

TWO FOR TUESDAY from Big "I" Markets

REAL ESTATE EXPECTATIONS, DOCUSIGN AND EFFICIENCY & SAVING TEDDY BEARS

REAL ESTATE EXPECTATIONS AND LAWSUITS

By: Amy Lynn Banek - *Travelers*® Director Corporate Communications

While real estate professionals may be committed to their clients, clients may not always return the favor. No matter the size of a real estate business it can face potential exposures as client expectations are increasing and lawsuits are becoming more common. It is important to protect the business' financial security during a lawsuit or claim. That is why *Travelers 1st Choice+*® is specifically designed to offer protection to real estate professionals for the array of emerging exposures they face and can help protect the real estate firm against losses resulting from negligence, errors, and omissions in the performance of professional services. And this errors and omissions policy can be tailored to fit the business' needs.

Learn more here or by logging into www.bigimarkets.com.

SPECIAL FEATURE:

DocuSign and Efficiency: A member's take

By Elif Wisecup, *Director of Marketing* of Big I Advantage®

I encourage you to visit the DocuSign blog to read a Big "I" member and satisfied client's tips on why e-signature is beneficial. You'll consider the cost of processing paper and more at this informative post.

While you're there, take a moment to like DocuSign on Facebook, Twitter and other social networks to keep up with developments from this key partner.

Learn more about the DocuSign product and your exclusive Big "I" member discount at www.docusign.com/IIABA.

SAVING TEDDY BEARS AND MORE

I think every child growing up had a Teddy Bear. Named for President Theodore "Teddy" Roosevelt, an avid hunter, who supposedly refused to shoot a bear cub captured just for him. In honor of his mercy a German company created the first Teddy Bear. This picture (artist unknown) sums up the relationship between child and bear. Nowadays Teddy Bears are also a symbol of love and affection given, among other times, on last Saturday's Valentine's Day. Prices range from a few dollars to a few hundred to this Teddy Bear/diamond combination.

Over the past few years collectibles such as Teddy Bears have increased in value which might indicate an increased number of new collectors. Recently a unique stamp sold for over nine million dollars. Other collectibles don't go quite that high such as Beanie Babies, the most expensive of which is only \$4,500.

As a BIM agent you have access to a stand-alone valuable articles product that can help cover a diverse range of risks including fine arts, jewelry, antiques, silverware, coins & stamps, memorabilia, gun collections, fine wine, musical instruments as well as other collectibles.

Coverage can be designed to meet the client's needs with different policies available offering the following features:

- Agreed Value, Current Market Value or a combination of both with All-Risk, Worldwide Coverage (including breakage and mysterious disappearance).
- No per item limitations
- Coverage available for personal collections while on loan to museum exhibitions.
- No limitation on packers
- Consistent approach to loss in value

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- Coverage for the cost of replacing or restoring the identifying labels for wine.
- Comprehensive forms to thoroughly address critical policy features rather than treat them as an afterthought to homeowners insurance.

The Fine Art and Valuable Articles Program offers:

- Blanket or scheduled items coverage
- No per item limit on blanket coverage
- Actual value or Current Market Value up to 150%
- \$75 million capacity
- Consideration for any type of collectible including wine, musical instruments, antiques, stamp and/or coin collections, sports memorabilia and collectible figurines
- Special wine coverage including mechanical breakdown and restoring/replacing damaged labels
- Optional deductibles available
- Coverage for breakage and mysterious disappearance
- Worldwide coverage
- Admitted carrier (Not available in AK or HI)

Coverage is not offered for the following items: Hearing Aids, Handbags, Professionally used Musical Instruments/Equipment, Electronic Equipment (including but not limited to: Video Game systems, Computers, iPods, Professionally used Cameras). Bicycles are covered under the Bicycle Program.

The Stand-Alone Fine Arts and Valuable Articles program is available to members in all states except AK and HI. Learn more by logging into Big "I" Markets.

WEBINARS

Avoiding E&O Exposure When Advocating For Customer Claims

The Big 'I' Professional Liability Program and Swiss Re Corporate Solutions are hosting a FREE risk management webinar on February 18th at 2 p.m. EST to provide members with the guidance on how to avoid E&O exposure when advocating for customer claims. The webinar will last about 45 minutes and share details on the "Do's" and "Don'ts" when advocating for customer claims after an initial denial. A 2012 survey of panel counsel attorneys for Swiss Re revealed that improperly advocating for customer claims was one of the most common errors and most dangerous things agents could do to expose themselves to E&O claims.

