



AGENCY PERFORMANCE
PARTNERS

HARD MARKET HERO

6 Strategies for Surviving and Thriving In This Market

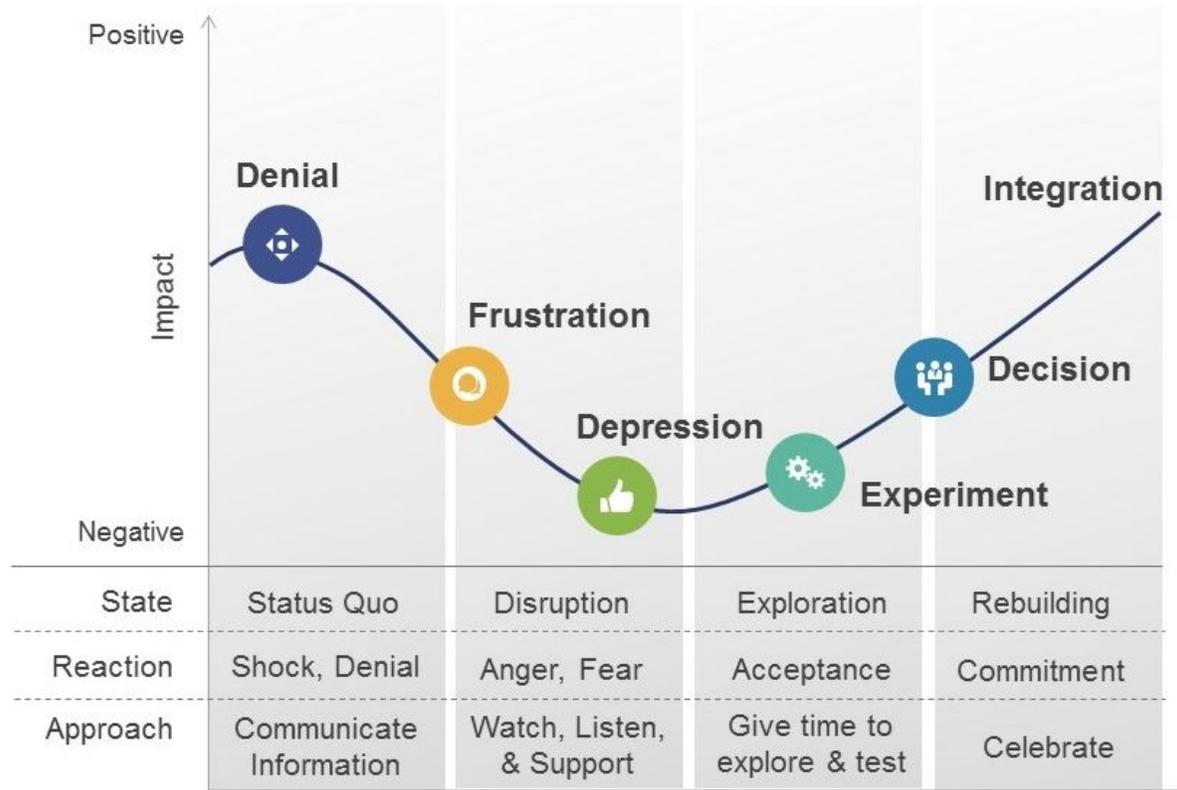


Session I: How to Lead Your Team

ridiculously amazing
INSURANCE AGENT

EMBRACING THE NEW MARKET

The Kübler-Ross Change Curve



LET'S GET TO KNOW EACH OTHER: KELLY DONAHUE-PIRO

- Worked with over 1000 agencies across the United States & Canada
- Focused on giving agencies a plan to maximize performance
- We want to have fun, learn new things and stretch you to hit your potential.
- Our goal is to make agencies ridiculously amazing.
- I believe in positive attitudes, putting the work in and failing forward.



