



PIA PARTNERSHIP TOOLS
FOR PROFESSIONAL INDEPENDENT AGENTS

Asking Customers the Right Questions

Agency Development Program

Customer Relationship Guide

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Introduction

This guide has been created by the PIA Partnership.

The PIA Partnership, originally established as the Company Council of Executive Officers (CCEO) in 1969, is a group of insurance companies who share resources and work closely with PIA National to conduct research and provide tools and resources designed to benefit Professional Independent Insurance Agents.

Partnership companies include:

Encompass
Erie Insurance
Hanover Insurance Group
Harleysville Insurance
Liberty Mutual Insurance
MetLife Auto & Home
Motorists Insurance Group
Progressive Casualty Insurance Company
Selective Insurance Group
State Auto Insurance Companies
The Central Insurance Companies
The Hartford

The Partnership's current focus is to provide easy to use tools – specifically developed for Professional Independent Insurance Agencies. These tools can help agents make the most of their inherent advantages by leveraging their unique value proposition and insurance customers' clear preference for "someone they can trust to help them take care of their insurance needs."

The Voice of the Customer

As business entrepreneurs, agency owners and principals naturally focus on the growth and profitability of their agencies. And, when it comes to building solid and sustainable business practices, we know that "the customer is always right. So what does the customer have to say about their expectations from an agency? To help answer this question a large scale PIA Partnership Research Project "Touchpoints – The Voice of the Customer" conducted in 2011 probed more deeply into consumer attitudes about their preferences regarding insurance.

This, first of its kind, survey of personal lines insurance customers is national in scope and represents the opinions of not only independent agency customers, but also those purchasing through online, direct and captive channels as well. With a 95% confidence level and +/- 4 % margin of error (the same level of accuracy typically cited by Gallup for their surveys) the results are highly reliable and representative of the entire US insurance buying public.

Among its key findings, the survey shows that, “After good value, customers want to be able to trust someone who will take care of them when it comes to insurance.” In other words, your customers value the fact that you are there for them and that you can be trusted to help look after their needs when it comes to insurance protection.

Our new PIA Partnership tools (including this one) have been created to help agencies and their clients and customers mutually benefit from a relationship that is based on trust and offering protection that truly meets customer needs and expectations. These tools can be used to help agents maximize growth and profitability based on the unique goals and objectives each agency establishes when using our growth and profitability calculators.

About this guide

Your agency already knows its personal lines customers and has the information you need to be technically compliant and provide the service necessary for the account. But are you asking them the right questions that will help your agency achieve better growth and profitability? Many successful agencies are already blending service calls with the ability to uncover new business opportunities by simply **asking the right questions**.

This is a win-win-win proposition. When you're asking the right questions the right way – that is, right from the customer's perspective, **the agency wins** by strengthening the agency/customer relationship. This results in new revenue, improved retention and higher profitability. **The customer wins** because they receive the triple benefit you offer beyond merely price:

- Coverage that meets their unique needs
- Convenient personalized service
- Competitive price and value

And agency CSRs win when they meet customer needs by helping provide more of what your agency has to offer.

This “**Customer Relationship Guide**” is an important part of the program your agency is using to implement the “**Asking the Right Questions**” program

. This guide will help answer 4 questions

- 1. Why is it important that your agency is asking its clients the right questions?**
- 2. Why is it important to your clients that they are asked the right questions?**
- 3. What is your role in this program as a “customer relationship manager?”**
- 4. How will this program get up and running in our agency?**

QUESTION 1:

Why is it important that your agency is asking its clients the right questions?

Asking the right questions can lead to uncovering opportunities that may have always been there – but never identified. These are opportunities for account – rounding, cross – selling, and referrals which in turn lead to both growth and stability for your agency.

When customers find an insurance agency they trust, can take care of their needs and provide comprehensive service and expertise, they're often reluctant to go anywhere else. That agency becomes indispensable to them, and they in turn are less likely to shop your competitors trying to find the lowest price. In other words, they become your loyal customers. Loyal customers are much more likely to recommend and refer your agency to their friends and relatives. And, loyal customers are much less vulnerable to competition.

