

the
Customer Service
experience

Your guide to serving
today's consumer in a
complex marketplace.

RETAIN & **GROW**



Independent Insurance Agents
& Brokers of America, Inc.

TABLE OF CONTENTS

- 4 Introduction**
- 5 Chapter 01:** Meet Today's Insurance Consumer
- 10 Chapter 02:** Bring Real Meaning to "Customer Service"
- 15 Chapter 03:** Know Your Agency
- 19 Chapter 04:** Understand Your Marketplace
 - 24 Chapter 05:** Motivate Your Team
 - 29 Chapter 06:** Prospect Effectively
 - 39 Chapter 07:** Care for New Customers
 - 44 Chapter 08:** Retain Customers and Grow Your Book
 - 52 Chapter 09:** Be Professional and Trustworthy
- 57 Chapter 10:** Be Ready for Unplanned Communication
- 62 Chapter 11:** Plan For The Future
- 69 Worksheets**
- 83 Appendix**



INTRODUCTION

Your independent agency today has more opportunities to prosper than ever before in the history of the insurance industry. The complexity of today's marketplace allows your agency to be the hub of its own community as well as a member of many other communities – all populated by consumers. Some of these consumers are your customers, and you want to make sure they stay with you. Others are prospective customers who need to be convinced to do business with you.

The long-term success of your business depends on customers, so you cannot overstate the importance of customer service. Before you try to sell another policy, you should consider two key questions: Who is today's consumer? What should "customer service" mean in today's marketplace?

This guide provides direction that will help you to confidently and efficiently provide meaningful, valuable and profitable customer service as a foundational component of your business.

CHAPTER 1 MEET TODAY'S INSURANCE CONSUMER

THE GROUNDSWELL

Consumers are connected. How do you reach them and interact with them? The American economy is driven by consumers who want and expect to help and serve themselves. Social networking sites such as Facebook, consumer review portals such as Yelp, e-commerce sites such as eBay and Amazon, and community sites such as Craigslist and Wikipedia are the go-to tools for finding information and answers, shopping and buying, and getting things done. Researchers have dubbed this trend “the groundswell.”



“ The **groundswell** is:

A social trend in which people use **technologies** to get what they need from each other, rather than from traditional institutions like **corporations**.”

— Groundswell: Winning In A World Transformed by Social Technologies, by Charlene Li & Josh Bernoff

Today, most personal insurance consumers begin their search for new coverage online. In fact, nearly 80 percent of auto insurance shoppers use some form of online research. Only 20 percent depend on an agent alone to do their research, according to the 2012 McKinsey Auto Insurance Consumer Insights Research.

FACE THE FACTS

Professional service remains vital.

Yet, at the same time, consumers want to interact with product and service providers in insurance and financial services. For example, research and consumer behavior shows they still need and want what independent insurance agents provide. The overwhelming majority turns to a live person – in person or on the phone – to make an auto insurance purchase.

“Almost nobody buys online. Consumers don't like to buy insurance online. They want to talk to a trusted advisor.”

– Bob Rusbuldt, President & CEO,
Independent Insurance Agents
and Brokers of America (IIABA)

the Customer Service experience
An Independent Agents Guide to Serving Today's Customer

73% of the U.S. population read and watch what is published online.

37% will react, comment, share, post or rate online content.

Meet today's insurance consumer.
Access the free Customer Service Experience released monthly from the Big "I".

*Source Groundswell: Winning In a World Transformed by Social Technologies.

Independent Insurance Agents & Brokers of America, Inc.

Best Practices
EMPOWER AGENTS. VALUE™

For a generation, marketers followed a mass-market, megaphone approach. That's shifted. Today's marketing environment is interactive and consumer-driven.

Traditional Marketing	New Marketing
Mass marketing	Individual/personal marketing
Company focus	Customer focus
Tightly-controlled brand message	Customers control the message
One-way broadcast	Multi-directional conversations
Company-created content	User-created content
Interrupt: Big spending wins	Interact: Adding value wins
Ad-Speak: Spin & deception win	Transparent & authentic
30-Second spot is king	Word-of-mouth is king

Source: *Project CAP Marketing, 2013 (ProjectCAPMarketing.com)*

CUSTOMER **CONNECTIONS**

Today's empowered consumers are taking different routes to get where they want to go.

Researchers at Forrester have segmented U.S. adult consumers by social technographic. Now that you've recognized these changes in the environment, it's time to adapt and work proactively and interactively with today's connected consumers.

Creating customer connections means gathering what you know about your existing customer base and using that insight to create long lasting customer engagement. Find out how to create a process that starts with the first contact and continues throughout the customer lifecycle.

There are some simple steps that you can take to learn more about the customers you already have, and then find ways to leverage that knowledge to attract more clients just like them. Who's your ideal customer? Gather information like their age, gender, family make-up and income. Understand their buying preferences by collecting information on their employment, personality traits, hobbies, community affiliations and more.

Next, determine where you find most of your customers; word of mouth, community involvement, online, via printed marketing materials or ads in the newspaper? Take time to analyze how you acquired the majority of your customers and use that information to start locating more of them!

Work with your ideal customers to gain insight into why they chose your agency over others. Pick up the phone or send a personal email and ask them to let you know what made them buy from you, why they continue renewing their business and what you offer that others didn't. Use social media to solicit feedback and get customers to provide feedback on sites that gather customer reviews. Survey your new customers to learn why they chose you. What did you offer that was attractive to them? Ask what you could improve upon to help hone your customer image.

Finally, it is important to know that consumers today will come to you from a number of acquisition points, come more prepared than in the past, come with many questions and with reams of research that they have gathered online. They will have collected information about you and your agency and will have likely formed an expectation of the advice and service they will receive. Be up to the challenge!

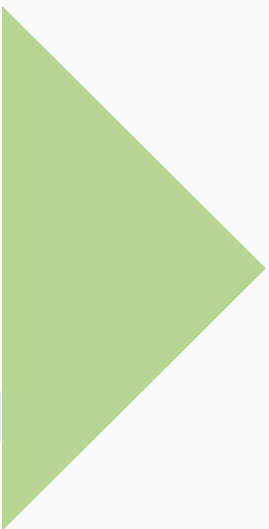
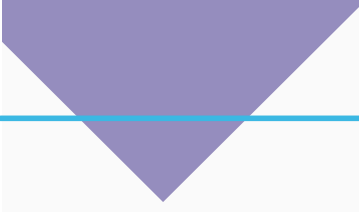
Got a good idea? Don't lose it!

TAKE A NOTE!

We can wait!



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CHAPTER 2 BRING REAL MEANING TO “CUSTOMER SERVICE”

Agencies are more successful when customer service is at the forefront of their operations. Meeting and exceeding customer expectations, responding to any and all feedback, and providing the trust and expertise they need and expect are what differentiates independent agencies from their competitors. Agencies that take the time to get to know their customers, solicit feedback, and instill the importance of putting the customer first, regardless of how the interaction occurs are the most successful. Learn how seeing service from your customer’s perspective can help your staff deliver great service and improve retention.

! Always remember:
if you can deliver against
client expectations,
● the business will come.



Many research studies confirm that customer service is a pivotal attribute of any insurance provider for both personal and small commercial clients. Personal lines buyers in particular are concerned with having a personal advocate who represents the interests of the client more than the company. Small commercial lines customers are focused on quick carrier response, fair claims settlements, accurate policies, billing issues and having a knowledgeable agent.

There’s more to customer service than returning phone calls, following up on email or completing annual policy checks. Customer service is every bit as much about how you do things as the daily checklist of what you do. It’s about consistent delivery of your brand values with each and every customer interaction. It’s about seeing your services from your customer’s perspective, not from your own.

STEP ONE: **CONSIDER WHAT’S REQUIRED THROUGHOUT A CUSTOMER LIFECYCLE.**

Not only are individual customer needs not the same, the same customer has different needs depending where they are in the purchase cycle.

- **Provide new customers more handholding.** Don’t assume because they aren’t asking questions that they aren’t curious or confused. Explain your processes, introduce your team, let them know what to expect.
- **Reinforce with existing customers that they’ve made the right decision.** Remind them why certain policies or services are appropriate for their account. Solicit regular updates on their business goals and take the time to uncover new concerns.
- **Refresh your account relationships.** Don’t leave appreciation to chance. If you don’t have a regular schedule for client contact, create one. It doesn’t always have to be face-to-face (although that should occur quarterly at a minimum.) Take the time to forward relevant articles, recognize important milestones or business accomplishments, ask questions, and listen. If you sense an area of concern or worry, address it promptly and provide solutions.
- **Look for opportunities to upsell existing accounts.** This should not be a heavy-handed sales job. However, during regular review of client business, share information about new or relevant products and services. Even if the client isn’t ready for a sale right away, when you position yourself as an interested, trusted resource, they will think of you first when new opportunities do arise.

STEP TWO: **CONVEY THE BENEFITS YOU PROVIDE AS AN INDEPENDENT AGENT.**

There is an intangible that independent agents bring to a relationship. Be sure you communicate these advantages clearly. In addition to your own individual brand strengths, share the strengths you likely share with most independent agents:

- Understands the worries other business owners face
- Flexibility
- Personal interest in seeing every client succeed
- Local and accessible
- Invested in the community
- Focused on long-term client relationships, not short-term sales
- Ability to create customized coverage—not limited by corporate requirements established by headquarter offices elsewhere

STEP THREE: HAVE A CONSISTENT STRATEGY.

While your staff may have the skills to interact with your customers, it is also important to have an overall organizational strategy to keep your customers happy. Here are some tips to ensure that your agency is constantly providing proactive customer service at every client interaction:

Personal Touches Count: Your customers want to feel like they have access to real people. Don't let your telephone prompts and website send them in a circle of never-ending frustration. Post photos and bios of your staff on your website, allowing customers to see that there are real people working on their behalf.



Be There For Your Clients: Ensure that your customers can reach you. Provide an after-hours answering service, and if there is a widespread claim situation such as a flood or hail storm, have the office staffed both early and late when needed. Avoid the use of PO boxes for your mail and make sure they know your physical address.

This will help build trust and remind them that your agency is a real business, with real people who care about their needs.

Give Them What They Want: Make sure you are fully meeting your customers' needs. Set up focus groups, interview customers, or run a survey to get ideas on what they really want from doing business with your agency. Consider a quick follow-up survey after each interaction.

Position your Agency in the Community: Consider some non-traditional ways to create more touch points with your current and potential customers. Think about offering webinars, daily social media updates about fun things happening in your office or manning a booth at local trade shows and conventions. And don't forget that while people come to these forums to learn about insurance from you, you can learn as much—if not more—from them.

WHERE DID YOUR CUSTOMERS GO?

3%

Move Away

5%

Develop Other Business Relationships

9%

Leave for Competitive Reasons (Better prices, etc.)

15%

Are dissatisfied with your service

68%

Leave because of an attitude of indifference toward them by an owner, manager or other employee!

Source: Customer Experience Report by Right Now

STEP FOUR: DESIGN YOUR SERVICE EVALUATION PROCESS

“Each moment of truth has the potential to be neutral, negative, or positively memorable!”

Feedback:

Customer feedback is useful only once it is processed, usually through quantitative means. Analysis of feedback allows management to focus on general trends and specific goals. Agency leadership must target service and product areas for analysis (such as claim filing, policy updates or information requests), then identify the cycle a customer goes through when receiving that service or acquiring that product.

Once you understand the cycle, ask a series of questions to determine the quality of the experience at each step in the cycle. Establish a rating scale to monitor quality over time. An open-ended question involving customer suggestions for improvement also might be added.

Remember, a broad-brush survey about overall customer satisfaction won't help your agency fix the real problems.

Don't try to evaluate everything at once. Choose your most important areas, as defined by profit or quantity of experiences or importance to your most valued clients, etc. Focus on two or three at first. Identify the clients to be surveyed. Define success before getting results. Discover the client's expectations. If you are not meeting expectations, you may have a perception problem instead of a performance problem.

Make responding easy. Use quick phone surveys or postage-paid, preaddressed reply cards. Keep the survey short and as specific to the area you are evaluating as possible.

Analysis and Response:

Leadership, with the integral assistance of the workforce, must identify worker tasks at each level of the cycle in each different area to analyze. When the survey performance numbers come in, they will be mapped against those worker tasks. Low satisfaction ratings at one step in the cycle will equate with sub-standard performance on a specific, identified worker task. There will be little ambiguity about what aspect of service or what type of product needs to be adjusted since it will have already been agreed upon prior to the administering of the survey.

Use a quality database and a competent analyst to effectively quantify and manipulate the response data. After the numbers have been mapped against the cycle steps and tasks, make adjustments to the customer service process. More data should be gathered after the adjustments to ensure that ratings improve and that the right conclusions were drawn from the previous survey.

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CHAPTER 3 KNOW YOUR AGENCY

UNDERSTANDING YOUR AGENCY
IS JUST AS IMPORTANT AS
 UNDERSTANDING THE PEOPLE AND BUSINESSES
 THAT YOU HOPE TO ENGAGE.

The key is understanding your agency from the customer's perspective. You need to understand what customers will perceive as distinctive about your agency and why it matters to anyone who might want to do business with you. Independent agencies, unlike many captives and direct writers, can craft personalized stories and control telling those stories at every point of service.

STEP ONE: DEFINE WHO YOU ARE

This step requires careful consideration. It's not about what you are – an independent agency operating in X town, with X years experience and X dollars in revenue. This is about the who of your story – what you stand for and how you serve the customer differently than any other agency.

It's best to set aside some time offsite with your agency leadership to give this assignment the focus it deserves.

- Have one moderator to direct discussion.
- If you can, engage a marketing partner or outside consultant to moderate. It provides an objective perspective to challenge you and ensure that you consider how your definitions translate to the customer.



