



# Channel Harvest 2010

Survey of Agent/Carrier Relationships



**channel harvest**  
**research**



# Overview

- Survey of 1,498 independent agents
- Factors they consider critical in choosing carriers
- What makes carriers superior in:
  - Claims service quality
  - Underwriting appetite
  - Technology
  - Marketing support
  - Field representatives
  - Training & education

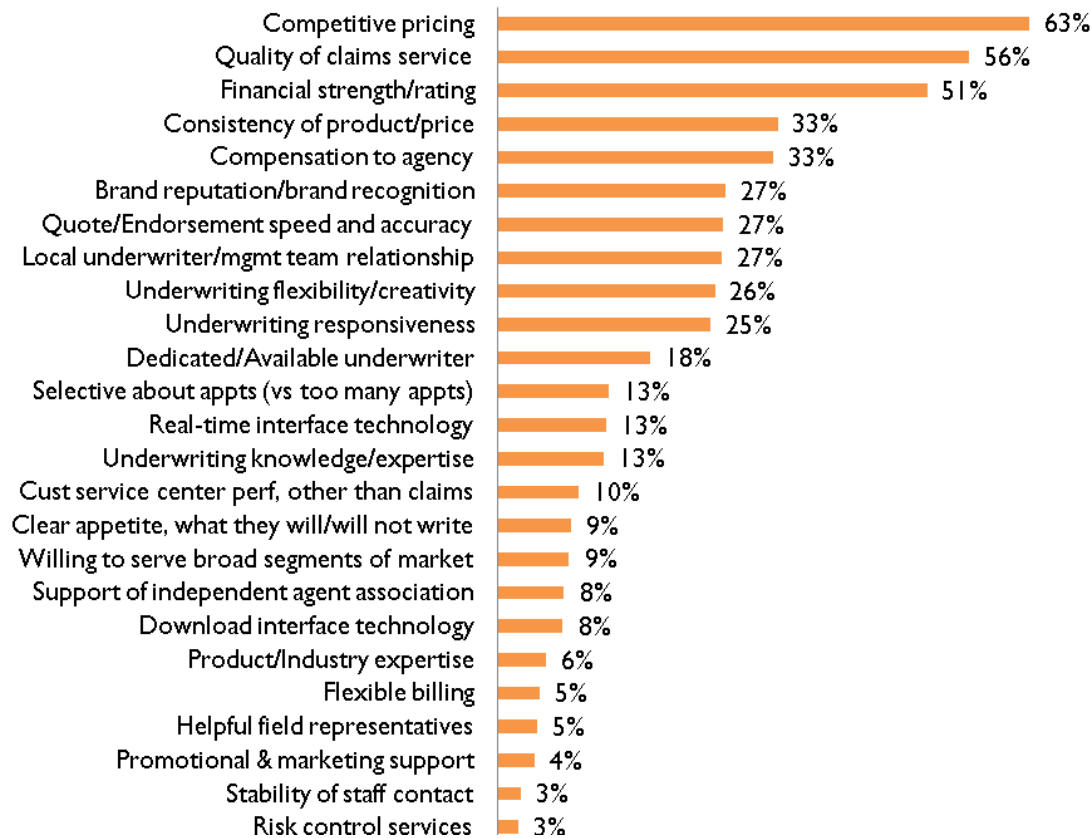




# Pricing, claims service & financial strength lead

## Most critical factors in choosing carriers

(choose up to 5)



- No single factor is critical to everyone
- But 3 are critical to majority of agents
- Different things important to different people
- Balanced excellence is vital to increase penetration





# Service, brand & speed critical for personal lines

Sorted by "Critical" to Personal Agents			
	Personal	Commercial	Difference
Competitive pricing	66%	60%	6%
Quality of claims service	62%	47%	15%
Financial strength/rating	47%	56%	-9%
Compensation to agency	38%	31%	7%
Brand reputation/brand recognition	35%	20%	15%
Consistency of product/price	34%	31%	3%
Quote/Endorsement speed and accuracy	32%	17%	15%
Local underwriter/mgmt team relationship	20%	32%	-11%
Real-time interface technology	17%	10%	7%
Underwriting flexibility/creativity	16%	34%	-18%
Dedicated/Available underwriter	16%	20%	-4%
Underwriting responsiveness	15%	34%	-19%
Cust service center perf, other than claims	14%	5%	9%

- PL agents value some things more than commercial agents do:
- Service: claims service, customer service centers
- Brand recognition
- Speed: quote endorsement, real-time





