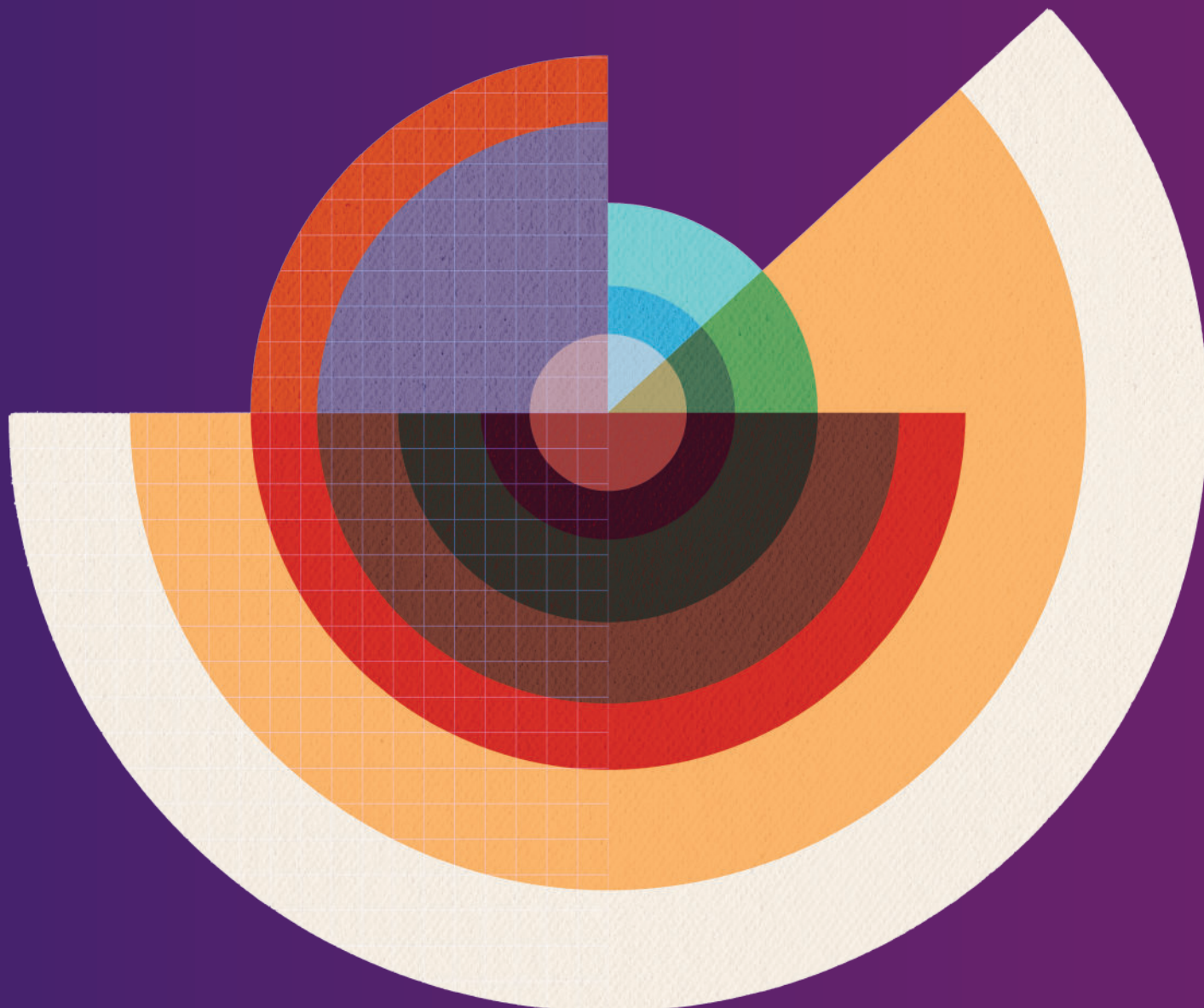


Brokerage Operations Snapshot

A sample of results from The Council of Insurance Agents & Brokers' 2026 Operations Benchmarking Survey.

The Council of Insurance Agents & Brokers conducted its third-annual Operations Benchmarking Survey in summer 2026, covering topics including growth and profitability, operational efficiency, budgeting, and staffing. Fifty-seven firms participated in the survey, representing annual revenue ranging from less than \$25 million to over \$1 billion. The following pages offer a glimpse into the operational metrics of leading insurance brokerages.