There are no wrong answers. The only misstep comes from not taking the time to know what you stand for or in failing to communicate your findings and message to everyone at your agency.

Once you've defined who you are, give everyone in your agency the information and tools to understand your culture, core values, vision and mission, and goals.



CORE VALUES

Defining your values will help you make business decisions large and small – from recruiting employees to deciding what types business you should pursue. What's important to us? What do we believe in? Here are some values to consider.

Add others to customize your list:

- Giving back to the community
- Getting to know customers personally
- Work-life balance
- Continuing education
- Hard-nosed negotiations
- No-nonsense, fact-based proposals
- Profitability
- Market prestige
- Superior customer service
- Creative online presence

CULTURE

Ask and answer these questions, which will affect the productivity, ethics and performance of all employees. They will also help you find and hire the right kinds of employees for your firm.

- How should we approach business?
- What type of day-to-day environment do we want to create? For instance, are we buttoned-up and business-serious, or do we have a more laid-back, personal approach?

GOALS

Establish two or three long-term goals, defining what you want to accomplish in the next three to five years. Setting goals will help prioritize tactics and identify where to focus agency resources. Be sure goals are measurable. Examples below.

Add others to customize for your agency:

- Number of new accounts
- Revenue growth
- Percent growth
- Retention rate
- New markets to enter
- Number of new hires in the next year
- Organic growth
- Community involvement
- Technology advancements

VISION AND MISSION

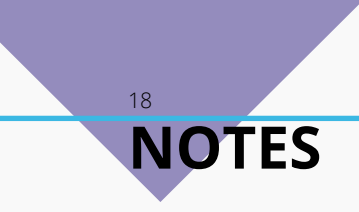
Your vision statement should declare what you want to accomplish for your customers and your community. It should be far-reaching and not limited by product descriptors or narrow parameters. Your mission statement spells out what you need to do to deliver on the vision.

Sample Statements:

VISION	MISSION
IBM Solutions for a small planet	At IBM, we strive to lead in the invention, development and manufacture of the industry's most advanced information technologies, including computer systems, software, storage systems and microelectronics. We translate these advanced technologies into value for our customers through our professional solutions, services and consulting businesses worldwide.
Disney To make people happy	The Walt Disney Company's objective is to be one of the world's leading producers and providers of entertainment and information, using its portfolio of brands to differentiate its content, services and consumer products. The company's primary financial goals are to maximize earnings and cash flow, and to allocate capital profitability toward growth initiatives that will drive long-term shareholder value.
Walmart To be the worldwide leader in retail	We save people money so they can live better.
Kellogg To be the food company of choice	To drive sustainable growth through the power of our people and brands by better serving the needs of our consumers, customers and communities.
Hilton To fill the earth with the light and warmth of hospitality	We will be the pre-eminent global hospitality company – the first choice of guests, team members and owners alike.

 <h1 style="margin: 0;">Did You Know?</h1>	<p>Many service experts indicate that a 5% increase in customer retention translates into a 50% increase in future profits!</p>	<p>As seen in IIABA Best Practices "Customer Service Made Simple"</p>
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CHAPTER 4 UNDERSTAND YOUR MARKETPLACE

“LOCAL AGENTS — LONGSTANDING INTEGRAL PARTS OF THE PROPERTY-CASUALTY (P&C) INSURANCE LANDSCAPE — CONTINUE TO PLAY IMPORTANT ROLES AS ADVISORS AND INTERMEDIARIES. HOWEVER, THERE HAS BEEN A GRADUAL SHIFT IN THE VALUE THAT CARRIERS AND CUSTOMERS (BOTH RETAIL AND SMALL BUSINESS) PLACE ON MANY ACTIVITIES TRADITIONALLY PERFORMED BY LOCAL AGENTS, WHICH IS INCREASINGLY CALLING INTO QUESTION WHAT ROLE THEY WILL PLAY IN THE FUTURE.”

— “Agents of the Future:
The Evolution of Property and
Casualty Insurance Distribution,”
McKinsey & Company



The customer/agent relationship has been affected in many ways:

COMMUNICATION

- The Internet has shifted sizable power to the consumer, as access to information has exploded and demand for real-time information has solidified.
- Consumers once began and completed their entire insurance shopping experience with and through their agents. No one contemplated “going it alone.” Today, customers can research information independently, when they choose and via multiple channels (phone, online, click-to-chat, self-service portals, etc.)
- Customer service expectations have risen. The Internet has created a demand for nearly instantaneous response.



CARRIER ROLE

- Just one decade ago, agents placed 80 percent of personal auto policies and nearly 100 percent of homeowner and small business policies.
- Heavy carrier investment in technology has enabled direct contact between consumers and carriers. Customer care centers allow clients to ask questions or conduct transactions directly. This replicates the feel of traditional agent roles (and often eliminates the customer's perceived need to even have an agent).
- The sophistication of today's computerized predictive models have also diminished the role agents once played in providing local risk insight to carriers.

• The end result? According to McKinsey: "Not too long ago, the average insurance consumer would respond to the question, "Who is your insurance policy with?" by naming her local agent. Today, after 10 to 20 years during which carriers have invested billions of advertising dollars building and strengthening their brands, customers are far more likely to answer the same question with the name of the carrier instead."

• Customer research isn't something you do one time when you launch your agency or enter into a new market niche. Business conditions change continually, so your research of existing and potential customers should be continuous as well. Otherwise, you run the risk of making decisions for growth and change in your agency based on out-of-date information, potentially leading to failure.

The more successful you are in growing your agency, the more competitors notice – and react to – what you are doing. A very successful sales approach could be no better than average in a short few months after launching. Even loyal customers can be quick to change when offered something newer and more innovative.

INFORMATION SOURCES

Published information can provide useful insights into market conditions and trends, and even the changing demographics of your community and/or marketing area. As an established agency, your own experience can be even more valuable. You will be able to build up an in-depth picture of what customers want, how they behave and which of your marketing approaches work best. Nobody should know your customer better than you!

Taking the time to talk to key customers pays off. Your social relationships, your community and philanthropic involvement and your professional memberships can be important sources of market information. You should encourage your employees to share what they know about existing and potential customers, changes in the community and areas of growth opportunity.

So how does the independent agent remain relevant and support growth? Begin by accepting that it isn't business as usual – that the traditional lines between agent and carrier have blurred. Work to build customer awareness for the unique advantages you still provide and be continually adapting and changing to meet the needs of the customers and communities that you serve.

10 THINGS YOU NEED TO KNOW ABOUT YOUR CUSTOMERS

10. WHO THEY ARE

Find out your customers' gender, age, marital status and occupation. For commercial accounts, find out what size and kind of business they are. For example, are they a small privately held company or a big multinational? How many locations? Expansion plans? New product lines?

9. THEIR JOBS AND LIFESTYLES

Find out their occupations, interests and hobbies. For commercial accounts, it helps to have an understanding of what their business is trying to achieve long and short term.

8. THEIR BUYING MOTIVATIONS

If you know their reason for buying insurance, it's easier to match their needs to the coverages your agency can offer. New house? New job? Baby? All can be reasons to seek out an agent's advice!

7. THEIR EXPIRATIONS DATES

If you approach a customer just at the time they want to buy, you will massively increase your chances of success. Collect x-dates from everyone you meet and ask if you can contact them to provide more information about your services.

6. THEIR INSURANCE BUYING HABITS

If your research shows that your target market prefers online information, be sure to make your online offerings are robust, or if they prefer a face-to-face meeting, ensure that you have office hours that can accommodate busy schedules.



10 THINGS YOU NEED TO KNOW ABOUT YOUR CUSTOMERS

5. THEIR FINANCIALS

Your customer's financial situation can help you determine the best coverage and allow you to create a plan that protects their assets and is mindful of their budget.

4. THEIR VALUES AND BELIEFS

If you know what is valuable to your customers and what makes them tick, you can tailor your sales and service approach to meet their expectations.

3. THEIR EXPECTATIONS

Do they expect expert advice, want an online service center, a promptly returned phone call, help with a claim or just doing business with someone they trust? Determine what they want from your agency and make sure that you deliver.

2. THEIR VIEW OF YOUR AGENCY

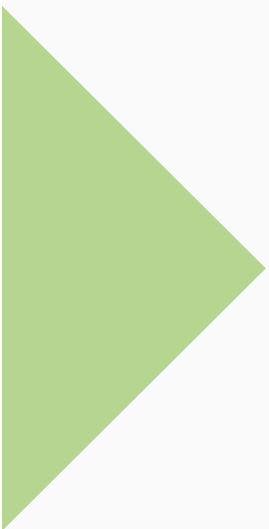
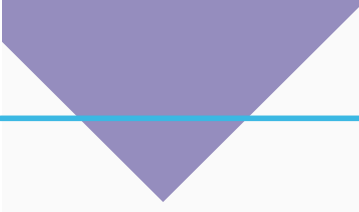
If your customers enjoy dealing with you and your agency, they will want to continue to do business with you. Do quick surveys after customer interactions, find out where you succeeded and where you might need improvement. Remember, you can only help with any issues that customers have if you know what they are.

1. THEIR VIEW OF YOUR COMPETITORS

Did they leave a competitor to come to your agency? Have they gotten a few quotes, but didn't feel the love over the 800-line? Know you stand a much better chance of successfully gaining new customers if you know what they didn't like about your rivals.



NOTES



CHAPTER 5 MOTIVATE YOUR TEAM

The tactics in this guide are meant to be a team project. You can't decide your agency's future or the best way to reach your clients and potential clients without input from your entire agency – not just the sales force. If everyone is not lockstep with your agency positioning or how you want your agency to be perceived, your sales message will fall short. Consistency is key. Everyone should be singing from the same song book.

So, to succeed, you need buy-in. Buy-in creates motivation. Motivation creates action. And action creates results.

KEYS TO MOTIVATION

1. **Establish agency goals with input.** Of course, not everyone can sit in on agency planning meetings, but everyone can share in the process. Have managers solicit input from their respective teams. Ask for feedback on current business practices. Be respectful of all viewpoints: You might learn something you never knew about internal dynamics, client relationships, sales roadblocks, frustrations, employee or client hot buttons, etc.

2. **Share annual or long-range plans, and show how they support individual goals.** Highlight how proposed growth will lead to a better bonus, higher salary, promotion, move to a new office ... whatever concrete payoff you feel comfortable promising. Put it in writing. Be specific. This can be done during employee reviews and should be tied to annual goals.

3. **Recognize that money is not the supreme motivator.** While salary is important, a study by Vickie Niebrugge found it is not the number one "want" for employees.

[Niebrugge, Vicki, Declining Employee Morale: Defining the Causes and Finding the Cure.]

WHAT EMPLOYEES SAY **THEY VALUE MOST:**

1. Interesting work
2. Appreciation and recognition
3. Feeling "in on things"
4. Job security
5. Good wages
6. Promotion/growth
7. Good working conditions
8. Personal loyalty
9. Tactful discipline
10. Sympathetic help with problems

Based on this list,
what can you do as a
manager to satisfy these
needs?

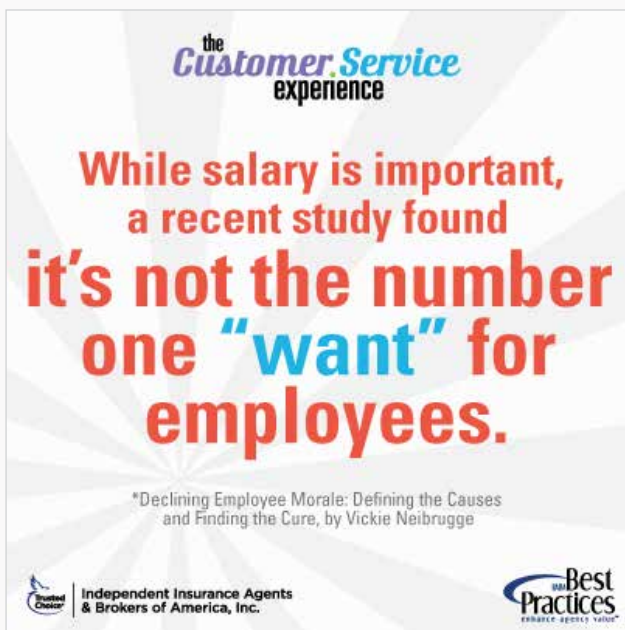


After all, a happy employee
is a motivated employee.

KEYS TO MOTIVATION (CONTINUED)

4. **Review plan progress regularly (at least quarterly), so everyone knows how the agency is performing versus plan.** Treat these reviews as important milestones, not as afterthoughts. Include every department – you never know who might brainstorm the next idea for improvement or change.

5. **Live the plan and stay true to its original focus.** Everyone will see when you veer from what you originally said was important. This alone can kill motivation. If you want to change the original course established for the agency, explain why and how the change affects how they should be working.



6. **Reward ongoing performance.** Don't wait for big end-of-year rewards. Even simple thank-you reminders can be remarkably powerful. Give someone who worked overtime a gift card for the local coffee shop. Mention someone's extra effort in the company blog. Leave a personal, handwritten thank-you note in someone's inbox. Don't let personal biases affect feedback. A person you don't have a strong personal connection to might be one of the biggest contributors to agency success. A positive word from you in these instances could be especially powerful.

7. **Provide a feedback mechanism.** Let employees know the agency's plans are responsive and flexible. If they have ideas for improvement, provide a clear path for employee input, either formally or informally. Reward all suggestions, even if they aren't ultimately implemented. This supports the continued flow of ideas and reinforces the notion that "no idea is a bad idea." If people are reticent, set up a method for anonymous suggestions.

