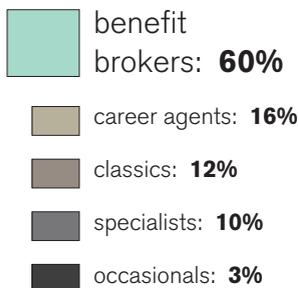
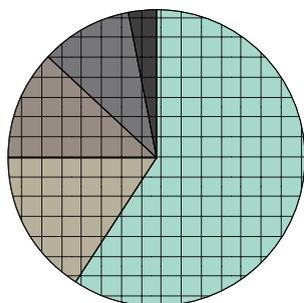


PLOT POINTS

By Gil Lowerre and
Bonnie Brazzell

Voluntary sales by distribution segment

2015 sales mix by segment



THIS IS THE LAST IN our series of columns on the voluntary industry sales results for 2015. The first article looked at overall voluntary sales for the year, while the second reviewed sales by product and platform. This article spotlights sales by distribution segment.

Total voluntary sales for 2015, according to our annual U.S. Voluntary/Worksite Sales Report, were \$7.138 billion. The benefit broker segment continued to take the largest share of voluntary/worksite sales in 2015 and increased that share to 60 percent, up from 57 percent from the previous survey. Career agents continued to have the second highest share, but as in prior years, that share has decreased, down to 16 percent in 2015 from 18 percent in 2014 and 19.4 percent in 2013.

Three of the segments in the table had sales increase over the prior year in both 2014 and 2015, while the other two showed decreases both years.



Gil Lowerre and Bonnie Brazzell, Eastbridge Consulting Group, Inc.

Increase/Decrease in Sales by Distribution Segments		
Segment	2015 Inc/Dec over 2014	2014 Inc/Dec over 2013
Benefit Brokers	7.8%	4.8%
Career Agents	-5.8%	-5.3%
Classic Worksite Brokers	0.8%	8.9%
Worksite Specialists	1.8%	20.6%
Occasional Worksite Producers	-3.6%	-21.5%

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 primarily 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.