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MARKET OVERVIEW

- We are in a once in a lifetime market
 - Economy
 - Covid Rating
 - Inflation
 - Quiet Quitting & Staffing (Carriers)
 - Reinsurance
 - Undervalued Properties
 - US had 18 \$1 billion + storms in 2022
 - Carriers posting over 100% losses
- We will be in this market until the end of 2025 at a minimum
- Bottom line: THIS IS A LONG GAME



LEADING YOUR TEAM

- Control the message you want in the market
 - Get ahead of this
 - Post on social media FACTs on the marketplace
 - Use your network
 - Get on podcast and community events
 - Explain the WHY - be the hero
 - Create blogs, email templates, videos, PDFs etc to explain this
 - Give these tools to your team to help explain the market to their clients
 - Use outside resources
 - It just sounds better when it comes from the owners mouth
 - Your team needs this



LEADING YOUR TEAM

- Morning Happy Hour Meeting

- This sounds way more fun than it is
- Start every morning with a **STANDING** Meeting
- 15 Minutes max
- Everyone shares 1 win from yesterday - that's it nothing more
 - ✓ No wins - that's a problem you need to connect with that team member
 - ✓ Start the day positive - there are **GOOD** things happening
 - ✓ Make sure to check everyone's status
 - ✓ Remind the team of the mission
 - ✓ Provide any updates
 - ✓ Make sure everyone's getting to work on time



LEADING YOUR TEAM

- Facts Not Feelings
 - Our brain focuses on the problems
 - We need to balance out the problem of the day with facts
 - We may feel we are losing, but we are probably winning
 - Facts to share:
 - ✓ Agency Growth - are you growing?
 - ✓ Cancellations - how many people are really leaving?
 - ✓ New Business - in this market we can expect more shopping
 - ✓ Terrible clients that were relocated to your competition -let's celebrate this
 - ✓ Cross sales & coverage increases
 - ✓ Remarketing hit ratio
 - ✓ Referrals
 - You need to tell the other side of the story



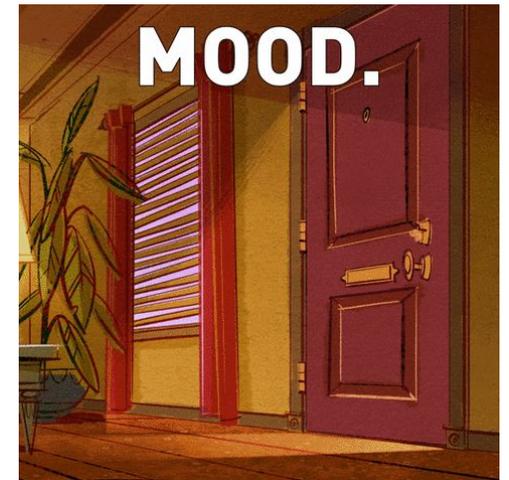
LEADING YOUR TEAM

- Tiering & Firing Clients
 - Don't overthink tiering your clients
 - VIP & DNR (Do not Resuscitate)
 - You will need to triage clients in this environment
 - When times are good you can treat every client the same
 - Firing Clients
 - ✓ Payment Issues
 - ✓ Claims
 - ✓ Premium
 - ✓ You aren't making money on everyone
 - When you say yes to something you are always saying no to someone else



MANAGING OUR TIME IN A HARD MARKET

- Renewals will take longer in this market
 - Clients have more questions
 - Clients we haven't heard from are calling in
 - There are more non-renewals, underwriting memos & inspection issues
 - Remarketing is on the rise
 - We will be in this market for 2-3 years we have to pace ourselves
 - So if you are feeling a bit exhausted it's ok!



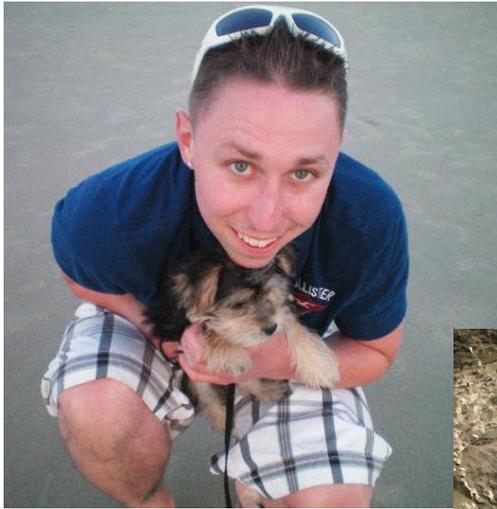
MANAGING OUR TIME IN A HARD MARKET



We Need to Think Like Hard Market Heros!

- What would an **ER Nurse do?**
 - They have a plan of how to attack the ups and downs
 - They prioritize patients
 - ✓ It's not next in line
 - ✓ It's the severity of the case
 - They work together
 - They rely on data not feelings
 - Even when times are tough they think clearly
 - Slow down to speed up
 - Communicate
 - Celebrate wins

MANAGING OUR TIME IN A HARD MARKET



Who Gets More Service:

Tim:

- Bad Payer
- Late Fees
- 3 claims in one year
- Monoline 6 month auto
- Mom generally pays

Kelly & Andrew:

- 17+ Policies
- Pays in full
- Needed one cert and one vehicle change in 5 years

MANAGING YOUR TIME IN A HARD MARKET



Inbound Rate Increase Call

- Many clients will call in to ask: Why did their rate go up?
- It's a normal and natural question
- If your cell phone bill went up 20% would you call?
- REMEMBER:
 - It's just a question
 - They are looking for an answer
 - It's not a demand
 - It's not a threat
 - It's an opportunity to review and update the account
- Don't take it as more than a question!

MANAGING YOUR TIME IN A HARD MARKET



Optimizing Remarkets

- We need to find the BEST solution for the client
- We will be in this market for 2-3 years
- Should year 1 be the remarketing year?
- What if we use this year to optimize the account?
 - Discounts
 - Payments
 - Paperless
 - Telematics
 - Cross Sales
 - Update underwriting information
 - Educate
- Then next year we can work to find the best company
- Remember remarkets:
 - Can cause E&O
 - Flag Inspections
 - Put them on the remarket hamster wheel chasing market
- We have to play the LONG game here

MANAGING YOUR TIME IN A HARD MARKET



Remarket or Review

- Review is the first step
- All non-renewals and remarkets **MUST** have a proper review
- When you review you find key information to be the client's Hard Market Hero
- Our goal is to optimize the account this year
- In Lesson 5 we will walk you through a proper review or take a look at our review form now
- When you review with a client:
 - They are building a relationship with you
 - They aren't on the phone with another agent
 - They are learning about their insurance and becoming better educated
 - You can find opportunity for discounts, coverage improvements and cross sales
- Every agency needs a plan and script (Lesson 5)

MANAGING YOUR TIME IN A HARD MARKET



Remarket Hit Ratios

- Remarketing without a review:
 - Burns time
 - We don't know the client may be unhappy
 - We miss updates and discounts
 - We can't use old information and automatically remarket
 - When we do this we DEVALUE our opportunity for education
- In many agencies the remarketing closing ratio should be reviewed
 - How many we did
 - How many moved
 - Equals Remarketing Closing Ratio
 - Your target needs to be 70% because you are:
 - ✓ Remarketing the right accounts
 - ✓ With updated information
 - ✓ And have an engaged clients
- Remember numbers do not have feelings - we need to operate in facts.

THE SOLUTION:

We need to spend time preparing so we do not need to spend time repairing relationships.



BUILDING CONFIDENCE & WORKING WITH CARRIERS



How To Have Confidence in a Hard Market

- Get centered in what is the right thing to do
- Honor the agency's values and ethics
- Work to not react to rate - investigate
- Don't jump to the worst case scenario
- Understand you are the client's hero, they need you
- Take one thing at time
- When you spiral pull it back
- Who better than you to help clients?
- Realize there are options and you hold them!
- Focus on the facts not feelings
- The best agents will be made in this market

BUILDING CONFIDENCE & WORKING WITH CARRIERS



FACT: You Are the Path of Least Resistance

- People take the path of least resistance
- The incumbent agent is the path of least resistance
- We have the upper hand
- Keep calm and get into Hero Mode!
- Clients may be upset at first but then...
 - They have a reaction
 - Which leads to a response
 - Then you educate and share
 - And they 💖 you
 - You are their HERO!
- Let's think about airlines for a second....

