

# Insurance Broker Vs. Insurance Agent

by Chris Joseph, studioD



*Insurance brokers and agents sell insurance products to clients.*

## **Related Articles**

[The Differences Between Insurance Brokers & Underwriters](#)

[Exclusive Agents vs. Independent Agents](#)

[Insurance Business Growth: Direct vs. Independent Agents](#)

[How Much Does an Insurance Broker Earn?](#)

[An Example of a Resume for an Insurance Agent](#)

If you have a persuasive personality, a strong aptitude for working with numbers and a desire to help others, you might enjoy a career as an insurance salesperson. Your options include a path as an insurance broker or insurance agent. While both occupations involve the sale of insurance policies, there are also some important differences to consider.

Ads by Google

[IIM-B Course for IT Execs](#)

Designed for Software & IT professionals looking to transition from technical roles.  
[iimb.ernet.in](http://iimb.ernet.in)

## **Company Representation**

Insurance agents typically represent only one insurance company. As a result, they are often referred to as "captive" agents. Insurance brokers represent multiple insurance companies. Thus, brokers are free to offer a wider range of products to their clients. They can search the market and obtain multiple price quotes to fit their clients' budgets. You might say that agents work for the insurance company while brokers work for their clients.

## **Compensation Structure**

Agents and brokers both earn the bulk of their income through commissions earned on the sales they make. An agent working for one company can enjoy the stability that comes from having one compensation plan. A broker who works with a number of insurance companies can experience income variances, depending on which company's products she sells. However, brokers have the flexibility to write business through the companies that offer the highest

commission rates, assuming they provide the products that meet their clients' needs.

## **Complexity**

Agents only need to know the products of one company, which can simplify the learning curve. This can also make it easier to keep policyholders abreast of policy changes and provide better service in general after the policy is sold, helping to foster a closer ongoing relationship. Because brokers must know the products and services offered by numerous companies, staying current and providing clients with reliable product knowledge can prove challenging.

## **Licensing**

Virtually every state mandates that insurance agents and brokers meet licensing requirements, which normally entails the successful completion of a written examination. Prelicensing educational requirements may also apply, which can vary depending on the state and license type. Separate licenses are necessary for each line of insurance, including Life and Health and Property and Casualty. In addition, agents and brokers may have to meet ongoing continuing education requirements to maintain their licenses.

Ads by Google

[IIM-B Course for IT Execs](#)

Designed for Software & IT professionals looking to transition from technical roles.

[iimb.ernet.in](http://iimb.ernet.in)

## **Part Time Nights (Hiring)**

₹250-600 per hour

No Experience Required.

## [Speak English Fluently](#)

Learn to Speak English Fluently  
with Online Spoken English Program.  
[www.eagetutor.com/Speak\\_English](http://www.eagetutor.com/Speak_English)

---

## [Submit Resume Now](#)

Immediate Requirement.  
Sign up to Apply & Find Jobs  
[www.monsterindia.com](http://www.monsterindia.com)

---

## You May Like

Sponsored Links by Taboola

**This Viral FB Post About A Newly-Wed Couple's Midair Antics Will Leave You In Splits**  
The Huffington Post

**Best SIP Investment Plans in 2016 to Make You Rich!**  
FundsIndia

**7 tricks to learn a language in 7 days**  
Babbel

**Turn Your Fitness Band Into Your Wallet**  
Axis Bank

## References (5) > (#)

### About the Author

Chris Joseph writes for newspapers and online publications, covering business, technology, health, fitness and sports. He holds a Bachelor of Science in marketing from York College of Pennsylvania.

### Photo Credits

- Comstock/Comstock/Getty Images

[Suggest an Article Correction](#)

---

 **Chron**

[Local](#)

[US & World](#)

[Sports](#)

[Business](#)

[Entertainment](#)

[Lifestyle](#)

[Jobs](#)

[Cars](#)

[Real Estate](#)

---

**Advertise With Us**

**About Us**

[About the Houston Chronicle](#)

**Editions & Apps**

[iPad](#)

[Purchase ads for web, social media, and print via Hearst Media Services](#) ▶

[Place a classified ad in the paper or online](#) ▶

[Place a targeted ad in a specialty section such as a weekly or neighborhood publication](#) ▶

## Subscriber Services

---

[Get home delivery, manage your subscription, pay your bill with EZ Pay, and set a vacation hold for the paper](#) ▶

[Local Business Directory](#) ▶



[Executive Team](#)

[Careers](#)

[Community](#)

[Legal Notices](#)

[Contests](#)

[Ad Choices](#)

[Corporate Home](#)

[iPhone](#)

[Android](#)

[Blackberry](#)

[Mobile Site](#)

[HoustonChronicle.com](#)

[eEdition Demo](#) | [Today's eEdition](#)

[Chronicle in Education](#)

[Chron.com Site Index](#)

## Contact Us

[Customer Service](#)

[Newsroom Contacts](#)

## Follow Chron

 [Facebook](#)

 [Twitter](#)

 [LinkedIn](#)

 [Newsletters](#)

 [RSS](#)

[Social Media](#)

[Terms of Use](#) | [Privacy Policy](#) | [Your California Privacy Rights](#) | [Ad Choices](#)

Houston Chronicle | P.O. Box 4260 Houston, Texas 77210-4260

© Copyright 2016 Hearst Newspapers, LLC