



In recent years, you may have heard more and more about independent insurance agency alliances, which are also referred to as aggregators or clusters. But what exactly are they? How does one join one? And is joining one right for your agency?

Here are the answers to four of the most commonly asked questions that may guide you in deciding if an agency alliance is right for your independent insurance agency:

## WHAT IS AN AGENCY ALLIANCE?

An agency alliance is a formal network of insurance agents. By joining together, agencies can aggregate premium, negotiate compensation and benefits on behalf of its members, and provide access to additional carrier markets.

At its core, an alliance is a group of businesspeople joining forces to leverage more power and pull in the marketplace.

## WHAT BENEFITS DOES AN AGENCY RECEIVE BY JOINING AN ALLIANCE?

There are many alliance programs and program details vary. Generally, an agency will enjoy higher income potential due to the enhanced volume of the alliance's aggregated premium, eligibility for profit sharing, and expanded access to carriers and vendors.

Overall, an alliance works closely with carriers to promote profitability among its members.

## WHAT IS THE COST OF JOINING AN ALLIANCE?

This varies by alliance. Typically, alliances have an initial sign-up fee, a contract commitment, and monthly costs. Also, alliances will often have an exit fee. An alliance may also require your agency to use an agency management system, possibly a specific agency management system that carries separate fees.

Other items to consider are the commission split and the profit-sharing split between the agency and the alliance. Before joining an alliance, you'll also need to determine if your agency owns its expirations, as well as whether you own your carrier code should you decide to leave.

When considering an alliance partnership, work with the alliance staff to carefully calculate the benefits versus the costs, including the potential costs to exit the arrangement.

## ARE THERE ANY DRAWBACKS TO JOINING AN ALLIANCE?

If a rising tide lifts all ships, the reverse can also be true. In joining an alliance, your bottom line will be affected as other agencies come and go. Consider market trends and evaluate your local alliance competition carefully as you choose where to align your business.

If you've read the above and are thinking that an alliance could be a good fit for your agency, we invite you to consider the new Big "I" agency alliance program, Big "I" Alliance Gold. Big "I" Alliance Gold is an agency alliance opportunity available exclusively to Big "I" members. It is actively onboarding new agents and is available nationwide.

# IS AN AGENCY ALLIANCE RIGHT FOR MY INDEPENDENT INSURANCE AGENCY?

The alliance was established to support independent agents by aggregating premium and facilitating market access.

Big "I" Alliance Gold benefits include:

- **Direct access to carrier systems and underwriters**
- **Profit sharing and incentive eligibility**
- **Ownership of expirations and carrier codes**
- **National and regional carrier partnerships**
- **Vendor partnerships**
- **Optional participation in a master agency errors & omissions program**

Membership to Big "I" Alliance Gold is available by invitation; a variety of factors are considered including agency annual premium and current carrier appointments.

Many initial conversations between Big "I" Alliance Gold staff and member agents have left agents asking quizzically, "What's the catch? These terms seem too good. What am I missing?" There's no catch, but there is an important difference between Big "I" Alliance Gold and others in the marketplace. Alliance Gold is provided as a member service. Its goal is to help independent agents thrive—and that's it.

Jumpstart your access at [www.bigimemberalliance.com/gold](http://www.bigimemberalliance.com/gold). Fill out a pre-application form to be considered for Alliance Gold. After reviewing your information, an Alliance staff member will contact you.

Feel free to reach out to the Alliance Gold team with any questions at [alliancegold@iiba.net](mailto:alliancegold@iiba.net).