CATALYIT

The State of Tech in Independent Insurance Agencies

APRIL 2023

Partnering with Big I state associations, Catalyit surveyed independent insurance agencies across the country to learn about their current tech stack. Agencies shared what solutions they're using and how they would rate them.

This report shares findings from that survey, and insights on how each area impacts agency value.

Catalyit.com

Edition 2

Sincere Thanks to Our Premium Solution Providers

These companies have chosen to support independent agent access to the tech insights they need to thrive through Catalyit! They really 'get it!'

APPLIED · Vertafore · MyHealthily · MyArchway · HAWKSOFT · WESTECH · CYBERFIN · brightfire · SALT · RHODIAN · simplyeasier PAYMENTS · BX BondExchange · RPOST · Xanatek — Simple, Powerful Technology to Grow Your Agency · Partner Platform A ZYWAVE COMPANY · LEVITATE · Better. agency · GLOVEBOX · AgentSync

About This Report

RESPONDENT PROFILE

The source of the data presented was gathered from the Catalyit Tech Stack Survey in 2023.

Number of Employees	# of Agency Responses	% of Total Responses
1-5	167	36%
6-10	90	19%
11-20	90	19%
21-50	60	13%
51-100	10	2%
Over 100	52	11%

Agency Size by Total Revenue	# of Agency Responses	% of Total Responses
Less than $500K	101	21%
$500K to $1MM	73	15%
$1MM to $2MM	96	20%
$2MM to $3MM	51	11%
$3MM to $5MM	52	11%
More than $5MM	103	22%

Participating States

Arkansas	New Jersey
Colorado	New York
Connecticut	North Carolina
Florida	Ohio
Georgia	Oklahoma
Illinois	Pennsylvania
Kansas	Rhode Island
Kentucky	South Carolina
Louisiana	Texas
Maryland	West Virginia
Michigan	Wisconsin
Minnesota	Wyoming
Nebraska	

© 2023 Mapbox © OpenStreetMap
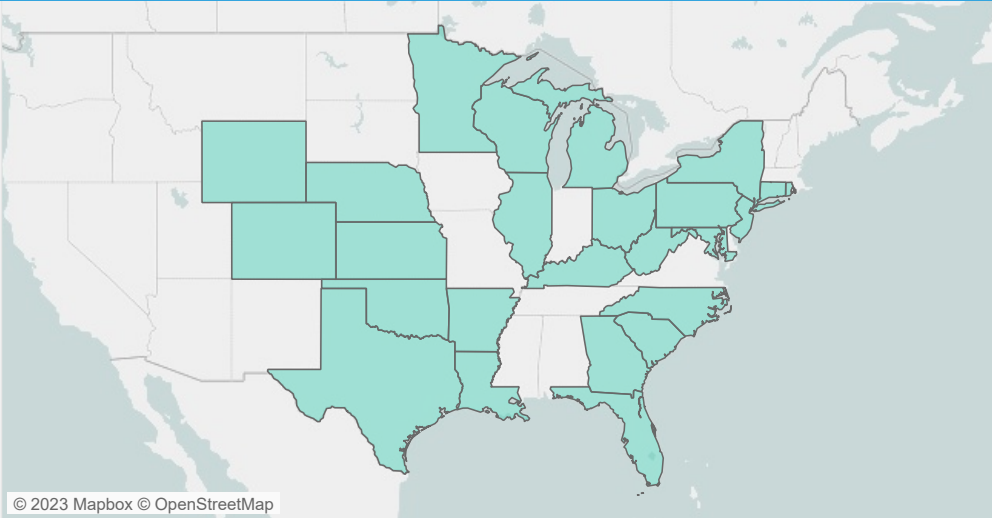
READING THE DATA

Data has been self-reported by agency leaders and staff using their knowledge and interpretations of internal platforms. Agents rated the technology they use from one to five stars. Responses have been aggregated, and top trends are included here. Many additional platforms were shared but did not reach the threshold to be mentioned. Due to rounding, when adding the percent utilization of all solution providers in a category, the total percentage may be just above or below 100%. A dash (-) is used where ratings were not provided.

AGENCY VALUE IMPACT

Agency Value insights provided by Carey Wallace from Agency Focus.
carey@agency-focus.com | 614.657.2674

AGENCY FOCUS

QUESTIONS

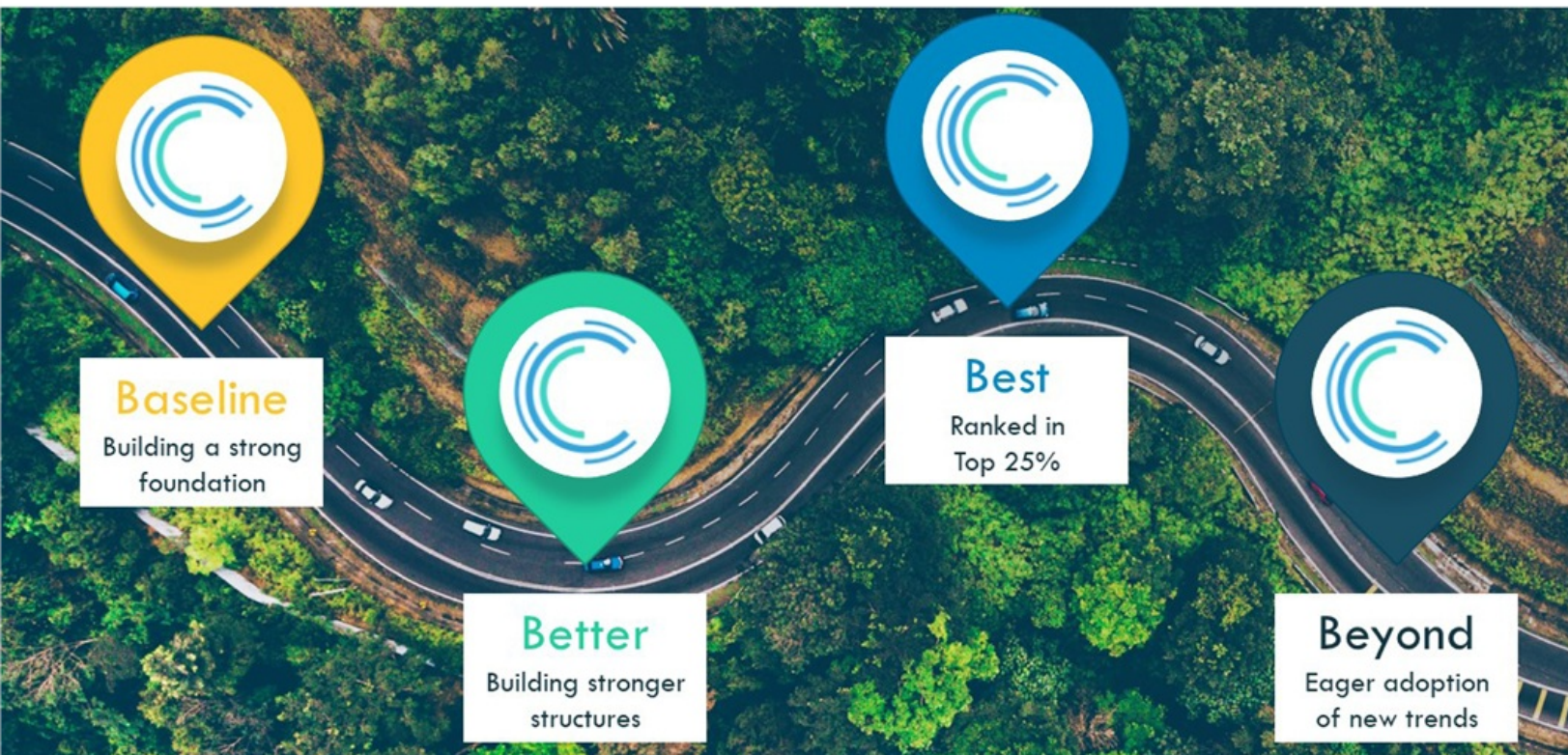Catalyit.com | hello@catalyit.com | 614.954.0957

What's a Tech Stack?

All the technology, software, and tools you use to run your agency, connect with customers and prospects, and ultimately grow profitability.

Technology is no longer just a backroom activity that keeps the computers running. Tech is a profit center. What software agencies use, what tools, integrations, processes, and data agencies harness are all critical in driving profit. With the right tech, your agency will thrive.

Your business has a tech stack. Does it currently include the right solutions for your agency? Are you using all the features you should be? Do you have processes in place to get the most out of that investment? To provide a fantastic customer experience? To become more profitable? Catalyit.com helps with all of that.

Your Tech Stack Evolves as Your Journey Continues...

Baseline
Building a strong foundation

Better
Building stronger structures

Best
Ranked in Top 25%

Beyond
Eager adoption of new trends

The Catalyit Success Journey™

Technology changes and evolves, and your agency changes and evolves. Where you are on the path today is vastly different than where you'll be in five years. The Catalyit Success Journey™ gives you a roadmap for your tech stack.

There are 4 main benchmarks on your success journey: **Baseline**, **Better**, **Best**, and **Beyond**. You likely have areas of your tech in more than one milestone. Our goal is to help you become the agency hero who moves your tech through best and beyond.

There isn't a 'one-size fits all' best, but there is a best for your agency. **Visit Catalyit.com for tech stack recommendations for each journey milestone.**

Let's dive into what tech agencies currently use and how they feel about it...