Whether you account round and cross-sell or not, many of your competitors likely are. And customers who are looking for more from an agency are quite likely to leave when another agency or distribution system is paying more attention to them and offering more than you, oftentimes, even if the cost is higher. Conversely, your customers are less likely to leave your agency for a cheaper price if the cheaper company doesn't provide the comprehensive services they are looking for.

When considering the overall agency book of business, even though personal lines may not be as "high ticket" as commercial lines, diversifying the agency book has always helped reduce vulnerability to market changes and bring in more steady revenue over the course of time.

An important part of both establishing and maintaining client relationships, and protecting your agency's personal lines book of business, lies in clearly communicating and offering them your agency's complete ability to meet their needs. And doing this in a way they can easily understand, appreciate and value.

QUESTION 2:

Why is it important to your clients that they are asked the right questions?

When you ask your clients the right questions it is one more way of letting them know that you are there for them and that **you can trusted to look after their need for insurance protection**. Does this sound familiar at all? It should, because it is exactly what insurance customers said they were looking for in the survey we presented at the begin of this guide (see pages 1&2).

It is important to continuously communicate to your clients your agency's ability to meet their insurance needs. In fact, in some cases clients may not even realize you offer other lines of insurance unless you tell them.

An important part of the value you have to offer is convenience. When you are providing them with more than one line of insurance you make it easier for your clients because they can deal with your agency for more of their insurance needs. It saves them time, added paperwork and the headaches of dealing with multiple companies for multiple needs.

In many cases, you can also help make their insurance more affordable. By "bundling" coverages you are able to help them take advantage of greater discounts and cut down their overall insurance costs.

QUESTION 3:

What is your role in this program as a “customer relationship manager?”

The clients you are already dealing with trust you and know that you’re there for them. So, your role as a “Customer Relationship Manager” is important not only to your agency but even more importantly, to your clients themselves.

Unfortunately, our own perceptions of “pushy salespeople” can sometimes stand in the way of making available to clients everything our agency has to offer. It could be the case that we, as a result of our own experiences, could perceive cross-selling by **asking the right questions** as being “pushy” – when, in fact, it is a way to serve clients better. As their “customer relationship manager” you play an important role in helping your clients manage risk. By **asking them the right questions** you are both helping clients and helping build stability for both them and your agency.

When you can offer clients everything they need, it's best for everyone.

As you work with others in your agency to implement this program, repetition is key. Whether it's playing the piano or throwing horseshoes, the more you do anything, the easier it becomes and the better you get. And repetition is key to success when **asking customers the right questions**.

Another key to success is commitment. It is essential. Your agency is committed to this program and it will only work if everyone in the agency shares that commitment.

QUESTION 4:

How will this program get up and running in our agency?

Your agency has chosen to focus this program on specific types of customers and lines of business. You have an important role to play as a part of the team.

The title of this program quite simply and directly describes what we will be doing as an agency **“asking the right questions.”**

Here are the steps involved:

- Choosing the customer types the agency will be focusing on
- Identifying who, in the agency, will be asking the right questions
- Establishing a meeting to discuss ways to best ask these questions and how to follow-up with the ways in which our clients respond
- Making it clear where to turn for questions and support.
- Determining how the results of this program will be measured.

The next step:

The next step for your agency is to hold a meeting to kick-off this initiative. Those who are part of this meeting, such as yourself, are those who will be critical to success. Depending on the type and size of an agency, the meeting can involve several departments or simply be one-on-one.

On the next several pages you will find a worksheet you can use during your meeting to kick-off this initiative. A specific agenda for the meeting will be determined by the meeting leader.

KICK-OFF MEETING WORKSHEET

Use this worksheet to capture information that will be important to your role in your agency's "Asking the Right Questions" program.

Meeting date & time: _____

My client group: _____

Additional specifics:

Questions for my clients:

When to ask these questions:

What to do if I have questions or unanticipated issues arise:

How the results will be measured:

Date to begin: _____

Additional notes:
