

Working With Intermediaries 2.0

Producer Survey Results



LIMRA
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Working With Intermediaries 2.0

Producer Survey Results

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ABOUT THE STUDY

LIMRA and NAILBA collaborated for a second consecutive year on a multicomponent research study to learn more about brokerage general agencies (BGAs) and independent marketing organizations (IMOs) in the United States. The goal was to gain a better understanding of the BGA/IMO marketplace, its composition, challenges, and opportunities.

This report focuses on producers placing business through intermediaries and complements *Inside the Intermediary 2.0* report.

In September — November 2022, the following studies were conducted:

- A survey of over 70 BGAs and IMOs
- A survey of 240 independent life insurance, health, and investment producers
- A survey of carriers with brokerage distribution

This combination of research allowed us to compare and contrast the perspectives of key stakeholders regarding the current state and future outlook of brokerage distribution.

This report is designed for ease of reading and use. The format is primarily graphs and charts to allow simple navigation throughout the report. It is divided into six sections:

1. Producer Profile
2. Practice Profile
3. Intermediary Contracts and Preferences
4. Products
5. Service and Support
6. Future Outlook

5 Key Takeaways

- 1** Producers with intermediary contracts place roughly **80 percent** of their total life business with a BGA or IMO
- 2** Service and product are **top reasons** why producers choose to work with an intermediary
- 3** On average, producers are **contracted with three intermediaries** and place about two thirds of their business with their top intermediary
- 4** Producers are **most bullish** on indexed UL and term life insurance products
- 5** As a whole, producers are **least satisfied** with marketing support and **most satisfied** with sales support provided from their contracted intermediaries

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Section 1: Producer Profile

Survey Respondents

238 total survey respondents split among:

180 – **Independent agents** defined as producer or insurance broker **not exclusively affiliated** with any one carrier who places business through brokerage general agencies (BGAs) and/or independent marketing organizations (IMOs)

58 – **Independent financial advisors**, such as an investment advisor representative or independent broker-dealer who has some life or annuity business placed through brokerage general agencies (BGAs) and/or independent marketing organizations (IMOs)

All producers in the survey primarily serve personal/individual customers and have contracts to place life insurance business with a BGA or IMO.