The Agency's Tech Stack

> ## The best technology is the one that is utilized. The difference between technology being a cost center vs. profit center depends on the adoption, utilization and outcomes.
>
> *- Carey Wallace, AgencyFocus, LLC*

How many technology platforms does your agency use?

Agency Size by Total Revenue	Avg. Number of Tech Platforms Used
Less than $500K	6.2
$500K to $1MM	8.0
$1MM to $2MM	8.9
$2MM to $3MM	9.2
$3MM to $5MM	10.3
More than $5MM	11.7

What stage of using technology presents the biggest challenge?*

Agency Size by Total Revenue	Finding the Right Tool	Implementing the Tool	Getting the Most Out of the Tool
Less than $500K	30%	21%	49%
$500K to $1MM	18%	20%	62%
$1MM to $2MM	14%	20%	67%
$2MM to $3MM	15%	23%	62%
$3MM to $5MM	11%	13%	76%
More than $5MM	12%	18%	71%

*Percentage based on individual responses

Next Up: What we learned about each category of agency tech...

Agency Management System

Does your agency use an agency management system?

Yes
95%

No
5%
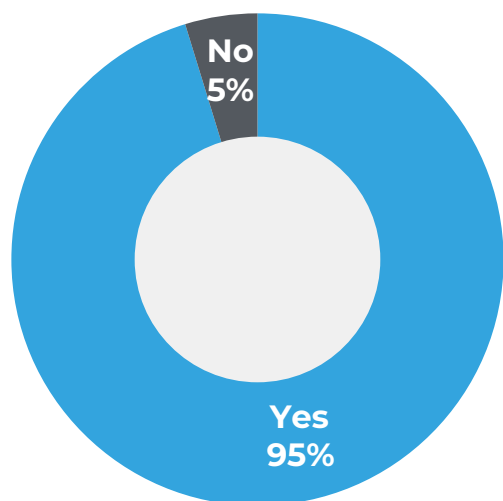
(Percentage based on 465 agency responses)

Most Used	% Use	Avg. Rating
Applied Epic	**31%** (27% in 2022)	4.0
Vertafore - AMS360	**25%** (23% in 2022)	4.0
EZLynx (Applied)	**10%** (8% in 2022)	3.8
Applied TAM	**8%** (13% in 2022)	4.6
HawkSoft	**8%** (9% in 2022)	3.9
Vertafore - QQ Catalyst	**4%** (4% in 2022)	3.0
Agency Systems - Newton	**2%** (1% in 2022)	3.4
Zywave - Partner Platform	**2%** (1% in 2022)	4.5
Agency Software Pro	**2%** (2% in 2022)	3.3
Nexsure	**1%** (1% in 2022)	3.6
Other	**8%**	3.9

INSIGHTS

An AMS is vital for managing daily operations, tracking client interactions, policy administration, and tracking marketing and sales activity. An AMS offers a unified platform for workflow management and data analytics. The key decision is which AMS platform best fits the agency's needs. Applied Epic is the most popular system. Applied, Vertafore, and HawkSoft dominate the market. HawkSoft is a cost-effective option for smaller agencies.

AGENCY VALUE IMPACT

The utilization of an agency management system has a direct impact on how easily an agency's customer information can be located, reported on, and transferred. The absence or poor usage of the system can impact the efficiency and the transferability of an account, which will directly impact the agency's transition costs, confidence in the information, and the expected ongoing performance.

Agency Management System

Does your agency use an agency management system?

A DEEPER DIVE: Most Used by Agency Revenue (2023 vs 2022)		
Total Revenue	**Top 3 Platforms Used***	
Less than $500K	**EZLynx (Applied): 25%** (2022: 22%)	**HawkSoft: 17%** (2022: 10%)	**Vertafore - AMS360: 14%** (2022: 22%)
$500K to $1MM	**EZLynx (Applied): 20%** (2022: 11%)	**Vertafore - AMS360: 17%** (2022: 24%)	**Applied Epic: 16%** (2022: 13%)
$1MM to $2MM	**Vertafore - AMS360: 37%** (2022: 27%)	**Applied Epic: 25%** (2022: 20%)	**Applied TAM: 9%** (2022: 14%)
$2MM to $3MM	**Applied Epic: 40%** (2022: 33%)	**Vertafore - AMS360: 24%** (2022: 19%)	**Applied TAM: 14%** (2022: 10%)
$3MM to $5MM	**Applied Epic: 53%** (2022: 31%)	**Vertafore - AMS360: 22%** (2022: 22%)	**Applied TAM: 12%** (2022: 22%)
More than $5MM	**Applied Epic: 52%** (2022: 48%)	**Vertafore - AMS360: 34%** (2022: 27%)	**Vertafore - Sagitta: 3%** (2022: 4%)

*From left to right: most used, second-most used, and third-most used

INSIGHTS

Applied Epic and Vertafore - AMS360 are the top agency management systems for larger agencies, while smaller ones favor HawkSoft. HawkSoft saw significant growth among agencies with revenue under $500K, and Applied Epic experienced a 22% increase among those with $3-5 million in revenue. These systems help optimize insurance agency operations by integrating with carrier platforms, accounting software, and marketing automation tools, enhancing productivity, customer service, and overall efficiency.

AGENCY VALUE IMPACT

How well an AMS is implemented impacts an agency's ability to measure, report, and act on its data. The type of system in place, or lack of it, will affect the ability to recruit talent and limit potential buyers. Being able to analyze and transition information systematically will increase an agency's value. Without an AMS, an agency should expect a lower multiple due to the uncertainty of information and the time and effort required to transition the book of business in an external sale.

Accounting

Does your agency use an accounting platform?

No
56%

Yes
44%
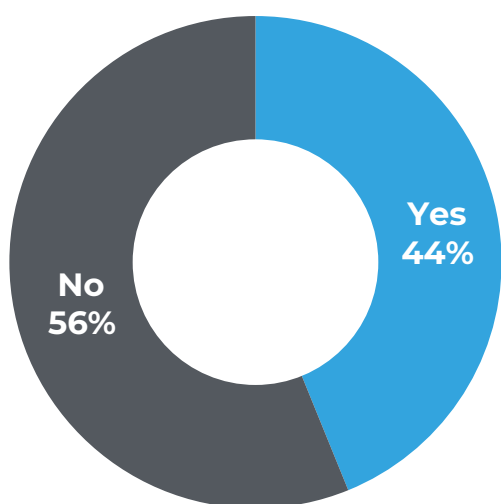
(Percentage based on 465 agency responses)

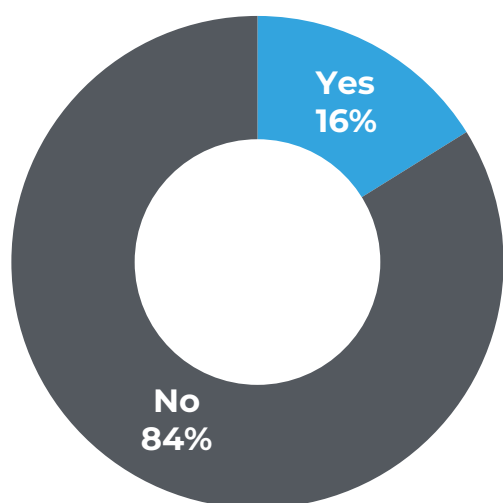| Most Used	% Use	Avg. Rating
QuickBooks	47%	4.2
Applied Epic	22%	4.0
Vertafore - AMS360	16%	4.0
Applied TAM	5%	4.1
Agency Systems	1%	5.0
Quicken	1%	3.0
Sage - Peachtree	1%	4.5
Zywave - Partner XE	1%	4.5
Oracle	<1%	3.0
Vertafore - Sagitta	<1%	3.0
Other	5%	3.7

INSIGHTS
Nearly half of the respondents use QuickBooks. The Applied and Vertafore platforms offer built-in General Ledger accounting features. QuickBooks lacks Insurance Trust Accounting features, potentially causing compliance issues in some states. Insurance accounting platforms automate processes, track commissions, and insurance company payables, reconcile accounts, and generate financial statements. Integration with agency management and carrier platforms streamlines data entry and reduces errors. By using these platforms, independent agents enhance financial management, minimize errors and fraud, and gain insight into their financial performance.

AGENCY VALUE IMPACT
An agency that utilizes an accounting system to produce accurate and timely financial reports, including a balance sheet and income statement, will increase its value as the level of uncertainty in that agency is reduced. Agencies that measure and manage performance based on these reports are more likely to have a healthy profitability ratio, a greater understanding of their business, and ultimately a higher value.

Agency License Compliance

Does your agency use a tool to track agency license compliance?

**Yes
16%**

**No
84%**

(Percentage based on 465 agency responses)

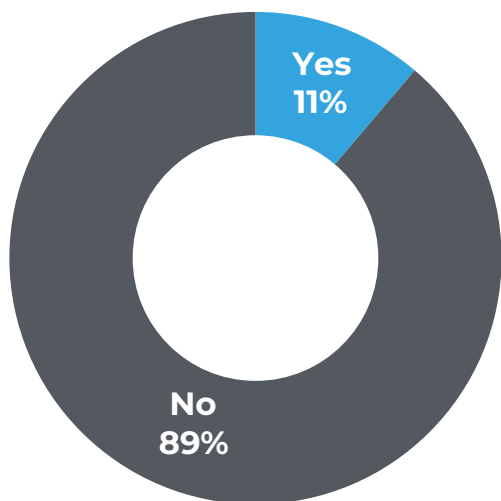| Most Used	% Use	Avg. Rating
Vertafore - Sircon	53%	4.1
NIPR	10%	4.3
AgentSync	4%	3.7
CSC	4%	5.0
Proprietary Platform	4%	4.3
Agency Management System	3%	4.0
Accel Dashboard	1%	5.0
Acrisure Home Office	1%	-
BetterCE	1%	-
RegEd	1%	4.0
State Based Systems	1%	3.0
Other	14%	3.7

INSIGHTS

Vertafore's Sircon is the top choice for agency state license compliance. Many state insurance regulators also use it for agent license filings. Agency license compliance solutions help agents track licenses, renewal dates, and continuing education requirements. It can create reports and alerts to help prevent penalties or fines for non-compliance. These solutions help independent agents streamline the compliance process to reduce non-compliance risks and maintain licenses to operate within and across state lines.

