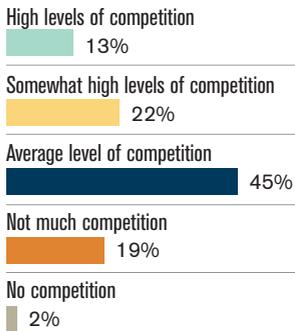


PLOT POINTS

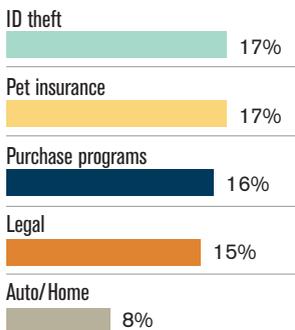
By Gil Lowerre and
Bonnie Brazzell

What makes you different?

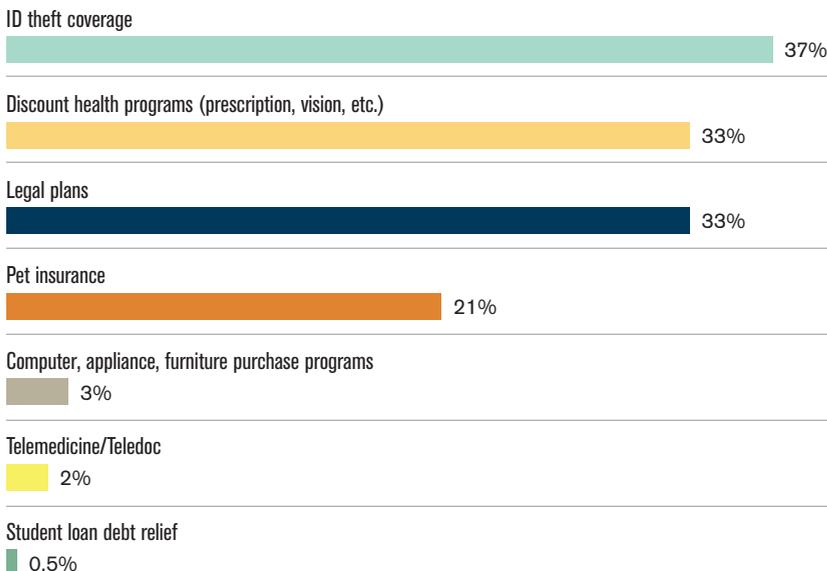
Level of Competition



Employee Interest in Buying on a Voluntary Basis



Brokers Selling at Least Some of the Time



IN A PREVIOUS COLUMN, we discussed how many employers are expanding their benefits offering to include non-traditional products. This article examines the topic further by uncovering the interest in these products from the broker and employee perspectives.

Competition in the voluntary market is on the rise. In a recent survey, 35 percent of brokers said they encounter high or somewhat high levels of competition for voluntary business.

Twenty-six percent of brokers in the same survey cited competition from other brokers as the greatest threat to their personal voluntary business in the next 12 months.

In a highly competitive market, smart marketers try to make themselves stand out from the crowd. The same holds true for the voluntary market, where brokers find themselves looking for creative ways to differentiate themselves



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and their offering. Some brokers, for example, use the products and services they offer as a competitive advantage. Although life and disability products are mainstays of the voluntary market (i.e., everyone offers these), and dental, accident, critical illness and hospital indemnity or supplemental medical plans are offered by most brokers, there are products still out there that not every broker offers, such as non-traditional products

ID theft coverage, legal plans and discount health programs are the most frequently offered non-traditional products on the market today. About one-third of brokers surveyed offer these plans to at least some of their accounts. Pet insurance and purchase programs are also available and have been around for several years, while telemedicine and student loan debt relief plans are two up-and-coming non-traditional benefits.

More often than not, employers are open to offering these types of benefits—and employees are interested in buying them. The current employee ownership numbers are low today (in the single digits) but the interest is definitely there. About 15 percent of the employees surveyed in an Eastbridge study currently underway indicate interest in buying these products. While that may not seem like a large number, it's actually quite telling, given that employees only selected products from a list and were not given any details (i.e., presentation) on each product.

So, if you aren't including non-traditional products in your voluntary portfolio, you might want to reconsider. The opportunity to differentiate yourself with these plans will not last forever.