EMPLOYEE JOB SATISFACTION FEEDBACK SCRIPT

Utilize the “Employee Job Satisfaction Feedback Script” which is designed to help you obtain useful feedback from your employees. It suggests what to say to assure employees that their input is valued, and how to cover a variety of issues that might be of concern. It also offers options to use when a meeting doesn’t go quite as planned.



Open the discussion by saying something like:

Thanks for coming to talk with me. I'd like to talk about employee morale. I want to make this job as fulfilling and satisfying for you as I can. Before I can do that, though, I need to know how you feel your job could be made more fulfilling or what other steps we can take to make you feel satisfied in your job.

At this point, if the employee has definite comments or feedback, let the employee talk. Maintain eye contact, take good notes and occasionally nod or smile to let the employee know that you’re listening. If the employee doesn’t seem to have anything to say right off the bat, or seems hesitant to comment, you might say something like:

I want you to know that I'm really interested in what you have to say, and I don't want you to feel uncomfortable giving criticism, if that's what's necessary. This isn't a trap, and I'm not going to get angry or retaliate for any criticism you might make. This is really a team process and we're on the same side. If it's OK with you, I'd like to go through some specific questions, and get your thoughts.

If you'd rather not do this now, let me know. We can reschedule a time to meet or you can jot some thoughts down on paper.



If the employee seems really uncomfortable or uninterested, you might conclude the session now. If the employee seems to want to continue participating, you could then go through a list of questions or topics and ask the employee to comment about them.

Here's a sample of some topics that might get your discussion going:

- the good and bad habits of supervisors and coworkers
- the employee's future at the company and how he or she feels about it
- the employee's workload and the distribution of work in general
- the employee's working conditions and how he or she feels they could be improved
- the employee's feelings about the importance of the work he or she does
- how employees get along with each other
- the condition of the equipment with which the employee must work
- the pay and benefits the employee receives and how they compare with other companies
- the consistency and fairness of the way employees are treated and disciplined
- whether the employee feels that supervisors and coworkers tell the employee what the employee needs to know
- the potential for growth/advancement
- the employee's experiences with and feelings about coaching and feedback
- the usefulness and appropriateness of instructions and training received
- the effectiveness of communication among coworkers and between workers and supervisors
- the attitude of the managers/owners toward the employees

You might ask the employee to respond to each of these topics. Be sure to take good notes.

After the discussion, sum up by saying:

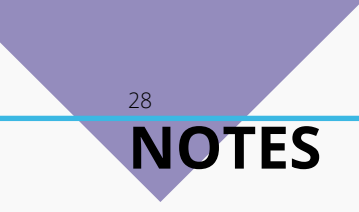
Thank you very much for taking the time to let me know how you feel. I appreciate your honesty, and I hope you'll feel free to come and talk to me if you have questions, suggestions, or additional comments.

Let the employee know what to expect:

After I conduct some more meetings with other employees, I'm going to look at this information and try to figure out ways that we can change things to make your job even more fulfilling and rewarding. I hope to have some information back to you within two weeks that will tell you where we'll go from here.

Thanks again.

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CHAPTER 6 PROSPECT EFFECTIVELY

An independent agent can spend countless hours investigating leads and thousands of dollars in advertising in the pursuit of new business. Knowing the best methods, investigating new marketing trends, and creating a referral pipeline can make prospecting more customer-centric and more efficient for overall agency growth.

USE TRADITIONAL **MARKETING METHODS**

In spite of the social media revolution of the 21st century, some traditional methods of marketing outreach are still crucial:

- **Maximize your value to potential clients.** Customers value the attributes primarily held by independent agencies:
 - Agent familiar with account
 - Agent analyzes needs and finds best coverage
 - Expert to meet with face-to-face
 - **Focus advertising on strengths of independent agent:**
 - Finds best policy for price
 - Available locally
 - Builds personal relationship
 - Finds tailored coverage
- **Communicate with current customers.** It's as important as publicizing to potential customers.
 - Use emailed company newsletters and ask people to forward it at the bottom (see "Content Marketing" below.) Reinforcing the choice made by current clientele through ongoing publicity reduces defections as well.
 - Articles should highlight new and most popular services and specialty coverages as well as accomplishments. (More than one-third of small commercial customers say they don't rely on their agent for advice on coverage. Perhaps a more consistent communication strategy to clients will demonstrate what your agency can offer.)
- **Trade associations are important sources of information on insurance.** They influence the decision-making process, particularly for businesses that may not be mainstream (e.g., day care, nail salons.)
- **Identify which current customers can be targeted for new services.** Stimulate cross-buying (auto, home and umbrella). Small commercial buyers indicate an interest in packages designed for their business: key person life, investment services, personal property/casualty, credit products and personal life. Some potential clients are willing to switch providers to get these services.
- **Use integrated marketing.** Work with car dealerships and realtors for joint advertising and cross referrals of services and products.
- **Get involved in community causes and participate in special events:**
 - Staff a booth at your next fire station open house.
 - Donate child safety seats to your local police department for the needy.
 - Adopt a local school during fire safety week.
 - Sponsor a local youth group or sports team.
- **Use affinity merchandise to gain name recognition:**
 - Offer safety "seals of approval" to school kids during safety awareness campaigns.
 - Print a small, quick-reference guide for emergency road services.
 - Provide other low-cost tools that educate and motivate.
- **Ask for customer feedback:**
 - Invite your customers in to an employee meeting to give feedback on their recent experience with your agency. Customer service will improve, and word will get around.

CAPITALIZE ON INTERNET MARKETING

Experts in the Big “I” Agents Council for Technology (ACT) say it’s urgent and critical that agencies participate online. Those that don’t are invisible to the majority of potential customers who are searching for insurance information online.

AGENCY WEBSITES

No marketing plan is complete without a robust website.

- Must be professionally designed.
- Add content regularly (i.e., success stories [see “Content Marketing” below]) to optimize search engine results. To read “Ten Things Agents Should Know about SEO”, see <http://www.independentagent.com/Resources/AgencyManagement/ACT/Pages/marketing/Internet/SEO-top-10.aspx>



- Must meet customers’ expectations:
 - Offer quote capability. According to the comScore *Online Auto Insurance Shopping Report*, in 2012 69% of shoppers went online to obtain price quotes on auto insurance. Only 25% called toll-free numbers or visited a local agent.



- Offer a self-service portal for customers to access their policies, download ID cards, etc., day or night. You can outsource this service to vendors like Insite Support Services and others. For guidance on self-service portals, see Inc.’s article, “How to Provide Customer Self-Service Online,” at http://www.inc.com/guides/cust_self/20909.html.

- For further guidance on Web marketing, ACT materials at <http://www.independentagent.com/Resources/AgencyManagement/ACT/Pages/marketing/Internet/default.aspx>.

SOCIAL MEDIA

The Agents Council for Technology (ACT) experts say it is both urgent and critical that agencies participate in social media and it should be an integral part of an agency marketing plan. You can find the following resources and articles on the ACT webpage available at www.independentagent.com/act

Tips from ACT:

- **Give employees who are already good at social media responsibility for it.** For reports to help you guide employees' social media behavior, visit the ACT web and search "Creating a Social Web Policy Guide"
- **Monitor social media** to learn what's being said about your agency.
- **Monitor social media**, because some of your customers expect to contact you that way.
- **Attract new customers** through social media, visit the ACT web and reference "Content Marketing" later in this unit.
- **If you're developing a mobile app, ask for customer feedback.** Ask customers, "What functions would you like to see on it?"
- Other examples of success with social media are available, visit the ACT web and search "Attributes of Successful Independent Agencies of the Future" and see item 11. Also search and reference "5 Ways Agency Principals Can Seize the Future"
- For information on a balanced approach to using technology for sales and marketing, see ACT's article "A Balanced Approach to Agency Marketing,"
- For information on how to develop as a business in the new social culture, read ACT's "Becoming a Social Business"

Other Social Media Sources

- Visit "Marsha Collier's Ultimate Online Customer Service Guide" <http://theultimateonlinecustomerserviceguide.blogspot.com>.
- For a great article on using social media in your agency visit www.ryanhanley.com and reference "If You Work in Insurance, This Should Be the Only Article You Read on the Future of Social Media"
- Ernst & Young's offers a report on U.S. insurance trends, including the need to use technology, see <http://www.ey.com> and search "US findings - Global Consumer Insurance Survey 2012"

REFERRALS

Referrals are a very effective way of gaining new customers. But many people have trouble asking for one.

OBSTACLES

The first priority is to get over your fear:

- Bear in mind that most people like to help other people (if there is no negative cost to them).
- Remind yourself that the worst that can happen is that the client says, “No.” That’s not so bad, is it?
- For excellent tips and scripts to use when asking for referrals from customers, see “How to Ask for Referrals and Get More Clients: Asking for Referrals Is Not as Hard As You Think” by Small Business: Canada at <http://sbinfocanada.about.com/od/promotio1/a/askreferrals.htm?r=twitter>.

METHODS

The most effective way to gain referrals is to make it standard operating procedure to ask for one from every satisfied client. A face-to-face request is the most effective, then phone, then email.

In addition:

- Add a sentence in a bright color to the email signatures of your staff: “If you like our service, tell a friend! We love referrals!”
- Use your current customer database to identify potential customers. Ask for a face-to-face meeting in which to discuss the referral; if the prospect doesn’t agree to an in-person meeting, use the phone or email.
- Use LinkedIn.
- Use Facebook (<https://www.facebook.com/GettingReferrals>).
- Use Twitter (go to Twitter and search [#clientreferral](#)).

“THE AIM OF MARKETING IS TO KNOW AND UNDERSTAND THE CUSTOMER SO WELL THAT THE PRODUCT OR SERVICE FITS HIM EXACTLY AND SELLS ITSELF.”

— Terry Vavra, Aftermarketing



LISTEN AND OFFER **WHAT THE PROSPECTIVE CUSTOMER NEEDS**

Have you ever sat down with someone who really listened to you? It's rare—you remember that person. He or she stands out in your mind, and you want to go back to him or her.

Be that kind of person. Be a good listener and create that kind of rapport with every customer. When you listen to find out what that customer needs, you can match him readily with the best product.

TIPS FOR GOOD LISTENING:

- Don't get so wrapped up in what you can offer that you forget to find out what the prospective customer needs.
- Bear in mind the old adage: "When my mouth is moving, I'm not learning anything."
- If the prospect asks you about your business or background, answer, but be brief. Then take the focus off yourself and turn it back on the prospect.
- Learn what they need. That way you'll have a much easier time presenting them with solutions that meet their needs. When the product matches the client's need, the sale is easy.
- Actively listen to the customer. Show that you're actively listening by making eye contact, nodding, saying, "Yes, I see," or jotting a note.
- Don't interrupt a customer when he or she is speaking: Ask clarifying questions when the customer is finished.

COMMUNITY **BUILDING AND ENGAGEMENT**

The word "*community*" is derived via Old French from the Latin *communitas* (com, "with/together" + *munus*, "gift"), a broad term for fellowship or organized society¹.

Community building is a range of practices that alleviates problems and helps create a sense of community among individuals who live within a region or who share a common interest. It is sometimes referred to as community development or community service.

- Insurance agencies have long been aware that involvement in their community's causes and events is good business practice.
- Approaching community involvement with a bigger goal, however—the health of your community—will, in the long run, benefit your agency even more.
- Communities are enhanced when causes are approached with a sense of possibility, generosity and celebration of gifts.

¹ <http://en.wikipedia.org/wiki/Community>, accessed 11/1/13.

EXAMPLES

Places to get involved include, but are not limited to:

- Public libraries. They establish a sense of place in a community. They are anchor institutions that, in times of disaster and economic struggle, are the heart of their communities.
- Houses of worship.
- Hospitals.
- Schools (tutoring, mentoring, coaching).
- Chambers of Commerce, Rotary, Lions, other service organizations.



ENGAGEMENT

As you meet people in these organizations, get to know them and try to connect them with others in the community who share their interests. Be of service.

CONTENT MARKETING

As you participate in the online revolution, finding content for blog posts and Tweets can be a challenge.

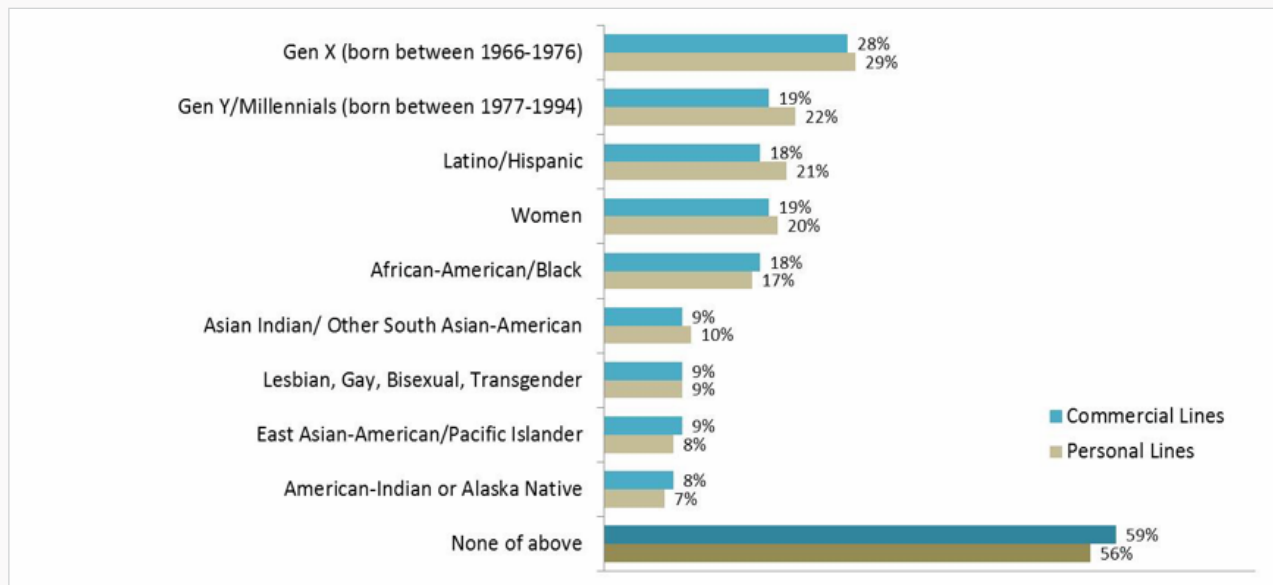
The good news is you have lots of content right within your agency:

- **Post your involvement** in community causes and events on your blog, Facebook, Twitter and Google+ but not in a self-promotional way (more in a celebratory way, celebrating the community).
- **Brand journalism:** Assign someone in your agency to write down your company's success stories: discounts found for clients, smart deals structured, problems solved. These can be posted on your website; then write posts in social media that link to the stories on your site.
- **Use the success stories** in your email newsletter.
- **Target your newsletter.** It's a measurable, cost-effective way to grow client accounts. Send success stories on certain topics to clients who are likely to be interested in those topics. Use an email system like Constant Contact (see <http://www.constantcontact.com/index.jsp>).
- **Write down the questions your customers ask.** Post a snippet on social media and a link to the full answer on your blog. This makes you part of the education economy, where people want information, not a hard sell.

