

## PLOT POINTS

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# Who's selling voluntary?

2016 Sales Mix by  
Distribution Segment



**THIS IS THE LAST** in our series of columns on voluntary market sales results for 2016. 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 (new business annualized premium) for 2016 were \$7.630 billion, up almost 7 percent over 2015 sales. Benefit brokers continued to lead the way, generating \$4.75 billion in new sales in 2016. This accounted for 62 percent of all voluntary sales last year, up from 42 percent just 10 years ago. Career agents again had the second highest sales, at \$1.17 billion. Voluntary brokers (classic worksite brokers and worksite specialists) accounted for \$879 million and \$658 million in sales respectively.

Again this year, benefit brokers were the only segment to significantly increase sales on a year-over-year basis. Career agents were up slightly, while the others were down somewhat.

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



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premium. This year's study includes data from 1997 through 2016 and detailed results for 65 carriers. The report is available only to carriers participating in the survey.

For more information about participating in next year's survey, email 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 which sells insurance products other than voluntary/worksite—group, individual, or property/casualty. Worksite products are a small part of their operation.

### Increase/Decrease in Sales by Distribution Segments

Segment	2016 Inc/Dec Over '15	2015 Inc/Dec Over '14
Employee Benefit Brokers	11.8%	7.8%
Career Agents	1.7%	-5.8%
Classic Worksite Brokers	-0.6%	0.8%
Worksite Specialists	-2.9%	1.8%
Occasional Producers	-1.3%	-3.6%