The Power Of Your Customers' Data

February 10th 2021

Today's Discussion Leaders

Agenda

- ❏ Growth for a successful agency

- ❏ Growth and churn drivers in an agency

- ❏ Leverage the power of your data
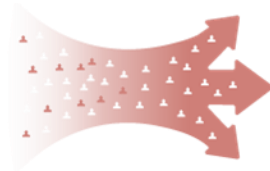
- ❏ Questions

Growth for a successful agency

Acquisition

- Brand awareness
- Lead Generation
- Digital channels

Conversion

- Qualification
- Funnel management
- Process efficiency

Retention

- Client service
- Engagement
- Needs assessment

Revenue

- Cross-sell
- Up-sell
- Segmentation

Marketing

Sales

Account management

Value maximization
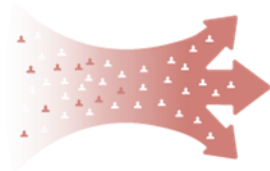
Growth for a successful agency

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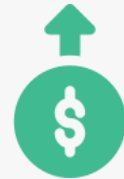- Funnel management
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Revenue

- Cross-sell
- Value creation
- Automation

Marketing

Sales

Account management

Value maximization

Drivers for growth

Chart legend: Up Sell, Cross Sell, New Business

Insights
- New business is the main driver of growth for agencies
- Agents spend most of their time (and money) on new business (marketing, lead generation, etc)

Key takeaway
- Value creation with existing clients, in the form of Up-selling and Cross-selling is under-utilized among agents
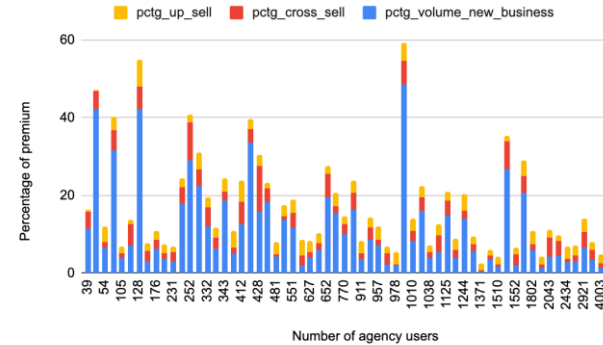
Agency growth and churn

Churn

Agency losses compared to gross premium growth for a 3 month period

Premium growth   pctg_down_sell   pctg_policy_churn   pctg_user_churn

Agency earnings
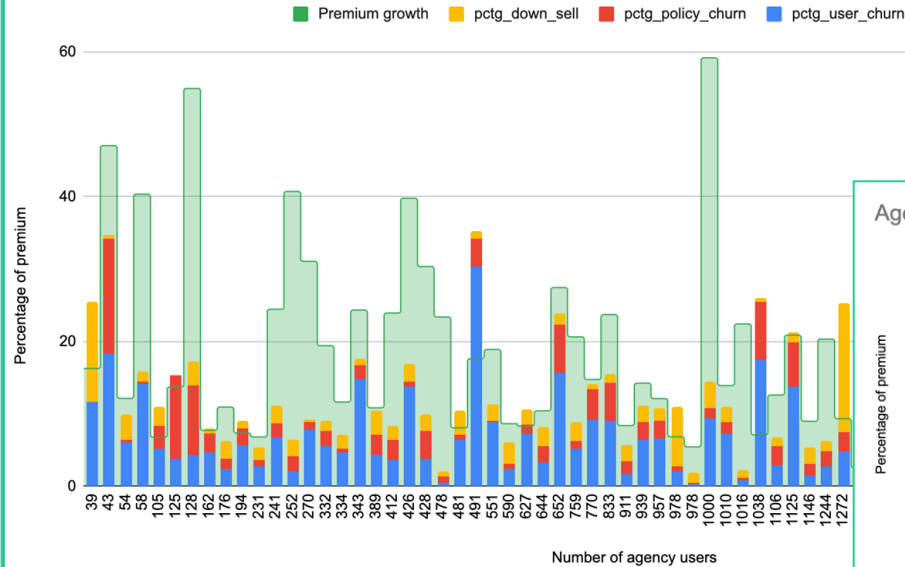
pctg_up_sell   pctg_cross_sell   pctg_volume_new_business

On average policy and user churn amount to ~**50%** of the gross growth (new business + cross-sell + up-sell). For example for an average gross growth of **16.6%** on average **8.4%** is offset by this churn, resulting on a net growth of **8.2%** .