CONTENT FROM **OUTSIDE YOUR AGENCY**

- **Curate web content** that would interest your clients (always giving attribution.) Set up a Google Alert on a topic clients have expressed interest in. Google will troll the web for articles on that topic and notify you automatically. Talkwalker is another source.
- **Always think of what your customers** need to know in order to manage their lives and businesses better. Don't just think about what you want to say.
- **Segment your customers.** Some are interested in home and auto, others are interested in business interruption insurance.

According to the 2014 Agency Universe Study, fewer than one-half of agencies target a specific demographic group from a marketing perspective. The Gen X generation is most likely to be targeted.



AND...

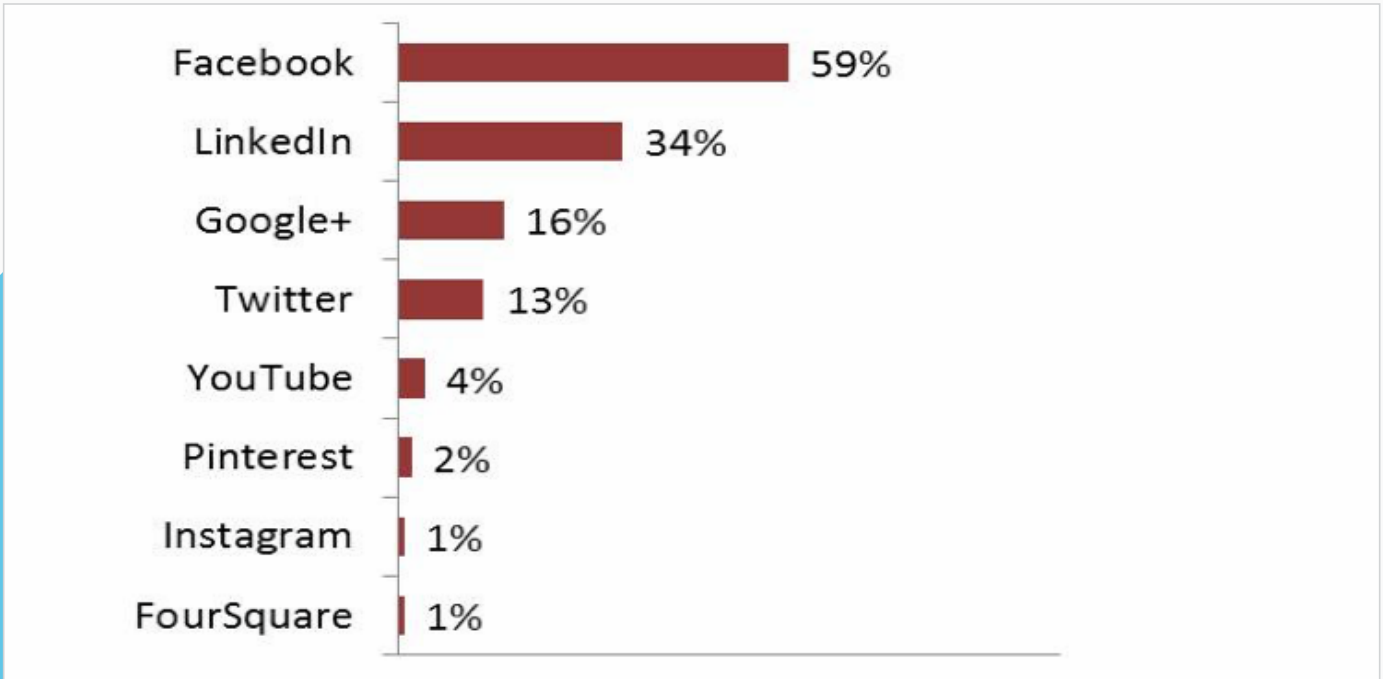
Roughly two-fifths of agencies count social media among their 2013 marketing activities, most often in support of building the agency's brand.

PERCENT OF AGENCIES INCLUDING EACH AS PART OF 2013 MARKETING PROGRAM

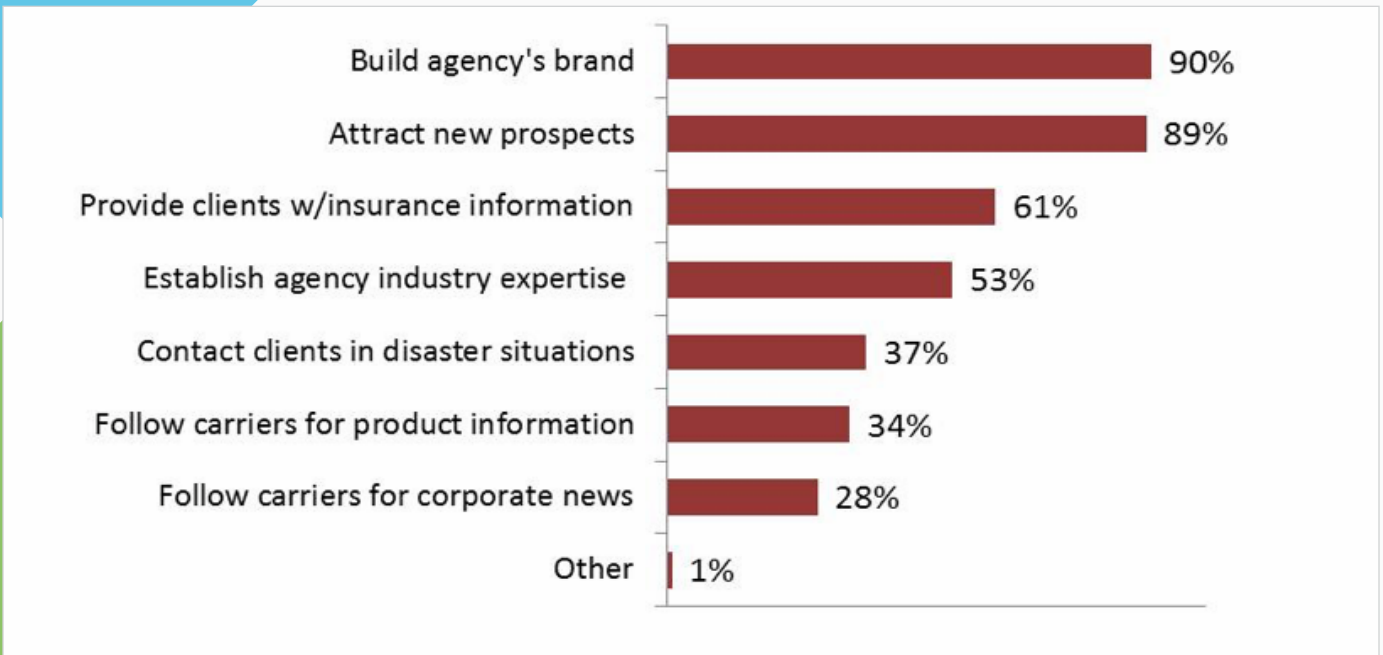
	Total	Small	Med-Small	Medium	Med-Large	Large	Jumbo
Social media presence	43%	39%	42%	55%	58%	55%	46%
Digital content (e.g., blogs, webinars)	11%	10%	9%	16%	17%	22%	30%
Video (e.g., YouTube)	6%	7%	5%	9%	6%	13%	18%

MEDIA MARKETING BREAKDOWN

SOCIAL MEDIA CHANNELS USED "OFTEN"



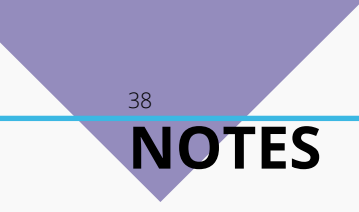
WAYS IN WHICH AGENCY USES SOCIAL MEDIA



TRUSTED CHOICE EDITORIAL PLANNING SAMPLE

EDITORIAL CALENDAR-(MONTH)					
DATE	CURRENT EVENT	TO DO LIST	www.Trusted Choice.com	Facebook	Twitter
Week of					
Monday					
Tuesday					
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Friday					
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NOTES



CHAPTER 7 CARE FOR NEW CUSTOMERS

According to [“Are You Being Served?”](#) an article in The New Yorker, 80 percent of companies surveyed said they deliver “superior” service. But consumers put that figure at just 8 percent. That’s quite the discrepancy.

The article concludes:

“THE REAL PROBLEM MAY BE THAT COMPANIES HAVE A ROVING EYE: THEY’RE ALWAYS MORE INTERESTED IN THE CUSTOMERS THEY DON’T HAVE ... THEY END UP DEVOTING ALL THEIR ENERGIES TO COURTING US, PROMISING WONDERFUL PRODUCTS AND EXCELLENT SERVICE. THEN, ONCE THEY’VE GOT US, THEIR ATTENTION WANDERS.”

— James Surowiecki



Does this happen to your new customers? Certainly not intentionally. But without specific plans to support new client “on-ramping,” it could. After all, it’s easy during the set-up of a new account to lose sight of the client—the actual person or people behind the account. The processes of your firm are second nature to you. They are unfamiliar to your new clients. Don’t leave them in the dark. They hate the dark.

You only get one chance to make a first impression, right? That’s why a well-planned customer service approach is so important. It can change the initial — and the lasting — impression a customer has of your agency.

FIRST MEETING CONSIDERATIONS

Some ideas to consider:

- **Know the obvious.** Don't show up at your first meeting and ask the things you should already know



about your client. Do your research and impress with the head start you've established.

- **Provide contact information**— Not just for you, but for everyone who might touch the account. Be clear on areas of responsibility and provide multiple points of contact — email, phone, social media links. Include photos when possible. It's nice to have a face connected to the name.
- Be sure to ask in the beginning what kind of communication contact each client prefers. Some appreciate phone calls, other want email. Still others want to communicate via social media.
- **Pre-empt with FAQ.** You know the most common issues or concerns new clients have. Give them the answers before they need them. They may be too embarrassed or initially overwhelmed to even ask.
- **Check in frequently.** Do so more often than you might with an established client. But again, check the clients' preferences, too. Even a quick, informal follow-up at the end of each week —*“Everything OK? Just checking in to make sure everything we did this week makes sense.”*
- **Explain next steps.** Clients appreciate knowing what happens next. Be sure to let them know expected timelines.
- **Anticipate.** If you were new to the account, what might you be wondering about? Addressing potential issues before they arise positions you as the expert.
- **Establish methods for formal and informal feedback.** Let clients know you welcome their input.
- **Respond**— Always and promptly. Even if you don't have a solution yet, let them know you are working on it.
- **Deliver as promised.** If possible, over-deliver — ahead of time and under budget. But if you hit a snag, don't wait until you've blown a deadline to let the client know of any issues. People understand when issues arise, but they don't want to be taken by surprise.
- **Get personal.** At the same time you're getting to know the business, get to know the person.
- **Become a resource.** Forward articles, research or other information you find that could help clients with their jobs, even when not directly related to the insurance services you provide. It's simple to forward the link and become a reliable resource. Valued partners become long-term partners.

5 SIMPLE THINGS THAT CAN MAKE A DIFFERENCE!

New clients want to be appreciated, especially when making hard choices about their insurance and how to choose the best agent for their needs. Regularly communicating that you care about your customers reinforces their choice of your agency and lets them know that you don't just see them as income, but value them as them an important part of your agency's success!

These five actions will show customers you care long after the first sale is a wrap:

NUMBER ONE: **SHARE YOUR INSURANCE KNOWLEDGE**

Give away helpful coverage advice in your email newsletter, as well as on your social media pages. Provide information that will help them make better decisions about their coverage needs, and probe for what information will help make the insurance buying process easier and more beneficial. Find out what they'd like to learn more about and give them what they want! When you can offer your customers, both old and new, something valuable for free, everyone wins!

NUMBER TWO: **INQUIRE, LISTEN, COMMUNICATE, ADAPT**

- **Inquire** Find out what your customers have on their mind, including things like satisfaction with their most recent sales or service experience with your employees. Solicit feedback using various method like email communications, online surveys, comments directly on your website, after online inquires, and via notes sent in the mail. Knowing what they want, like and value will help you keep their business.
- **Listen** to what customers and others have to say about your agency in survey responses, on social media, feedback forums and in general conversation. Good or bad, consider providing survey results, social media responses and answers to customer questions in your email newsletter and other communications.
- **Communicate** with customers quickly when they contact your business, whether it's a complaint or a compliment. Let them know that you hear them and that you care. Quickly fix problems and never let a customer walk away feeling like they were not heard or that you minimized their issue.
- **Adapt** your agency operations based on customer feedback to better meet your client's needs. Let them know that you heard them, valued their feedback and are creating the customer experience based on what they say they want.