All agency staff can benefit from attending this webinar. Register today! Investments of Passion are on the Rise
AIG Offers Comprehensive Coverage and Pioneering Loss Prevention Solutions

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Competing with Direct Sales & Captive Agency Insurers in Personal (and Commercial) Lines

March 25, 2015; 1:00 to 4:00 p.m. Eastern Time
\$79 - [Click here to register.](#)

Are you tired of all the insurance commercials that shout "Price! Price! Price!?" Are you sick of the silly claim that someone's exposures to loss can be analyzed and priced in 15 minutes or even 7 ½ minutes? How about losing business to someone selling an inferior product yet claiming, "SAME COVERAGE, Better Value"? If so, then sign up for the new 3-hour webinar called "Competing with Direct Sales and Captive Agency Insurers in Personal (and Commercial) Lines." While the focus is primarily on personal lines where direct sales and captive agency companies dominate the marketplace, the first hour addresses both P&C lines and many of the principles discussed throughout the webinar are applicable to both. VU webinar questions can be sent to bestpractices@iiaba.net.

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Remember that you can view the following webinars 24/7 by checking out the BIM Webinar Library. To do that log onto Big "I" Markets and click on "Publications".

- Personal Liability Trends - Fireman's Fund
- TravPay
- Commercial Lessor's Risk
- Affluent Homeowners
- Travelers Select Products (series)
- Travel Insurance
- Community Banks
- XS Flood
- Real Estate E&O
- RLI Personal Umbrella
- Affluent Homeowner
- "Oh, by the way...Flood Sale"
- Habitational
- Non-standard Homeowner
- Student Housing

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"OH BY THE WAY...FLOOD SALE" WEBINAR

Interested in learning flood marketing techniques? Participate in the "Oh, By the Way...Flood Sale" webinar presented by Big "I" Flood. Topics in the fast-paced 1 hour presentation include: Reasons to Sell Flood Insurance · Reasons Consumers Should Buy · Limited Product Knowledge · Misconceptions by Agents & Consumers · Talking Points & Myth Busters · The Flood Risk · Flood Resources – Facts & Statistics.

Webinar dates:

- Wednesday, March 5th at 2:00 p.m. EDT

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For all you folks who recently registered for Big "I" Markets, remember you can participate in a webinar from the comfort of your office to help you learn how to navigate around the system. Every Thursday at 2:00 p.m. EST we'll show you how to navigate the Big "I" Markets platform, including how to submit a quote! Register for the webinar by sending an email with your name and company name to bigimarkets@iiaba.net. Include "Website Navigation Webinar" in the subject line or body of your email. A recording of this webinar can be found under "Publications" after logging into Big "I" Markets.

STUDENT OF THE INDUSTRY PARTING SHOT

Round #2-What to Pay for A Warm Lead

By Paul Buse, *President of Big I Advantage*

Last week we reviewed the economic theory behind paying for advertising being based on paying until the cost of new business just equals the cost of processing that business ("Marginal Revenue equals Marginal Cost"). If you missed that, you can see it in the Two for Tuesday archives. In follow-up to that some asked what specifically is the number an agent should pay for a warm lead. The answer is "it all depends" but based on the scenario below, I arrive at \$150 for each quote request ("Quote Inquiry"). The example is a simple one but modern spreadsheets make doing one's own analysis of this mathematically straight-forward. Based on below you can figure that out for your agency, line of business, hit ratio, etc.

In the coming months, watch here for news on testing of direct mail and Internet marketing we are planning with several start-up agencies based on this very mathematical model. If it works it will be the first time I've seen it so definitively tested. We'll let you know how it goes!

Assumptions

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Revenue	
Annual Premium on Binder	\$ 1,000
Average Commission	12%
Ave Account Lifespan (yrs)	7
PV Modifier/Yr.	3%
Cost	
Pay Up To This Per Quote	\$ 150.00
Labor Cost/Hour	\$ 50
Minutes to Quote	15
Minutes to Bind	10
Minutes to Service Renewal/yr.	20
Quote to Bind Ratio	25%
Results: Marginal Revenue vs. Marginal Cost	
Marginal Revenue	\$ 747.63
Marginal Cost	\$ 745.99
Marginal Cost Sub-Totals	
Cost of Quotes for One Bind Order	\$ 600.00
Cost to Quote Each One (based on minutes to quote)	\$ 50.00
Cost to Bind at Bind-Rate (based on minutes to bind)	\$ 8.33

LAST WEEK'S MOST CLICKED LINKS

Here are the top three items that got BIM agents clicking from our last edition... see what you missed!

1. Stove Top Fire Suppression video
2. FREE Risk Management Webinar
3. Registration for Direct Competition Webinar (2/25)

BIG "I" MARKETS SALE OF THE WEEK

Congrats to our agent in New York on a Garage Pac sale of \$3,352 in premium!