# Underwriting matters more to CL agents

Sorted by "Critical" to Commercial Agents			
	Commercial	Personal	Difference
Competitive pricing	60%	66%	-6%
Financial strength/rating	56%	47%	9%
Quality of claims service	47%	62%	-15%
Underwriting responsiveness	34%	15%	19%
Underwriting flexibility/creativity	34%	16%	18%
Local underwriter/mgmt team relationship	32%	20%	11%
Consistency of product/price	31%	34%	-3%
Compensation to agency	31%	38%	-7%
Brand reputation/brand recognition	20%	35%	-15%
Dedicated/Available underwriter	20%	16%	4%
Underwriting knowledge/expertise	18%	7%	12%
Quote/Endorsement speed and accuracy	17%	32%	-15%

- Underwriting factors much more important to CL agents than to PL agents
- Same top 3 though: pricing, financial strength, claims service

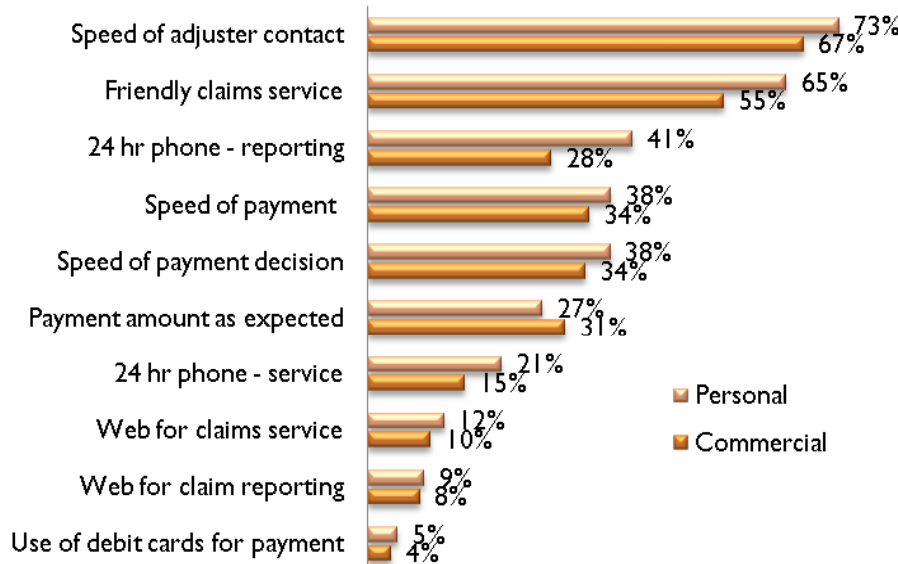




# Adjuster contact speed most important in claims

## Claims Service

% critical shown



- Speed of adjuster contact more critical than anything else
- Even speed of actually paying the claim

Superior in Claims Service	
Chubb	14%
Progressive	9%
Travelers	8%
Auto Owners	5%
Cincinnati	4%
No carrier is superior in this area	6%

*“They contact the insured within 2 business hours of the claim being opened. I’m able to see all claim information so I am able to assist my clients without calling the adjuster.”*

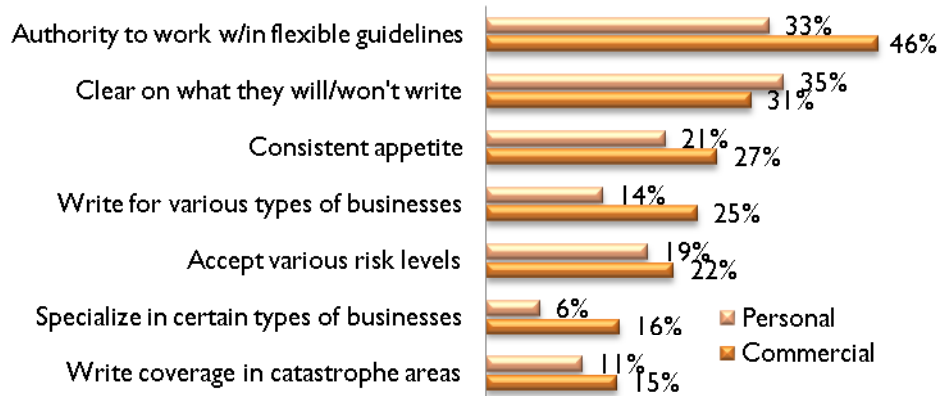




# Underwriting: be flexible ... and consistent

## Underwriting appetite

% critical shown



### Superior in Underwriting Appetite

Travelers	13%
Auto Owners	6%
Hartford	5%
Cincinnati	5%
Chartis	3%
No carrier is superior in this area	13%

- Agents want underwriters to have flexibility
- Be clear on what carriers will write
- Most underwriting factors more important to CL agents

