



Blanket Insurance  
Group

**MARKETING  
FOUNDATION REPORT**

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Report prepared by Who-U-R Marketing, LLC.

# Business Foundation Report

This report is designed to assist in the branding or re-branding of a business. This research defines the business demographics that may be used in the creation or refinement of the business' principle BRANDING, SALES, and MARKETING strategies.

Information in this report includes suggestions for the following:

- Product | Business Market Research
- Customer Demographics
- Sales and Marketing Verticals
- Product | Business Motivations
- Product | Business De-Motivations
- Product | Business Differentiators



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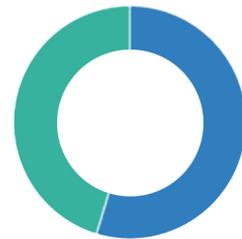
# Product Market Research

The following information was collected with regard to this Product/Service.

## PROPERTY/CASUALTY INSURANCE

Property/casualty insurance can be broken down into two major categories: commercial lines and personal lines. Commercial lines, account for not quite half of U.S. property/casualty insurance industry premiums.

*(NAIC data, sourced from S&P Global Market Intelligence, Insurance Information Institute)*



■ Personal lines	53.5%	\$329.8
■ Commercial lines	46.5%	\$287.1
<b>Total</b>	<b>100.0%</b>	<b>\$617.0</b>

(\$ billions)

## COMMERCIAL

- There are over seven million small businesses in the U.S., ranging from construction firms to grocery stores to home-based businesses. *(Insurance Information Institute 2020)*
- 40 percent of businesses do not reopen following a disaster. On top of that, another 25 percent fail within one year. *(FEMA 2020)*
- Over 90 percent of companies fail within two years of being struck by a disaster. *(U.S. Small Business Administration 2019)*

- 40% of small businesses will incur a property or liability loss within the next 10 years. (*The Hartford Newsroom 2019*)
- Insured losses due to natural disasters in the United States in 2018 totaled \$52 billion. (*Munich Re*)
  - Wildfires, heat waves and droughts, with \$18 billion in losses accounted for 34 percent of U.S. losses in 2018.
  - Tropical cyclones accounted for another 30 percent of insured losses with \$15.6 billion.
  - Severe thunderstorms losses with \$14.1 billion, or 27 percent of the 2018 insured losses.
  - Winter storms and cold waves with \$3.0 billion in insured losses.
  - Floods and flash floods with \$1.2 billion in insured losses.
  - Earthquakes and other geophysical events accounted for the remainder of 2018 natural disaster losses.
- Ten Most Costly Average Commercial Claims. (*The Hartford Newsroom 2019*)
  1. Reputational harm: \$50,000
  2. Vehicular accident: \$45,000
  3. Fire: \$35,000
  4. Product liability: \$35,000
  5. Customer injury or damage: \$30,000
  6. Wind and hail damage: \$26,000
  7. Customer slips and falls: \$20,000
  8. Water and freezing damage: \$17,000
  9. Struck by an object: \$10,000
  10. Burglary and theft: \$8,000



**RESIDENTIAL** (*See Information under Verticals*)

# Customer Demographics

Blanket Insurance Group will have three target verticals; two for commercial insurance and one for personal insurance: RESTAURANTS, PROPERTY MANAGEMENT COMPANIES, and PERSONAL INDIVIDUALS/FAMILIES. While motivations will be similar for both commercial targets, collateral should be specifically targeted to both.



## PRIMARY CLIENT DEMOGRAPHICS

RESTAURANTS



PROPERTY MANAGEMENT



INDIVIDUALS



# Customer Verticals

## COMMERCIAL VERTICAL ONE: RESTAURANTS

The following information focuses primarily on fire liability. For percentages on other liabilities, refer to Ten Most Costly Average Commercial Claims on Page 5.

