Gallagher | Affinity

Influencers in the Field

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The Evolution of Affinity Insurance: From Generic Benefits to Personalized Member Value

For decades, many affinity insurance programs followed a similar formula: offer broad, standardized coverages to an association's membership base and promote them through mass communications. While that approach once delivered meaningful value to an audience that had not yet experienced our hyper-connected digital world, today's membership organizations are operating in a drastically different environment.

Personalized digital experiences across industries — such as those used by retail, banking and healthcare providers, as well as entertainment and streaming platforms — are now shaping how individuals evaluate value, relevance and engagement throughout their lives. On top of a greater sense of personalization, the flexibility and convenience offered by these tools and platforms are no longer differentiators; they are now standard expectations.

According to survey data gathered by Attentive, a global SMS and email marketing platform, 73% of consumers are more likely to purchase when given product suggestions that feel relevant to their needs and preferences — a critical aspect of personalization. That number jumps to 83% for users connected to email, text and push notification marketing channels.

Additionally, the majority of those surveyed want brands to learn from their habits over time, with 73% of Gen Z and 81% of millennials respondents in favor. But make sure your messaging is relevant to their needs, because 80% of respondents overall ignore brands that send irrelevant messages.

Due to these factors, it is essential that affinity insurance programs continue to evolve beyond static member benefits. Developing your program into a strategic engagement ecosystem designed around the specific needs, behaviors and life stages of your modern and diverse member pool is essential to your future success.

At Gallagher Affinity, we believe this ongoing evolution represents the future of affinity insurance. As the program administrator and benefits provider for hundreds of national associations and affinity groups, we're helping organizations move beyond generalized offerings in favor of more customized, data-informed strategies that not only reflect the realities of modern membership, but help improve engagement, retention and satisfaction.

Continue reading to gain a deeper understanding of this critical shift in customer preference, learn how to modernize your affinity insurance program and discover how the tools and expertise offered by Gallagher Affinity can help your association enter a new chapter.

The Shift Away From "One Size Fits All"

Traditional affinity insurance programs often catered to a so-called "average member" by serving them standard auto and home discounts, generic group life offerings promoted via broad enrollment campaigns or uniform member communications. While these programs provided foundational value, we now know they lack relevance for today's diverse memberships, whose needs vary by career stage, financial priorities, geography, household composition, risk tolerance and other important factors.

When affinity programs rely too heavily on generalized messaging and broad product positioning, members cannot see their individual needs and lived experiences reflected back at them. This is a critical element for your organization to achieve, as feeling seen and understood is an important psychological factor in building brand trust, fostering deeper loyalty and long-term satisfaction. Conversely, communications that feel vague or irrelevant can limit engagement, reduce participation and lessen perceived value.

Consider these audiences, and the potential differences in what they value based on their life stages and backgrounds:

- A 25-year-old professional early in their career may prioritize affordability, income protection and mobile-first experiences.
- A mid-career business owner may focus on liability protection, wealth preservation and bundled coverage solutions to help protect their entrepreneurial investment.
- Members nearing retirement age may seek healthcare, financial security and legacy-planning support to ensure they can more easily weather the transition into their next chapter.

As you can see, essential personal details, such as age and career stage, along with other demographic data, can help pair members with the products and benefits they'd find most valuable, creating opportunities to increase engagement and utilization.

In addition to personalization efforts, associations are under increasing pressure to demonstrate value beyond traditional networking and educational resources alone. As membership competition grows, the affinity programs your organization offers are becoming an important differentiator for strengthening engagement, increasing retention and supporting sustainable non-dues revenue strategies.

Why Personalization Is Essential in Group Insurance

As we've demonstrated, today's members increasingly expect organizations to understand their unique needs and deliver relevant, intuitive and personally meaningful experiences. Across industries, consumers are taking advantage of personalized digital experiences, flexible purchasing models and simplified decision-making to make better choices, save money and achieve greater satisfaction with their chosen product or service.

Insurance and affinity programs are no exception to this trend. Many members, particularly digital natives, are increasingly coming to the table with the expectation that their coverage provider or association provides:

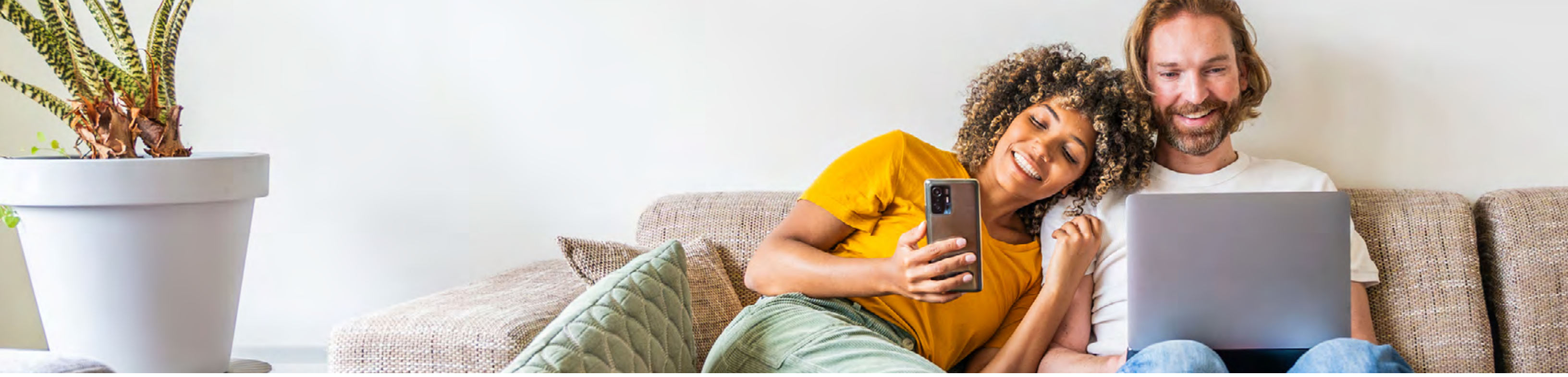
- Personalized pricing.
- Flexible coverage structures.
- Digital-first service experiences.
- Bundled coverage solutions.
- Financial wellness resources.
- Mobile-friendly enrollment and support.