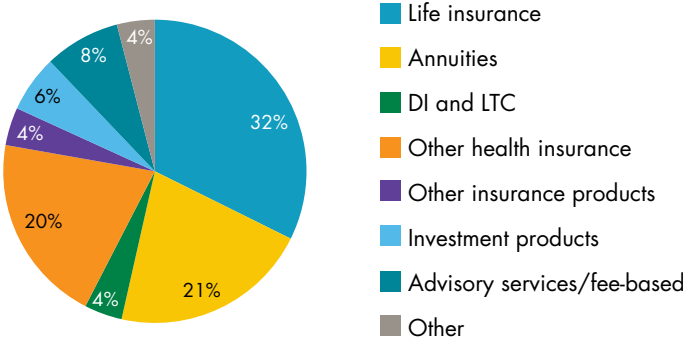
Respondents' Tenures

Minimum	1
Median	14
Average	17
Maximum	58

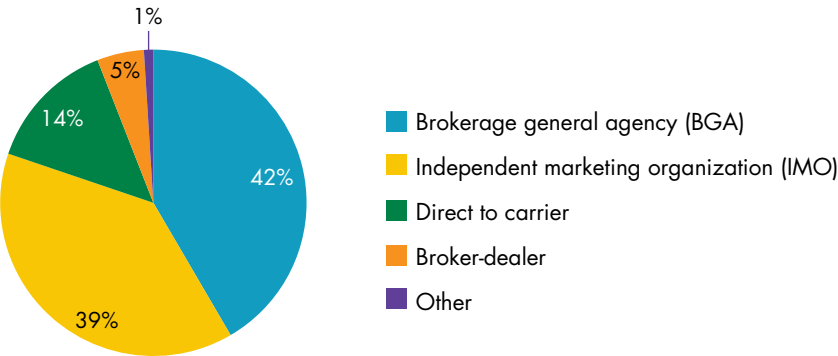


Section 2: Practice Profile

Business Mix

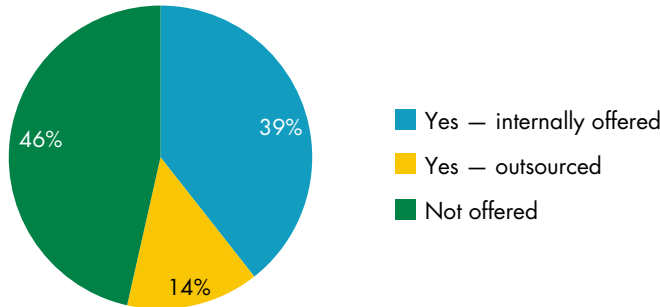


Distribution of Life Insurance Business Written



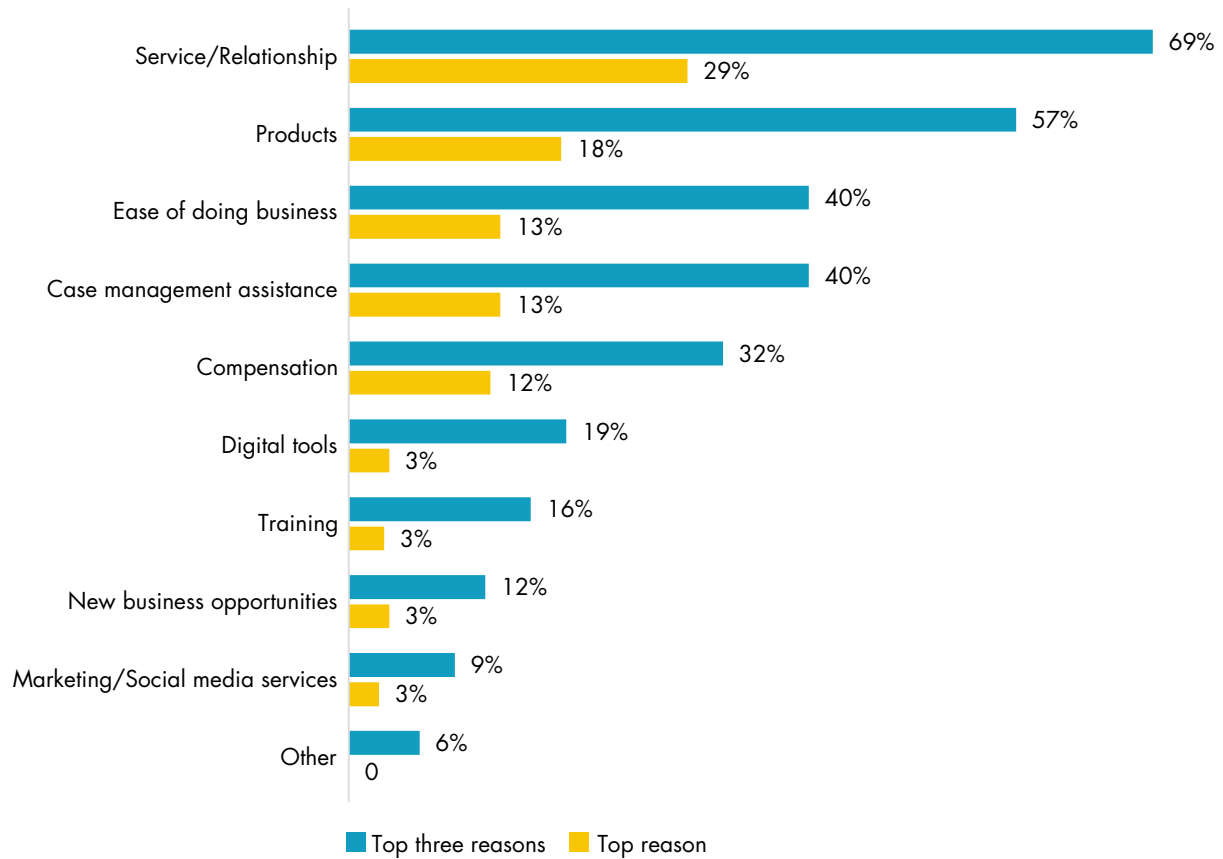
Totals might not add to 100 percent due to rounding, throughout the study

Financial Planning/Wealth Management Services Offered to Clients

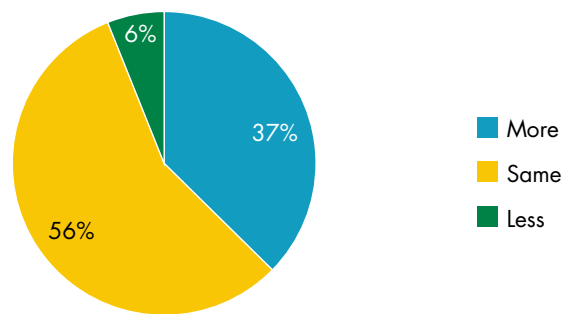


Section 3: Intermediary Contracts and Preferences

Why Producers Choose to Work With an Intermediary



Two-year Change in Intermediary Provided Services



Number of Intermediaries Contracted With

Minimum	1
Median	2
Average	3
Maximum	25

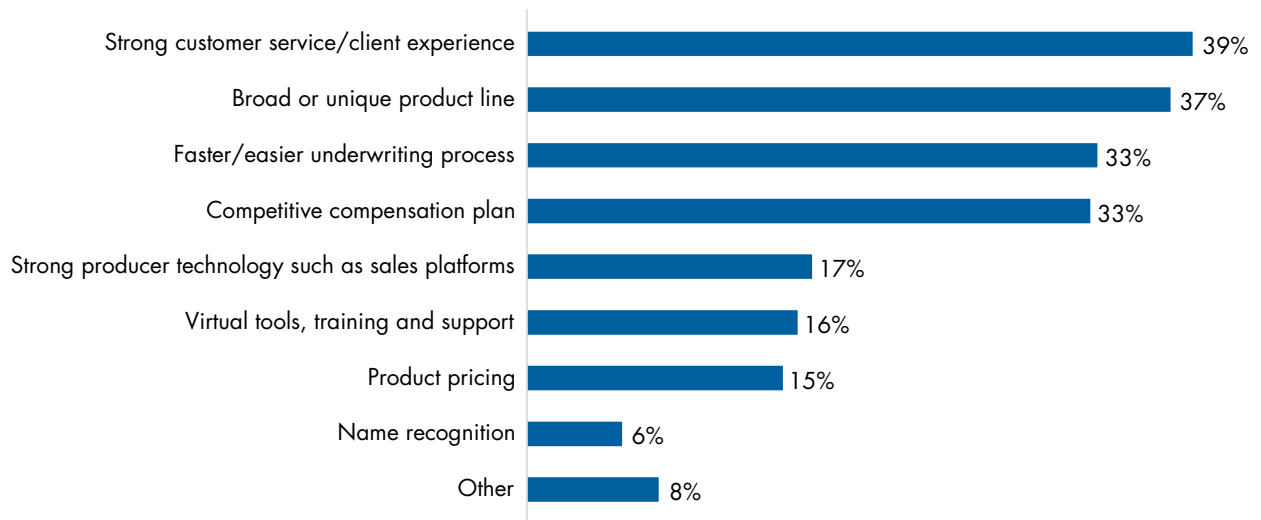
Number of Intermediaries Placed Business With Q3 YTD 2022