- Fires originating in restaurants accounted for the most reported incidents in the category of assembly areas. (*National Fire Incident Reporting System 2019*)
- Cooking was by far the leading cause of restaurant fires, accounting for 64 percent of restaurant fires. (*ibid.*)
- Restaurant fires accounted for about 6 percent of all nonresidential building fires reported to fire departments each year. These fires resulted in an average of less than one fatality per 1,000 fires, 11 injuries per 1,000 fires, and \$23,000 in loss per fire. (*ibid.*)
- The average loss measures for fatalities and dollar loss were below those for all other nonresidential buildings, yet injuries per 1,000 fires were elevated. Fires in all other eating and drinking establishments — including bars, nightclubs, pubs and the like — had higher fatalities and dollar loss per 1,000 fires than restaurants, yet fewer injuries per 1,000 fires. (*ibid.*)

# Customer Verticals

## COMMERCIAL VERTICAL TWO: PROPERTY MANAGEMENT COMPANIES

The following information focuses primarily on coverage gaps. For percentages on specific liabilities, refer to Ten Most Costly Average Commercial Claims on Page 5.

- Commercial property insurance renewals are generating rate increases between 5% to 10% for the best accounts, while some property programs have seen increases of upwards of 50% or more in 2019. (*Insurance Journal 2019*)

*NOTE: This means many commercial companies will be shopping for better pricing; an advantage to a broker.*

- The property insurance protection gap has risen steadily over the past 40 years. In the past decade, cumulative total damage to global property as a result of natural disaster events was \$1.8 trillion. At least 70 percent of those losses were not covered. (*2015 Swiss Re study titled "Underinsurance of Property Risks: Closing the Gap."*)

## PERSONAL VERTICAL: INDIVIDUALS / FAMILIES

Homeowners Insurance Claims Frequency

- Homeowners claims related to wind or hail are the most frequent; the costliest are related to fire and lightning.
- About one in 20 insured homes has a claim each year.
- About one in 50 insured homes has a property damage claim related to wind or hail each year.

# Customer Verticals

- About one in 50 insured homes has a property damage claim caused by water damage or freezing each year.
- About one in 325 insured homes has a property damage claim due to theft each year.
- About one in 360 insured homes has a property damage claim related to fire and lightning.
- About one in 900 homeowners policies has a liability claim related to the cost of lawsuits for bodily injury or property damage that the policyholder or family members cause to others.  
*(ISO®, a Verisk Analytics® business, data for homeowners insurance claims from 2013-2017)*
- In 2017, 25.3 million Americans experienced an unintentional injury in the home that required aid from a medical professional. *(National Safety Council)*
- The number and rate of unintentional home injury deaths has increased by 156 percent since 1999.  
*(ibid.)*
- Average number of car accidents in the .U.S. every year is 6 million. *(U.S. Department of Health & Human Services)*
- More than 90 people die in car accidents everyday. *(ibid.)*
- 3 million people in the U.S. are injured every year in car accidents. *(ibid.)*
- Around 2 million drivers in car accidents experience permanent injuries every year. *(ibid.)*
- According to U.S. Department of Health & Human Services, Automobile related accidents result in:
  - 6% Fatality
  - 27% Non-fatality injury
  - 72% Property damage

# Product | Business Motivators

In marketing, it's essential to understand the motivation behind someone's desire to use your product or service. This determines to how to tell your marketing story and to whom.

## COMMERCIAL CLIENT MOTIVATIONS - Restaurants and Property Management Companies

### 1. Required

Certain business licenses require insurance. Example: businesses with vehicles or those that sell alcohol.

### 2. Cover Liabilities and Protect Assets

Businesses all have one thing in common: without the right insurance coverage, each could be wiped out by a death, disaster or a lawsuit. In addition, almost all businesses are accountable for the safety of their workers and bear responsibility for injuries suffered on the job.

### 3. Business Credibility

Many businesses (trades in particular) use the fact that they are licensed and insured as a business differentiator from other, less legitimate businesses.



## PERSONAL CLIENT MOTIVATIONS - Individuals and Families

### 1. Required

It's required to have insurance on motor vehicles. Many home loans also require the borrower to insure the property in order to secure the loan.

### 2. Cover Liabilities and Protect Assets

Insurances such as health, life, and property and casualty can be all that stands between prosperity and financial ruin.