IT IS SO MUCH EASIER TO BE NICE, TO BE RESPECTFUL, TO PUT YOURSELF IN YOUR CUSTOMERS' SHOES AND TRY TO UNDERSTAND HOW YOU MIGHT HELP THEM BEFORE THEY ASK FOR HELP, THAN IT IS TO TRY TO MEND A BROKEN CUSTOMER RELATIONSHIP.

— Mark Cuban

CHAPTER 7 CARE FOR NEW CUSTOMERS

NUMBER THREE: **THANK YOUR CUSTOMERS!**

- **Freebies:** A coupon can go a long way to adding value. Use email or even snail mail to offer coupons that say thank you and provide things like a cup of coffee, an ice cream cone, or a car wash.
- **Branded Items:** Offer an agency branded gift as part of a promotion. A calendar, a mug, or even a blanket will keep your agency on their minds and let them know you care about them.
- **Knowledge:** Offer a free insurance checklist, or maybe a disaster planner when a new customer signs up for your agency newsletter.



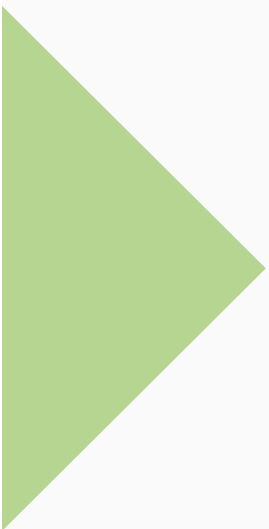
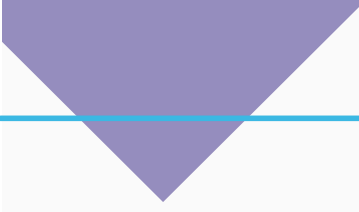
NUMBER FOUR: **“CUSTOMER CARE” EVENTS**

Invite all new customers to an event in your agency offices on a quarterly basis. You could present a free seminar on an insurance-specific topic like adding a teen driver, have a guest speaker talk about an important issue that impacts insurance availability such as flood or earthquake, or simply offer a time to talk and enjoy refreshments. Use all your social media accounts and e-communications to get the word out and ask your new customers to bring friend and/or family member along.

NUMBER FIVE: **BE ACTIVE IN THE COMMUNITY AND GIVE BACK**

Make sure your agency is involved in a local charity or community-serving non-profit, and encourage your fellow local businesses and commercial clients to participate as well. Use your newsletter and social media to tell customers about the cause you support and ask them to become active and donate. Engage all your employees in the cause and ensure that they know the reason for your involvement so that they can communicate that to clients. Make sure that your marketing materials highlight your community involvement. Don't make your involvement a one-time event. Showing customers you care should be an ongoing effort.

NOTES



CHAPTER 8 RETAIN CUSTOMERS AND GROW YOUR BOOK

RETAIN YOUR CLIENTS

Retaining your clients is one of the most important aspects of your agency's operation. It takes hard work to bring new clients to your agency, whether it's via through online or offline efforts, so it is critical that you work to keep them more than satisfied once they become your insureds.

Unfortunately, for many reasons, many agency owners focus much more on the sale and not enough on the retention when it comes to their clients. In order to maintain clients and have them to continue to come back and bring friends and family via referrals, savvy agency owners put in the effort to ensure that their retention strategies are as focused and measurable as their sales strategies. Fun Fact: Many studies have shown that \$1 paid towards customer retention increases profits by more than \$5 spent on new customer acquisition.

It is important to think of client retention as a sales strategy. If your insureds like you and the way you do business, they are going to send more business your way. Here are some ideas to consider to ensure that your insured retention rates remains high:

1. **Consider setting up a "retention" department.** This group would be in charge of insuring that all agency outreach is consistent and that every employee is held accountable for delivering an exceptional experience during every client contact. They should be creative and set up policies and procedures that ensure everyone is responsible for client retention. Reward success with small financial incentives if retention rates remain high!
2. **Institute a mandatory annual review of every insured.** It can be a five-minute "hey, what's new" phone call or an in-depth "live" meeting. These reviews convey your interest in your insureds and provide you with the opportunity show why working with your agency with expert advice and insurance knowledge to make them feel comfortable and secure with their insurance purchases.
3. **During those annual reviews, create a plan to cross-sell other insurance products.** Point out the need for these products and how they will benefit their insurance portfolio. Remember, the more policies the insured has with your agency, the more likely they will be to stay!
4. **If you know that a price increase is coming, get in front of it with your insureds.** Give them a call and provide them with all the information that you have about the increase and how it may impact their premiums going forward. Provide them options that might help offset the increase and be able to explain the impact their own actions may have had on the increase. They will respect your honesty and continue to value your advice in the future. Remember, an unexpected and unexplained premium increase is one of the biggest incentives for an insured to shop around for new coverage!
5. **Make insureds feel like family!** Send a birthday card, an anniversary card, a small gift for a new baby, or some flowers for a job promotion. If they feel like they are important to you and your agency, they will be much more likely to stay.
6. **Know that your clients might need your help to have a positive claims experience.** Proactively provide guidance on submitting a claim to the carrier and provide information on what to expect during the claims process. Consider providing all clients with a claims communication plan—a personal acknowledgement of the claim via a call, note or email, with your contact information in the event of any issue. Send them a quick survey after the claim to ensure that everything was handled to their satisfaction.

SOCIAL MEDIA AND **CLIENT RETENTION**

Social media is all about relationship building, so shouldn't your existing customers be the best place to start? People who have chosen to 'like' or 'follow' your agency tend to do so because they value the information you bring, or respect your thoughts on certain topics. These people can be your most loyal customers and elevate your brand awareness in the social sphere. They want to hear about your services and product, so it's important to use these channels regularly to make sure you're connecting with followers on a regular basis, ensuring they will reach out to you when they have a coverage question or need.

Social media has shifted power to the consumer and there are now new roles for buyers and sellers. Even before your first meeting, many customers will have done reference checks and reviewed your agency's reputation online on social media sites. Social media provides an opportunity for agencies to speak directly with their existing customers and reach new prospects. Responding to questions, concerns and other feedback will help boost your agency's reputation. If your agency is using social media, how do you measure whether social media is affecting your ability to keep customers? Consider that while social media measurement is a fairly new, your non-social customers can help you establish a control group so that you can compare how social media is affecting both client retention and agency growth.

- 1. Compare the retention rate of customers who came to your agency via social media channels versus those who didn't**, whether it is through your customer service efforts and separately for any leads that have been generated. Each renewal is worth a certain amount of revenue to your agency. Assign an average dollar value to customers and compare the value of a social media customer versus a non-social media customer based on retention rates.
- 2. Do the customers interacting with your agency on social media tend to also call your agency for help?** Generally, it costs significantly less to service a customer online. For the next month, keep a record of the number of customer interactions via phone vs online and the time spent on each interaction and calculate the cost of each interaction. You may be able to provide the client with the level of service they want at a cost savings to your agency!
- 3. Social media may allow you to turn complaints into opportunities.** These would be customers who had an interaction with your agency that is leading toward a cancellation, but the customer either comes back or doesn't cancel as a result of social media interaction. These customers are worth money to your agency and you will want to measure their value, as well as learn from the experience.
- 4. Are your social media followers more or less likely to buy more coverage?** If they are following your agency online, reading your agency blogs that provide information about innovative insurance products, learning more about how to better protect their assets, it is likely that you will see more opportunities to cross-sell. Set up a system to calculate how much revenue was generated from cross-sells directly from social media compared to non-social media customers to establish a firm return on your investment.

SOCIAL MEDIA CONCEPTS **TO GAIN AND RETAIN CUSTOMERS**

Experts in the Big “I” Agents Council for Technology (ACT) say it’s urgent and critical that agencies participate online. Those that don’t are invisible to the majority of potential customers who are searching for insurance information online.

SOCIAL MEDIA IS INTEGRAL TO PURCHASE DECISIONS:

- Types of online sources visited for company, brand or product info:
 - **70%** social media sites
 - **68%** company websites
 - **57%** online news
 - **49%** review sites
 - **44%** Wikipedia

[Marketo Definitive Guide to BtoB Social Media]

- 83% of B2B or Professional Services buyers’ research online before making a purchase decision (trovus.co.uk)
- More than half of Facebook fans say social media influences their buying decisions and 67% of Twitter followers report the same (iModerate)
- Of adults under 35:
 - **More than half (52%)** visit more than two websites before visiting a local business.
 - **63%** head to Google
 - **24%** visit Facebook
 - **21%** look to site reviews

[Marketingmatters.dexone.com, Daniel Kehrer 2/3/12]



SOCIAL MEDIA IS EFFECTIVE:

- Companies that blog have 55% more website visitors than those who don't
- 2/3 of marketers surveyed say their company blog is critical or important
- B to B companies that blog get 67% more leads,
- Companies that use Twitter average two times more leads per month than those that don't
- 79% of U.S. Twitter users are more likely to recommend a brand they follow.

[Hubspot]

YOUR COMPETITORS ARE ALREADY ONLINE:

Across all U.S. agency sizes:

- Facebook pages have an average of just over 200 likes
- The average Twitter account has 440 followers
- Respondents in the \$2.5MM-\$5MM and \$5MM-\$10MM revenue ranges are the most active in social media

[BH Burke & Co., Inc., 2012]

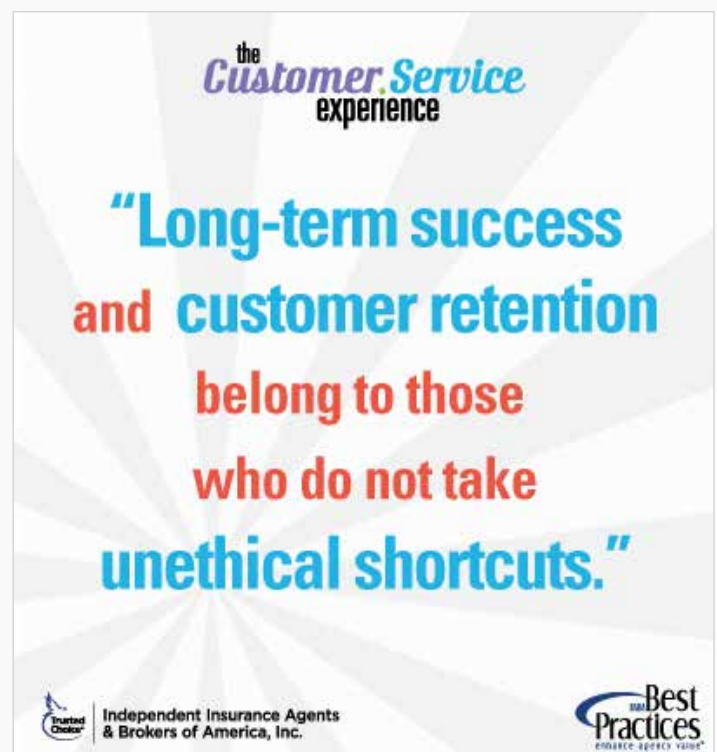
HOW TO ENGAGE USERS ONLINE:

Own a topic. Be the expert. Even when someone isn't ready for a sale, positioning yourself as an expert plants seeds of opportunity.

- 85% of all commercial accounts stay put every year. (Rough Notes, Producer Self-Management article by John Love, 8/2011) However, if you're top of mind as an expert, you're poised to claim a sale when the account might be ready for a switch.
- Avoid heavy sales messaging. Instead, tell the story from the customer's viewpoint.
- Don't be a know-it-all. Own a few true specialties.
- Be creative with your message delivery. Fifty-five percent of respondents said they would be more likely to consume white papers and analyst reports if they were delivered as podcasts."

[Podcasts Penetrate B2B Mainstream, MarketingVOX]

- **Encourage conversation.**
 - Reply promptly to customer comments. Follow up more directly if necessary.
 - Make comments on other appropriate sites as well. The more impressions you leave online, the larger your footprint and the better your search engine results will become.
 - Be genuine. Phony, canned responses that sound like a corporate speech track will do more harm than silence. In social media, it's ok to sound approachable, human and...social.



It goes beyond social media. Customers expect today's businesses to be technologically saavy.

People regularly use online reservation tools, purchase from online retailers and want the 24/7 flexibility only available through technology.

- Utilize survey tools such as Survey Monkey ([surveymonkey.com](https://www.surveymonkey.com)) or Zoomerang ([zoomerang.com](https://www.zoomerang.com)) to elicit regular feedback from both potential and current customers.
- Don't be afraid to ask "How are we doing?" Asking won't change the reality. But not asking might mask a potential problem and lead to the loss of an account.
- Ask specific, pointed questions and make the survey itself as short as possible.
- Send no more than four surveys a year.
- Screen your invite list to ensure you are asking only relevant respondents for feedback.



Automate and create as much 24/7 online access for the client as possible.

- Technology has bred impatience. Customers want to have their answers on their own schedule.
- Investigate opportunities for secure self-service portals and online customer service centers. But remember: even with automation, technology cannot replace a real person. Provide easy access to a live customer service rep.
- Redirect time savings created by technology back to client retention and new business. Be very conscious of this available opportunity and attack it with measured planning.

LIFETIME CUSTOMER **VALUE WORKSHEET**

This worksheet takes you step by step through the process of calculating the lifetime value of a new customer in your agency. The information you will need to complete the worksheet is available on most agency management systems by printing a production report. If your platform does not have this capability then look at your individual insurance company production reports. The production report should be for the last full 12 months of information available. For most this will be the most recent full calendar year.

