Information and planning steps you can use to make the most of...

Your Touch Point Advantage

ACCOUNT ROUNDING ACTION PLAN

Many agencies are satisfied to just take account rounding opportunities as they come along. If a CSR gets a positive response to their suggestion to a customer that they might save money by combining home and auto with the same company, they'll offer to provide a quote. Or, if a customer has a concern about liability limits, an umbrella policy might be suggested.

But what about taking a proactive approach to account rounding?

We know that the customer can benefit from combining policies and having a single point of contact for insurance. Agencies with well-rounded accounts gain from incremental increases in commission income, efficiency and greatly improved retention. And it's more profitable to give great service to 1,000 customers with two or three policies each than it is to try and find and sell 2,000 or 3,000 monoline accounts you will have difficulty servicing and retaining.

IT'S MORE PROFITABLE TO GIVE GREAT SERVICE TO 1,000 CUSTOMERS WITH TWO OR THREE POLICIES EACH THAN IT IS TO TRY AND FIND AND SELL 2,000 OR 3,000 MONOLINE ACCOUNTS YOU WILL HAVE DIFFICULTY SERVICING AND RETAINING.

Here is an outline of steps you can take to develop your own account rounding action plan:

Which customers do you target?

For obvious reasons monoline accounts should be a priority. Especially since much of today's marketing focuses on discounts, the appeal of a multi-policy discount is easily understood.

However, since the results of your effort will be to build deeper relationships with your customers by knowing more about their lives and needs, you want to decide which customers to target.

You'll also want to use reports from your customer database to target customers with the greatest growth potential for your agency.

Consider factors such as:

- Age
- Marital status
- Purchasing a newer model year car
- Having a higher value home
- Their length of time with the agency

These tools are being made available for your use by PIA and The Partnership.

The Partnership

PIA recognizes and appreciates the participation and support of the following Partnership companies:

- Central Insurance
- Encompass
- Erie Insurance
- Harleysville
- The Hartford
- Liberty Agency Markets
- MetLife Auto & Home
- Motorists Insurance
- Progressive
- Selective
- State Auto
- Travelers

Once you've identified your priority customers you need to make sure they're tagged or highlighted in a way that everyone in the agencies knows who they are and what to do when they come into contact with them. This contact may involve the service call, billing inquiry or general question. It also may occur casually out of the office - when you're out in the community.

Identifying these priority customers to your entire staff also reinforces the idea that yours is a sales and growth culture and that you strongly encourage everyone's participation.

Who will be involved?

As previously mentioned, everyone in the agency should know what you're doing and which customers are a priority.

However, there are those who will be directly involved in some way. These individuals fall into one of two categories those on the front line and those on the support team.

Those who support the effort with tasks such as merging letters, inserting and sending mailings, sending customer e-mails, updating the agency website and other marketing activities such as advertising or developing new newsletter content.

The second group is those who are on the front line - who come into direct contact with customers.

Because these are two very different types of jobs there should be an understanding that the initiative is a team effort. This is even true if the team is only two or three people. Once it becomes a common goal, it's not long before it can become part of the agency's culture.

How can you make it simpler and more efficient?

The easiest way to do this is to take maximum advantage of systems tools and procedures you already have in place:

You already have marketing of some type in place. This could include your website, e-mail, advertising, brochures, Yellow Pages, sponsorships, presentation to groups etc. You can use each of these marketing vehicles to promote the advantages of servicing convenience, one-stop shopping, preventing coverage gaps, maximizing discounts and other customer benefits. Be sure to make it easy for customers to act with a phone number to call, specific email address to use or short website form they can fill in for more information. Provide what advertisers referred to as a "call to action."

Besides your marketing, your agency also has procedures, workflows, renewal dates, processes, activity triggers and many opportunities for direct one-on-one customer contact.

Once you have developed your target list, look at their renewal dates. They should spread out pretty evenly over the course of the year. Then decide which specific account rounding activities you would want to occur in relation to each renewal date.

Of course it's a bonus when one of the customers you've targeted for cross-selling makes contact with the agency on their own. Since they've already been identified to everyone in the agency there need to be steps in place to take advantage of the opportunity to have well-planned high quality account rounding activities occur.

Tracking activities and measuring results:

The same processes and steps that you already have in place also provide you the ability to keep score and track activities and results. This includes making sure that the work gets done, the contacts are made and that there is appropriate follow-up leading to a sale.

Carefully tracking activities and measuring results lets you see what's working and how well it's working or diagnose problem areas and make the necessary adjustments.

Once you've decided that having a well-designed and well run cross sell program in place is important to agency growth and profitability, follow through and make it happen.

This needs to be a team effort involving everyone in the agency in some way. Even your bookkeeper will be pleased to be reporting on increases in revenue and profitability.