**AGENCY VALUE
IMPACT**

Agencies that can demonstrate that all licenses are in place and in good standing are better positioned for transition than those that may have unexpected exposures in this area.

Benefits Quoting & Management

Does your agency use a benefits quoting and management platform?

Yes
11%

No
89%

(Percentage based on 465 agency responses)

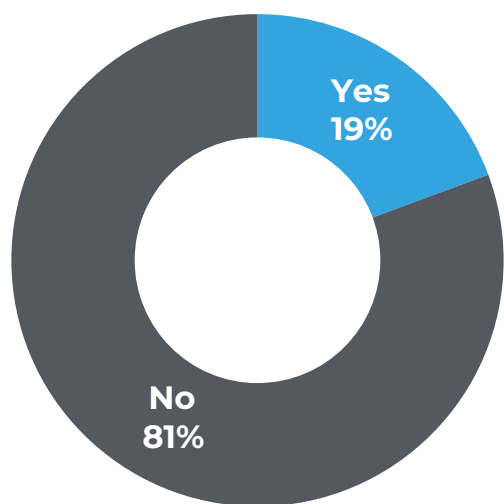| Most Used	% Use	Avg. Rating
Applied Benefits Designer	**16%**	**3.4**
BenefitMall	**16%**	**4.6**
Vertafore - BenefitPoint	**12%**	**3.8**
Applied Rater	**6%**	**3.0**
FormFire	**6%**	**3.3**
Agency Smart	**4%**	**4.5**
BrokerageBuilder	**4%**	**4.0**
Carrier Website	**4%**	**3.0**
Ease	**4%**	**5.0**
Vertafore - PL Rating	**4%**	**5.0**
Other	**22%**	**4.0**

INSIGHTS

Benefits are a growing part of an agency's revenue. Applied Benefits Designer and BenefitMall are popular benefits quoting and management platforms independent agents use. These platforms assist agents in the process of selecting and managing employee benefits, offering a variety of options such as health, dental, vision, and retirement plans. They help agents streamline enrollment, manage employee data and eligibility, and deliver ongoing support and education. Utilizing these platforms enables agents to offer comprehensive benefits packages tailored to clients' needs while reducing administrative workload.

AGENCY VALUE IMPACT

Group benefits are a growing revenue source. Using a benefits quoting system helps the agency provide a quicker response to their clients, with higher quote-to-bind ratios. This impacts agency growth, efficiency, profitability, customer satisfaction, customer retention, recruiting, and retention of staff. With more capacity to quote business, increased growth is possible.

Carrier Submission Management

Does your agency use a carrier submission management tool?

Yes 19%

No 81%

(Percentage based on 465 agency responses)

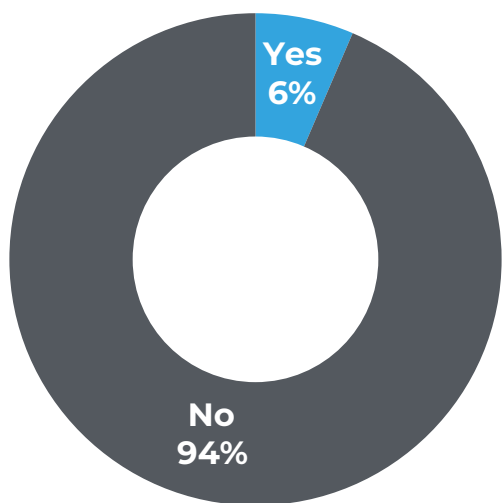| Most Used	% Use	Avg. Rating
Vertafore - PL Rating	20%	4.0
EZLynx (Applied)	15%	4.0
Indio (Applied)	13%	4.2
Applied Rater	11%	3.3
Applied Epic Quotes	10%	3.7
Carrier Website	9%	4.1
Tarmika (Applied)	6%	3.6
Applied Epic	3%	4.3
Semsee	3%	4.0
RealTime	2%	4.0
Other	7%	4.8

INSIGHTS
Vertafore's PL Rating leads at 20%, with EZLynx (Applied) following at 15% for policy quotes. Nine percent of agents use carrier websites for manual quotes and submissions. A quoting platform allows agents to obtain quotes electronically, reducing time, effort and improving data accuracy. Many provide real-time updates on application status, enabling agents to track progress and address issues. Using quoting platforms helps agents enhance efficiency and minimize errors.

AGENCY VALUE IMPACT

Continuing to reduce the cost of submitting new and renewal business increases profitability. Work is being done to streamline sending submissions to carriers. This improves agency growth, efficiency, profitability, customer satisfaction, customer retention, recruiting, and retention of staff.

Chatbot

Does your agency use a chatbot on your website?

Yes
6%

No
94%

(Percentage based on 465 agency responses)

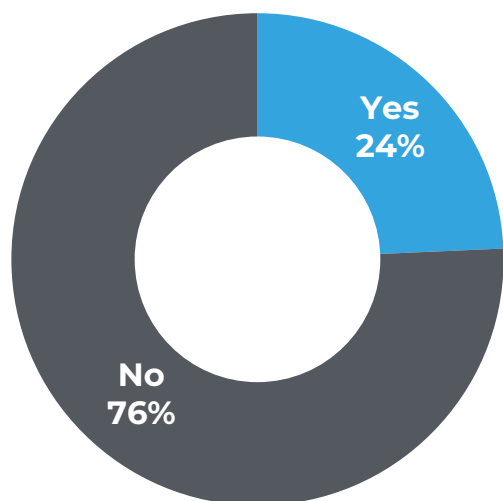| Most Used	% Use	Avg. Rating
Podium	10%	4.3
Tacobot	7%	4.5
CallPage	3%	4.0
Chatra	3%	-
Chekkit	3%	5.0
Drift	3%	5.0
EchoSage	3%	-
Lightspeed	3%	4.0
Swell	3%	4.0
Tawk.to	3%	4.0
Other	55%	3.7

INSIGHTS
The rise of Generative AI tools (like ChatGPT) opens new opportunities for chatbot solutions. They will enhance current capabilities and create new, more intelligent solutions. Chatbots offer immediate answers to customer questions, improving satisfaction and reducing support team workloads. Agents benefit from increased 24/7 support options, enhanced customer service, and optimized efficiency.

AGENCY VALUE IMPACT

Agencies that invest in technology that can streamline administrative tasks will create capacity for their staff to focus on tasks that require their expertise and advice. As more and more agencies focus on customer experience and increasing their own efficiencies, these types of tools will continue to become more important and increase the perceived value of your agency.

Contact Relationship Management (CRM)

Does your agency use a CRM system?

Yes
24%

No
76%

(Percentage based on 465 agency responses)

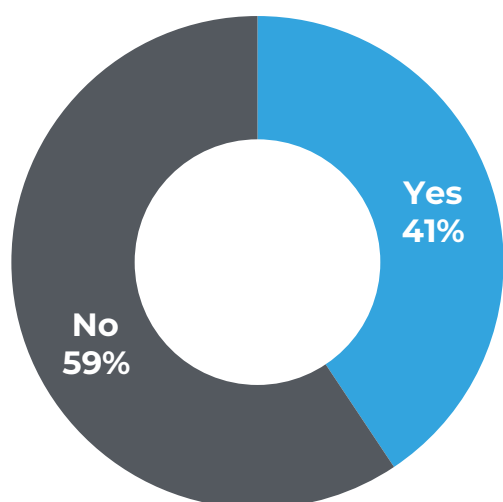| Most Used	% Use	Avg. Rating
AgencyZoom (Vertafore)	17%	4.3
Salesforce	14%	4.0
Agency Revolution	12%	4.3
InsuredMine	7%	4.1
Levitate	7%	3.8
Rocket Referrals	6%	3.7
Better Agency	3%	4.0
Constant Contact	3%	3.0
Bignition	2%	4.0
Dynamics	2%	4.0
Other	27%	3.7

INSIGHTS

CRM utilization is growing for prospecting, sales pipeline tracking, and remarketing, with AgencyZoom (Vertafore) leading at 17% usage and Salesforce implementations increasing. Integration with an agency management system is crucial. CRM software helps agents manage client engagement, and new leads, automate marketing follow-up, and analyze customer behavior.

AGENCY VALUE IMPACT

A CRM allows an agency to build a well-developed and well-managed sales process, providing insights and focusing on the customer. The data gathered helps the agency make data-driven decisions to achieve its growth goals. As with any investment, if not implemented and utilized consistently and effectively, it can become an expense that hurts agency value.

Cybersecurity

Does your agency use a cybersecurity platform/vendor?