Minimum	0
Median	1
Average	2
Maximum	9

Largest Percent of Life Insurance Business Placed With Any One Intermediary

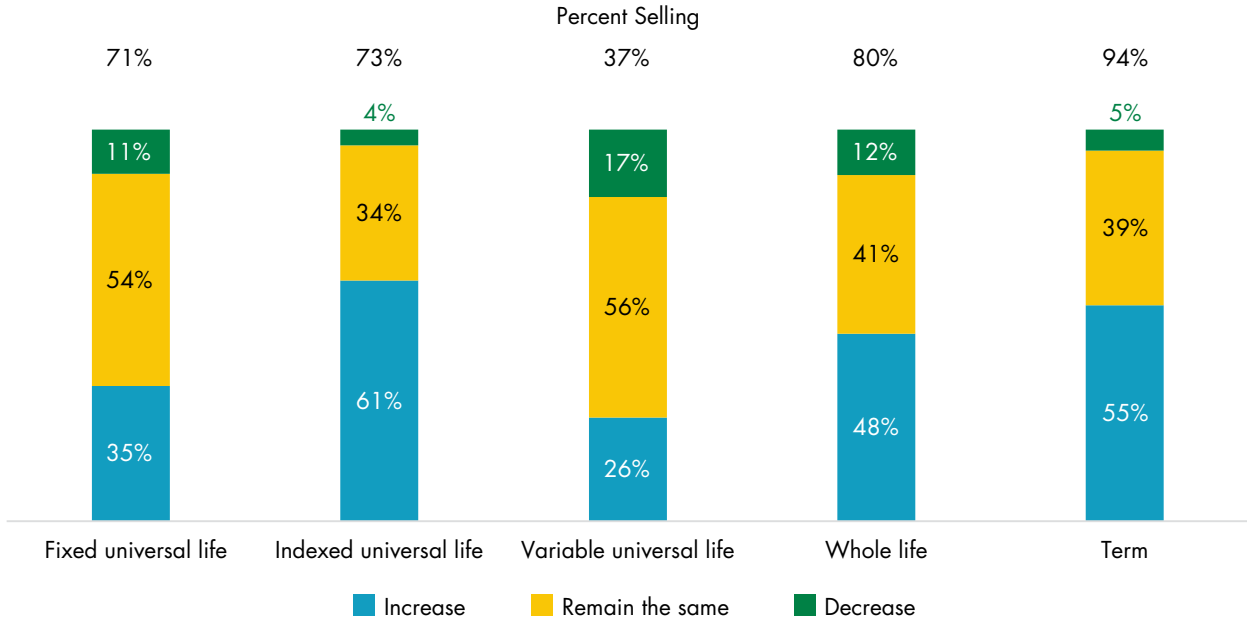
Minimum	0
Median	80%
Average	66%
Maximum	100%