Organic Growth

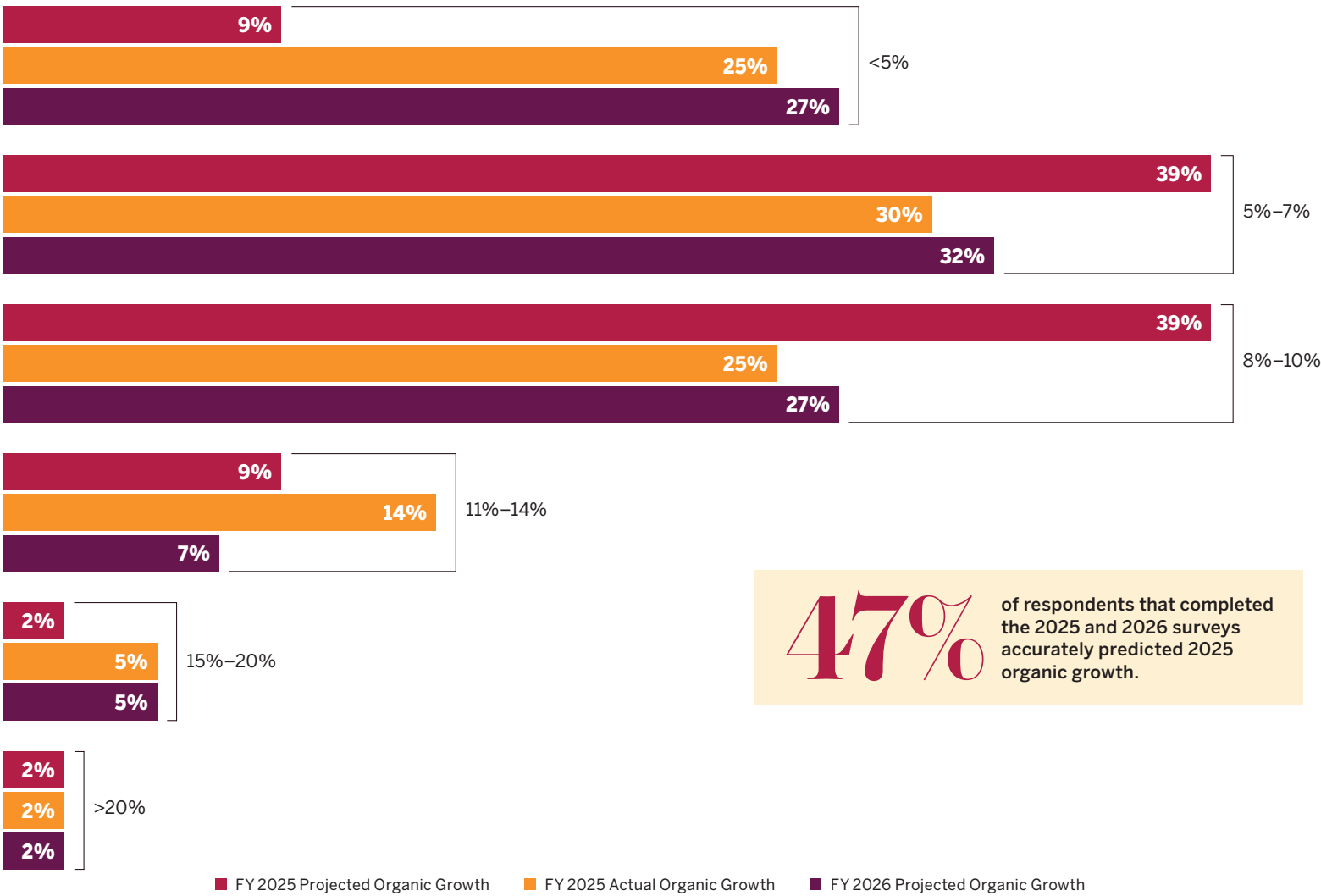
In FY 2025, organic growth continued the deceleration seen over the survey’s prior two years. The percentage of respondents reporting organic growth of less than 5% rose 10 percentage points from FY 2024, from 15% to 25%. The percentage of respondents reporting organic growth of 15%–20% continued to decline, from 18% in FY 2023 to just 5% in FY 2025. Over half of respondents reported organic growth below 8% for the latest fiscal year.

Last year, 78% of respondents projected their FY 2025 organic growth would be 5%–10%. In this year’s survey, only 55% of respondents reported actual FY 2025 organic growth in that range.

At the same time, 25% of respondents reported actual FY 2025 organic growth of less than 5%, but only 9% had projected to be in that range. Among firms that completed the survey for two consecutive years, 47% accurately predicted their FY 2025 organic growth in last year’s survey.

Eighty-six percent of respondents expect their organic growth for FY 2026 to stay at or below 10%, with over half projecting 7% or below. That aligns with FY 2025 actual results for organic growth, with 80% of respondents reporting organic growth of 10% or less.

