

Reuben Hall

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CISR Insurance Industry Essay

Over the years, there have been a variety of changes that have affected the client/agency relationship as the client is becoming more knowledgeable on their specific needs. As a result, we as insurance agents have had to become more accommodating and well prepared for any potential concerns the client may have. I will discuss these changes over the last 5 years and how they coincide with client expectations, as well as what changes I expect to see in customer service in the next 5 years.

One change that has occurred is how we communicate with our clients. Five years ago, insurance agencies primarily communicated to the client via email or phone. Texting was an option, but clients were uncomfortable with that mode of communication. Today, agencies can bind policies with clients, get information regarding potential claims, and answer general coverage questions within seconds through text message. Additionally, the rise of social media has allowed agencies to make important information accessible to the public and their clients in a quick and simple way. These options allow the client to increase their productivity and have their needs met without having to necessarily have a lengthy discussion with the broker.

Recently, clients have shown a preference for working with an agency that displays diversity through ethnicity, gender, disability, and thought. Over the past 5 years, there has been an increase in clients who have women or people of color leading their respective companies. Clients can feel more comfortable working with agencies that celebrate diversity because they know that their specific needs will be respected. While the insurance industry has expanded its number of diverse insurance professionals, there is still room for growth that will generate more opportunities to establish new client relationships and increase revenue within an agency.

Client expectations have also changed in how they choose the agencies they work with. In the past, it was common for clients to utilize personal references in order to determine which agencies they would partner with. This method is still in practice today; however, clients also rely on their prior experiences with certain agencies to make well informed decisions about future partnerships. For example, poor claims experiences or specific changes in the client's industry has caused clients to learn more about insurance. This has made them more informed consumers that now ask challenging questions to identify the right agency for them. One question in particular that I have frequently encountered is, "What are the biggest challenges you have seen in my industry that could impact me from an insurance perspective?". Agencies are expected support their answers with accurate facts and data that demonstrate their ability to adequately provide services to the client. This change in the client's expectations has allowed both the client and the agency to become more skilled in their perspective fields.

The consolidation of agencies has also affected client's expectations in both positive and negative ways. In the past, clients were cautious about working with larger consolidated agencies because they felt that their needs were not taken care of. Additionally, client's were fearful that they would be viewed as "revenue" instead of an important business that the agency would protect and care for. These are still concerns that some clients have, but over time, clients have learned that the consolidated agencies can provide more resources for them. Now, clients expect to have greater access to a larger carrier base for their insurance needs through these agencies.

The two most important changes I expect to see in customer service in the next 5 years are for companies to fully go paperless and have a less extensive application process during client insurance renewals. Going paperless will ensure a smoother process with the client by eliminating the need receive information via mail. Clients will be able to quickly access any documentation they need and can then forward this documentation to the necessary parties without having to search through hard copy documents. I also believe that the renewal applications that the client is required to complete will be shorter in the future as well. By shortening the lengthy applications, the client will feel less stressed about the process and be more inclined to finish the applications in a timely manner. This will also help agencies retain client business because of a more streamlined and less tedious process. The biggest challenge for agencies is eliminating the client mindset that insurance is a “burden” and I believe that these changes will help to mitigate that bias.