



Brokers: Create a Winning Marketing Strategy for Worksite/Voluntary Benefits

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By all accounts, the sale of worksite/voluntary benefits will remain strong over the foreseeable future. Research provided by LIMRA's U.S. Worksite Sales survey reported a 5% increase in worksite/voluntary benefits in 2014 over 2013 sales. Eastbridge Consulting Group's data is consistent with LIMRA's finding. Eastbridge noted a nearly 4% increase in 2014 with sales rising from \$6.644 billion in 2013 to \$6.89 billion in 2014. Surveys of U.S. business executives and employees also project a receptive market for worksite/voluntary benefits. An EyeMed survey of 552 business executives found that 71% were inclined toward providing these benefits, with a supporting Gallup poll finding that 82% of American workers now place a higher premium on worksite/voluntary benefits than in 2008.

The Patient Protection and Affordable Care Act will be another major driver of worksite/voluntary benefit sales. As the legislation takes full root, more employers and plan sponsors will be looking for ways to meet their employees' needs without having to assume higher costs. Worksite/voluntary benefits (i.e., life insurance, short-term and long-term disability, vision, dental, accident and critical illness) do just that. They are a responsible, cost-efficient and employee-centric way of helping workers customize their insurance coverage to best meet their specific needs. For brokers selling worksite/voluntary products, however, it is not a matter of business as usual. Worksite/voluntary product sales require a strategic, well-planned marketing strategy.

A Two-Channel Strategy

Marketing worksite/voluntary benefits require a two-prong approach. You need to first present the value proposition of worksite/voluntary benefit to employers. Before they will let you market these benefits to their workers, they need to understand that:

- Worksite/voluntary benefits are an effective way of shifting healthcare costs to employees.
- Their employees are looking for these solutions.
- These benefits help alleviate employee stress and in turn, reduce worker absenteeism and improve productivity.



- Businesses that offer a robust worksite/voluntary benefit portfolio to their employees are perceived as “Employers of Choice” which enhances their employee retention and recruitment.

In helping pave the way to bring worksite/voluntary benefits to their worksite, brokers need also to understand an employer’s worker demographics. This will enable the broker to develop a presentation highlighting those solutions that are most relevant to the particular company’s workforce. While in a perfect world, all workers would be able to afford and gain the protections provided by many worksite/voluntary benefits, we know that in reality, hard, cost-based decisions will need to be made. Therefore, brokers should either lead with solutions that are most pertinent to a company’s employee base, or lead with solutions that are universally-applicable (e.g., dental and vision), regardless of the age of the workers or their salary level.

Employees too need to understand the role worksite/voluntary benefits play in their financial well-being. This requires brokers to take a proactive, consultative approach which encompasses:

- Anticipating employees’ questions regarding these various insurance policies; their terms and costs and why they are vital to protecting themselves and their families;
- Providing these FAQs and the answers in easy to understand language;
- Being prepared with “what if” scenarios to help workers understand how not having certain coverage (e.g., disability, accident or critical illness) could dramatically impact their lives in the event they become disabled, are in a serious accident or face a critical illness); and
- Helping employees determine what policies they need most, as well as how much coverage they need and can afford.

Effective Communication

A common thread running through both the employer and employee strategy is communication. Having separate, well-developed marketing materials for both employers and employees is essential. These materials should clearly communicate the value proposition of worksite/voluntary benefits overall, as well as the individual value propositions of each type of coverage. Having a broad portfolio of competitively-priced, high quality insurance solutions is also important. This will enable a broker to provide the choices needed so that each employee can develop customized insurance coverage that best meets their individual and/or family needs.

Market Early and Continually

Keep in mind that timing is everything. Do not wait until enrollment period to make your marketing push. Start your worksite/voluntary benefit marketing and education



campaign early in the year and continue it throughout the year. Leverage both direct mail and online marketing to raise awareness. Use your website and email marketing effectively. This will help you soften the market before your fourth quarter worksite presentation and enrollment events. While there will no doubt be continued due diligence (consultation and education) during these events, it is likely that it will be more productive as a result of your having embarked on a strong, ongoing campaign in the months leading up to the enrollment period. During the enrollment period, make sure you line-up your best team; strong communicators who are approachable and can discuss complex products in easy to understand language.

Partner Wisely

Finally, all of the above will be meaningless if you do not choose your partners well. In order to implement an effective worksite/voluntary marketing program, you need carriers who are ready to support you with competitive products, effective marketing materials and highly responsive, professional customer service and claims handling departments. Look to the industry's top rated organizations; those carriers who have consistently earned the A.M. Best "A" (Excellent) ratings.

By following these basic guidelines, brokers can capture a share of the growing worksite/voluntary benefits market, while concurrently, positioning themselves as consultative sales professionals and expanded customer relationships.