However, it's important to note that this broad, cross-industry shift toward personalization is not a generational effort led solely by younger consumers. Across demographics and backgrounds, individuals increasingly value relevance, simplicity and convenience in how they engage with organizations and benefit providers.

Think about your own life and the services and products on which you rely. In today's busy world, would you keep a streaming subscription if it kept recommending content you didn't care about, such as slice-of-life romance films when you're a fan of fast-paced action? What if your favorite clothing brand kept filling your inbox with promotions for a product line you can't wear due to size restrictions?

In many ways, the evolution occurring within affinity insurance programs reflects a broader transformation in how consumer-oriented organizations engage their audiences by moving away from mass-market delivery in favor of, as described by Deloitte Digital, "…a mutual exchange where customers share information about themselves — and brands reciprocate by delivering spot-on experiences that bring value into customers' lives."

As affinity insurance programs continue to evolve to align with members' life stages, professional responsibilities and financial priorities, administrators are crafting holistic experiences across channels that capture the value of truly knowing your audience.



What Modern Affinity Insurance Programs Look Like

A comprehensive affinity program is created not simply by placing an association logo on an existing insurance product but is developed as an essential part of long-term member engagement ecosystems. It is the intentional design of coverage structures, pricing models, communication strategies, enrollment experiences and service delivery around the unique characteristics of a specific member population.

Gallagher Affinity works with hundreds of national associations and affinity groups across diverse industries; we are seeing firsthand how organizations are rethinking member value and modernizing benefit strategies.

Based on our insights, the most successful programs increasingly share several characteristics:

- They are member-centric.
- They prioritize relevance over volume.
- They use data responsibly to improve engagement.
- They evolve alongside member expectations.
- They integrate communication, enrollment and service experiences.
- They leverage analytics and digital innovation strategically.
- They view affinity programs as long-term relationship drivers rather than transactional discounts.

When we work with our partners, we recommend that associations and member organizations use segmentation strategies; the act of using data insights to group audiences based on shared characteristics, behaviors or needs, in order to give personalization efforts structure and direction. These characteristics can vary but typically include career stage, membership tenure, geography, risk profile, business ownership, household composition, life-stage transition and professional specialization.

Within these specific audience segments, further insights and innovations can be generated by examining membership data, analytics and engagement information to better understand utilization patterns, enrollment behaviors, communication preferences, evolving expectations, coverage gaps and more.

Doing so can help your organization deliver more targeted communications, improve enrollment timing, simplify admin decision-making, increase program relevance, optimize digital engagement and strengthen participation and retention. By creating a data-formed and insight-driven program, you can move beyond simple static reporting in favor of actionable decision-making.

If you need assistance analyzing your membership data or simply don't know where to start, Gallagher Affinity is here to help.

Solutions such as **Gallagher Drive®** help organizations leverage benchmarking, market intelligence, analytics and insights to better evaluate program effectiveness, identify trends and align benefit strategies more closely with member needs. Meanwhile, Gallagher's broader artificial intelligence (AI) and digital innovation initiatives — including **Gallagher Blueprint** — reflect a larger commitment to using technology to create smarter, more responsive client and member experiences.

Importantly, Gallagher's AI adoption journey is about more than implementing emerging technology. It is centered on empowering people, strengthening decision-making and improving how organizations serve their clients and members — in part through personalization efforts. As noted in Gallagher's AI solutions strategy, these modern tools are most powerful when paired with human expertise and a deep understanding of customer needs.

Why This Matters for Associations

In an increasingly competitive membership landscape, relevance matters. Associations relying on static benefits risk losing engagement, or even trust, while those embracing personalized, data-informed strategies are better positioned to meet changing expectations and reinforce their value.

Today's members increasingly expect personalized experiences, thoughtful engagement and solutions tailored to their needs. Associations that evolve accordingly have an opportunity to strengthen relationships, deepen engagement and reinforce the long-term value of membership.

More personalized and strategically aligned affinity strategies can help organizations:

- Deepen member engagement.
- Increase retention.
- Differentiate membership value.
- Support recruitment efforts.
- Generate sustainable non-dues revenue.
- Strengthen long-term member loyalty.

This evolution is creating meaningful opportunities for associations and affinity organizations looking to strengthen member value and long-term engagement. This is important as it's becoming increasingly apparent that the future of affinity insurance isn't about delivering more products; it's about delivering more value.

As the affinity landscape continues to evolve, Gallagher Affinity remains committed to helping organizations build modern, insight-driven insurance programs designed not only to help protect members but to better serve them.

Connect with us to explore your insurance options or review your current program. To learn more, visit **gallagherperks.com/group-insurance**.

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