Top Two Attractors to Primary Intermediary



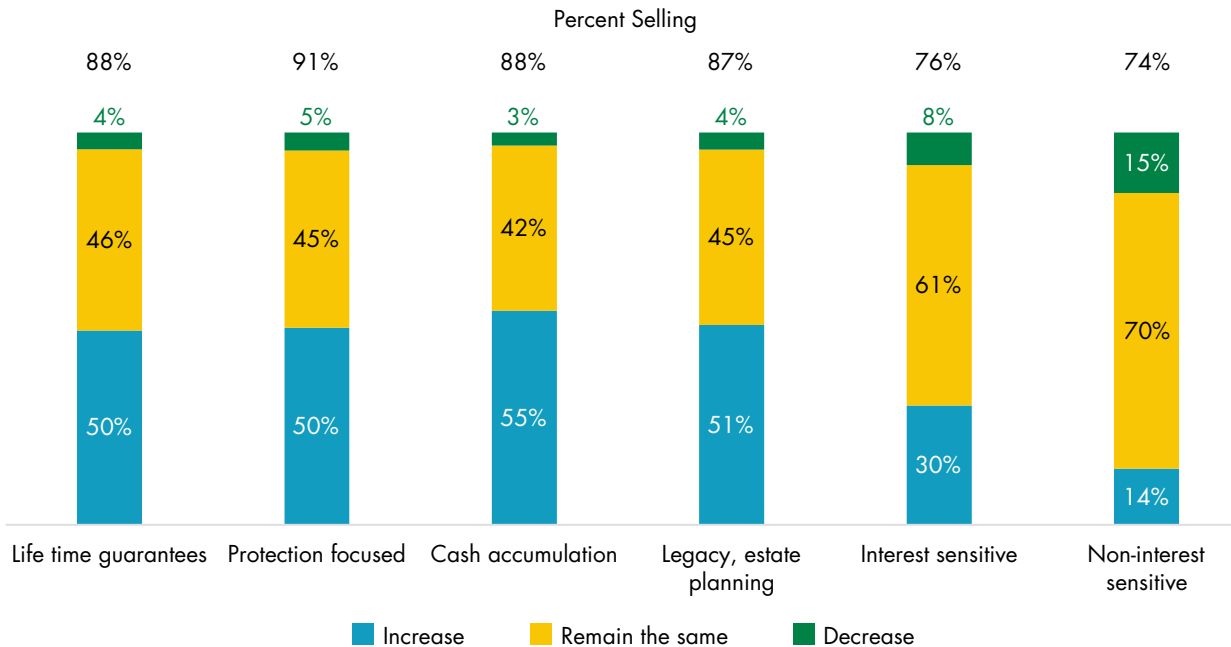
Section 4: Three-Year Product Outlook

Three-Year Sales Outlook for Life Insurance Products*



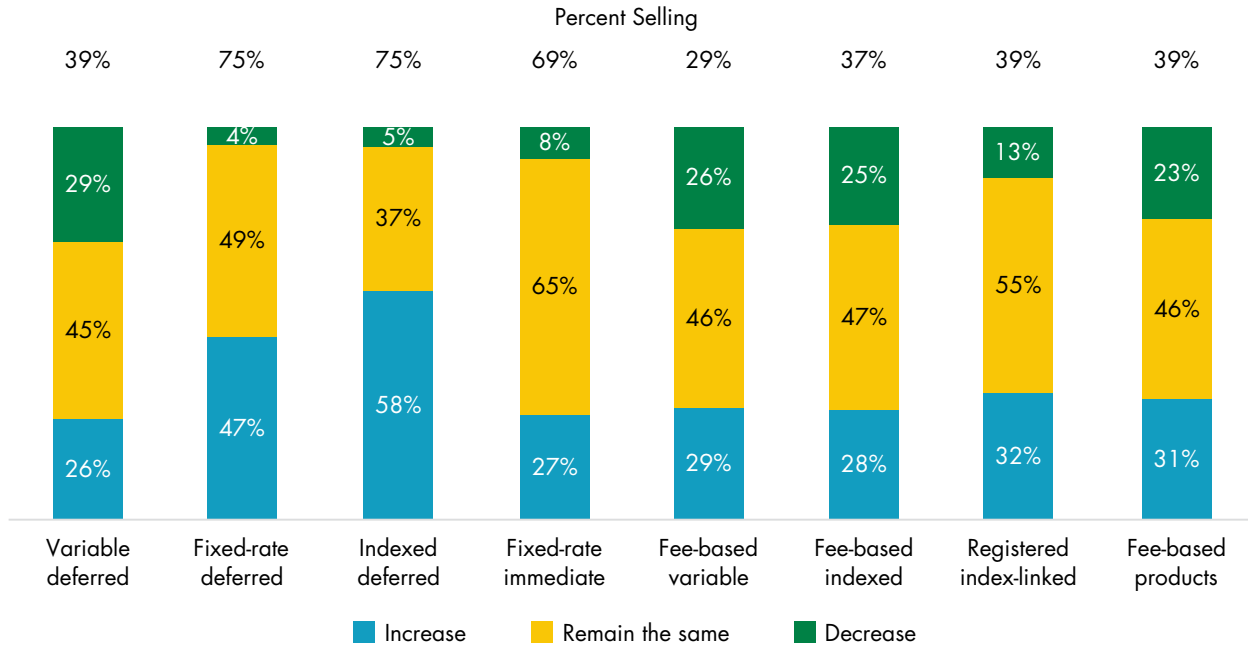
*Sales outlook based on only producers offering/selling life insurance products

Three-Year Sales Outlook for Life Insurance Product Features*



*Sales outlook based on only producers offering/selling these life insurance product features

