

Hard Market Toolkit Update

Enhanced Communication and Retention Strategies



INTRODUCTION

Welcome to the Hard Market Toolkit 2024 Update for Independent Agents

In today's rapidly evolving economic landscape, navigating the complexities of a hard insurance market has become increasingly challenging for independent agents. As several key economic factors continue to reshape the insurance industry, agents are faced with both obstacles and opportunities for growth and adaptation.

For independent agents, staying informed and agile is crucial. This toolkit provides you with the latest updates on market trends, economic indicators, and strategic insights to help you thrive in this challenging environment. Our goal is to equip you with the knowledge and resources needed to effectively navigate the hard market, support your clients, and sustain your business growth.

We understand that each agent's situation is unique, and our toolkit is designed to offer flexible, actionable insights that you can tailor to your specific needs. As the market continues to evolve, staying proactive and informed will be your greatest asset.

Let's embark on this journey together, armed with the tools and knowledge to succeed in today's evolving hard market.



State of the Market and Consumer Trends

From a pricing and coverage perspective, the property & casualty insurance market forecast is increasingly complex, influenced by higher repair costs for electric vehicles, the rising incidence of nuclear liability verdicts, the escalating frequency of catastrophic events and other elements.

How will these challenges impact the p&c industry's future?

A Look at the Lines

The hard market has not only been about pricing. Rather, claims exceeded forecasts, which led to operating losses. As a result, insurance companies exited certain lines of business, tightened underwriting and added exclusions. That left agents scrambling to replicate coverage options as best they could.

The impact was most severe in catastrophe-prone states and in certain lines of business, such as commercial trucking, where the frequency and severity of nuclear verdicts—jury verdicts in excess of \$10 million—were experienced.

Let's take a closer look at four key p&c insurance markets that are impacted.



NUCLEAR VERDICTS:
Jury Verdicts In Excess
of \$10 Million

During these challenging times, independent insurance agents can prove their value to clients, and improve retention with consistent and thorough communication. This should include telling clients why premiums are rising and what they should expect at renewal time, as well as explaining coverage changes or restrictions that may impact their exposure.

The Big “I” represents more than 25,000 Trusted Choice independent agents across the country. All members have access to share the Trusted Choice Pledge of Performance which highlights the value and benefits to consumers.

OUR PLEDGE OF PERFORMANCE PROMISES THAT WE WILL:

- ✓ Understand your needs as a member of your local community
- ✓ Use our broad market access to provide you choices that result in solutions to address your needs
- ✓ Communicate quickly and effectively in a way that works for you, whether it's in-person or electronically
- ✓ Provide sound guidance as a knowledgeable professional who is passionate about insurance
- ✓ Be there to help you adapt your coverage as your family's and business's needs change
- ✓ Be a trusted resource who guides you through the claims process

This Trusted Choice® Hard Market Toolkit provides information and resources independent agents can use to navigate the current market conditions successfully.

This resource is exclusively for Big “I” members.

INCLUDED IN THIS TOOLKIT ARE:

- Hard Market Overview and Update
- Selling Strategies in a Hard Market
- Enhance Your Communication Strategy
- How and Why to Showcase Your Agency's Community Involvement
- Communication Strategies for Commercial Accounts
- Seven Strategies to Drive Retention for the Long Run
- How to Stop a Cancellation
- Email and Digital Templates
- Extensive Appendix of useful external links, downloads and resources

Download the complete Hard Market Toolkit update:
trustedchoice.independentagent.com/hard-market-insights