	Personal Lines	Commercial Lines
A. Total Number of Customers <i>The total number of customers you have for each line.</i>		
B. Gross Premium Generated <i>Total gross premium generated by the customer in A.</i>		
C. Average Premium Per Customer <i>Simple average obtained by dividing Gross Premium (B) by Number of Customers (A)</i>		
D. Average Commission <i>Your overall average agency commission for each line.</i>		
E. Average Gross Income per Customer <i>How much you make on an average customer. Average Commission (D) times Average Premium (C)</i>		
F. Cost of Overhead <i>The amount of additional overhead costs you incur for each new customer. Generally this figure should not be over 10% (see note on overhead costs on the back)</i>		
G. Average Profit per Customer <i>Average Income (E) minus your Overhead Costs (F)</i>		
H. Endurance <i>How long an average customer stays with you. This may be a more difficult figure to obtain. Many company profit sharing agreements have a persistency figure as part of the final calculation. Look at your production reports for the last several years to get an idea of how long an average customer will stay with you. For example, if you determine that a customer stays with you for three and a half years use 3.5 for this calculation.</i>		
Total Lifetime Customer Value <i>Endurance (H) time Average Profit (G)</i>		

NOW THAT I HAVE IT, WHAT DO I DO WITH IT?

Now that you have calculated the Lifetime Value of your customers, how can you use this information?

With the Lifetime Customer Value calculated for your agency, you now have some very important information. Every time you convert a prospect into a customer, you know how much that new customer will add to your long-term profit. If the average marketing cost for a new customer is \$50 and the premium for a policy is \$500 and you make \$50 in profit, on the surface it seems that you only break even.

This is where most agents stop and make the costly assumption that their marketing efforts are not working. Because the client is likely to stay with the agency longer than one year, breaking even on the first year sale allows you to still make money in the long run. This allows the agency to take advantage of the full potential of their marketing dollars. Because you have calculated the Lifetime Customer Value, you now know that a new customer will be worth \$150 in additional profit to you over the next 3 years.

Your Lifetime Customer Value figure gives you specific data with which you can measure the effectiveness of your marketing efforts. It gives you the information you must know to determine whether you should continue any of your marketing efforts. It is not guesswork anymore.

Actually, you can even afford to give up the front end to acquire a new customer. Why? Because you know the initial cost of \$25-\$50 for the lead nets you \$150 over their buying lifetime. You make up the initial loss in the second year, with a \$25 net profit to boot.

ADJUST YOUR MARKETING APPROACH

Knowing the Lifetime Customer Value can help you start multiplying your marketing leverage as well.

For example, let's say you are currently spending \$50 to get someone to buy their first policy. This person will ultimately become worth \$150 more in their buying lifetime. But, if you can come up with a less expensive marketing approach that generates equal or superior quality prospects for only \$40 each, you can see what leverage you have. You have increased your future business (those \$150 lifetime sales) by 20% with no added costs to you. By increasing the number of prospects each marketing dollar produces, you increase every \$150 lifetime customer value by 20%.

You can further increase lifetime customer value by creating a consistent communication process to existing customers to encourage them to upgrade their existing policy coverage (higher limits, additional coverage) and to allow you to review other policies they don't currently have with the agency.

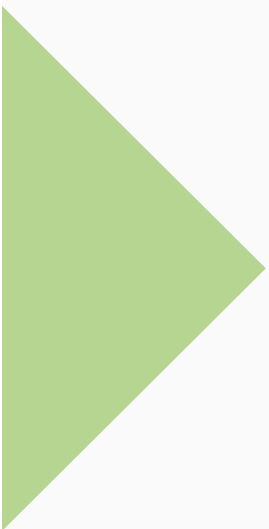
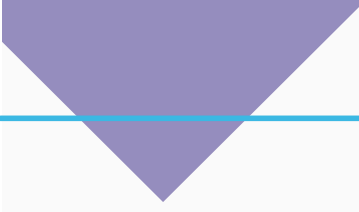
When you increase the average number of policies per customer and the average premium per policy, you've leveraged your profits again and again.

The Lifetime Customer Value calculation provides the agency manager with specific information in making marketing decisions. This figure is not static. It needs to be looked at and updated regularly.

A NOTE ON OVERHEAD COSTS

The Lifetime Customer Value calculation takes into consideration the cost of maintaining and servicing the customer. For an established agency, the existing customer base provides the cash flow necessary for the Lifetime Customer Value to be used most effectively. The overhead is being paid out of the income produced by the current customer base. For the purposes of this worksheet, we are only concerned with the additional overhead costs that each new customer will generate. This produces a much more accurate figure with which to work.

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CHAPTER 9 BE PROFESSIONAL AND TRUSTWORTHY

How do you measure your reputation with your clients?

Have you ever asked a client if they would continue to do business with you and your agency without qualms? Or, if they would refer their friends and family to you without any hesitation?

If you have and they answered “yes”, then you have already established an agency culture that creates trust and shows that you care about how they view your agency.

Maybe you haven’t asked, or maybe you have and have gotten some negative responses. What can you do to become a trusted agency in your community with a stellar reputation?



TIPS TO HELP BUILD THE TRUST **YOU WANT TO HAVE WITH YOUR POLICYHOLDERS:**

- **Always have your clients’ best interest in mind.** Be willing to forego personal gain to give your policyholders the best coverage at the best price. If you can’t help with them a particular need, don’t be afraid to refer them to someone who can.
- **Keep your promises.** If you tell a client you can meet their coverage expectations or budget, back those promises up. They won’t forget if the price is higher or if you assured them a claim was covered, when in reality it isn’t.
- **Be consistent.** An insured’s ability to trust you depends on consistent and persistent behavior. When a customer knows how you will behave, they are more likely to trust you.
- **Keep the conversations real.** Every meeting should be a conversation, not a sales pitch. You should spend half your time with each customer listening, and be sure that the conversation is relevant and has substance.
- **Be transparent.** Understand what it means to be transparent. Your clients are smart—they know when you are being truthful and upfront and when you’re lying. Don’t hide your mistakes and always address any issues or misunderstanding directly. Never avoid the topic and let them know what steps you’re taking to handle the issue and prevent it from happening in the future.

PROFESSIONAL AGENCY PRIORITIES:

- Take time to talk to clients personally.
- Know their accounts and needs.
- Advise them on tailored coverage.

 *PROFESSIONALS NEVER GUESS—THEY MAKE IT THEIR BUSINESS TO KNOW THEIR BUSINESS.”*

— Michelle Moore, Selling Simplified

PROFESSIONAL AGENCY PRIORITIES:

- Be knowledgeable about your company's products and be able to explain coverage.
- Understand client needs and expectations.
- Present the unique benefits (i.e., differentiators) that your agency offers to clients.
- Display certifications for training and memberships.
- Create and maintain a professional appearance.

PROFESSIONAL ADVICE AND ATTENTION BUILDS TRUST.**TACTICS TO BUILD TRUST WITH YOUR CLIENTS**

For many consumers, the most important element in a transaction is customer satisfaction. An important aspect of this is simply making the customer feel heard. Ten ways to do this:

1. **Know who is boss.** Henry Ford put it well: "Employers only handle the money—it is the customer who pays the wages." You are in business to serve customer needs, and you can only do that if you know what your customers want. When you truly listen to your customers, they let you know what they want and how you can provide good service. This is what pays your salary.
2. **Be a good listener.** Take the time to identify customer needs by asking questions and concentrating on what the customer is really saying. Listen to their words, tone of voice, body language, and most importantly, how they feel. Beware of making assumptions; i.e., thinking you intuitively know what the customer wants.
3. **Identify and anticipate needs.** Customers don't buy products or services. They buy good feelings and solutions to problems. Most customer needs are emotional rather than logical. The more you know your customers, the better you become at anticipating their needs. Communicate regularly so that you are aware of problems or upcoming needs.
4. **Make customers feel important and appreciated.** Treat them as individuals. Always use their name and find ways to compliment them, but be sincere. People value sincerity. It creates good feeling and trust. Customers are very sensitive and know whether or not you really care about them. Thank them every time you get a chance. Convey sincerity. Your words and actions should be congruent.
5. **Help customers understand your systems.** Your organization may have the world's best systems for getting things done, but if customers don't understand them, they can get confused, impatient and angry. Take time to explain how your systems work and how they simplify transactions.



TACTICS TO BUILD TRUST **WITH YOUR CLIENTS (CONT'D)**

6. **Appreciate the power of “Yes”.** Always look for ways to help your customers. When they have a request (as long as it is reasonable), tell them that you can do it. Figure out how afterwards. Look for ways to make doing business with you easy. Always do what you say you are going to do.
7. **When something goes wrong, apologize.** It’s easy and customers like it. The customer may not always be right, but the customer must always win. Deal with problems immediately and let customers know what you have done. Make it simple for customers to complain. Value their complaints. As much as we dislike it, it gives us an opportunity to improve. Even if customers are having a bad day, go out of your way to make them feel comfortable.
8. **Give more than expected.** Since the future of all companies lies in keeping customers happy, think of ways to elevate yourself above the competition.
9. **Get regular feedback.** Encourage and welcome suggestions about how you could improve. There are several ways in which you can find out what customers think and feel about your services.
 - Listen carefully to what they say.
 - Check back regularly to see how things are going.
 - Provide a method that invites constructive criticism, comments and suggestions.
10. **Treat employees well.** They are your internal customers and need a regular dose of appreciation. Thank them and find ways to let them know how important they are. Treat your employees with respect and chances are they will have a higher regard for customers. Appreciation starts from the top. Treating both customers and employees well are equally important.



“PEOPLE DON'T CARE HOW MUCH YOU KNOW UNTIL THEY KNOW HOW MUCH YOU CARE.”

— David Maister, True Professionalism

OTHER TACTICS

Employ an upbeat tone—essential in phone communication. If you write or email with customers, be sure to use proper grammar and spelling, and choose words and phrases that convey a similarly upbeat attitude.

A sense of humor can make a potentially stressful interaction more enjoyable. If a customer cracks a silly joke, she will appreciate it if you chuckle along with her. Make sure you never laugh at a customer (if they make a mistake or have trouble with something), but instead laugh with a customer.

Producers and CSRs should be familiar with client accounts and conversant on specific needs.

Agency-initiated communication with clients is a must.



Notify clients well before deadlines about options and changes in coverage. Verify or coordinate changes in coverage both by phone and in writing.

Respond to changes in customers' life cycles. Examples:

- Contact the insured before a child reaches driving age. Offer to explain to the child how he/she can help keep the family's rates to a minimum.
- Contact a policyholder nearing retirement age regarding an annuity.
- Recommend increasing policy limits/add a personal umbrella policy as clients gain assets.
- Conversely, set up reminders to yourself to recommend that clients decrease coverage of their automobiles as they lose value. You will gain great loyalty from doing this.

Encourage proper protection. Provide advance advice to policyholders in disaster-prone areas and to special-issue clients; e.g., pools, dogs, etc. Consumer advice is available at www.independentagent.com.

Have a customer satisfaction coordinator—a “concierge” of sorts—to oversee special activities over and above insurance services; e.g., birthday cards, holiday greetings, get-well notes. Correspondence should carry the agent's actual signature.

Conduct a full account review of each personal lines account at least every two years using a written exposure checklist. Include alternative deductibles, new products, policy limits and coverages.

NOTES



CHAPTER 10 BE READY FOR UNPLANNED COMMUNICATION

Is your agency prepared to deal with a call from an upset client with a major fire at an insured business, or simply an online negative review about your sales or service? While all different, all are likely unexpected and require internal planning and discussion to ensure that your response is timely and effective.

COMPLAINING CUSTOMERS

There will always come a time in every agency when a client is upset. Your challenge is to handle the situation in a way that leaves the customer satisfied and if you're lucky, you can even encourage him or her to serve as a passionate advocate your agency going forward.

You and your customer service staffs' ability to effectively deal with customer complaints provides a great opportunity to turn dissatisfied customers into lifelong customers.

Here are some tips to help ensure that you are ready to help when a complaint is made:

1. **LISTEN.** Hear what they have to say and don't interrupt until they are finished. Don't get defensive nor take the complaint personally and don't jump to conclusions
2. **REPEAT.** Once they have finished, repeat back what you heard and ask questions to better understand their perspective. You want to solve their problem, not argue with them, so empathize and look for ways to solve the issue.
3. **APOLOGIZE.** Remember that an apology will often diffuse the situation. Don't place the blame on another person or department. Simply let them know that you are sincerely sorry for the issue that is causing them concern.
4. **ASK.** Work with the customer to find an acceptable solution and you can start by asking them "What would be an acceptable solution to you?" They may not know, but making them a partner to solve the issue will assure them that you care about them and the outcome. Be prepared with a few solutions of your own to offer the client to consider.
5. **SOLVE.** If you need to work with someone else internally to solve it, do so quickly! Remember that customers prefer the person they are speaking with to be able to solve their issue. When complaints are sent upstream to be handled by others, it only adds to the customer's frustration.

There is no getting around customer complaints. But if you and your service teams use these tips to navigate through the client's issues you can turn challenges into growth opportunities.

SOCIAL MEDIA SCARES**NEGATIVE NEWS**

Even if your agency isn't using social media, someone is online talking about you. Wouldn't you like to be part of that dialogue? Wait and it could be too late.

- If you aren't already engaged online and talking about your brand, just one negative news story can rocket to the top of the search engine results.
- Every mention and every connection you create in cyberspace creates a rich network of brand content.
- If you haven't established your own content and claimed an online foothold for your brand on your own terms, it can become extremely difficult to make up lost ground later.

PROFESSIONAL RESPONSE TO A NEGATIVE REVIEW

So, someone posted a review on a social media site pointing out some a bad experience they had with your agency. What do you do?