Yes
41%

No
59%

(Percentage based on 465 agency responses)

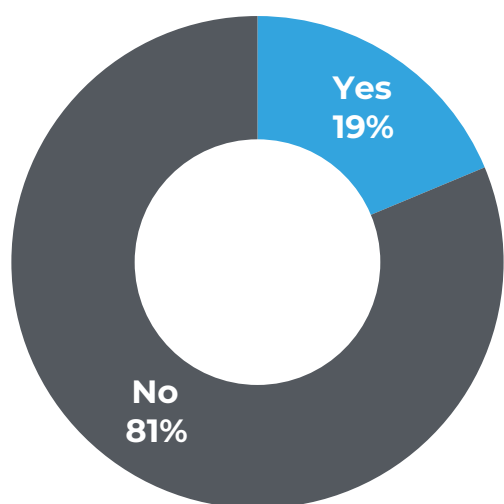| Most Used	% Use	Avg. Rating
Local IT Provider	42%	4.4
KnowBe4	7%	4.1
AppRiver	6%	4.4
Managed In-House	3%	4.0
Archway Computer	2%	4.0
CyberFin	2%	4.5
Motiva	2%	3.5
Rhodian Group (formerly Rigid Bits)	1%	5.0
Norton	1%	3.0
Omega Systems	1%	4.0
Other	34%	4.2

INSIGHTS

Cybersecurity is essential for protecting customer data. Surprisingly, 59% of respondents lack a cyber solution. Most use local IT providers, which may not specialize in cybersecurity. Cybersecurity solutions typically involve antivirus software, firewalls, encryption tools, and employee training. Independent agents handle sensitive client data, making them vulnerable to financial loss, reputational damage, and legal liability from data breaches. Implementing cybersecurity solutions mitigates these risks, maintaining agents' reputations as trusted business partners.

AGENCY VALUE IMPACT

Trust is key to the relationships agencies have with their clients. The sensitive nature of data required makes it essential to have strong security. A strong cybersecurity policy will strengthen the value of an agency.

Data Analytics

Does your agency use a data analytics platform/system?

Yes
19%

No
81%

(Percentage based on 465 agency responses)

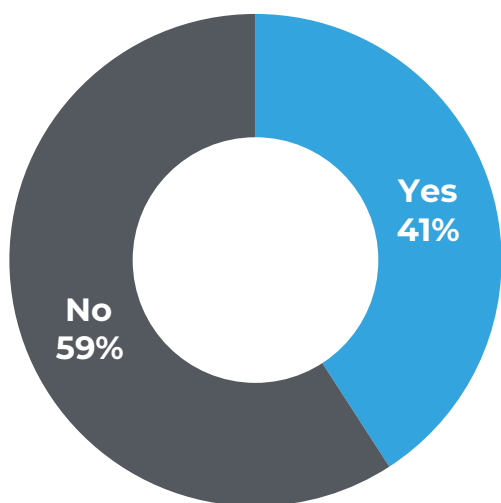| Most Used	% Use	Avg. Rating
Applied Analytics	33%	3.5
Agency Management System	14%	3.9
AgencyKPI	8%	4.3
PowerBI	7%	4.5
Vertafore - RiskMatch	6%	3.8
ennabl	5%	4.5
HawkSoft	5%	4.0
EZLynx Reports (Applied)	3%	3.3
In-House Platform	2%	4.0
Donna	1%	5.0
Other	17%	4.4

INSIGHTS

Applied Analytics leads in usage, while Donna, PowerBI, and ennabl score highest in customer satisfaction. Only 19% of surveyed agencies use data analytics models, missing opportunities for insights and sales optimization. With the growth potential for data analytics, new players continue to enter the market, such as Aureus Analytics and Synatic. Data analytics technology enables agents to collect, process, and analyze diverse data, revealing patterns, trends, and opportunities. By adopting data analytics, independent agents stay competitive and make informed decisions responding to market changes.

AGENCY VALUE IMPACT

By utilizing data to drive decisions, an agency is positioned for higher growth retention and profitability. An agency is 6x more likely to retain, 23x more likely to acquire new business, and 19x more profitable. This has a direct impact on the value of an agency. How an agency implements and utilizes these investments is critical to ensuring it produces these results.

Digital Payments

Does your agency use a digital payments platform/service?

Yes 41%

No 59%

(Percentage based on 465 agency responses)

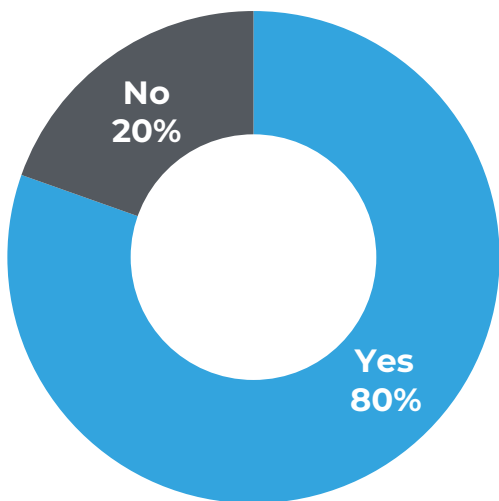| Most Used	% Use	Avg. Rating
ePayPolicy	**57%**	**4.6**
EasyPay	**7%**	**4.0**
Applied Pay	**6%**	**3.5**
Simply Easier Payments	**6%**	**4.8**
QuickBooks	**5%**	**4.3**
XpressPay	**4%**	**4.4**
Carrier Online Billing	**4%**	**3.9**
IPFS TotalPay	**3%**	**4.6**
Converge Pay	**1%**	**4.0**
IntelliPay	**1%**	**5.0**
Other	**8%**	**4.0**

INSIGHTS

Electronic payment options reduce the payment friction with online customers. ePayPolicy is the top choice in digital payment technology, with nearly 60% of agencies adopting it. Digital payments eliminate paper checks and manual processing, reducing processing time, errors and enhancing the customer experience. They also provide improved security features, protecting against fraud and theft. By utilizing digital payments, agents can streamline billing, cut costs, and better manage cash flow and financial reporting.

AGENCY VALUE IMPACT

In today's world, many customers expect to be able to interact in a fast and seamless manner. Agencies that do not offer electronic payment options create friction and are more likely to increase customer frustration, thereby lowering retention and agency value.

Electronic Signature

Does your agency use an e-signature platform/service?

No 20%

Yes 80%

(Percentage based on 465 agency responses)

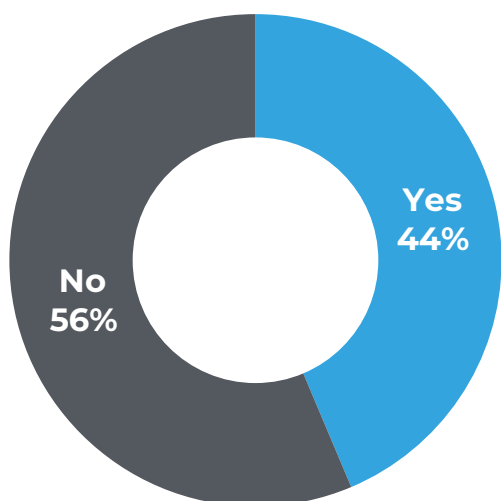| Most Used	% Use	Avg. Rating
DocuSign	49%	4.5
Adobe Sign	12%	4.3
Formstack	12%	4.0
RSign by RPost	9%	4.3
Citrix RightSignature	5%	4.6
Nintex AssureSign	4%	3.8
Indio (Applied)	2%	4.1
HelloSign	2%	4.7
Bridge	1%	2.8
Authentisign	1%	4.0
Other	4%	4.2

INSIGHTS

Electronic signature technology enables agents to sign and send documents electronically, eliminating printing, mailing, and faxing; reducing turnaround time and errors; and enhancing customer experience. DocuSign leads the electronic signature category, with nearly 50% of respondents using it. Its partnerships with agency management systems ensure ease-of-use. Electronic signatures are legally binding, and most platforms provide a secure audit trail, protecting agents from fraud and liability. By adopting electronic signatures, independent agents can close deals faster, cut administrative costs, and boost efficiency and productivity.

AGENCY VALUE IMPACT

Not offering or using an electronic signature option with your clients can create unnecessary friction and increase customer frustration, thereby lowering retention and agency value.

IT/Managed Service Provider (MSP)

Does your agency use a full-service IT/Managed Service Provider (MSP)?

No
56%

Yes
44%

(Percentage based on 465 agency responses)

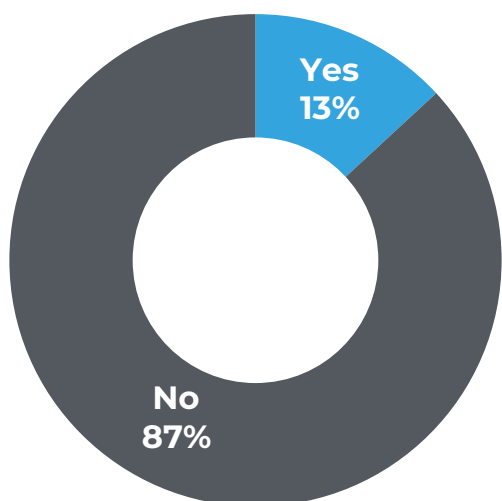| Most Used	% Use	Avg. Rating
Local IT Service Provider (MSP)	67%	4.4
Managed In-House	9%	4.2
Archway Computer	3%	4.4
Motiva	2%	3.3
ACP Technologies	2%	3.7
Kite Technology	2%	4.7
Midwest IT	1%	5.0
Rhodian Group (formerly Rigid Bits)	1%	5.0
Other	16%	4.3

INSIGHTS

Agencies rely on hardware, computer systems, and networks daily, making full-service IT/Managed Service Providers (MSPs) crucial. MSPs charge a monthly fee for on-demand IT services, network security, and system management. A dedicated MSP ensures quick recovery and uninterrupted work, allowing agencies to focus on their core insurance business while the MSP manages their network and computer systems.