Three-Year Sales Outlook for Annuity Products*



*Sales outlook based on only producers offering/selling annuity products

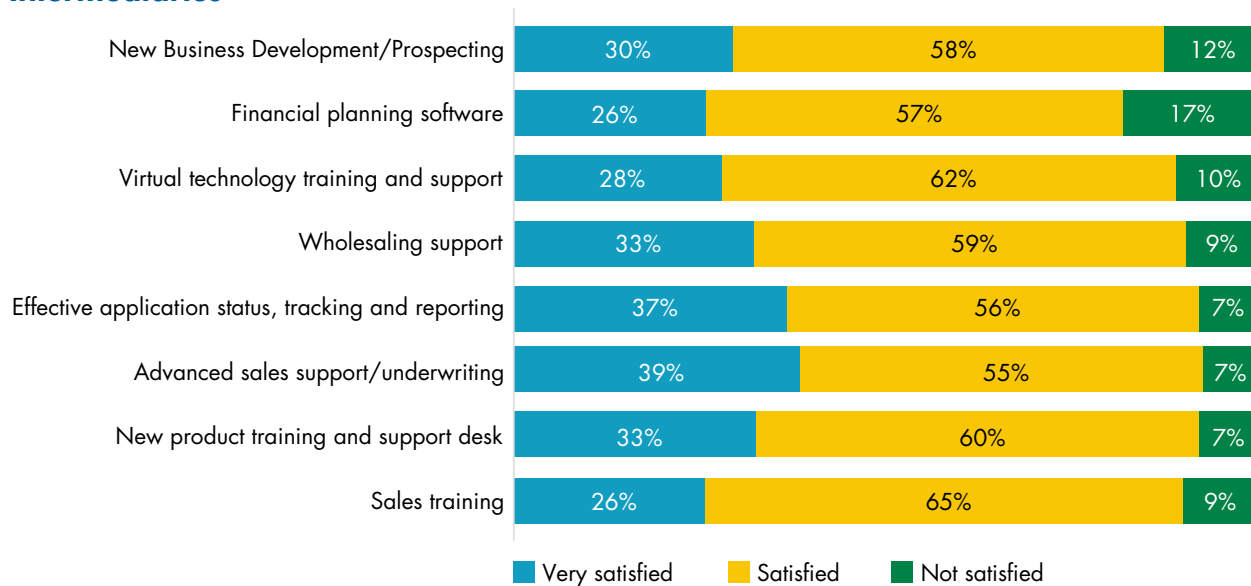


Section 5: Service and Support

Sales Support Regularly Received From Contracted Intermediaries

	% Have the Tool	% Have and Use the Tool
New Business Development/Prospecting	96%	85%
Sales training	98%	88%
New product training and support desk	97%	93%
Advanced sales support/underwriting	99%	91%
Effective application status, tracking and reporting	98%	96%
Wholesaling support	90%	79%
Virtual technology training and support	95%	87%
Financial planning software	79%	61%

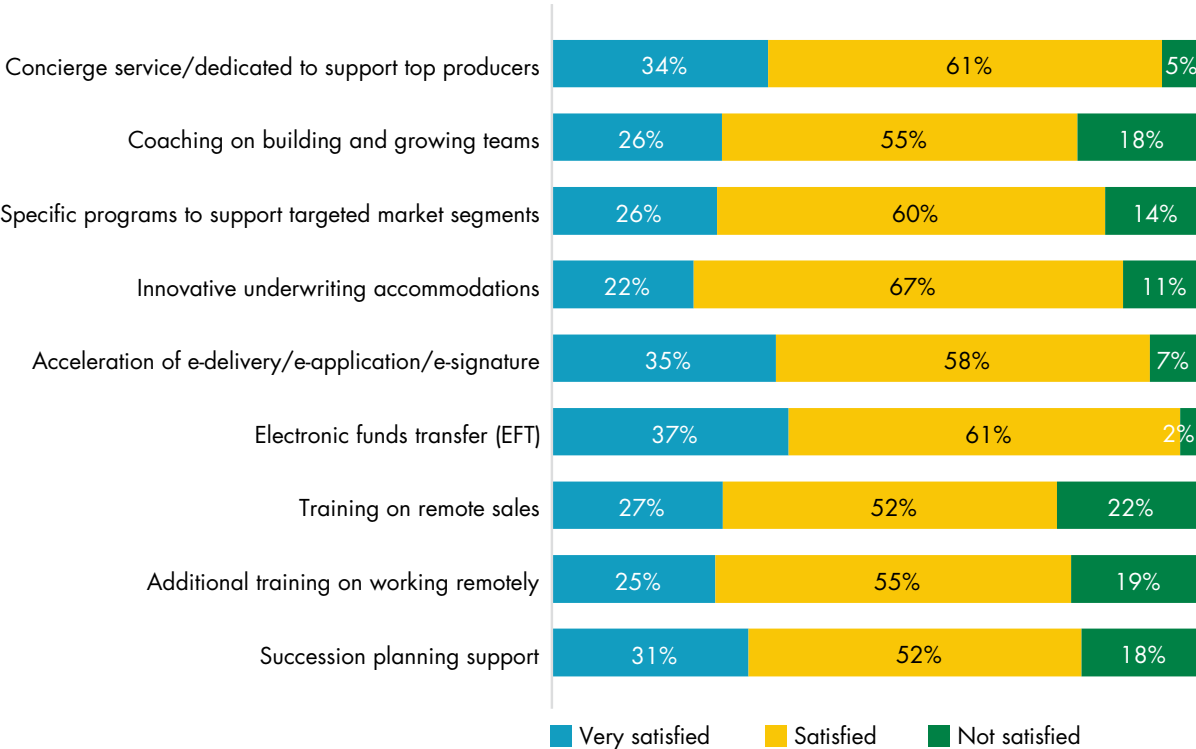
Producer Satisfaction With the Sales Support Regularly Received From Contracted Intermediaries



