



BEST'S REVIEW

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Agent/Broker



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There's a lot of sexy software out there and it's easy for insurance agents and brokers to become enamored with products that automate everything from data management to customer service to policyholder communications.

Indeed, entering a relationship with a technology vendor has many parallels to marriage. Such partnerships can be fruitful and enduring; getting out of a bad one can be downright ugly.

Most agents and brokers were

never trained to evaluate software purchases with a critical eye, and often jump in for reactionary reasons. So how can they forge a successful relationship that will lead to happier customers and higher profits?

Look for warning signs like inflexible software and problems with system reliability and scalability. Be keenly aware of the firm's responsiveness during the sales process. Homan prefers to have one point of contact but wants to meet the team, too. Transparency is another sign of a good vendor; hidden costs and processes may create buyer's remorse.

When the cheery salesperson fades from contact and the honeymoon ends, the real commitment begins. The best formula is to define expectations and processes up front. "Responsiveness from the vendor is our No. 1 demand, even if that means saying 'We'll get back to you,'" said Homan. The amount of customer contact made in the first three months is a clear indicator of the vendor's commitment to your agency's success, he added.

Comprehensive training should be available in a variety of formats, including prerecorded and live webcast sessions; regular product updates; best-practices ideas through newsletters; and a knowledgeable customer hot line, staffed at hours that coincide with your workday. A good vendor also will help to effectively market an agency's technologies to its clients.

Success, Homan advises, is not all on the shoulders of the vendor—in fact, most failures are due to poor user adoption. Before buying a software application, make sure your producers are product champions who can "state the product's value proposition in 20 seconds."

Firms also have to recognize that busy people won't adopt new work habits easily. Many have shaken their phobia of adding overhead expenses and hired coordinators whose main job is to manage applications.

Finally, Homan said, don't be afraid to ask tough questions. Like a healthy marriage, open communication during the courtship and beyond are essential to a long-lasting relationship with your technology partners. **BR**

Marriage Counseling

Look for signs to determine if a prospective tech vendor is a dream or a nightmare.

As you size up potential providers, remember: Actions speak louder than sales pitches.

Dave Homan, marketing and corporate communications director for the Ohio-based brokerage firm McGowan Brabender, knows a thing or two about technology partnerships. He concedes that most insurance pros, by nature, are not technically savvy.

Cool technology alone doesn't cut it, he observes; insurance people need a partner who will back up their solutions with customer service and flexibility. "We think of technology vendors as an extension of our organization," Homan said, "and won't risk jeopardizing our clients' perception of us."

The courtship is a time to be careful of the promises of salespeople. Instead, probe the stability of a potential partner before signing the contract. Homan advises extensive Google searches, requesting a client list and calling referrals as well as lost customers.

Experience and size of the firm are important, too. "For us, a start-up can be a non-starter," he said.

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