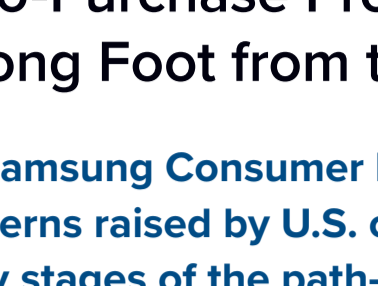


Shaping the Future of the Insurance Agent: From Order Taker to Caregiver

Unlocking Organic Growth by Bridging Agents' Empathy Gap



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The Worst Thing About Insurance Is Buying It

The Path-To-Purchase Process Starts on the Wrong Foot from the Get-Go.

According to IDC's Samsung Consumer Banking and Insurance Survey, critical concerns raised by U.S. consumers are already evident in the early stages of the path-to-purchase process:

53% express **confusion when comparing quotes and coverage options**, especially marginalized groups, such as the less affluent or unemployed, who are sensitive to price fluctuations.

51% report **frustration due to the lack of clear information**, particularly in understanding the terms and conditions and fine print covering scenario implications. This dissatisfaction is most notable among Gen Zers, who expect the same transparency that tech giants and ecommerce platforms provide.

38% have **concerns about customizing insurance policies** to fit their specific needs, citing challenges in addressing risk-coverage bundling preferences.

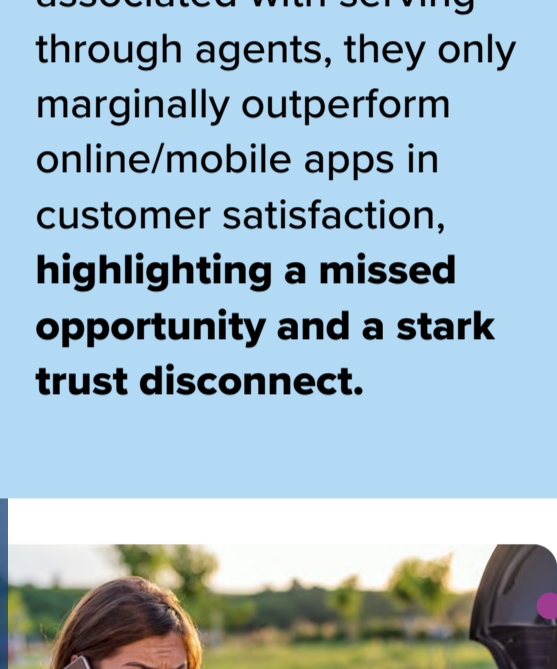
The Silent Generation (aged 75+) particularly feels that available products do not adequately cater to their unique requirements, signaling a market gap for the silver economy.

n = 1,638. Source: IDC's Samsung Consumer Banking and Insurance Survey, November 2023

Agents' Trust Being Put to the Test

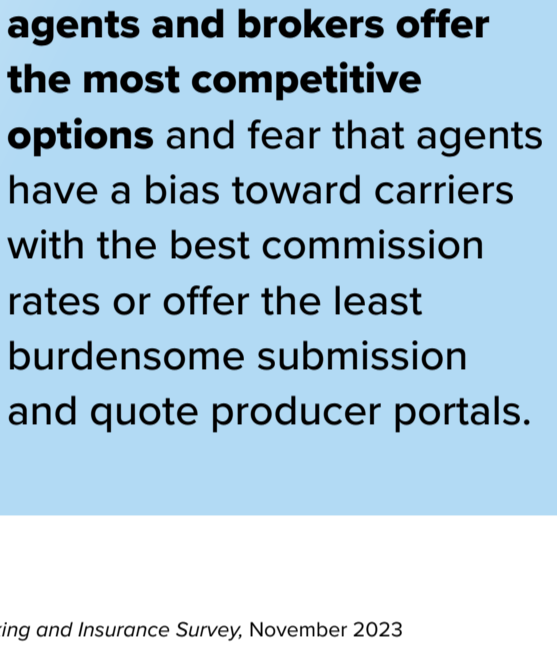
The Urgency of Shaking Off a "Seller" Stereotype

Throughout the purchasing process, **consumers primarily seek agents' advice on product fit and coverage personalization**, representing a crucial opportunity for agents to influence conversion rates.



