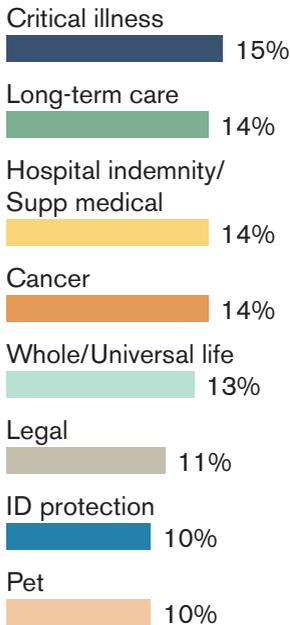


## PLOT POINTS

By Bonnie Brazzell  
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# The biggest threat to your voluntary business? It's not what you think

### Products with highest employer interest in offering



**IN A RECENT SURVEY** jointly conducted by Eastbridge and *BenefitsPRO*, brokers cited a lack of employer interest as the biggest threat to their voluntary business.

However, according to our latest employer research, this does not seem to be the case. In fact, roughly 70 percent of employers offer at least one voluntary product. The percentage offering voluntary varies by the size of the employer, with the percent offering voluntary increasing with size—from 56 percent for employers with fewer than 50 employees, to 86 percent for those with 10,000 or more.

Besides “to aid in recruiting and retaining employees,” the top reasons for offering voluntary benefits (selected by more than half of employers) were “employee interest in the product” and “to address gaps in current benefit plan/offer a wider array of benefits.” In addition, just because an employer already offers voluntary doesn’t mean there isn’t additional interest or opportunity.

Employers are interested in offering a variety of products to their employees. Among employers that do not yet offer a particular product, the products they



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are most interested in offering on a voluntary basis are critical illness, cancer, long-term care, and hospital indemnity, as seen in the chart (left).

The products employers are interested in offering vary based on the size of the employer. For example, employers with less than 1,000 employees have higher interest in offering long-term care and hospital indemnity compared to larger employer sizes.

Our research also supports that once an employer offers voluntary, they tend to offer multiple products. About one-third of employers offer six or more voluntary products. Half offer between three and five, with the number offered varying by employer size.

Finally, both employers that do offer and those that do not offer voluntary benefits today are planning changes to their benefit offering. Sixteen percent of employers said they are planning to add a new voluntary benefit and 10 percent are planning to move certain benefits to voluntary.

Perhaps the issue is not employer interest, but refining your approach and confirming your market perceptions are accurate. Are you engaging all employers the same way, or are you tailoring your value proposition to the unique needs and demographics of each business?

The most successful brokers have long ago cast aside the assumption that employers are not interested in voluntary, and have been tirelessly working to understand and align themselves with employers’ most pressing voluntary-oriented needs. Competing with these brokers may pose a bigger threat to your voluntary business than any perceived lack of employer interest.

### Biggest threat to your voluntary business