Practice Support Regularly Received From Contracted Intermediaries

	% Have the Tool	% Have and Use the Tool
Concierge service/dedicated to support top producers	87%	73%
Coaching on building and growing teams	86%	61%
Specific programs to support targeted market segments	90%	73%
Innovative underwriting accommodations	91%	78%
Acceleration of e-delivery/e-application/e-signature	97%	91%
Electronic funds transfer (EFT)	95%	90%
Training on remote sales	91%	75%
Additional producer training on working remotely	85%	66%
Succession planning support	81%	61%

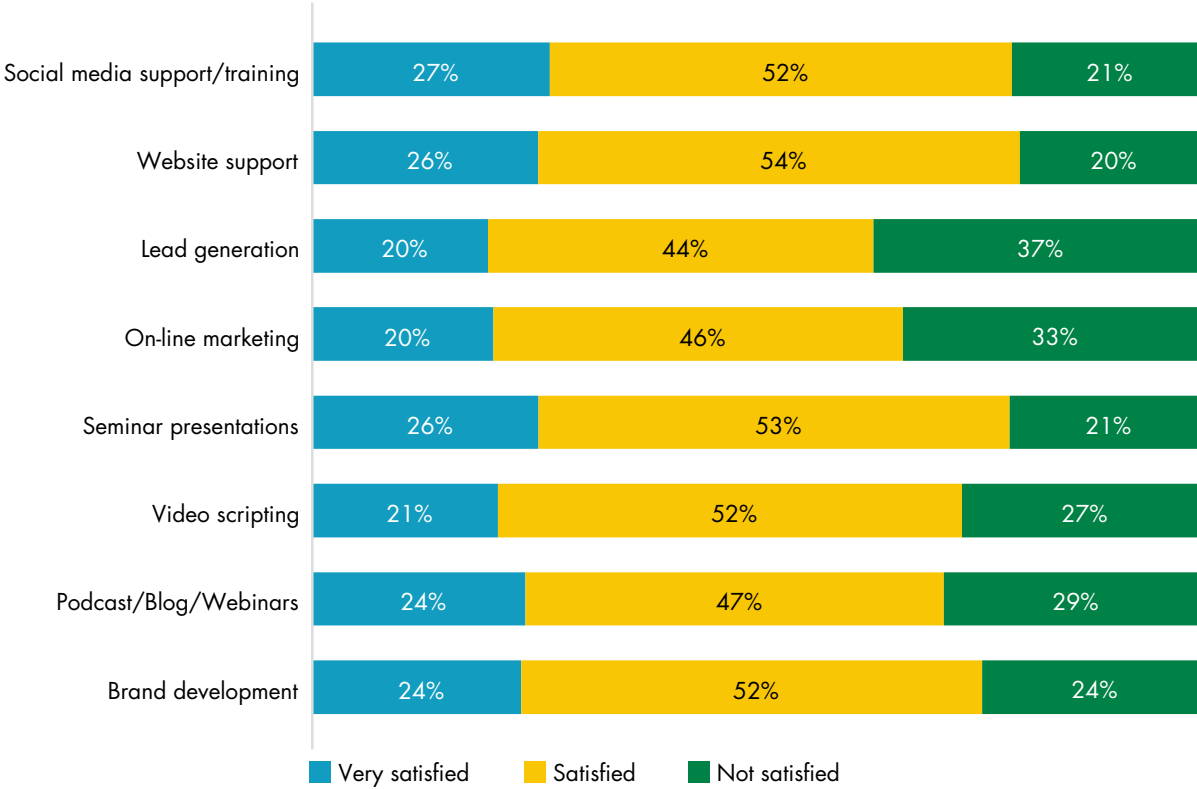
Levels of Producer Satisfaction With the Practice Support Regularly Received From Contracted Intermediaries



Producer Satisfaction With the Marketing Support Regularly Received From Contracted Intermediaries