1. Keep your composure and never engage in a virtual shouting match with someone online, even if the post was off base or even false. If the post is threatening or in some way may violate the Terms of Service for the site, flag it for the site's support team to review and possibly have it deleted.
2. Be civil and professional in your response to any online review. Give your professional perspective of the situation and offer a solution. It is important to show others that you have taken the time to address the poster's concern and have taken steps to solve the problem. If the poster is someone that you know professionally or personally, consider a private message or outreach through another method to discuss.
3. Don't respond to one compliment or compliant, but not others. Consistency is critical to establishing your online reputation! Consider having the marketing department be in charge of monitoring and responding to online posts about your agency.

DISASTER **COMMUNICATION**

Social media can also prove an important tool for reaching customers during disasters.

- Even when phone lines or power are interrupted, smart phones often still work.
- If you have generated a strong following online or have a contact list of customer cellphone numbers, you can maintain important communication during particularly difficult times. This is when your value as an agency can be solidified for life.



IMPORTANT **TIP!**

Many agencies already actively use social media, while others are still exploring it. For some, there are questions of whether social media sites will replace the need for traditional websites. While social media is an excellent way to connect with customers, increase visibility of the agency, and build relationships with prospects, its usage does have some E&O exposure. Check out the E&O Happens site for information about social media use and your exposure!

TEXTING?

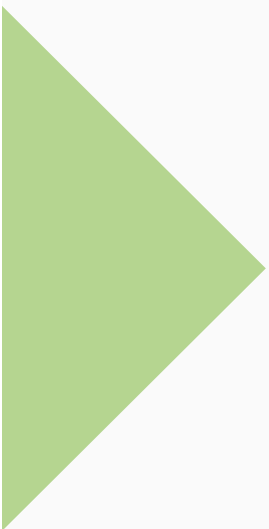
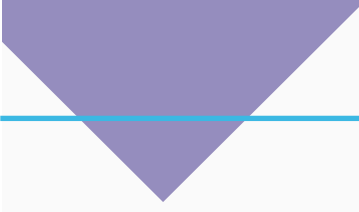
Do you text with your agency clients? If so, it's important to establish firm guidelines for texts and to understand the possible business implications as well as E&O issues that can come from accepting texts:

Consider these issues:

- **Critical Information Could Be Lost:** When you get a text, there is no easy way to file it with the rest of the insured's info. The information lives on your phone, and at the end of a long day, you may forget about it. There are some applications that allow you to send the text to email so that it could be filed, however, that's another touchpoint that will mean loss of your time and another place where the information could be lost.
- **Texting is Distracting:** If all your customers are continually texting you and/ or your service staff throughout the day, productivity will fall off. Every buzz or ding will necessitate a glance and create disruptions. And, will the text stop the minute your office closes for the day? Highly unlikely. An autoresponder may be necessary after hours informing texters that they will not hear back from you until the next business day and provide an emergency number they can call if necessary. Otherwise, family meals, date night and your sleep may suffer!
- **Unrealistic Expectations:** People who text expect an immediate response! It could make a client upset or even angry if you don't answer them within seconds. Your clients will need to understand that you can always respond to non-emergency texts immediately, as you might be with another client or driving to another appointment.

Consider adding verbiage to client communications outlining your text messaging policies. Be clear about how you want to communicate with them, set boundaries and stay consistent in how you respond or don't respond to text messages from clients!

NOTES



CHAPTER 11 PLAN FOR THE FUTURE

// THE FUTURE BELONGS TO THOSE WHO PREPARE FOR IT."

— Ralph Waldo Emerson



PLAN FOR THE FUTURE

There's no denying that the world of insurance is changing at an extraordinary pace. With the widespread reach of all things Internet, the vast array of technology tools and myriad access points for the latest information, a profound shift has occurred for agencies. Your insureds and future customers have more power than ever before, as they come to you having done research about the coverages they need, and having read reviews about your agency. Your employees are using new tools to service clients, improve workflows and simply sell insurance. They are also working more collaboratively and using the latest technologies to communicate with your clients and with each other. Social media has created the expectation that the workplace will be transparent, and that the use external resources will not only be allowed, but also required.

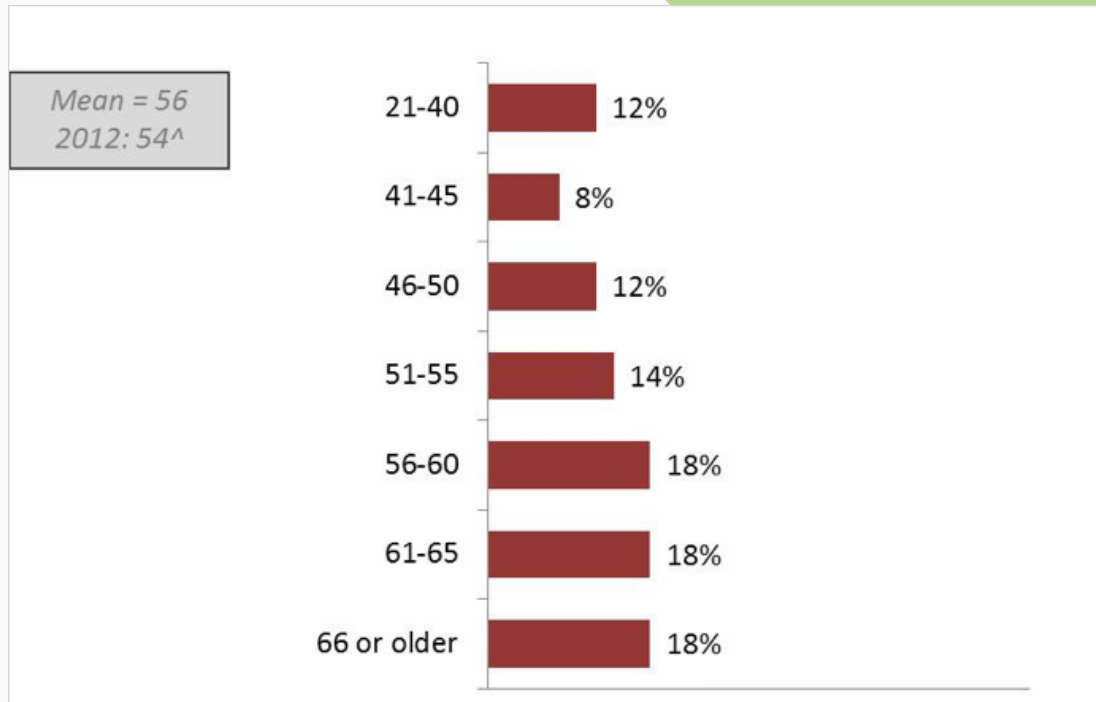


THE FUTURE **IS NOW!**

THE WAR FOR TALENT

Did you know that the number of professionals age 55 and older is 30% higher in the insurance industry than the rest of the economy and that by 2020 our industry will have an estimated 400,000 job openings? Agencies over the next 10 years will see a large number of retirements as the agency workforce ages. You must start now to find and hire the most promising and smartest workers to keep your agency competitive and relevant and able to provide the service your clients using efficient and techno-savvy means!

AGE OF PRINCIPALS WITH 20+% OWNERSHIP



THE AVERAGE AGE OF PRINCIPALS WITH 20% OR MORE OWNERSHIP IN THEIR AGENCIES IS 56 YEARS OLD, WITH 18% OF THOSE PRINCIPALS AGE 66 OR OLDER.

YOUR CUSTOMERS **ARE GOING TO BE DIFFERENT**

A key to your agency's future success is understanding that your customer base will change and evolve as the U.S. demographics change. Your customer service team needs to be able recognize and work effectively with customer diversity, which will include woman, the five generations (matures, Boomers, GenX, GenY and GenZ, as well as racial and ethnic groups, such as Hispanics, Asians, and African Americans. Also, included are new customers that may be defined by key lifestyle attributes, such as the LGBT community. Acknowledging and creating a customer experience to meet the needs of a diverse client pool will help you create a competitive advantage over agencies not addressing customer diversity.

The Generations Defined

The Millennial Generation*

Born: 1981 to 1997

Age of adults in 2015: 18 to 34

Generation X

Born: 1965 to 1980

Age in 2015: 35 to 50

The Baby Boom Generation

Born: 1946 to 1964

Age in 2015: 51 to 69

The Silent Generation

Born: 1928 to 1945

Age in 2015: 70 to 87

The Greatest Generation

Born: before 1928

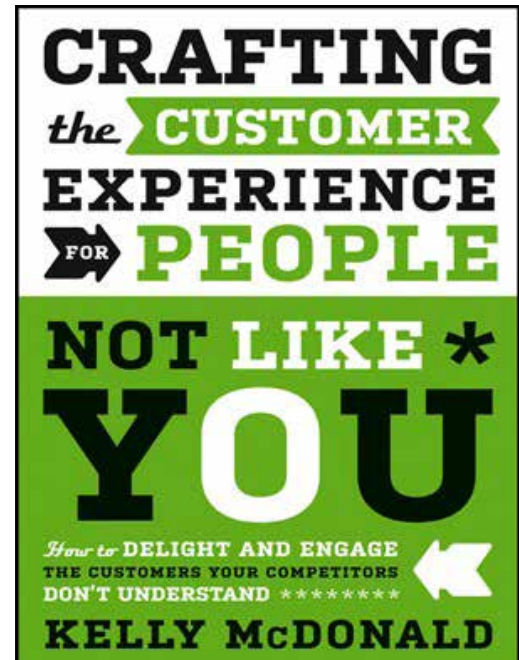
Age in 2015: 88 to 100

* The youngest Millennials are in their teens. No chronological end point has been set for this group. For the purpose of following a cleanly defined group, Millennials are defined as those age 18 to 34 in 2015.

PEW RESEARCH CENTER

“PEOPLE ARE MORE DIVERSE THAN EVER BEFORE AND OUR DIFFERENCES MANIFEST THEMSELVES IN A NUMBER OF WAYS. IT MAY MEAN DIFFERING EXPECTATIONS ABOUT THE SPEED OF GETTING INFORMATION-WITHIN SECONDS OR BY THE END OF THE DAY. IT MAY MEAN DIFFERING PREFERENCES FOR COMMUNICATION-TEXT VERSUS A PHONE CALL OR FACE-TO-FACE MEETING. EVEN RACIAL, ETHNIC, RELIGIOUS, GENERATIONAL, AND GEOGRAPHIC DIFFERENCES COME INTO PLAY WHEN SATISFYING CUSTOMERS’ SERVICE EXPECTATIONS.”

– Kelly McDonald



[Available on Amazon.com](https://www.amazon.com)

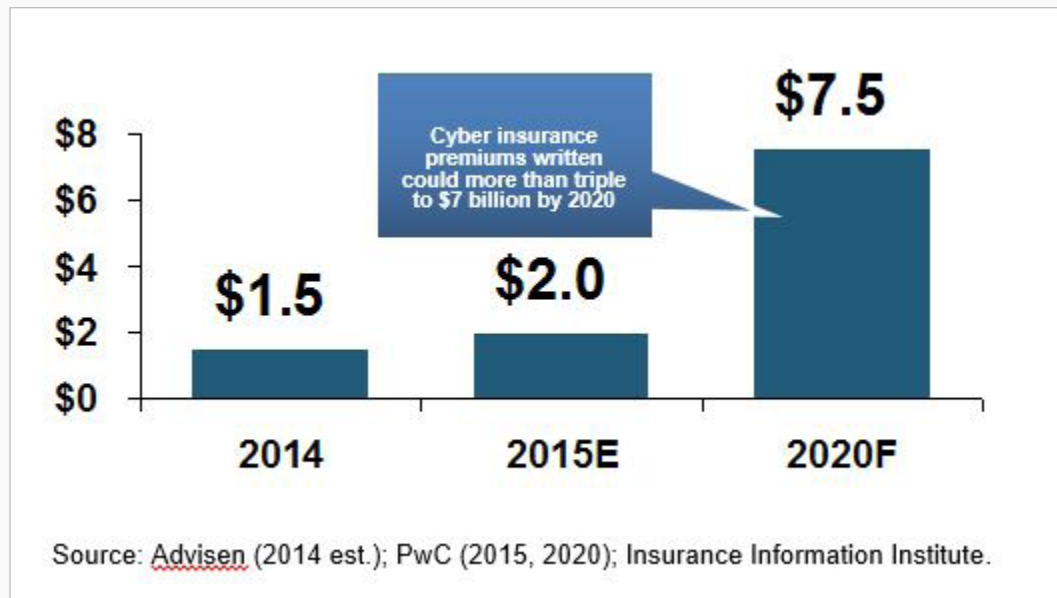
Please check out www.independentagent.com/diversity for information and resources to use in your agency!



LEARN ABOUT **INDUSTRY DISRUPTERS!**

Telematics, the Internet of things, driverless cars, drones, cybercrimes and on-demand everything disrupt the industry! Is your service staff up-to-speed on these things and can they help current and new customers effectively navigate the marketplace for the proper coverage? What about things like ridesharing or homesharing? Do they know the underwriting criteria of each of your markets and how these issues are handled company by company? The insurance industry is addressing some of these issues head-on and adding new product lines, endorsements, exclusions and sending out reams of information. Education is critical to protecting your clients and your errors and omissions exposure!

ANTICIPATED GROWTH OF CYBER LIABILITY MARKETS



Source: Advisen (2014 est.); PwC (2015, 2020); Insurance Information Institute.

Please see information and educational materials addressing these topic in the [Big "I" Virtual University](#).