Percentage of Firms Reporting Organic Growth for FY 2025 Projected vs. FY 2025 Actual vs. FY 2026 Projected



47%

of respondents that completed the 2025 and 2026 surveys accurately predicted 2025 organic growth.

FY 2025 Projected n=46, FY 2025 Actual n=57, FY 2026 Projected n=56

EBITDA, Sales Velocity, NCF

EBITDA margins declined across every revenue segment from FY 2024 to FY 2025, pulling the overall average down from 26% to 23.5%. The lowest and highest EBITDA margins for FY 2025 were 8% and 55%, respectively.

Respondents reported an average sales velocity (calculated as new business divided by prior-year commissions and agreements) of 15% for FY 2025, slightly higher than the 13.8% average for FY 2024 reported in last year's survey. This suggests firms generated new business at a modestly faster pace in 2025 than in 2024. The lowest and highest sales velocities for FY 2025 were 5% and 40%, respectively.

Average EBITDA Margin in FY 2024 vs. FY 2025



Forty percent of firms surveyed this year said on average their P&C producers generate net commission and fees (NCF) of \$750,000 or more, with 35% reporting their P&C producers generate between \$100,000 and \$499,999. This is similar to last year's results, when 38% of firms reported average P&C producer-generated NCF of \$750,000 or more and 38% between \$100,000 and \$499,999.

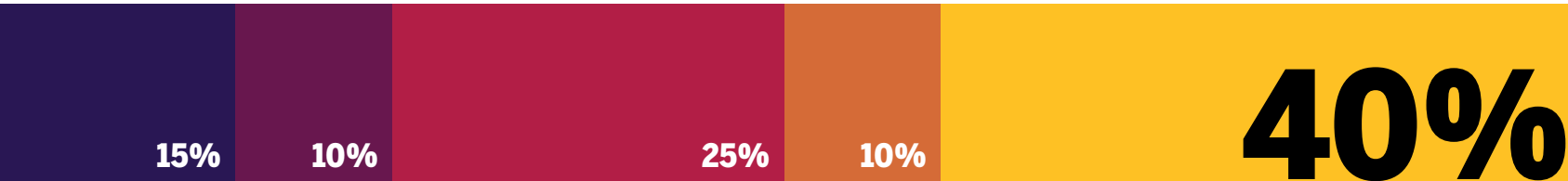
Average Sales Velocity in FY 2024 vs. FY 2025



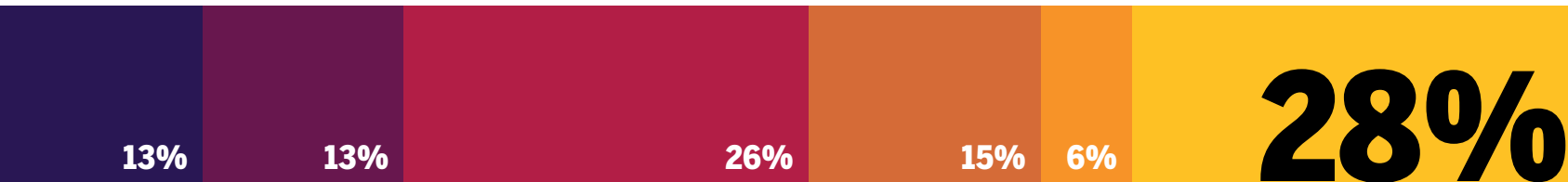
Forty-one percent of firms surveyed this year reported average employee benefits producer-generated NCF in the \$100,000 to \$499,999 range, while only 28% reported \$750,000 or more. This is similar to last year, in which 45% of respondents said their average EB producer-generated NCF for FY 2024 was between \$100,000 and \$499,999 and 25% logged it as \$750,000 or more.

Average Percentage of Firms Reporting Producer-Generated Net Commissions and Fees (NCF)

Property and Casualty



Employee Benefits



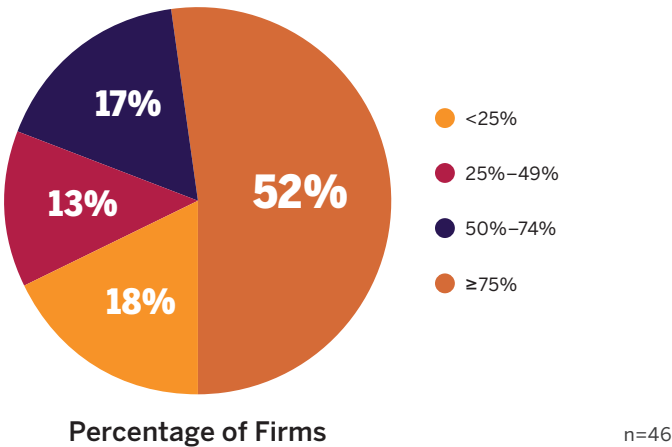
<\$50,000 \$50,000-\$99,999 \$100,000-\$249,999 \$250,000-\$499,999 \$500,000-\$749,999 ≥\$750,000