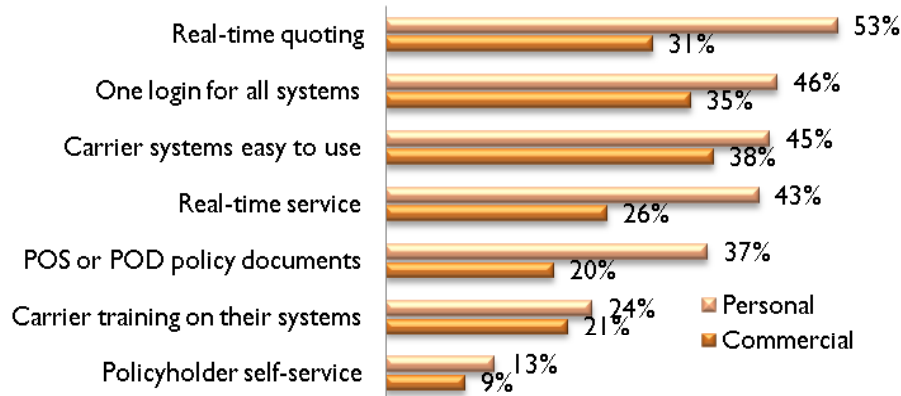
*“They are clear on their appetite, the guidelines are in place, but they also have the ability to think outside the box and offer a solution.”*





# Technology more critical to PL agents

## Technology % critical shown



Superior in Technology	
Progressive	15%
Travelers	10%
Hartford	9%
Safeco	5%
Auto Owners	3%
No carrier is superior in this area	14%

- Automation and workflow more important to the high transaction volumes of PL agents
- But, both CL and PL agents want carrier systems to be easy to use

*“Easily navigable website, real time for quotes/endorsements. User friendly to agents as well as customers.”*



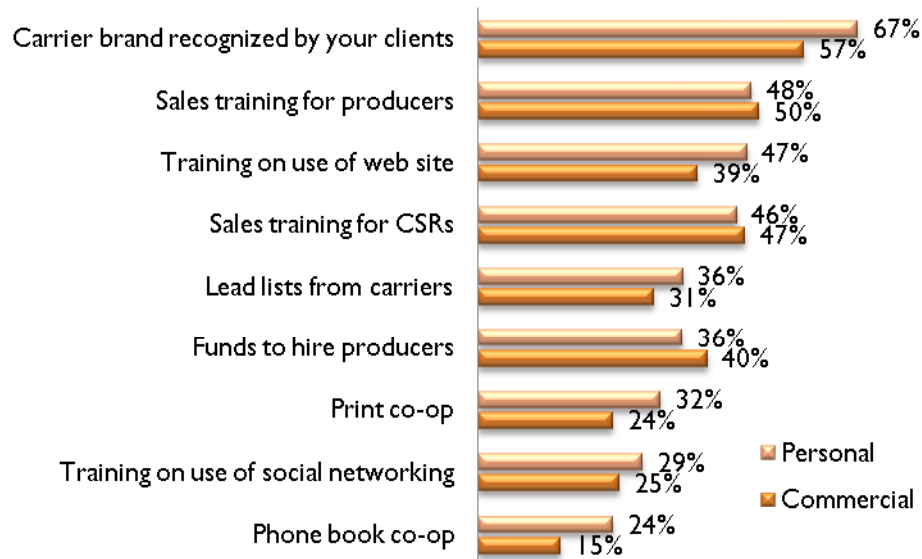




# Carrier brand recognition is important

## Marketing Support

% critical/very important shown



Superior in Marketing Support	
Travelers	16%
Progressive	9%
Hartford	8%
Auto Owners	4%
Chubb	4%
No carrier is superior in this area	15%

- Marketing support is less critical than previously shown factors
- Agents want strong brand recognition
- They value training on sales, and using their web site to drive new business

*“Everyone knows who they are. I do not have to spend time explaining that the company is reliable.”*