Homeowner Policy Churn Analysis

Policyholder-related factors
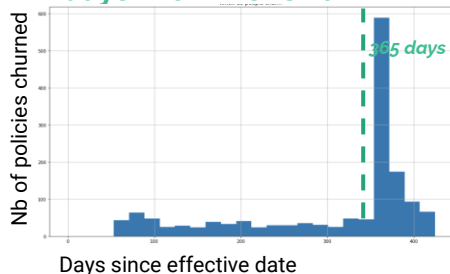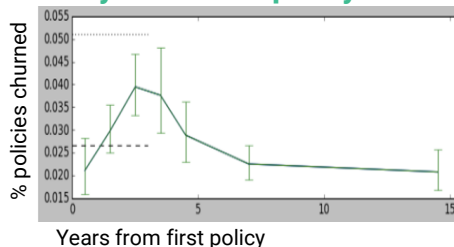
Policy-related factors

Churn

Renewals
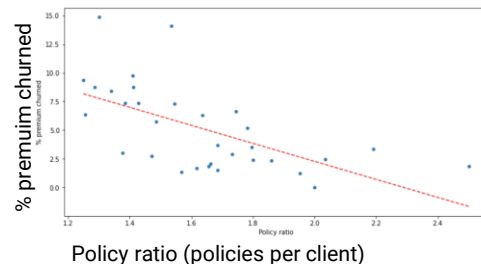
- Churn happens mainly **a few days within renewal**

365 days

Nb of policies churned

Days since effective date

Policy Ratio

- Policyholders with higher **policy ratios** are less likely to churn

% premuim churned

Policy ratio (policies per client)

Policyholder lifecycle

- Churn is at its highest **after one year of first policy sold**

% policies churned

Years from first policy

Policyholder Age

- **Younger** policyholders are **more likely to churn**

% clients churned

Age of clients

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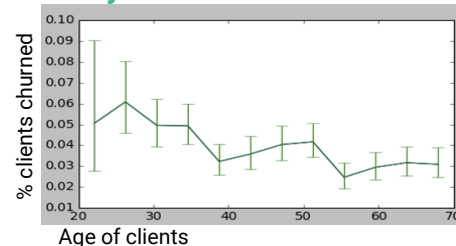
The power of cross-selling

Average pctg of premium churned

Number of policies per client

Churn rate

50% reduction

by **cross-selling** one more policy
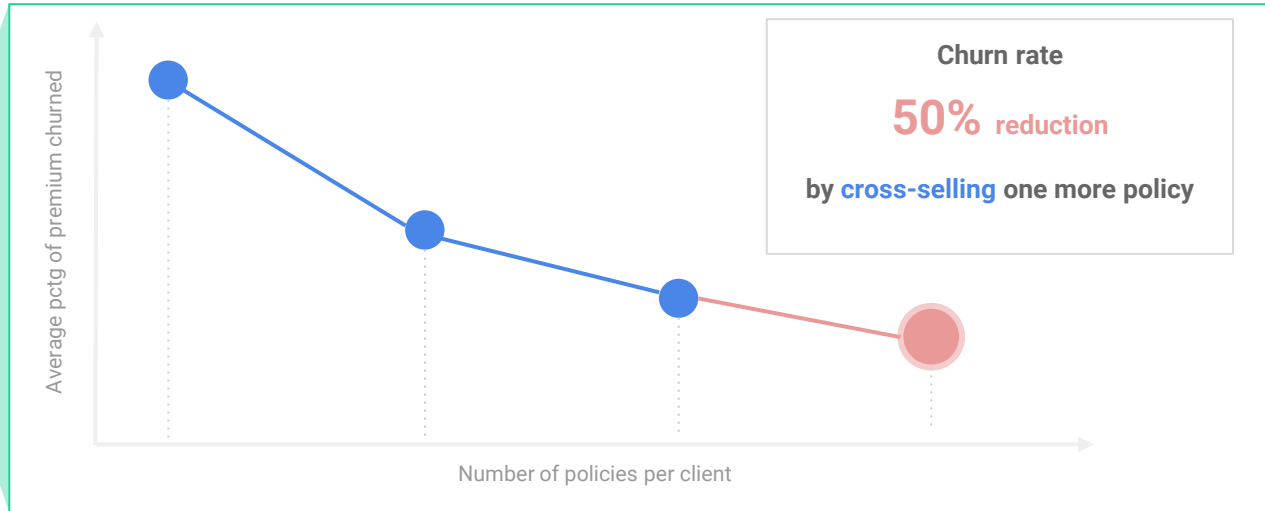
Insights
- More policies per client = Lower churn = Higher retention
- An average of 1.5 policies or higher reduces churn to under 10% annually (90% retention)

Key takeaway
- Cross-selling is key to higher retention (and growth!), get closer to clients and their needs

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WHERE TO START

Track and measure

Track your business
- Clients, policies, premium
- Upcoming renewals

Find core metrics
- Retention rate (churn)
- Growth Rate
- Conversions in the funnel

Set clear goals

Use SMART goals
- Specific, Measurable, Attainable, Relevant, Timely

Install accountability
- Keep goals front and center
- Check-in and measure results

Build a process

Create data flows
- Integrations to limit errors
- Real-time Dashboards

Get team buy-in
- Activity logging/tracking
- Timely outreach with triggers

SUCCESSFUL AGENT STORY

Tracking renewals
- Initial retention rate 76%
- 1.3 policies per client

Segmenting and measuring
- Retention per segment (Clients/Policies)
- Coverage limits breakdown

Increase retention to 90%
- Policies per client > 1.6
- First year mandatory review

improve coverage limits
- 100K BI limits for 90% of clients

Account reviews
- Reach out before renewal
- Use Agentero to find/understand needs

Core metrics dashboard
- Made stats public and dynamic
- Changed producers' bonuses to align with goals

QUESTIONS

THANK YOU!

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www.independentagent.com/ACT

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Questions?   **ACT@iiaba.net**