P&C n=48, EB n=47

Selling Expense Ratio, AI, Lost Business

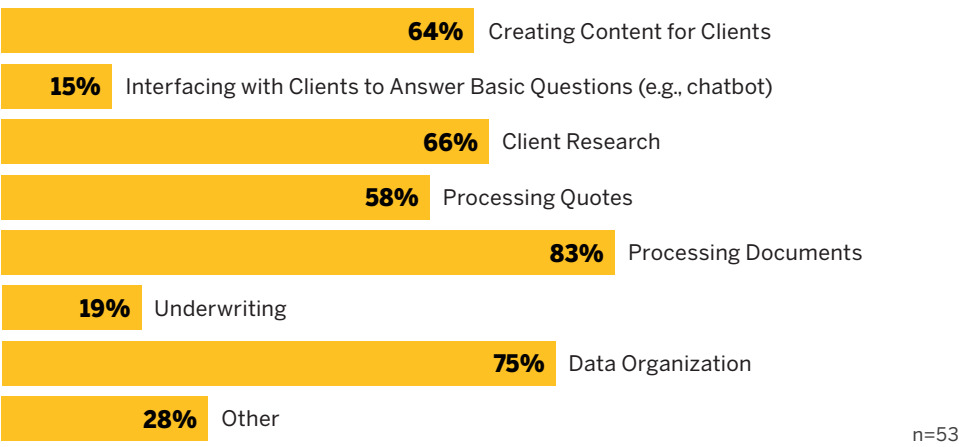
For FY 2025, respondents reported similar selling expense ratio (calculated as total operating expense divided by NCF) results to the previous year, though trending slightly higher. Fifty-two percent of respondents reported a selling expense ratio of 75% or higher for FY 2025, up from 43% in FY 2024. Additionally, 69% of respondents reported a selling expense ratio of 50% or higher in FY 2025, up from 66% in FY 2024.

Selling Expense Ratio for FY 2025



AI remains most often applied to back-office work, with the largest percentage of respondents this year (83%) using it for processing documents, compared to 76% last year (also the most popular use that year). Other top uses are data organization, client research, and content creation, similar to results from the previous year. Also this year, 19% of respondents reported using AI for underwriting, compared to 0% last year, and the percentage of respondents using AI for processing quotes grew from 29% to 58% year over year. In the “other” category, respondents said they heavily use AI to check and help generate policies.

AI Use in Brokerages

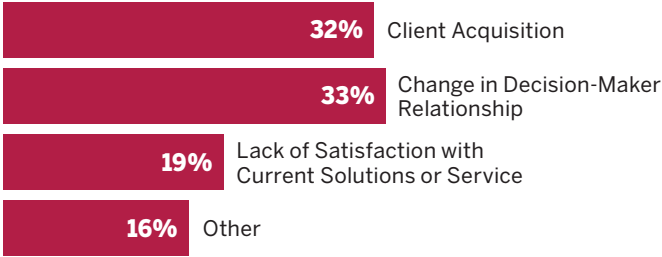


Relationship-based factors appeared to drive the majority of lost P&C business in FY 2025. On average, change in decision-maker relationship accounted for 33% of lost business and client acquisition accounted for 32%—together representing nearly two-thirds of all lost business.

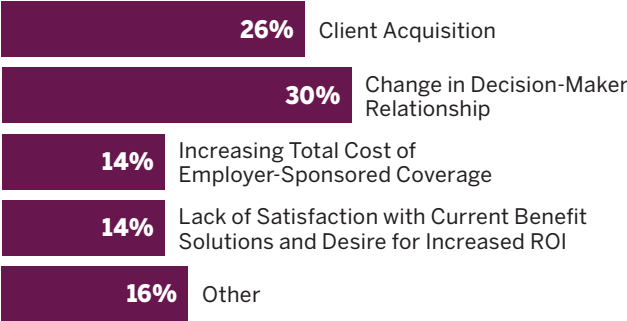
On the employee benefits side, similar factors mainly drove lost business: change in decision-maker relationship accounted for an average of 30% of lost business, with client acquisition following at 26%. On average, cost-related factors—increasing total cost of employer-sponsored coverage and lack of satisfaction with current benefits solutions and desire for increased ROI—accounted for 28% of lost EB business.

Factors Contributing to Lost Business*

Property and Casualty



Employee Benefits



*Data represents the average percentage of lost business.

P&C n=32, EB n=30