39% of insurance consumers express **dissatisfaction when interacting with agents**, which is slightly less than the 40% who report dissatisfaction with online/mobile applications. Despite the higher cost associated with serving through agents, they only marginally outperform online/mobile apps in customer satisfaction, **highlighting a missed opportunity and a stark trust disconnect.**

38% of consumers perceive **agents solely as sellers**, citing that they lack proactive support in post-deal closures, especially during pivotal moments such as claims assistance.



34% of consumers **doubt that agents and brokers offer the most competitive options** and fear that agents have a bias toward carriers with the best commission rates or offer the least burdensome submission and quote producer portals.



n = 1,638. Source: IDC's Samsung Consumer Banking and Insurance Survey, November 2023

A Spotlight Over Agents' Struggles

Uncovering a Causal Link Between Customer and Agent Experience

According to U.S. insurers, agents and brokers face the following major challenges:

- Challenge 1**

49% of U.S. insurers highlight **ineffective communication and collaboration among agents and internal carrier departments**. Multiple silos and a lack of structured collaboration practices with established protocols exacerbate this issue.
- Challenge 2**

38% of insurers recognize that **agents struggle with lead generation** while maintaining brand consistency through unified messaging and visual identity. This consistency is crucial for establishing credibility and trust in today's landscape but is hindered by insufficient training in digital prospecting and social media selling techniques.
- Challenge 3**

36% of insurers express **concerns about agents' ability to navigate complex regulations and safeguard client data**. They identify social engineering as a top security threat.
- Challenge 4**

36% of insurers **worry about the aging workforce**, which poses significant obstacles to succession planning and attracting younger generations. This scenario is driving the consolidation of independent agencies, impeding agents' ability to provide consistent assistance across various geographical areas.

n = 1,638. Source: IDC's Samsung Banking and Insurance Survey, January 2024

Network Channel Modernization Strategy: All Eyes on Growth

Insurance Providers Missing the Opportunity To Rethink the Agent-Carrier Relationship

Growth focus: Nearly all (98%) of U.S. insurers' network channel modernization strategies are geared toward harnessing agents' relationship networks to drive revenue growth by facilitating customer acquisition or retention.

Consequently, insurance carriers' **top IT investment priorities** include CRM and lead generation tools, video conferencing and webinar platforms, social media engagement tools, and enhanced mobile payment systems.

Unfortunately, **digital collaboration and communication platforms** that facilitate seamless interaction between agents and carrier functions didn't emerge as a top priority despite being the most critical challenge impacting agents' experience. Only 40% of C-level insurance professionals acknowledged them as an IT investment priority.

n = 100. Source: IDC's Samsung Banking and Insurance Survey, January 2024

Building Blocks for a Forward-Looking Network Channel Modernization Strategy

Top 3 Calls to Action for Carriers

- 1 Rethinking the agent experience to drive superior customer experience:**

A significant **37% of insurers face challenges in modernizing their IT infrastructure** due to the poorly designed integration of digital tools of choice that agents use with core insurance application architecture. For instance, handheld devices often lack access to proprietary legacy quote submission portals and customer history data, despite being essential tools for these professionals.

This greatly hinders effective collaboration between agents and carriers and highlights the importance of forward-thinking strategies to facilitate collaboration with a wider network of partners and stakeholders in the future.
- 2 Anticipating resistance to change:**

A significant **36% of insurance respondents acknowledge agents, and brokers' entrenched resistance to adopting new solutions and digital workflows**, especially as many approach retirement age. Insurers should clearly articulate the reasons behind the changes and offer targeted, measured incentives to promote buy-in.
- 3 Tackling compliance challenges head-on:**

Concerns about compliance are prevalent, with 35% of insurance respondents expressing unease in this area. Insurers should not bury their heads in the sand when agents and brokers increasingly expect mobile interactions throughout the entire producer life cycle.

They should prioritize the implementation of privacy-by-design measures, such as encryption, data loss prevention, and identity access management, to mitigate risks effectively.

n = 100. Source: IDC's Samsung Banking and Insurance Survey, January 2024

Message from the Sponsor

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To speak to one of our experts, contact us.