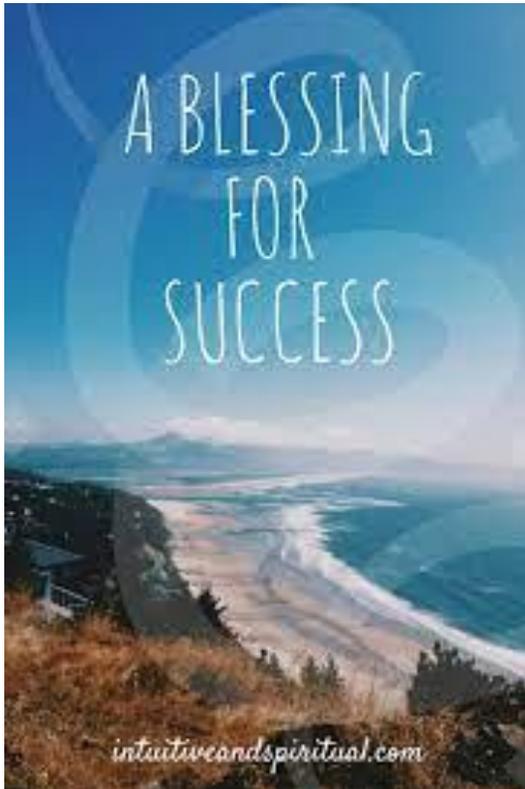
BUILDING CONFIDENCE & WORKING WITH CARRIERS



FACT: You Aren't Paying for the Policy

- Are you thinking with your back pocket?
- If the clients rate increase happened to you...
 - Would your family be in a tough spot?
 - Do you see your value are more than cost?
 - If your thinking about their reaction you are having the talk with the wrong person
- The bottom line is everyone's situation is different?
 - Some people don't like to move companies
 - Discounts are available
 - People may be expecting it
- Your job is to be their hero by:
 - Educating the client
 - Showing them the BEST option
 - Letting the client decide what is best for them

BUILDING CONFIDENCE & WORKING WITH CARRIERS



When a Client Calls Us It's a Blessing In Work Clothes

- When the phone rings what do you think?
 - Uggghhh what will this bring?
 - This is an opportunity to be someone's hero today
- Remember when a client calls us:
 - They aren't calling the competition
 - It's an opportunity to:
 - ✓ Educate
 - ✓ Improve their day
 - ✓ Find solutions
 - ✓ Earn an opportunity
 - Today's calls require work - and we got this!
- The client can't be an interruption, it's the reason we we are here.

BUILDING CONFIDENCE & WORKING WITH CARRIERS



Rate Will Not Be The Boss of You

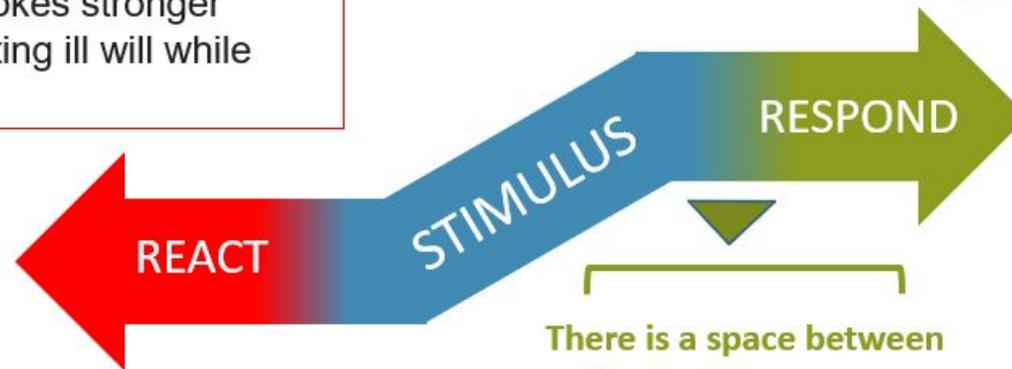
- Say it out loud...
- You will not let rate increases ruin your day
- Firefighters don't let fire get them down
- This is our insurance SuperBowl
- This is our opportunity to have clients see how truly valuable we are
- You run the show by:
 - Getting proactive
 - Educating
 - Sharing plans
 - Being confident to your client
 - Helping them through a difficult time

React vs. Respond

A **reaction** is usually quick, tense and aggressive, executed without much thought.. It often provokes stronger **reactions** – perpetuating ill will while accomplishing little.



- In the moment; triggered
- Fight or flight
- Can feel uncontrollable
- No regard for long-term impact
- Often regretted



There is a space between stimulus & response...

...In that **space** is our power to choose our **response**.
In our **response** lies our growth and our freedom.
~ Viktor Frankl

A **response** is thought out, calm and non-threatening.



- More time for reflection
- Intentional
- Weighs alternatives
- Less charged
- Considers others &/or possible outcomes

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BUILDING CONFIDENCE & WORKING WITH CARRIERS

“ People will forget what you said, people will forget what you did, but people will never forget how you made them *feel*.”

