

The Agency Universe Study ('AUS') is a product of Future One, a cooperative effort of the Independent Insurance Agents & Brokers of America (IIABA) and independent agency companies. The AUS started in 1983 and was fielded every 4-5 years, until 2002, when it went to biennially to stay abreast of the fast-paced changes in the industry.

ACT is providing an overview of the technology –focused results of this 2014 survey. A management summary of the full report can be ordered at [The IIABA website](#).

Technology Section; High-level Findings

The total number of independent agencies in the United States remains stable at 38,500 (stable over past 4 years). The survey had 3,628 respondents, providing input regarding their 2013 experiences.

2013 Budget - % of Agencies who include each technology activity as part of 2013 Marketing Program

- 64% - Creating/Maintaining Website
- 43% - Social Media (*up from 26% in 2012*)
- 29% - Creating/maintaining portal technology
- 27% - SEO
- 18% - E-marketing activities
- 11% - Digital content - blogs, webinars
- 6% - Video – YouTube, etc.

Additional budget insights:

- 40%** outsource Website & computer set-up/network/programming.
- 20%** outsource Social Media

Agency Portal focus:

Agencies that allocate marketing funds to their websites and/or portals continue to put more emphasis on providing general information than on web-based transactions. Percentages offering:

- 95% Info on agency personnel
- 85% Brand/positioning/mission (up 17% from 2012)
- 79% Info on carriers/products
- 57% General communication (links to personnel email)
- 54% Links to carriers' consumer sites
- 44% Request quotes with online app (not Real Time)
- 18% Access to mobile-optimized version of website
- 15% Billing
- 12% Real Time quoting

Social Media:

Social tools are primarily being used to build the agency's brand (90%) & attract new prospects (89%). 61% of agents responded that they are also using Social to provide clients with timely insurance information (think Hurricane Sandy, other weather events).

In order, the Social channels used "Often" are Facebook (59%), LinkedIn (34%), Google+ (16%), Twitter (13%), & YouTube (4%). Few are using Pinterest, Instagram and FourSquare. (<3%)

44% have staff spending 6 hours or more on Social media.

67% of agencies reported they do not have a Social Media Policy in place for their staff.

Overall Technology Challenges:

No surprises from 2012-2014 with tech challenges, although 'marketing agency effectively via internet' has moved up as a challenge. Those ranked 1, 2, or 3 as top challenge:

- 50% - Dealing with multiple carrier interfaces
- 46% - Marketing agency effectively on the internet
- 42% - Overall cost of technology
- 39% - Keeping pace with technology changes
- 26% - Managing agency IDs and passwords
- 26% - Ensuring confidentiality of electronic data transmitted

Comparative Raters:

- Highest utilization in Personal Lines: EZLynx (19%), PL Rating (12%), SEMCAT (4%).
- Note: Rating via management systems - 1% each for TransactNOW and Transformation Station.
- 48% report they are not using a comp rater.

*** 67-70% of agencies using comp raters rank them as 'very valuable'.*

Management Systems:

Trend continues stable, with little change between the market share of the major systems.

79% of respondents are using a management system.

Highest utilization:	17%	AMS360
	15%	TAM
	6%	Hawksoft & EZLynx
	4%	DORIS, NASA
	3%	Xanatek, QQ Catalyst, Partner XE, and Prime
	2%	Agency Advantage, EPIC, InStar

Management System Functions (both PL and CL):

Seeing more equality here than in the past. The insurance industry is starting to see significant movement on Alerts/Activity Notes. Similar results between PL & CL, although PL slightly higher -

Surveyed value of functions through management system:

- 78% Customer view/search
- 75% Inquiries on claims, billing, etc.
- 71% Payments
- 71% Real Time Auto Quotes
- 70% Real Time Homeowners quotes
- 76% Endorsements
- 65% Endorsements
- 63% Activity Notifications
- 57% Claims Reporting
- 40% Carrier Loss Runs (Note: important to 63% of Jumbo agencies)

Download:

- Between 6-7 in 10 agencies use Personal Lines, Commercial Lines, & Direct Bill Commissions Statement Download.
- Results show clearly better implementations for Jumbos, but still consistent focuses on DL and DBCS, paperless.

Overall processing technologies used:

94% use at least one type of download processing technology.

- 71% Personal Lines DL
- 57% Direct Bill Commissions Download
- 57% Commercial Lines Download
- 56% Carrier ePolicy Delivery to agency
- 47% Paperless office (Personal Lines)
- 42% Secure email

Note: Roughly one-third of agencies have realized cost savings by using paperless communications. A similar proportion feels that insureds are equally receptive to e-documents and paper documents.

Electronic Communications Used:

Activity Notifications reflects the industry focus in the past couple years, texting becoming more prevalent.

- 57% Activity Notifications from the carrier
- 35% Texting with clients
- 32% Tablets/smartphones
- 28% **Agency** eSignature solutions
- 26% **Carrier** eSignature solutions
- 22% Instant Messaging within the agency
- 15% Intranet for internal communications
- 8% Mobile apps **for clients**
- 5% Mobile apps **from the carrier**

Finally, 44% of agencies feel they have achieved significant productivity improvements through technology implementations.

Only 28% indicate they have written security plans, and only 21% have written disaster plans.