STAYING SOCIAL

Agencies must be vigilant to catch the next wave before it passes by, taking customers with it. Consider just these latest online trends:

- While Facebook continues to lead the social media pack with 1.15 billion active monthly users, Google+ is quickly gaining steam, and now has the second highest number of monthly users—343 million. (cosida.com)
- Visual content is vitally important. Is there application for your agency on Pinterest, Slideshare, Tumblr, Path and Mobli? If you don't know what these sites entail, get online and investigate what your customers and competitors are doing there.
- Be sure to include video content when appropriate. From longer format options via YouTube to six second mini-videos via Vine, remember that a picture can say a thousand words. Yes, you're in insurance, but you can have fun; be creative.

Between the time this information was released and you are reading it, it's likely something new has come to the forefront. Stay engaged.

And, don't forget that even if you aren't using every technology or communication tool for your own agency, *your client might be*. You better know what they are using in order to recommend steps for managing their risks.

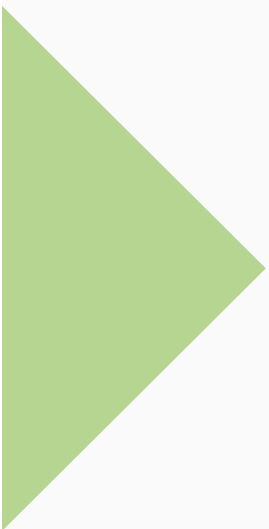
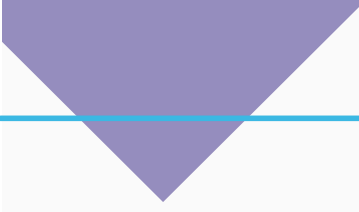
MONITOR AND MEASURE

Many firms are frustrated by social media, in particular, because it can be difficult to capture a monetary ROI. But there are other important measurements you can use to gauge effectiveness (be sure to start with a baseline measure.)

- Website traffic
- # of new business partnerships
- Exposure
- Search ranking
- Number of qualified leads captured
- Number of likes, follows, comments etc.
- # of successful closed business leads
- Reduction in marketing expenses



NOTES



Like what you see?

All Customer Service Experience content including web links, downloadable PDF checklists and related resources are available online for digital access.

Visit <http://www.independentagent.com/csexperience> or email bestpractices@iiaba.net for more.



Independent Insurance Agents
& Brokers of America, Inc.

CHAPTER 1 CHECKLIST - "MEET TODAY'S INSURANCE CONSUMER"

WHAT TO THINK ABOUT

	How do consumers I want to work with shop for service providers?
	Which clients can I ask to provide customer reviews and testimonials?
	How do consumers communicate: What tools (e-mail, phone and text, for example) do they want to use to send and receive information?
	How do clients and prospects view my agency's responsiveness?
	In what environments (social networks and websites, for example) do consumers want to interact?
	How can I reach out to and respond to consumers who are using mobile devices (phones and tablet computers)?
	What makes consumers stay? Why do they leave?

WHAT TO DO

	Decide what strengths and characteristics you want to highlight in the marketplace.
	Be visible and accessible, in the online world as well as in your physical community.
	Think about the common questions and issues that you help people and businesses deal with.
	<p>Create content based on those issues.</p> <ul style="list-style-type: none"> - Blog - Newsletter - Social Networking Profile - Website
	Find and highlight content published by others related to those issues.

CHAPTER 2 CHECKLIST - "BRING REAL MEANING TO CUSTOMER SERVICE"

WHAT TO DO

<input type="checkbox"/>	Review your client list and delineate them by type, i.e. new, established, at-risk.
<input type="checkbox"/>	Create a contact calendar—when and how will you reach out to each client. Quarterly in-person updates, monthly status reports, weekly email checks—whatever best suits your client needs.
<input type="checkbox"/>	Identify key agency benefits that should be communicated and reinforced with your client.
<input type="checkbox"/>	Be sure to highlight the advantages of working with an independent agent.
<input type="checkbox"/>	When new products or services are introduced, review their benefits with clients.
<input type="checkbox"/>	Position yourself as a resource.
<input type="checkbox"/>	Adjust the overall client care approach as needed based on client concerns. You don't want to under-communicate—but nor should you over-communicate.

CHAPTER 3 CHECKLIST - "KNOW YOUR AGENCY"

WHAT TO THINK ABOUT

	Define and communicate your agency culture, core values, vision and mission.
	Identify measurable goals.
	<p>Commit resources.</p> <ul style="list-style-type: none"> - Outside marketing experts - Internal marketing oversight
	Be consistent with message content and brand personality.
	<p>Create a marketing plan</p> <ul style="list-style-type: none"> - Identify your target market(s) - Determine how to reach them - Determine how to communicate your brand in ways that reinforce your agency definitions
	Focus on service in every client interaction.

CHAPTER 4 CHECKLIST - "UNDERSTAND YOUR MARKETPLACE"

	<p>Expand your market. Technology makes it possible and imperative that you look beyond your immediate geographic market.</p>
	<p>Leverage technology. Use it to gain operational and communication efficiencies. The time freed up can be used on client retention and new sales.</p> <ul style="list-style-type: none"> <input type="checkbox"/> If you still have a paper-driven office, you're well overdue on this checklist item. <input type="checkbox"/> Be sure you have adequate backup and emergency plans in place to secure electronic documentation.
	<p>Personalize your approach. This service advantage versus carriers remains an agent trump card. While you should be leveraging technology, don't let it replace face-to-face contact altogether.</p> <ul style="list-style-type: none"> ○ Note that you can even translate this personal approach to your online communication. Even e-mail should feel personal and not like mass mailings. Carriers don't have the same ability to pull this off, so use this to your advantage, i.e., include personal notes if appropriate: <i>"Saw in today's paper that your son had the winning touchdown. Looking forward to hearing about his season at our next meeting. Until then, here are the policy details you requested..."</i>
	<p>Specialize. Focus on a few industries and sell yourself as an expert. When you become the go-to resource, it is more difficult to be replaced. Generalists seldom get ahead anymore.</p>
	<p>Partner with carriers. Work with, not against carriers. They are typically eager to help develop sales tools, marketing presentations, research and information. It becomes a win-win for carrier and agent.</p>
	<p>Expand communication: Be available where your customer is looking, when they are looking (translation: get online!)</p>

CHAPTER 5 CHECKLIST - "MOTIVATE YOUR TEAM"

CHECKLIST

- Include staff in the planning process.
- Identify how you will measure growth or progress against the plan.
- Tie individual rewards to agency success. Make this part of an employee's annual review.
- Personalize rewards to individuals, recognizing that everyone has different potential motivators.
- Regularly update the entire staff on plan progress or changes to the plan.
- Solicit feedback and employee suggestions for improvement.
- Recognize milestones and reward daily effort toward goals.

MOTIVATIONAL FACTORS INVENTORY

Have each employee complete this inventory and have all owners/principals complete as well. It can be completed anonymously!

Rate the importance of each factor on a scale from one to 20 (one being most important).

- | | |
|---|---|
| ___ Excellent benefits package. | ___ Inherent satisfaction, a feeling of achievement. |
| ___ Recognition of accomplishments. | ___ Good morale, a team feeling. |
| ___ Better than average compensation. | ___ Freedom and room to grow. |
| ___ Plush office amenities. | ___ Published agency policies that are fair. |
| ___ Thinking that my job is important, and contributes to the success of the company. | ___ Opportunities to experiment and take risks. |
| ___ Job security - little chance of losing my job. | ___ Flexible working hours. |
| ___ Knowing what's expected of me, where I stand, and what I need to do. | ___ High goals that require me to stretch. |
| ___ Good working conditions. | ___ Knowing that my skills and abilities are challenged |
| ___ Responsibility with authority. | ___ Promotion and compensation based on performance. |
| ___ Awareness of what's going on in the agency. | ___ Power and prestige. |

How did your answers compare with those of your employees? The answers may provide indicators of areas in which you and your agency operation can be improved.

CHAPTER 7 CHECKLIST - "CARE FOR NEW CUSTOMERS"

	Be deliberate with new clients. Don't get lost in the processes that are second nature to you and forget that every aspect of this new relationship needs to be explained to the client.
	Respect clients' internal processes. You need to mold the account structure to meet their demands, not the other way around.
	<p>Consider creating a new-client manual</p> <ul style="list-style-type: none"> ○ Include contact information ○ Details about your firm ○ Standard processes <ul style="list-style-type: none"> ▪ Forms, procedures ▪ Online resources ▪ How clients can register complaints ▪ After-hours access information ○ FAQ ○ Corporate philosophy/approach to risk
	Assign an individual the responsibility for overseeing the new client relationship. This person will not to handle all communication but will ensure that the new account is off to a smooth start and all contact points are established based on areas of responsibility.
	Monitor the client's comfort level with processes and agency staff. This — not the calendar — should dictate when a client transitions from "new" to "established."
	Take steps to continually evolve customer care, as good customer care should never end. Even established clients deserve ongoing, dedicated oversight.

CHAPTER 8 CHECKLIST - "RETAIN CUSTOMERS AND GROW YOUR BOOK OF BUSINESS"

	Identify appropriate social media tools that match business goals and client expectations.
	Designate social media experts within your firm who can create a genuine, consistent online tone-of-voice for your brand.
	<p>Develop a communication schedule. Do not allow social media content to grow stale.</p> <ul style="list-style-type: none"> • Suggested social media scheduling: <ul style="list-style-type: none"> ▪ Blog: weekly or bi-weekly ▪ Twitter: 2-3 times weekly ▪ Facebook: weekly ▪ LinkedIn: weekly • You do not have to always post original content (except on the blog). Share relevant links and industry information that site visitors would find useful.
	Maximize agency time by utilizing available technology tools. Ensure all users are adequately trained and comfortable. Communicate any changes that may result to clients ahead of the switch.
	Monitor your own brand, competitors, customers and potential customers online.
	Don't assume you have to do everything at once. Add social media tools as your resources and comfort level allows. The key is to <i>get started</i> .

CHAPTER 9 CHECKLIST - "BE PROFESSIONAL AND TRUSTWORTHY"

	<p>Listen to your prospective clients to learn what they need. Once you've discerned and confirmed what the client needs, write a proposal for new business, which should clearly include:</p> <ul style="list-style-type: none"> • A lead paragraph summarizing the prospective client's needs and problems. • A second paragraph with a solid presentation of how your business can provide solutions. The key here is to promise solutions you can deliver. • All winning business proposals clearly outline the benefits to be gained from doing business with you. If your business offers complete confidentiality and can meet tight deadlines, state it in your benefits section. • You also need to outline your agency's differentiators. You must show how you're different (i.e., better) than competitors. • Proposals for new business should clearly explain coverages and options.
	<p>A professional, customized agency brochure should be used for proposals and should also be available on your web site.</p> <ul style="list-style-type: none"> • Clearly state differentiators. • Include agency history, such as agency involvement in the community. • Describe agency specialties. • Include testimonials from satisfied clients. • Google "professional customized agency brochure" to explore affordable, downloadable brochure templates.
	<p>An alternative to an agency brochure is an agency folder, a 9 x 12 file folder or portfolio, perhaps with pockets, printed with your agency's logo and tagline, into which you can tuck the insurance product pages that relate to your prospective client.</p> <ul style="list-style-type: none"> • Cross-sell by tucking personal insurance pages into a folder for a commercial lines client. • Don't just leave the piece, go over it with the client and field questions. The extra time this takes means it's more likely the client will look at the folder again and choose your agency, which justifies the expense of printing the folder.

CHAPTER 9 CHECKLIST - "BE PROFESSIONAL AND TRUSTWORTHY"

	Maintain branded insurance product pages that explain each product type for both commercial and personal lines, and their different levels. The pages should be formatted within your agency's proposal template and carry your logo and tagline.
	Print a calculator on the back of each product page, and point it out to clients, so they can figure out for themselves how much insurance they need, if they prefer.
	Post these insurance product pages on your web site. Update as needed
	Create a calculator for each product on your web site so clients can see how much insurance they need.
	In the folder, include a page with testimonials from satisfied clients.

CHAPTER 10 CHECKLIST - "BE READY FOR UNPLANNED COMMUNICATION"

	Establish online accounts and commit to regular content generation.
	Increase search engine optimization by linking to other sites and commenting regularly on other webpages.
	Monitor online ranking.
	Engage a web designer to maximize search engine optimization.
	Collect and maintain accurate customer cellphone number calling lists.
	Back up calling lists and store in a secure, off-site location with multiple agency staff.
	Create a disaster call plan. Assigned contacts ensure everyone can be reached efficiently.

CHAPTER 11 CHECKLIST - "PLAN FOR THE FUTURE"

	Expect change, don't fight it. Remember when email first arrived? Or voicemail? Make sure you stay current with customer expectations regarding communication, customer service and technology. They are often inexorably linked together.
	Be where your customers are and be talking in ways that engage and support your brand.
	Create measurements to make sure your team is leveraging the tools you select.
	Don't forget the importance of human connections too. Networking and industry insight happens both online and in person.
	Continue leveraging your industry—the Big I and other organizations can take on some of the heavy lifting related to spotting trends. Rely on their insight and expertise.
	Share what you learn with others—clients, potential clients and agency staff.

HELPFUL LINK TO **DEMOGRAPHIC RESOURCES**

<https://www.sba.gov/offices/headquarters/oeo/resources/2836>

SOCIAL MEDIA **WEBINAR**

Getting a Grip: How to manage your independent agency's social media

<http://www.independentagent.com/Resources/AgencyManagement/ACT/Pages/webinars/recorded-webinars/Agency-Management-Social-Media.aspx>

courtesy Agents Council for Technology

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Customer service experts

<http://www.independentagent.com/Education/VU/Agency%20Management/Customer-Service/default.aspx>

Insurance articles written from a consumer perspective

<http://www.independentagent.com/Education/VU/Pages/featured-resources/consumer-articles/consumer-articles.aspx>

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