Maya Angelou

BEICHTONHESDAY BLOG

People Remember How You Make Them Feel

- Even though the news may not be great, you can make the client feel:
 - Cared for
 - That we were kind
 - We were prepared
 - They learned something new
 - They understood the why
 - We listened
 - There were options
 - We were genuine and considerate
 - We guided them
 - We are their Hard Market Hero

HAVING THE RATE CONVERSATION

Tone of Voice

- Work to wait 2 seconds after the person finishes to respond.
- Ask questions — this shows interest.
- Do not interject — wait until the person has finished their statement.
- Smile — even though the person cannot see you, they can feel a smile.
- Late Night DJ Voice:
 - Speak slowly
 - Speak calmly
 - Drop your voice down
 - Instead of statements, ask questions

HAVING THE RATE CONVERSATION

Simple and Easy Trick

- In a bit you will learn how we educate the client on remarketing risks.
- We want to plant the seed . . .
 - To save \$16 per month is it worth it?
 - To go to a carrier that may not be as good?
 - To lose some features in the policy?
 - To get involved with an inspection?
 - To take time on paperwork?
 - If homeowners, to deal with escrow payments, etc.?
- Remarketing is often billed as the simple and easy solution, but it's not always.

HAVING THE RATE CONVERSATION

Use Math To Your Advantage

- When you are saving people money, use the total amount.
- When you are increasing payment, use a monthly amount.
- This works!
- \$200 increase is \$16.67 per month
- Which one sounds better?
 - \$200 is about the price of groceries.
 - \$16.67 is roughly the price of my coffee habit.

HAVING THE RATE CONVERSATION

- How To Have Empathy
 - Most confusion on rate comes from a lack of understanding.
 - You want to draw the client toward some agreed conclusions.
 - Many things in life are going up in price.
 - The rate increase is not personal and specific to them.
 - You are not the insurance carrier — you are here for them.
 - You have a plan and will invite them into that the plan.

HAVING THE RATE CONVERSATION

- 5 Steps To Having the Rate Conversation
 - Step 1: Frame The Rate
 - Step 2: Average % Increase/Insurance Commissioner
 - Step 3: Monthly Numbers
 - Step 4: Silence
 - Step 5: Review

HAVING THE RATE CONVERSATION

- Step I: Frame the Rate

“I completely understand, it seems like everything is going up. Electricity, cell phone bills; it’s everywhere. As you may have read, insurance rates are no different. That’s why I’m calling (that’s why I’m glad you called) to make sure we have the best information to get you the best value.”

HAVING THE RATE CONVERSATION

Breakdown:

- “I completely understand.”
 - This means you are on their team.
- “It seems like everything is going up. Electricity, cell phone bills; it’s everywhere.”
 - Insurance is not the only thing in our lives where the price is increasing.
- “As you may have read, insurance rates are no different.”
 - It’s public knowledge when carriers take rate increases — it’s not a secret. It may be a surprise to the client, but it’s often published in the newspapers.
- “That’s why I’m calling (that’s why I’m glad you called) to make sure we have the best information to get you the best value.”
 - Position yourself as their guide to success.

HAVING THE RATE CONVERSATION

Step 2: Average Increase & Insurance Commissioner

“Rates in our state are going up on average X. The insurance commissioner for the state actually approves the rate increases. However, that’s the value of working with us because we can help evaluate your options.”

HAVING THE RATE CONVERSATION

Your Script

- “Rates in our state are going up on average X.”
 - You want to frame the rate.
 - This makes the client feel like it’s not personal.
 - They are not alone.
- “The insurance commissioner for the state actually approves the rate increases.”
 - Rate increases don’t just happen.
 - There is a process.
 - Also, people dislike the government (generally) more than insurance.
- “However, that’s the value of working with us because we can help evaluate your options.”
 - Keep positioning yourself as the guide to help them.
 - Keep reminding them you are not the carrier.

HAVING THE RATE CONVERSATION

Step 3: Monthly Numbers

“So let’s take a look at your account. It looks like your rates went up X which is X in relation to the state average. That would be about X per month.”

HAVING THE RATE CONVERSATION

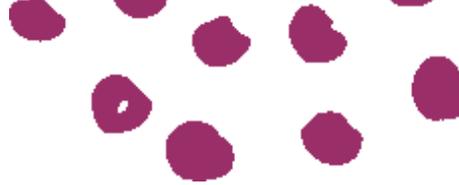
Your Script Breakdown

- “So let’s take a look at your account. It looks like your rates went up X”
 - You want to use a percentage here.
- “Which is X in relation to the state average.”
 - This is another ninja trick.
 - If their rate went up 6% and the state average is 8%, they may feel like they are getting a deal.
- “That would be about X per month.”
 - Use the monthly figure.