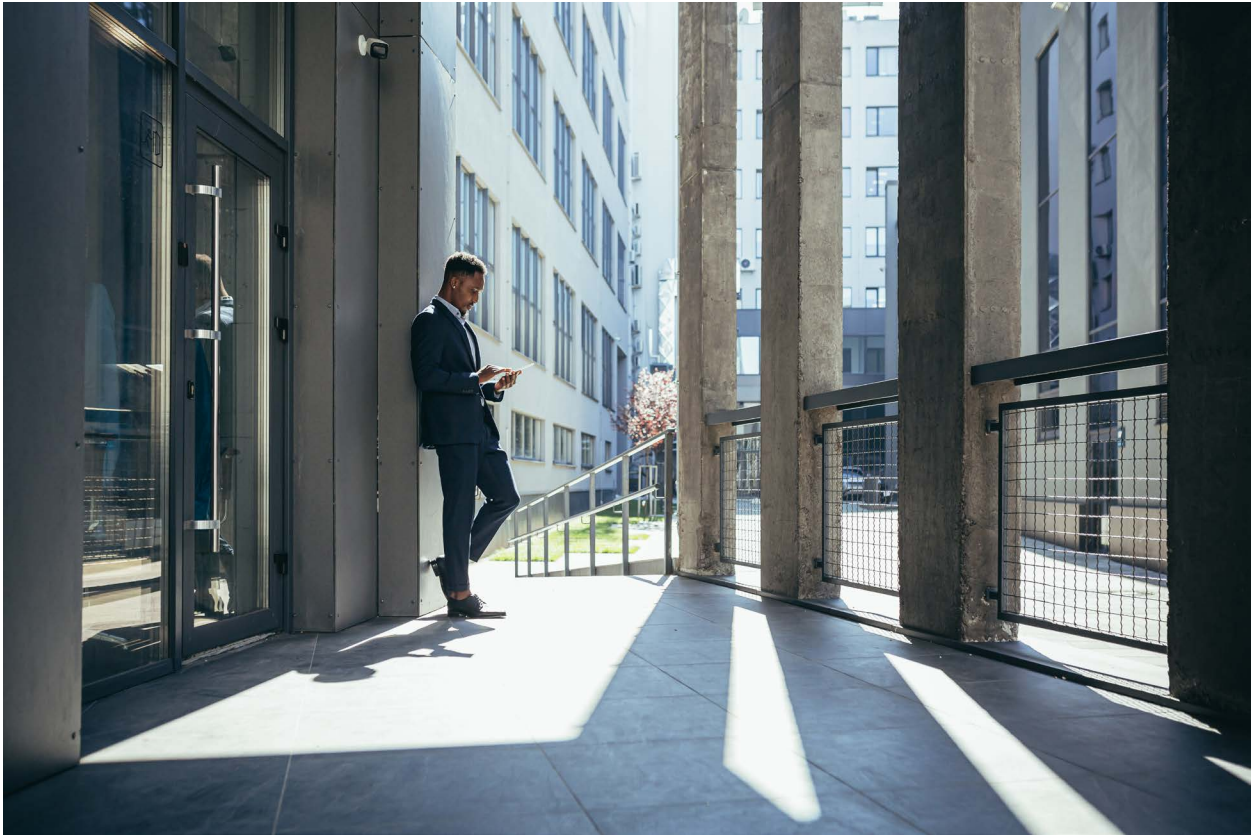
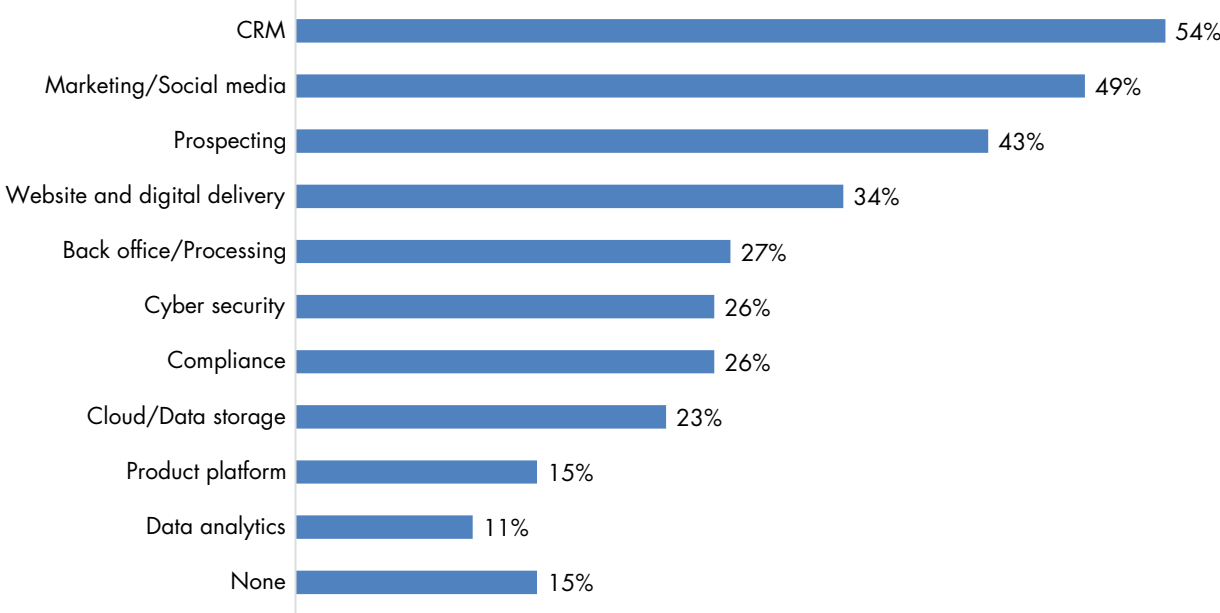
	% Have the Tool	% Have and Use the Tool
Social media support/training	86%	68%
Website support	88%	71%
Lead generation	87%	63%
On-line marketing	87%	63%
Seminar presentations	90%	66%
Video scripting	82%	54%
Podcast/Blog/Webinars	84%	54%
Brand development	84%	62%

Levels of Producer Satisfaction With the Marketing Support Regularly Received From Contracted Intermediaries