# Product | Business De-Motivators

Marketing and sales tools should address clients de-motivators (fears) so as to overcome objections during the sales process.

**POTENTIAL CLIENT DEMOTIVATIONS** - These apply to both Commercial and Personal Clients

## 1. Poor Past Experience

They have had a bad experience with insurance agents in the past and have a lack of trust with agents and/or agencies in general.

- Show that Blanket Insurance Group is different from the agencies they've worked with in the past. We ASSEMBLE COLLECTION OF TESTIMONIALS for each target vertical. This way the potential client doesn't have to take your word for it, they can read or listen to testimonials of others that speak of how good your service is.

## 2. Think Insurance Is A Scam and Not Worth the Money

Some may feel that insurance is just out to take their money and wouldn't end up paying even if there was a claim.

- Demonstrate through FACTS AND STATISTICS why it's important to protect themselves and their assets. This information would be placed in both your print and digital collateral. The facts and statistics used would be specific to the targeted verticals.
- Create CASE STUDIES of real clients whose lives have been drastically effected in a positive way due to their insurance policies.

### 3. Ignorant About Insurance

Some people just don't know what they don't know.

- Demonstrate through **FACTS AND STATISTICS** why it's important to protect themselves and their assets. This information would be placed in both your print and digital collateral. The facts and statistics used would be specific to the targeted verticals.

### 4. Insurance Is Too Confusing

Some people find insurance too difficult to understand and feel generally confused and overwhelmed trying to understand their policies.

- Highlight how Blanket Insurance Group is devoted to **PERSONAL SERVICE**; that you will individually work with and explain each client's policy and answer any questions that they may have. This personal service may also be highlighted in **TESTIMONIALS**.

### 5. Never Heard of Blanket Insurance Group

Some may feel that you have no apparent credibility because they have never heard of your agency.

- Demonstrate in print and digital collaterals that although they haven't heard personally of Blanket, they will recognize most of the companies that you broker for.

### 6. Insurance Is Too Expensive

Some may feel that although insurance is good or necessary, they can't afford it.

- Highlight in print and digital that Blanket Insurance Group is a **BROKERAGE** - that you don't represent only a single company, but many companies. Help them understand that Blanket can, in most cases, create a custom insurance package that will meet both their needs and their budget.

# Business Differentiators

Marketing is all about contrast - highlighting the things that make you stand out from your competition. Why should your customers choose you instead of someone else?

**POTENTIAL CLIENT DEMOTIVATIONS** - These apply to both Commercial and Personal Clients

## 1. Certified Insurance Councilor (CIC)

- Emphasize and explain in both print and digital what it means to earn this credential and how rare it is in the industry - and what this level of expertise means to your clients. This certification will be highlighted in all levels of your marketing.

## 2. Annual Review Program

- This is the program that we would NAME AND BRAND. The program will be used to extol the personal service that Blanket Insurance Group offers their clients. This branding and information will be placed in all levels of your marketing.
- Create a program branded ANNUAL REVIEW FOLDER and MATERIALS.

## 3. Intermediary | Advocate Program

- This is a program that we would NAME and highlight in all marketing materials, demonstrating through TESTIMONIALS and CASE STUDIES how Blanket Insurance Group works for the client - not the large, impersonal insurance company.

## 4. 5 Star Home & Auto Award

- Ensure in all marketing that target demographics are aware you've not only received this prodigious award (1 of 6 agencies in Austin), but that you have won it 9 TIMES.

# WHAT'S NEXT?

With the information in this report, you are now ready to move forward with the branding or re-branding of your business - and Who-U-R Marketing is ready to assist you with this process. Based on our discussions, the following are the products or services that we would recommend you pursue next. These products and services are available in packages or individually.

- Tag Line
- Branding Guide
- Business Card Redesign
- Annual Review Program Name & Brand
- Advocate Program Name
- Website Redesign
- Vertical Specific Brochure (Print & Digital)
- On-Boarding Packet / Folder
- Annual Review Folder
- Case Studies
- Monthly Contact Campaign
- Merchandising
- Continued Marketing Support and Consultation



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