Then SHUT your mouth — let the client digest this.

When you reframe it to a monthly figure, many clients have an “Aha!” moment.

Your remarketing call sheet can do this math for you!



HAVING THE RATE CONVERSATION

Step 4: Silence



Then SHUT your mouth — let the client digest this.
When you reframe it to a monthly figure, many clients have an “Aha!” moment.
Your remarketing call sheet can do this math for you!

HAVING THE RATE CONVERSATION

Step 5: Review (We break this down in the next session)

- Get Updates
- Review Coverages
- Discounts Check
- Cross Sell

THERE ARE 3 TYPES OF RATE CLIENTS

It's Just TOO Expensive



No matter the amount, it's too expensive

Struggle to Pay It



People who fall into hard times

Struggle to Pay It



People who live into hard times

RATE APPROACH

If you can't afford the insurance you cannot afford the claim.

Remember: When someone asks about rate it's just a question. It's not (yet) a request to shop their policy.

Answer the question first.



REMEMBER YOUR ROLE

- You did not select the rate.
 - The carrier selected the rate.
 - The insurance commissioner approved the rate.
 - The client had negative activity.
- Your role is to:
 - Provide empathy
 - Educate the client on options
 - Lead them to the best decision for their situation

THE SOLUTION:

We have to remember, if we can't afford the insurance we can't afford the claim.



STEPS TO A RIDICULOUSLY AMAZING RENEWAL PROCESS

Start

Step 1

Step 2

Step 3

Step 4



**Alert
there is a
Call To
Be Made**

Renewal Review Form

Build your plan!

Make the Call

Voicemail

Email

Live Call

Shine!

Setting Up a Great Call

Intro

Rapport

Review

Recommendation

Confirmation of Next Steps

Gratitude

Document the Call

Call

Coverage Increases

Cross Sells

Remarkets

REMARKETING DANGERS

Remarketing Doesn't Solve All the Problems

- Have you ever...
 - Reshopped someone, saved them money and they never moved forward?
 - Gotten backlogged and remarketed someone that cancelled?
 - Moved companies and had inspection issues?
 - Processed a remarket and had escrow issues?
 - Reshopped someone and missed a coverage?
- It's not necessarily the easy button.
- You want to clearly outline the challenges upfront.
- Remember, is this worth saving \$16 per month?

REMARKETING DANGERS

Inspections

"I can review other markets, but I want to confirm one item with you. If we do find another market, they will send an inspector to your home to review the property. Any recommendations they make you will have to complete to ensure they stay on your account. This could be as small as a bit of paint or as big as a new roof.

Are you comfortable with someone coming onto your property to inspect?

If they do find anything that needs repairs, you will have to complete them quickly no matter the cost. Are you comfortable with that?

If not it's ok. We can review the discounts again."

REMARKETING DANGERS

Escrow

“You currently escrow your insurance payments with your mortgage. Since your mortgage company may have already paid your premium, there may be an overlap. This can cause confusion as you will get reimbursement checks and need to send them to the new carrier. Did you want to go through that hassle? If not it’s ok. We can review the discounts again. “

REMARKETING DANGERS

Down Payment

“If we do find another carrier, they may require a larger down payment upfront. Are you comfortable with that? If not it’s ok. We can review the discounts again.”

GET AGREEMENT ON THE PLAN

Everyone Loves A Plan

- You need to set the rules of the road.
- This is one of the most time intensive tasks you will do.
 - Make sure everyone is on the same page.
 - Defend your time with an agreed upon timeline.
 - When you make it a big deal the client feels special.

GET AGREEMENT ON THE PLAN

Your Agreements

- Quote over the phone now (preferred) or set an appointment to review quotes.
 - Solve the problem that day or confirm a time with the client to review options.
 - Most people will wait to hear from you to get competitive quotes.
 - This helps you prioritize your work.
 - No emailing reshops
- Confirm Savings To Switch
 - “How much would you be looking to save to change insurance carriers and go through the escrow change, inspection and sign all the paperwork?”
- Get All Updated Underwriting Questions
 - Find all the changes.
 - Re-underwrite the file to make sure it’s accurate.
 - Don’t miss any opportunities to improve coverage.
 - Confirm what features/coverages they have that they like.
- Final Confirmation on Discounts
 - Review the discounts to make sure you can apply them to the new carriers.



THE SOLUTION:

Don't use the word remarket. Always use the word review.





you MADE IT

