



FEMA

**National Flood Insurance Program
Marketing Guidelines
for
Write Your Own Companies**

I. Background

The National Flood Insurance Program (NFIP) Write Your Own (WYO) program is premised on the understanding that participating WYO companies will, in general, employ the same standard business practices in selling and servicing Federal flood insurance policies that they use for their other lines of property insurance. This principle is clearly relevant to the areas of claims and underwriting, except for certain requirements that are unique to the NFIP. However, the marketing of flood insurance presents challenges that differ significantly from those affecting lines like homeowners and automobile coverage.

The most important difference is that potential buyers of homeowners and automobile insurance seldom have to be persuaded of the need for such insurance. People readily recognize the risk of loss, and the incentive to buy is further reinforced by lender requirements and motor vehicle laws that are generally understood by most people. The risk of flooding, on the other hand, is not perceived by the public with the same level of awareness. Furthermore, even when lenders rigorously enforce the mandatory purchase of flood insurance, the requirements typically apply only to Special Flood Hazard Areas and to buildings with mortgages.

Therefore, when marketing flood insurance, WYO companies should focus on heightening consumer awareness of the risk of flooding and educating them regarding the importance of and need for flood insurance coverage. Insurance agents who act as the flood insurance sales channel may also need to be educated, because of the tendency to believe that flood insurance is needed only where it is required by the lender. FEMA, through its FloodSmart campaign, produces a range of materials, tools, and resources which can be of value to WYO companies in meeting these challenges. FEMA encourages WYO companies to review these resources to determine how they can be incorporated in the WYO Company's flood insurance marketing plan.

For a variety of reasons, it is useful for FEMA to gain insight into flood insurance marketing activities undertaken by WYO companies. Such information enables FEMA management to better assess the nature of the NFIP market, develop NFIP policy guidance, identify opportunities for program improvement, and facilitate the response to inquiries about NFIP marketing efforts. We encourage WYO companies to share flood insurance marketing plans with FEMA to assist the NFIP in accomplishing these objectives.

FEMA plans to use the submitted marketing plans for internal informational purposes only and will not share them with any other agencies or organizations. WYO companies that choose to submit plans should send them to the following address:

Federal Insurance and Mitigation Administration
Attention: Industry and Public Relations Branch
Federal Emergency Management Agency
1800 South Bell Street
Arlington, VA 20598-3010.

The submissions should be timed in accordance with the WYO companies' business cycles.

II. Marketing Plan Guidelines

WYO companies should give ample consideration to all aspects of an appropriate marketing plan, including but not limited to the components listed below. Following any required vetting, an annual flood insurance marketing plan should include efforts to reach both consumers and the sales force in a manner complementary to the WYO Company's marketing of other product lines.

The final plan should include, with as much specificity as feasible, the following:

1. **Sales and Retention Goals.** Establish goals for sales and retention.
2. **Marketing Strategies.** Develop strategies devised to achieve the established sales and retention goals; as appropriate, consider strategies for targeting specific markets.
3. **Marketing Organization.** Identify roles and responsibilities for overseeing and updating marketing efforts, including the WYO business units engaged in marketing, and the vendor, if a vendor has a role.
4. **Sales Channels.** Identify the types of distribution used when selling flood insurance, such as captive agents, independent agents, online sales, direct sales, or a combination.
5. **Marketing Activities.** Identify the various marketing activities that will be employed, including the following:
 - a. Direct mail
 - b. Print advertising
 - c. Yellow Pages
 - d. Television/radio advertising
 - e. Internet advertising
 - f. Newsletters
 - g. Media relations
 - h. Collateral materials

- i. Online communication
 - j. Other practices consistent with overall company marketing activities.
6. **Purchase or Retention Facilitation.** Describe methods to facilitate purchases or retention. Toward this end, FEMA encourages WYO companies to allow consumers to make premium payments through the use of credit cards.
 7. **Sales Force Incentives.** Describe incentives used to encourage or reward the sales force for flood insurance policy growth (financial incentives, recognition for achievement, reimbursement for marketing activities, etc.).
 8. **Sales Force Sales Support.** Describe tools and methods used to provide support to the sales force (online rating, flood zone determinations, tracking renewals, etc.).
 9. **Sales Force Communication.** Describe methods for communicating with the sales force (newsletters, bulletins, marketing workshops, training sessions, onsite visits, etc.)
 10. **Sales Force Education and Training.** Describe means to implement Article II, G. 3 of the WYO Arrangement:
 - a. Notify agents of the need to comply with State education regulations.
 - b. Notify agents of flood insurance training opportunities.
 - c. Assess agent training needs and outline the avenues for providing agents with necessary training.
 11. **Utilization of FEMA programs.** Describe strategies to encourage the sales force to review and utilize, as appropriate, the marketing and advertising services provided by FEMA. These include the following:
 - a. www.Agents.FloodSmart.gov
 - b. NFIP Cooperative Advertising Program
 - c. NFIP Leads Program
 - d. NFIP Mail-on-Demand Program
 - e. Agent Day at the National Flood Conference.

III. Measurement, Evaluation, Future Plans

Describe the metrics used to measure and track the results of marketing efforts, evaluate their effectiveness, and develop and implement marketing plans for the next cycle.