AGENCY VALUE IMPACT

Technology is an essential component of an agency's infrastructure. It is becoming more and more complex as options continue to expand. Investing in the right partner to keep the agency's infrastructure secure is key to maintaining a high level of trust with its customers. Not having a sound infrastructure can create opportunities for security breaches and a loss in reputation and retention, both of which will hurt the agency's value.

Lead Generation

Does your agency use a lead generation platform/service?

Yes
13%

No
87%

(Percentage based on 465 agency responses)

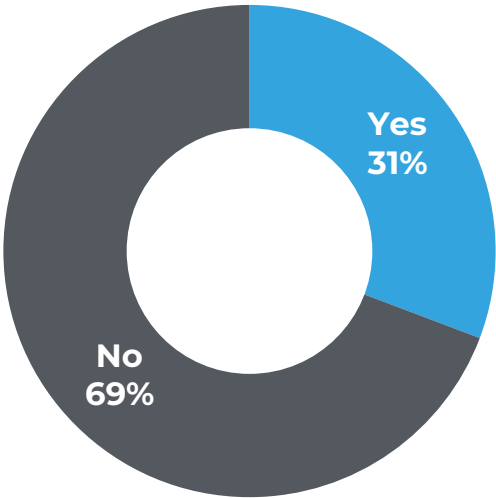| Most Used	% Use	Avg. Rating
TrustedChoice.com	**28%**	**3.2**
Zywave	**20%**	**3.4**
Cold Calling Service	**11%**	**3.4**
SalesPro	**5%**	**3.5**
Internal Sales Team	**3%**	**5.0**
QuoteWizard	**3%**	**4.0**
ZoomInfo	**3%**	**5.0**
Bold Penguin	**2%**	**5.0**
EZLynx (Applied)	**2%**	**-**
SALT	**2%**	**3.0**
Other	**21%**	**4.3**

INSIGHTS

TrustedChoice.com and Zywave are the top choices for lead generation, while many still use cold-calling services. New players like SALT help automate online leads. By leveraging marketing automation platforms with features like lead generation, independent agents can save time, reduce costs, and ultimately grow their business by reaching the right audience with the right message at the right time.

AGENCY VALUE IMPACT

New business lead generation platforms create a greater opportunity for growth, profitability, and agency value, as long as the leads generate sales that provide more revenue than the overall cost of the platform.

Marketing Automation

Does your agency use a marketing automation and email platform?

Yes 31%

No 69%

(Percentage based on 465 agency responses)

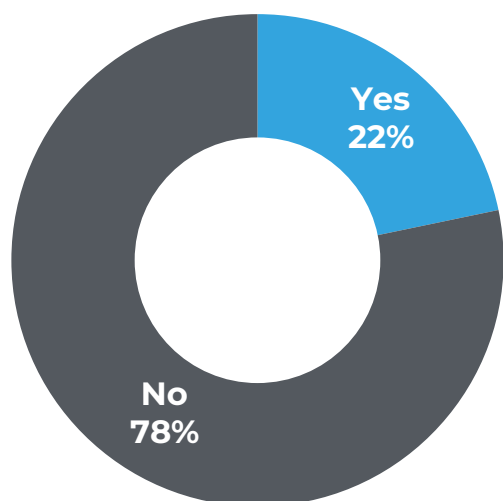| Most Used	% Use	Avg. Rating
Applied Marketing Automation	**17%**	**3.9**
Agency Revolution	**15%**	**4.1**
Levitate	**14%**	**4.1**
Rocket Referrals	**11%**	**4.0**
AgencyZoom (Vertafore)	**10%**	**4.1**
Zywave	**7%**	**3.5**
Constant Contact	**4%**	**3.8**
Mailchimp	**3%**	**4.0**
InsuredMine	**2%**	**4.3**
EZLynx (Applied)	**2%**	**3.7**
Other	**14%**	**4.1**

INSIGHTS

Marketing automation platforms streamline marketing efforts, offering features such as email marketing, social media management, lead tracking, and analytics. These platforms automate repetitive tasks, nurture leads, and measure performance. They enable personalized messaging, audience segmentation, and targeted campaigns. Applied Marketing Automation, Agency Revolution, and Levitate are the top three platforms in this category. Investing time to set up these platforms will ultimately save time and money, streamlining your marketing efforts and boosting efficiency.

AGENCY VALUE IMPACT

Marketing helps an agency focus on its growth goals by targeting their most profitable customers, staying connected, communicating their value, developing a niche or line of business, and the ability to measure results and make data-driven decisions. As with any investment, if not implemented and utilized consistently and effectively, it can become a cost center and hurt the value of the agency.

Mobile App

Does your agency have an agency-branded mobile app?

Yes
22%

No
78%

(Percentage based on 465 agency responses)

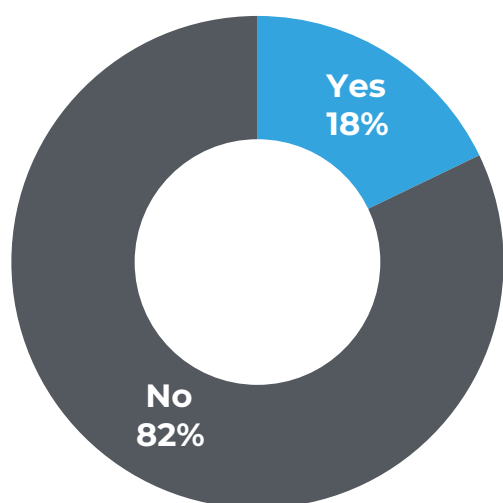| Most Used	% Use	Avg. Rating
Applied CSR24	**55%**	**3.8**
GloveBox	**16%**	**4.2**
Insurance Agent App	**9%**	**4.6**
Vertafore - InsurLink	**3%**	**3.0**
InsuredMine	**1%**	**3.0**
Partner XE	**1%**	**2.0**
Other	**15%**	**3.1**

INSIGHTS
While 55% use Applied's CSR24 portal as their mobile app, only 22% utilize a true mobile app. A mobile app offers clients 24/7 access to certificates, policies, and other information. Features include policy documents, billing information, claims tracking, and messaging, enabling clients to manage their insurance needs on the go. An agency branded mobile app helps agencies stay competitive in a digital age, where customers expect mobile access to information and services.

AGENCY VALUE IMPACT

Everyone is using their phone to accomplish tasks we never thought possible. That should include your agency. Providing another way for customers to communicate with the agency creates greater capacity for the staff, impacting growth, profitability and retention of both customers and employees.

Outsourcing

Does your agency use an outsourcing (virtual employee) service?

Yes
18%

No
82%

(Percentage based on 465 agency responses)

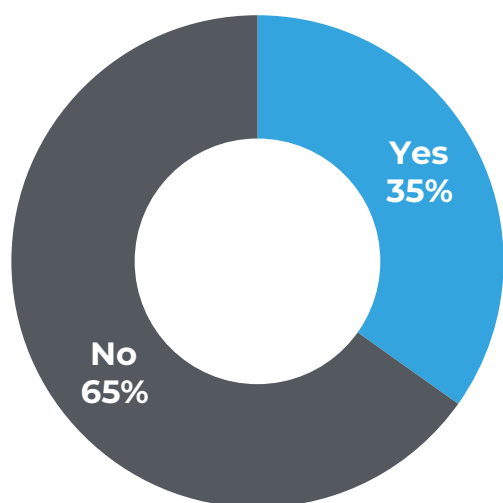| Most Used	% Use	Avg. Rating
ReSourcePro	15%	4.2
WAHVE	15%	4.3
Cover Desk	12%	4.3
AgencyVA	10%	4.6
Patra	5%	3.0
Exdion	4%	4.5
Fusion - Business Solutions	4%	5.0
Marble Box	3%	5.0
Savvital	3%	5.0
Other	29%	3.9

INSIGHTS
Virtual assistants are becoming more popular in the IA channel. Outsourcing allows agencies to delegate non-core or time-consuming tasks to third-party service providers, helping them focus on their core competencies. Outsourcing enables agents to access specialized expertise and services they may not have in-house, such as accounting, marketing, administrative, or IT support. By outsourcing these tasks, independent agents can reduce operating costs, improve efficiency, and access resources that would otherwise be too expensive or difficult to acquire. ReSourcePro and WAHVE are the leaders in this category.

AGENCY VALUE IMPACT
Consider redefining the tasks included in each agency role and reallocating work that is predictive and repetitive to virtual assistants. This strategy can impact the agency in several ways, including creating capacity, increasing consistency in processes and data integrity, improving employee satisfaction and retention, and increasing the agency's profitability.

Password Manager

Does your agency use a password manager?

