

CHUBB®

# The language of flooding and the insurance to protect against it



# The challenge

When successful individuals hear “flood” they may first think of an extreme natural disaster that brings a deluge of water – leading many to believe they don’t need flood insurance. In reality, a significant percentage may be at risk for loss or damage from flooding.

# #1

Flooding is the number one natural disaster in the U.S.<sup>1</sup> But a “flood” isn’t just a natural disaster. Flooding is any external water that makes its way into the home, for example rain runoff that accumulates too quickly.

# 60%

of consumers surveyed by Chubb indicated weather-related water damage was a top risk for their home.<sup>2</sup> Yet few homeowners purchase a separate flood policy, even though most understand that flood coverage is not typically provided in a homeowners insurance policy.

## **An opportunity**

While most prospects believe that flood insurance is appropriate only for those who live in a high hazard flood zone, near a body of water, or at risk of natural disasters, many more could be at risk of a flooding event. That’s why Chubb commissioned this research, to help identify the language independent agents and brokers can use to help their clients and prospects understand the risks associated with flooding and the need for flood insurance.

# The research

The research was conducted by maslansky + partners – a consulting firm that specializes in the effective use of language – in partnership with Chubb.



The goal was to develop and test key messages with target prospects in a mix of geographies that do not currently have flood insurance using in-depth online listening sessions.

The work conducted is based on a simple premise: it's not what you say; it's what they hear.<sup>®</sup> Simply put, this unique language and message testing process is designed to help you communicate with confidence by focusing on how your audience reacts to what you say about flood insurance.

## What did we hear?

The test audience was clear in what they felt about flood insurance:

- A flood is an act of God, and acts of God are rare and expensive to cover.
- They've already weighed their personal flood risk and flood insurance isn't worth it. Mentioning extreme weather events only made it easier for them to dismiss the likelihood that flooding could happen to them.

*“Floods are becoming more common, so whether I get insurance now or I get it five years from now, [premiums] are going to increase whether I have it or not. So, I'd rather wait 'till it gets real bad. I could save a couple dollars for the next couple years.”*

# The language to use



## We need to shift our language from “flood” to “flooding”

Since a “flood” is seen as a natural disaster, expanding that term to “flooding” will help the client or prospect to think beyond rare or extreme events. Instead, define flooding as any external water that makes its way into the home. Always be knowledgeable about applicable policy language and describe coverage terms precisely and accurately.

The most common cause of flooding damage isn’t linked to an extreme weather event, it’s heavy rainfall. A flooding event can be caused by something as simple as rain runoff that accumulates too quickly.



## Emphasize that homeowners policies won’t cover flooding

Many clients and prospects will know this already, but you can use this language to help further explain what is considered “flooding.”

While standard homeowners policies cover damage from water originating inside the home (like a burst pipe), these policies typically exclude damage when water enters from the ground outside the home. For example, runoff of rainwater from a patio, driveway or walkway that enters into the home.



## Instead of citing extreme weather events, emphasize the other risks

Using negative language around the risks of extreme natural disasters simply turns most consumers off. It gives them an excuse to avoid the discussion or tune it out. Instead, speak to the other risks they may not have thought about.

While there are some obvious risks homeowners should consider, like living near the coast, in a high-hazard flood zone, or somewhere with heavy rain, there are other risks that you may not have considered.

For example, your home may benefit from a flood insurance policy if there's construction or development in your neighborhood, your property or neighborhood is mostly pavement, your home is on an incline, you don't live at the highest point in your area, or you have invested in a finished basement.

## Focus on completing their coverage

Some consumers believe that flood coverage isn't worth the price. But when positioned as a way to fill a gap in their overall risk management strategy, you may find they're more interested. Especially when you put a price to it – one that is lower than they may expect.

Choosing flood coverage with Chubb means choosing total water coverage that keeps you protected from water damage – both inside and out, all with coverage starting for as low as \$500 a year.

# The Chubb commitment

Our clients and prospects work hard for their success – they deserve a carrier who sees that

At Chubb, everything we do is about taking care of our clients, not just paying claims. That's why we look for ways to say yes and for ways to do more.



For more information about Chubb, our flood insurance, or filling the gaps in your clients' coverage, contact your local Chubb sales team member or visit...

[chubb.com/flood](https://chubb.com/flood)

1. National Oceanic and Atmospheric Administration  
2. Chubb 2023 Wealth Report

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