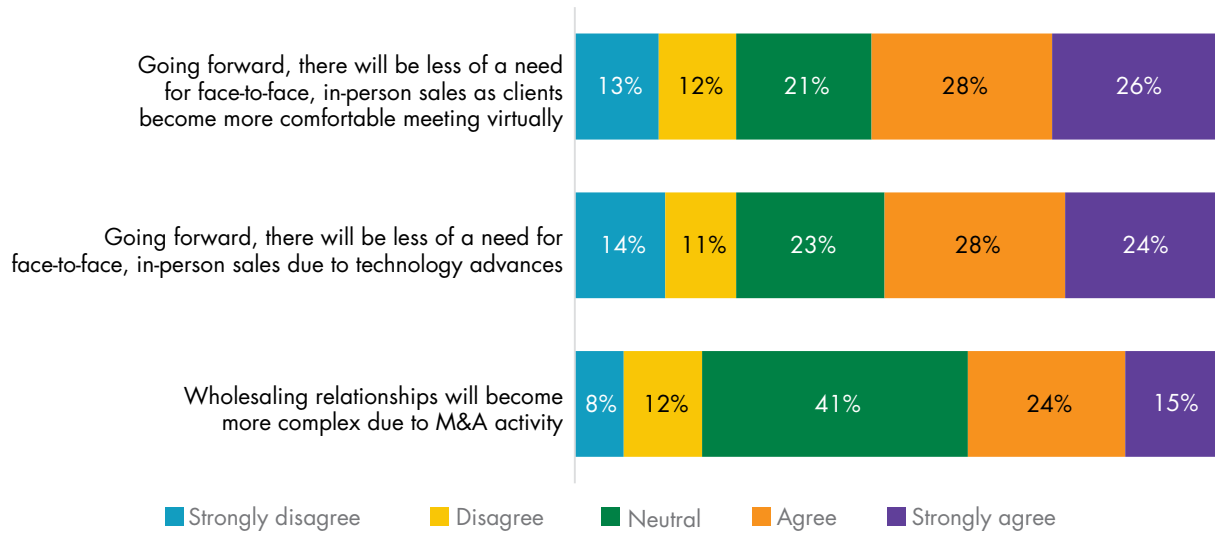


Section 6: Future Outlook

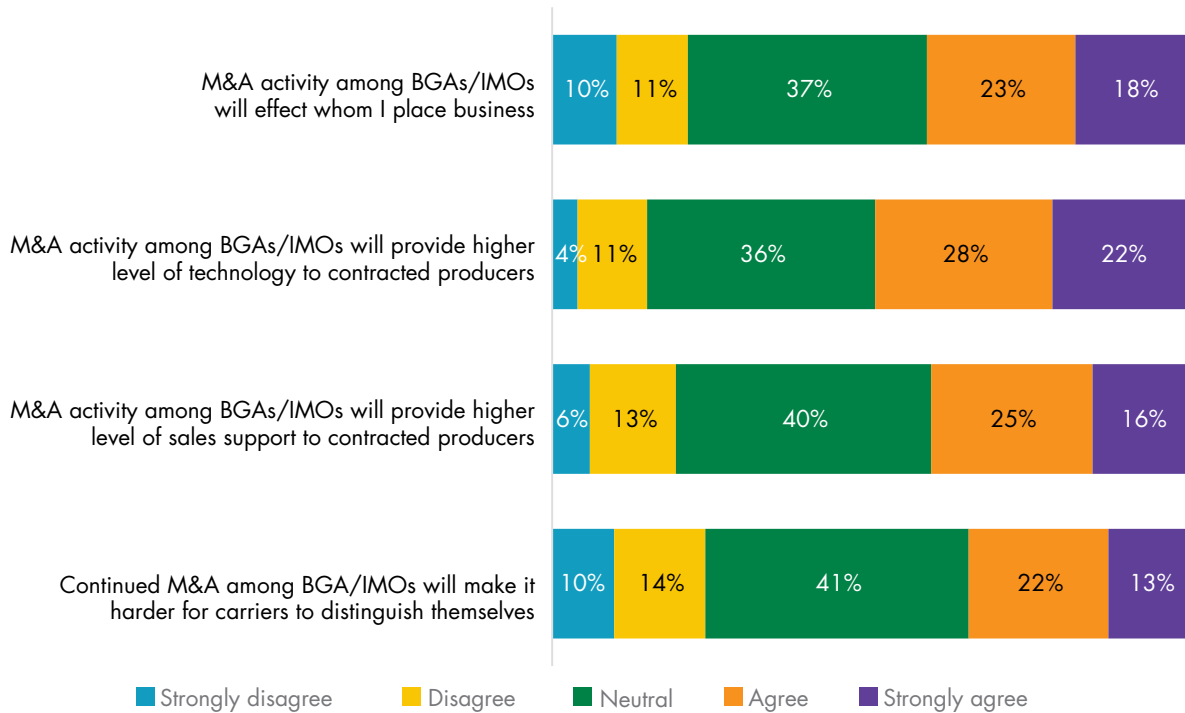
Current Technology Investments



Producers' Views on the Future of Doing Business



Producers' Views on the Impact of M&A Activity



ABOUT LIMRA

Serving the industry since 1916, LIMRA offers industry knowledge, insights, connections, and solutions to help more than 700 member organizations navigate change with confidence.

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ABOUT NAILBA, A FINSECA COMMUNITY

The National Association of Independent Life Brokerage Agencies, better known across the insurance industry as NAILBA, is the trade association representing independent brokers and brokerage general agencies (BGAs) committed to providing American consumers with various financial and retirement security products such as life and health insurance, annuities, and other supplemental benefits. In August 2022, NAILBA announced that it had merged with Finseca in pursuit of stronger brokerage distribution and accelerated efforts to reunify the financial services profession and had become NAILBA, a Finseca Community.

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