(Percentage based on 465 agency responses)

Yes
35%

No
65%

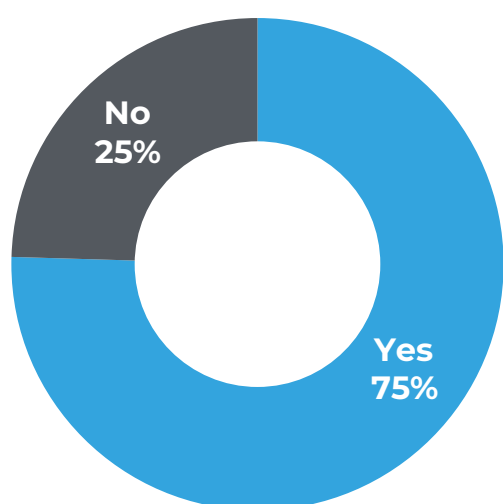| Most Used	% Use	Avg. Rating
LastPass Password Manager	**30%**	**3.9**
RoboForm Business	**19%**	**4.5**
Keeper Security	**7%**	**4.3**
Vertafore - TransactNOW	**4%**	**4.0**
Transformation Station	**4%**	**4.0**
1Password for Business	**3%**	**4.5**
Dashlane	**3%**	**4.6**
Norton	**3%**	**3.7**
Bitwarden	**2%**	**4.3**
NordPass	**2%**	**5.0**
Other	**23%**	**4.3**

INSIGHTS

Password managers are increasingly popular tools for securely managing and storing passwords. Using the same password for multiple accounts poses significant security risks. Password managers allow users to create complex, long passwords because they are saved digitally. While LastPass is a popular choice, other more secure options, such as Bitwarden, RoboForm, and 1Password, are also available. These tools help mitigate security risks and promote safe password practices.

AGENCY VALUE IMPACT

Implementing a password manager strengthens data security, enhances accessibility and efficiency, builds trust with clients, and protects the agency's reputation and value long-term. By prioritizing data security through password management, agencies demonstrate their commitment to responsible and ethical practices, which increases their perceived value and makes them a more attractive choice for potential clients and business partners.

Phone System

Does your agency use a phone system (e.g., VoIP)?

No
25%

Yes
75%

(Percentage based on 465 agency responses)

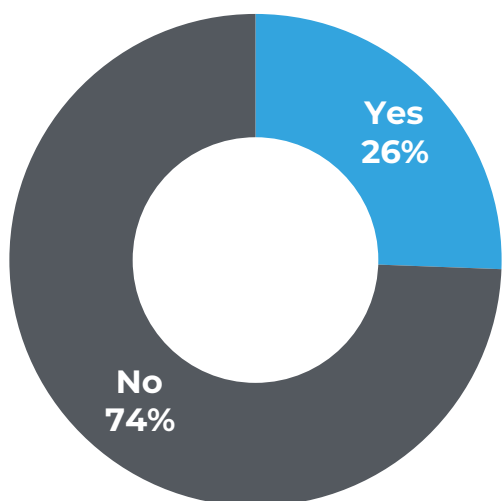| Most Used	% Use	Avg. Rating
RingCentral	12%	4.1
Mitel	7%	3.8
Bridge	5%	3.7
Nextiva	5%	3.7
GoToConnect	4%	3.9
Lightspeed	4%	4.0
Comcast Business Voice	3%	3.6
Local Provider	3%	3.9
Ooma	2%	4.3
Zoom VoIP Phone	2%	4.0
Vonage	2%	4.3
Other	51%	3.9

INSIGHTS

Phone systems offer many features, including dedicated business lines, call routing, voicemail, and call recording, improving agents' customer service and call management. Integration with CRMs, quoting platforms, and sales management systems streamline workflows and consolidate client information and call history. RingCentral leads the market in IA phone systems, while Mitel is phasing out their cloud solutions and declining due to its partnership with RingCentral. Using phone systems, independent agents enhance their professional image and communication.

AGENCY VALUE IMPACT

Analyzing unstructured data, like phone communications, creates an opportunity for predicting trends. These kinds of insights empower your team to focus on the areas where they have the highest probability of positively impacting the overall performance and value of the agency.

Quoting - Commercial Lines

Does your agency use a quoting system/rating platform for commercial lines?

Yes 26%

No 74%

(Percentage based on 465 agency responses)

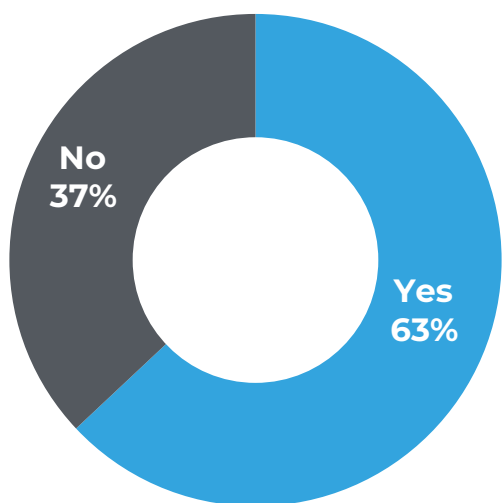| Most Used	% Use	Avg. Rating
Tarmika (Applied)	31%	3.4
Applied Rater	20%	3.4
Vertafore - AMS360	8%	3.6
Semsee	7%	3.0
EZLynx (Applied)	6%	4.0
Bold Penguin	4%	3.8
Zywave	3%	3.0
Appulate	2%	-
Carrier Website	2%	-
Cogitate	1%	5.0
InsureZone	1%	4.0
Other	16%	3.4

INSIGHTS

Small commercial quoting platforms significantly reduce the cost of acquiring this type of business. Today's quoting platforms offer tools for tracking quote status and generating follow-up tasks, helping agents manage their sales pipeline and close deals. Tarmika (Applied) leads the commercial quoting platform market, with new players, such as QuoteWell, emerging as promising solution providers. By utilizing commercial quoting platforms, independent agents can save time, minimize errors, and boost sales productivity and revenue.

AGENCY VALUE IMPACT

The biggest barrier to building a profitable small commercial book is acquisition costs. Using a commercial quoting system helps an agency provide quicker responses to their clients, with higher quote-to-bind ratios. This lowers the acquisition costs to make this type of business profitable, increasing agency value.

Quoting - Personal Lines

Does your agency use a quoting system/rating platform for personal lines?

No
37%

Yes
63%

(Percentage based on 465 agency responses)

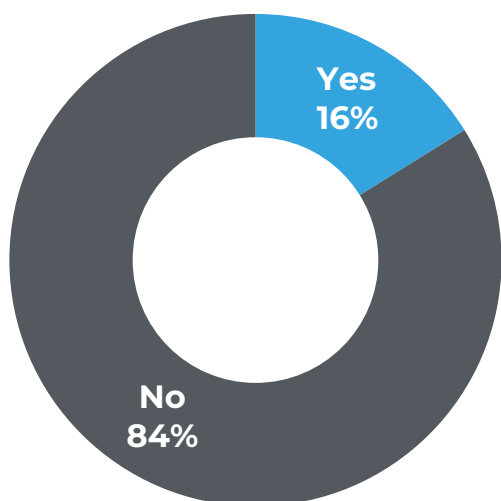| Most Used	% Use	Avg. Rating
Vertafore - PL Rating	43%	3.9
EZLynx (Applied)	32%	4.0
Applied Rater/Epic Quotes	20%	3.7
TurboRater	2%	2.7
InsureZone	<1%	4.0
QuoteRush	<1%	4.0
Zywave	<1%	3.0
Other	3%	4.2

INSIGHTS

Personal Lines quoting platforms have been in use for a while. These platforms enable agents to generate professional quotes quickly and easily that are tailored to a client's needs and preferences. Offering various templates and customization options, quoting platforms save time, improve accuracy, and enhance the client experience. They also help agents track issued quotes and monitor pending deals and create an effective lead follow-up process. Vertafore - PL Rating, EZLynx (Applied), and Applied Rater/Epic Quotes are the top 3 personal lines quoting platforms, with 63% of respondents using one of these tools.

AGENCY VALUE IMPACT

A quoting system allows an agency to provide quicker responses to their clients and higher quote-to-bind ratios. This can positively impact agency growth, efficiency, profitability, customer satisfaction, and customer retention. It may also improve recruiting and retention of staff as an increased capacity to quote new business improves their overall earning potential and success.

Reputation Management

Does your agency use a reputation management platform/service (e.g., for managing customer reviews)?

Yes
16%

No
84%

(Percentage based on 465 agency responses)

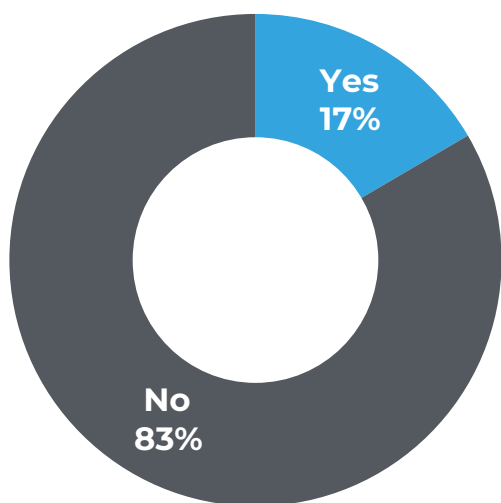| Most Used	% Use	Avg. Rating
Google Reviews	39%	4.1
Rocket Referrals	20%	4.2
Podium	8%	3.5
Lift Local	3%	4.5
Managed In-House	3%	5.0
Swell	3%	5.0
AgencyZoom (Vertafore)	3%	4.0
Agency Revolution	1%	3.0
InsuredMine	1%	5.0
GatherUp	1%	3.0
Other	18%	4.4

INSIGHTS

Reputation management is often overlooked, but it is crucial for driving website traffic and maximizing search engine optimization (SEO). These systems help agents monitor and manage their online reputation and brand image by tracking business mentions across social media channels, review sites (Google Reviews), and search engine results. They help manage the timely response to feedback and offer tools to generate positive reviews from satisfied customers. These systems help agents protect their online reputation, create a strong brand image, and boost business success.

