurance agency principal, currently between 53 and 57 years old, continues to climb. While it may take 5-10 years to develop an entrepreneurial leader that can take the agency forward, marketing your agency now, will help fill your talent pipeline with great team members now and in the future. Our Agent for the Future survey shows that a significant number of millennials are joining the independent agent channel. More than half of the agents surveyed indicated their agencies have hired new producers, service and support staff in the past two years, and **58 percent** of those positions were filled by millennials.

Are you ready to hire a marketer? Well Safeco has developed a program to help you do just that!

## Safeco's marketer development program

Safeco is committed to the success of the independent agent channel and is investing in programs that help agents compete effectively today, prepare for the future and further strengthen our partnership.

In January of 2018, we launched the Marketer Development Program, a four-week intensive training program to help train a staff marketer. The program focuses on teaching marketers how to drive leads, create agency brand awareness and deliver qualified prospects to your agency. Safeco also offers educational webinars to teach principals the fundamental skills to help keep a new marketer on track and establish accountability metrics.

Safeco realizes that hiring a marketer creates an additional short-term expense for the agency, and so we offer interest-free loans with payment forgiveness for qualifying agencies to help offset the investment of a new hire.

By the end of the program, your marketer will know how to build a solid referral program, boost your agency's web and social presence, implement marketing campaigns, track key metrics, and strengthen your brand

### Marketing checklist – Here are the top 10 things you need to do now:

 <b>Implement a client referral program</b>	 <b>Track key agency metrics to help drive smart marketing decisions</b>
 <b>Send welcome kits to new clients</b>	 <b>Encourage happy clients to post online reviews</b>
 <b>Communicate with clients on a monthly basis, through newsletters and other channels</b>	 <b>Develop an agency brand that includes supporting community causes</b>
 <b>Ensure you have an updated, modern website that includes a blog</b>	 <b>Build out your agency's social presence</b>
 <b>Develop repeatable referral sources by building relationships with mortgage brokers, real estate agents and others</b>	 <b>Hire a marketer!</b>