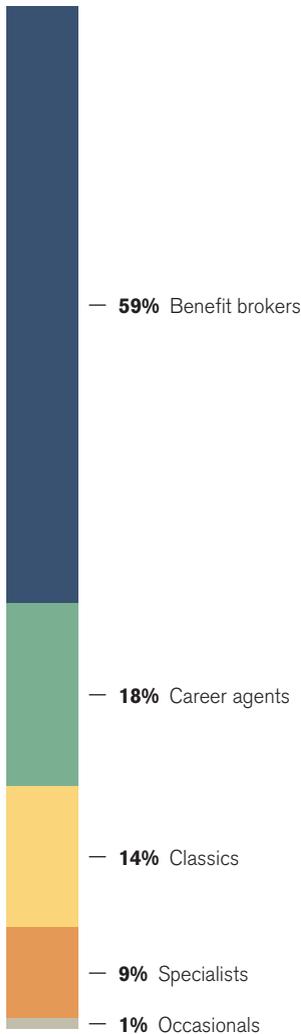


## PLOT POINTS

By Bonnie Brazzell and Nick Rockwell

# Growth continues for voluntary sales, part 3

### 2018 sales mix by distribution segment



**THIS IS THE** last in our series of columns on the voluntary industry sales results for 2018. The first article looked at overall voluntary sales for the year, while the second reviewed sales by product line and platform. This column takes a closer look at sales by distribution segment.

The benefit broker segment continued to take the largest share of voluntary/worksite sales at 59 percent; the segment accounted for almost \$5 billion in sales. Career agents continued to have the second highest share, at around \$1.5 billion. Voluntary brokers (classics and worksite specialists) accounted for about \$1.9 billion.

The graph to the left shows the mix of sales by distribution segment.

All segments except the worksite specialist and occasional producer saw sales increases this year. Classics showed the biggest gain, with an increase of 16 percent. Benefit broker and career agent segments showed modest growth, with increases of 3 percent each.

Over the past 10 years, we have seen the benefit broker segment more than double its sales. The compound average growth rate for the segment is 7.7 percent. Specialists and classics have also seen good growth at 6.9 percent



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and 4.5 percent compound growth, respectively. Career agent growth has been relatively flat, while occasional producers have experienced volatile growth.

*The annual U.S. Voluntary/Worksite Sales Report is the industry's most comprehensive and reliable source of data on voluntary/worksite sales and inforce premium. This year's study includes data from 1997 through 2018 and detailed results for over 65 carriers. The report is available only to carriers participating in the survey. For more information about participating in next year's survey, contact us at [info@eastbridge.com](mailto:info@eastbridge.com).*

**Career agents**—These producers work primarily for a single company and sell that company's voluntary/worksite products. Aflac and Colonial reps are examples of career agents.

**Classic worksite brokers**—These producers focus primarily on voluntary sales. Their operations may be small or medium sized, and they typically sell directly to employers and may offer support services to their clients.

**Worksite specialists**—This segment consists of large marketing organizations whose primary focus is voluntary sales. Benefits communications is a key service offered by this group. Most specialists work on cases brought to them by other brokers who need their expertise in voluntary.

**Benefit brokers**—These producers typically focus on employee benefits, particularly traditional group benefits. Some are actually benefits agencies inside of a commercial lines agency. For all, voluntary products are generally offered as an additional line.

**Occasional worksite producers**—These producers are insurance generalists. They have a small agency that sells insurance products other than voluntary/worksite—group, individual or property/casualty. Worksite products are a small part of their operation.

### Growth of sales by broker segment