AGENCY VALUE IMPACT

Increasing customer satisfaction and employee training opportunities leads to greater customer retention and employee productivity. Both lead to increased potential agency profitability and value.

Sales Management

Does your agency use a sales management platform/service?

Yes
17%

No
83%

(Percentage based on 465 agency responses)

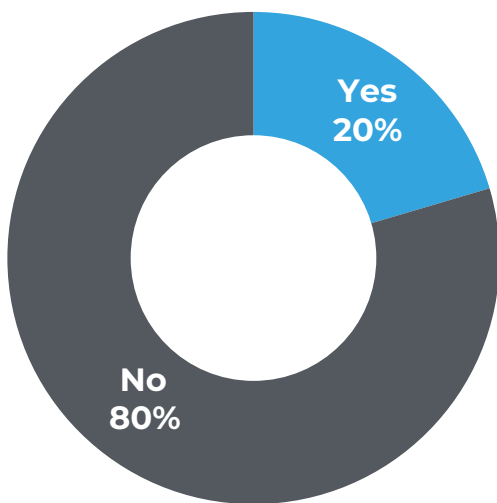| Most Used	% Use	Avg. Rating
Salesforce	**28%**	**3.7**
AgencyZoom (Vertafore)	**21%**	**4.1**
Applied Epic	**17%**	**3.5**
HawkSoft	**5%**	**4.0**
EZLynx (Applied)	**5%**	**4.0**
Agency Revolution	**1%**	**3.0**
Better Agency	**1%**	**5.0**
HubSpot	**1%**	**4.0**
InsuredMine	**1%**	**5.0**
Keap	**1%**	**4.0**
Other	**19%**	**3.9**

INSIGHTS

A staggeringly low 17% of respondents use any type of sales management platform. For those that do, Salesforce, AgencyZoom (Vertafore), and Applied Epic lead the category. These platforms enhance the sales processes, efficiency, and deal-closing effectiveness. They offer features like lead tracking, contact management, sales pipeline management, and reporting, enabling agency management to monitor and track sales activities and prioritize efforts. Using these platforms, agents can improve sales performance and close more deals.

AGENCY VALUE IMPACT

The utilization of a sales management tool helps an agency build a well-developed sales process and manage every step of that process. It provides the insights and data needed for agency management to effectively manage their sales staff.

Social Media Management

Does your agency use a social media management tool?

Yes
20%

No
80%

(Percentage based on 465 agency responses)

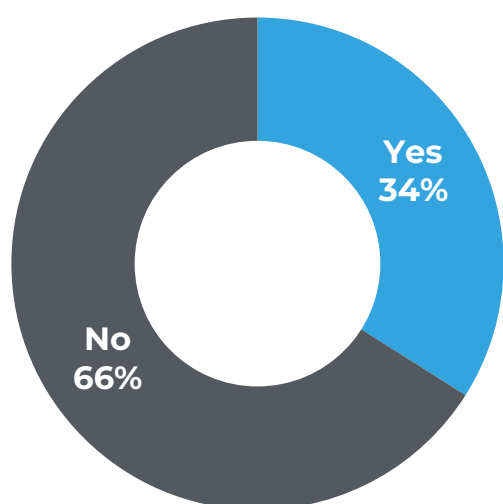| Most Used	% Use	Avg. Rating
Rocket Referrals	11%	4.1
Hootsuite	10%	3.4
Agency Revolution	8%	3.5
BrightFire	5%	4.0
Local Firm	5%	4.5
Managed In-House	5%	4.0
Lift Local	2%	3.5
My Insurance Videos	2%	4.0
Levitate	1%	4.0
Market Retrievers	1%	5.0
Other	50%	3.7

INSIGHTS

These platforms streamline social media marketing and efficiently manage online presence across multiple channels. They often offer content scheduling, post automation, analytics, and engagement tracking, helping agents save time and increase visibility. Additionally, social media management platforms help agents monitor and respond to customer inquiries and build relationships with their audience. Rocket Referrals, Hootsuite, and Agency Revolution are the top three social media management platforms for independent agents.

AGENCY VALUE IMPACT

Eighty-five percent of people 19-65 go online at least once a day, while 31% report that they are online almost constantly. Seventy-nine percent of insurance consumers conduct online research, and 89% do not have a company in mind. Ninety-eight percent read online reviews and 78% call after a search. A strong online presence allows the agency to be found by potential customers, increasing new business, profitability, and agency value.

Text Messaging

Does your agency use a text messaging platform?

Yes
34%

No
66%

(Percentage based on 465 agency responses)

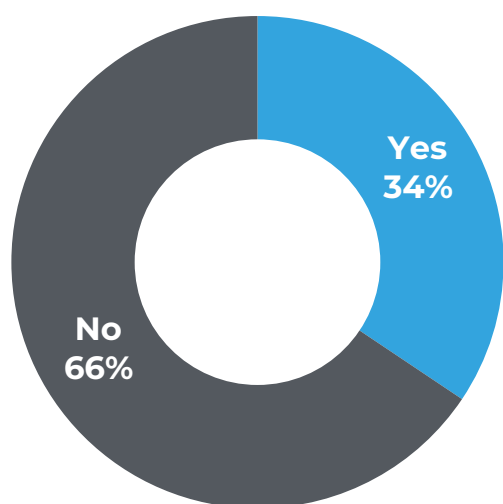| Most Used	% Use	Avg. Rating
Applied Epic	**19%**	**3.9**
Vertafore - AMS360	**13%**	**3.8**
EZLynx (Applied)	**11%**	**4.3**
RingCentral	**10%**	**4.3**
Podium	**7%**	**3.7**
HawkSoft	**6%**	**4.1**
Bridge	**4%**	**3.4**
Lightspeed	**3%**	**3.5**
Zywave - Partner XE	**2%**	**3.5**
AgencyZoom (Vertafore)	**1%**	**4.0**
Other	**26%**	**4.1**

INSIGHTS

About one-third of agency respondents use text messaging as part of their marketing strategy. Text messaging platforms allow agents to send and receive messages from computers or mobile devices, respond to inquiries, schedule appointments, and send reminders in real time. These platforms can also send targeted messages to specific client groups, improving marketing campaign effectiveness. When using text messaging platforms, independent agents can enhance their responsiveness and customer service. Applied Epic, Vertafore - AMS360, and EZLynx (Applied) lead in agency management systems, enabling streamlined texting workflows. Federal and State regulations continue to change to keep up with market and technology advancements, so it's important to ensure your agency is compliant.

AGENCY VALUE IMPACT

Providing a way for customers to engage with the agency when and how they want increases customer satisfaction and employee efficiency. It creates a greater capacity for the staff, improving growth, profitability, and retention of both customers and employees.

Video Conferencing

Does your agency use a video conferencing platform?

Yes
34%

No
66%

(Percentage based on 465 agency responses)

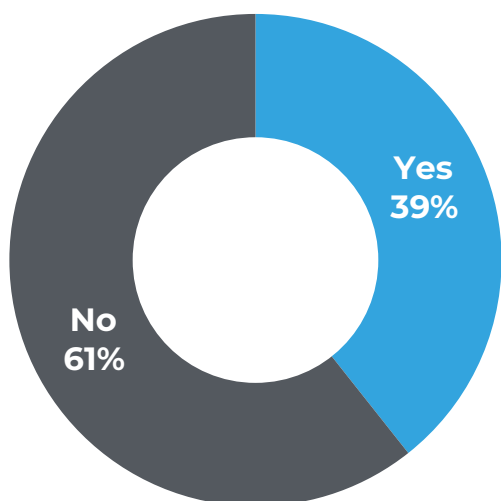| Most Used	% Use	Avg. Rating
Microsoft Teams	43%	4.3
Zoom	39%	4.6
RingCentral	6%	4.7
Webex	4%	5.0
Google Meets	2%	3.7
GoTo Meeting	1%	4.0
Bridge	1%	3.0
Vonage	1%	5.0
Other	4%	4.3

INSIGHTS

Microsoft Teams now leads the market over Zoom, as many agencies have shifted to the cloud and now use Microsoft 365, which includes Teams. Video conferencing platforms enable agents to share documents and materials in real-time, facilitating communication and collaboration with clients and prospects as well as other team members. By using video conferencing platforms, independent agents can expand their reach, enhance efficiency, and offer a more personalized, engaging experience for clients and prospects.

AGENCY VALUE IMPACT

People do business with those they know, like, and trust. Video allow us to communicate in a much more holistic way than just email or text. Higher reach, engagement, and sales efficiency improve close ratio, profitability and value.

Website Development

Does your agency use a website development or management firm?

Yes 39%

No 61%

(Percentage based on 465 agency responses)

Most Used	% Use	Avg. Rating
Local Firm	32%	4.3
Agency Revolution/Forge3	19%	4.1
Zywave (formerly ITC)	7%	3.1
Advisor Evolved	4%	5.0
Developed/Managed In-House	4%	4.4
Banyan Theory	3%	4.2
BrightFire	3%	4.3
Agency Relevance	2%	4.0
Alicor Solutions	2%	5.0
EZLynx (Applied)	2%	4.0
Other	24%	4.0

INSIGHTS

Most agents still use local firms for website development, but nationally, Agency Revolution (and their new subsidiary Forge3) holds a significant market share. Website development firms offer customized solutions tailored to agents' particular needs, such as lead generation, brand awareness, or online sales. They also provide ongoing maintenance and support to keep websites updated and secure. Using website development firms, independent agents can establish a strong online presence, enhance credibility and reputation, and attract and retain more clients.