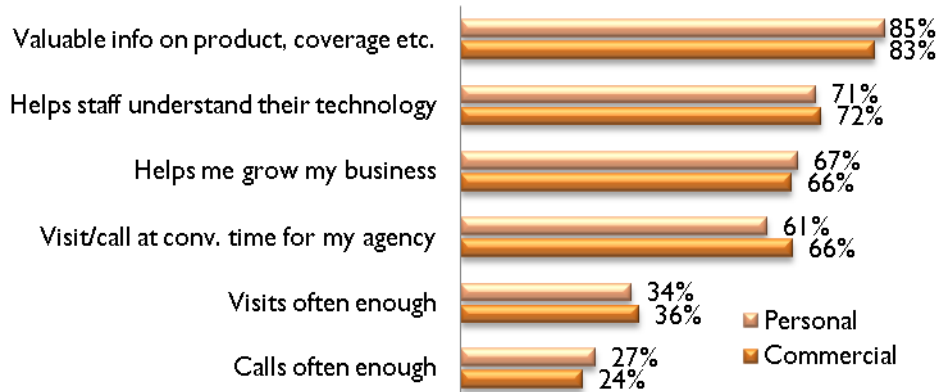




# Good field reps inform; *great* reps underwrite

## Field representatives

% critical/very important shown



Superior in Field Representatives	
Travelers	11%
Hartford	6%
Auto Owners	4%
Cincinnati	4%
Progressive	3%
No carrier is superior in this area	18%

- Field reps should keep agents informed on product, coverages
- Many agents placed high value on underwriting authority

*“A marketing representative without underwriting authority is a waste of agency time.”*

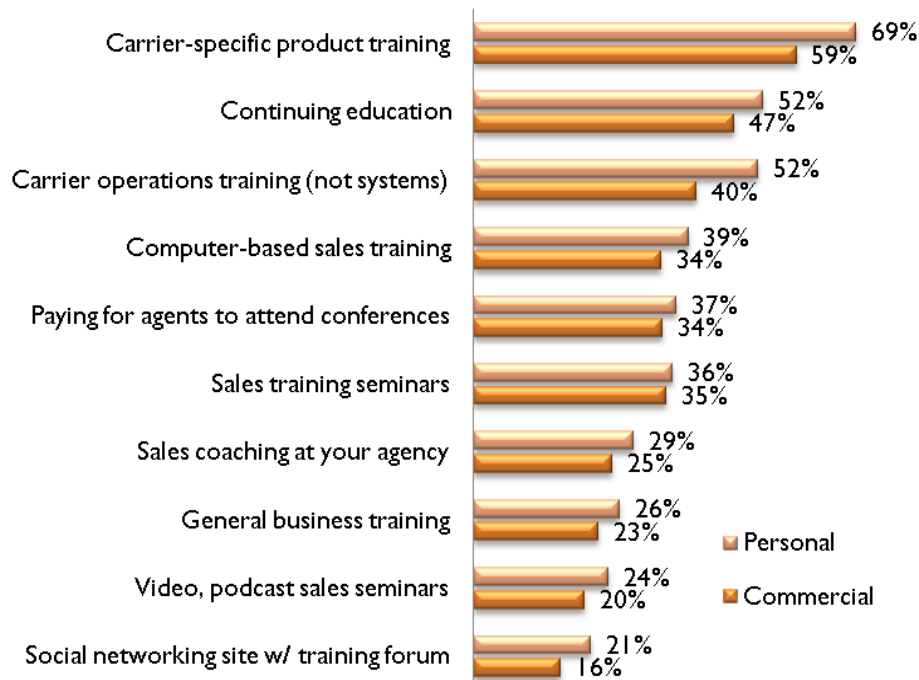




# Product training most important to agents

## Training & education

% critical/very important shown



- Agents want to learn about carriers' products
- Continuing education also important
- Carriers relatively undifferentiated – 37% say no carrier is superior

Superior in Training & Education	
Hartford	9%
Travelers	7%
Auto Owners	5%
Chubb	3%
Safeco	3%
No carrier is superior in this area	37%

*“On-site meeting once a year to review new products and how to cross-sell in the tough economy.”*

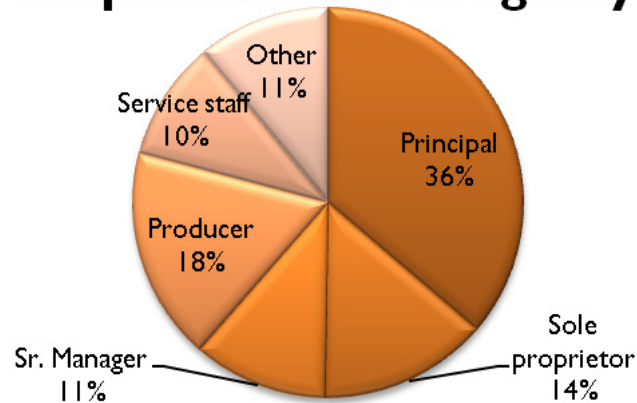




# Methodology

- Online survey of 1,498 agency respondents
- Invited by Insurance Journal, and by several carriers
- March 16 – May 3, 2010
- Good mix of roles, personal/commercial

**Respondent role at agency**



**Main area of work**