AGENCY VALUE IMPACT

An agency website allows potential customers to learn more about who you are as an agency. Your website is your virtual storefront and can help generate more leads by creating a great first impression. A well-designed website can increase your agency's profitability and value.

What Does The Data Tell Us?

💡 "Getting the most out of the tool" continues to be a significant challenge for agencies. This highlights the problem of technological redundancy and staff change management. We recommend that agencies evaluate their technology stack for overlapping functions and gaps to maximize technology utilization.

💡 Applied Systems has moved TAM, Vision, and DORIS to provide only maintenance updates. Agencies still using those platforms should start evaluating the options for their next AMS from Applied Systems or other vendors.

💡 More agencies are using Marketing Automation platforms (with a 15% increase year-over-year) for email and text marketing, prospecting, client retention, pre-renewal processes, cross-selling, and up-selling.

💡 Reputation Management tools saw a slight increase from last year's report. Leveraging and implementing a reputation management strategy can help agencies generate online customer reviews, which help can drive more people to their websites for more information.

💡 Cybersecurity is a weak point for agents and needs to be a priority to remain trusted data stewards.

💡 Data Analytics tools are underutilized as well, and with more strategic insights, agencies can make more informed business decisions that improve overall efficiency and performance.

💡 Development and use of Commercial Lines Quoting/Rating platforms are growing, with 25% of respondents utilizing at least one of these solutions. As the number of carriers and lines of business increases, adoption will continue to grow.

💡 As new technology tools such as generative AI continue to develop, many of the tech solutions mentioned in this report are expected to experience significant improvements in the coming years. Catalyit will be paying close attention to these developments.

> ❝ **The biggest risk agencies face is not taking enough risk.**
>
> *- Steve Anderson, Catalyit*

Agency Satisfaction with Carrier Technology Support

INSIGHTS

Insurance company partners are an important part of an agency's technology journey. Catalyit wanted to gauge agents' perception of how well these partners support them. Agents were asked to list their top three carriers by premium volume and rate them (1 to 5 stars) based on three criteria. We included insurance companies with five or more responses. The top 10 included eight regional carriers and two national carriers. Catalyit's hope is that insurance companies will continue to improve their technology solutions to make it easier for agents to place business and provide exceptional customer service.

Carrier (alphabetically)	They are forward-thinking.	They provide the tools I need to maximize efficiency.	They are easy to do business with.	Avg. Overall
Acuity	4.5	4.4	4.4	4.4
Allstate	3.4	2.9	2.7	3.0
AmTrust	3.1	3.0	3.0	3.0
Andover	4.0	4.0	4.3	4.1
Auto-Owners Insurance	4.1	4.0	4.4	4.1
Berkshire Hathaway Guard	3.6	3.3	3.3	3.4
Central Insurance	4.1	4.0	3.9	4.0
Chubb	3.7	3.3	3.4	3.5
Cincinnati Insurance	4.1	3.8	4.1	4.0
CNA	4.0	3.7	4.0	3.9
Cumberland Mutual	3.6	3.6	4.4	3.9
EMC	4.1	4.1	4.3	4.1
Encompass	3.3	3.4	3.4	3.4
Erie Insurance	3.9	3.8	4.2	4.0
Farmers Mutual	3.0	3.0	3.6	3.2
Foremost	4.1	4.0	3.9	4.0
Germania Insurance Companies	4.2	4.0	4.5	4.2
Grange Mutual	4.0	3.7	4.3	4.0
Great American	4.3	3.9	4.4	4.2
Hanover	4.0	3.9	4.0	4.0
Hochheim Prairie	3.9	4.3	4.6	4.3
Leatherstocking Cooperative Ins	3.7	3.7	4.8	4.1
Liberty Mutual	4.0	3.9	3.9	4.0
LWCC	4.5	4.5	4.2	4.4
Main Street America	3.7	3.7	3.8	3.7
Merchants	4.5	4.3	4.5	4.4
Mercury	3.2	3.2	3.5	3.3
Mid Continent	4.2	3.8	4.0	4.0
National General	3.9	3.9	4.0	3.9
Nationwide	3.6	3.3	3.4	3.5
New York Central Mutual	4.3	4.2	4.6	4.4
Philadelphia	4.3	4.1	3.6	4.0
Pinnacol Assurance	4.6	4.6	4.6	4.6
Plymouth Rock	4.2	4.2	4.4	4.3
Preferred Mutual	4.1	3.9	4.2	4.1
Progressive	4.4	4.3	4.2	4.3
Pure	4.5	4.2	4.3	4.3
Safeco	4.3	4.2	4.2	4.3
Sagesure	4.9	4.6	4.9	4.8
Selective	4.3	4.3	4.3	4.3
State Auto	3.8	4.0	3.9	3.9
Texas Mutual	4.4	4.3	4.5	4.4
The Hartford	4.1	4.1	4.2	4.2
Tower Hill	4.0	3.8	3.4	3.7
Travelers	4.1	3.9	3.9	4.0
United Fire	4.1	4.0	4.5	4.2
Utica National	4.0	3.9	4.0	4.0
West Bend	4.0	3.7	4.1	3.9
Western National	2.6	2.4	3.2	2.7
Westfield	3.5	3.5	3.0	3.3
Wright Flood	3.5	3.3	3.3	3.4

Agency Satisfaction with Carrier Technology Support

INSIGHTS

Insurance company partners are an important part of an agency's technology journey. Catalyit wanted to gauge agents' perception of how well these partners support them. Agents were asked to list their top three carriers by premium volume and rate them (1 to 5 stars) based on three criteria. We included insurance companies with five or more responses. The top 10 included eight regional carriers and two national carriers. Catalyit's hope is that insurance companies will continue to improve their technology solutions to make it easier for agents to place business and provide exceptional customer service.

Carrier (by Avg. Overall Rating)	They are forward-thinking.	They provide the tools I need to maximize efficiency.	They are easy to do business with.	Avg. Overall
Sagesure	4.9	4.6	4.9	4.8
Pinnacol Assurance	4.6	4.6	4.6	4.6
Acuity	4.5	4.4	4.4	4.4
Texas Mutual	4.4	4.3	4.5	4.4
Merchants	4.5	4.3	4.5	4.4
LWCC	4.5	4.5	4.2	4.4
New York Central Mutual	4.3	4.2	4.6	4.4
Pure	4.5	4.2	4.3	4.3
Progressive	4.4	4.3	4.2	4.3
Safeco	4.3	4.2	4.2	4.3
Plymouth Rock	4.2	4.2	4.4	4.3
Selective	4.3	4.3	4.3	4.3
Hochheim Prairie	3.9	4.3	4.6	4.3
Germania Insurance Companies	4.2	4.0	4.5	4.2
Great American	4.3	3.9	4.4	4.2
United Fire	4.1	4.0	4.5	4.2
The Hartford	4.1	4.1	4.2	4.2
Auto-Owners Insurance	4.1	4.0	4.4	4.1
EMC	4.1	4.1	4.3	4.1
Andover	4.0	4.0	4.3	4.1
Preferred Mutual	4.1	3.9	4.2	4.1
Leatherstocking Cooperative Ins	3.7	3.7	4.8	4.1
Mid Continent	4.2	3.8	4.0	4.0
Grange Mutual	4.0	3.7	4.3	4.0
Foremost	4.1	4.0	3.9	4.0
Central Insurance	4.1	4.0	3.9	4.0
Philadelphia	4.3	4.1	3.6	4.0
Hanover	4.0	3.9	4.0	4.0
Cincinnati Insurance	4.1	3.8	4.1	4.0
Erie Insurance	3.9	3.8	4.2	4.0
Utica National	4.0	3.9	4.0	4.0
Liberty Mutual	4.0	3.9	3.9	4.0
Travelers	4.1	3.9	3.9	4.0
West Bend	4.0	3.7	4.1	3.9
National General	3.9	3.9	4.0	3.9
State Auto	3.8	4.0	3.9	3.9
Cumberland Mutual	3.6	3.6	4.4	3.9
CNA	4.0	3.7	4.0	3.9
Tower Hill	4.0	3.8	3.4	3.7
Main Street America	3.7	3.7	3.8	3.7
Chubb	3.7	3.3	3.4	3.5
Nationwide	3.6	3.3	3.4	3.5
Berkshire Hathaway Guard	3.6	3.3	3.3	3.4
Wright Flood	3.5	3.3	3.3	3.4
Encompass	3.3	3.4	3.4	3.4
Westfield	3.5	3.5	3.0	3.3
Mercury	3.2	3.2	3.5	3.3
Farmers Mutual	3.0	3.0	3.6	3.2
AmTrust	3.1	3.0	3.0	3.0
Allstate	3.4	2.9	2.7	3.0
Western National	2.6	2.4	3.2	2.7

CATALYIT

All the agency tech guidance you need... in one place.

The number of ways you can leverage tech to increase profits and serve customers is nearly unlimited. But time, know-how, and fear of risk are getting in the way.

Catalyit solves it for you.

What you gain as a Catalyit subscriber:

- **Tools:** The Catalyit Success Journey, and our in-depth tech assessment, provide you with an analysis of where you are with tech and a custom roadmap for success.

- **Guides & Reviews:** Our topic guides share insights, help you compare solutions in minutes, and include reviews.

- **Training:** From live coaching, Q&A, and hot topic sessions every month to group demos and our on-demand video vault, your team will be able to get the most out of your agency's tech.

- **Consulting:** Need custom, one-on-one support? Our team of consultants can work directly with your agency. Need to hand off implementation? We can do that!

See how Catalyit can help you thrive by visiting:

Catalyit.com