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SPECIAL FOCUS ON AGENCY MANAGEMENT PAGE 12

Five Ways Agencies Can Harness the Full Power of Their AMS

By: Jeff Holmes

For independent agencies, having a quality agency management system (AMS) is part of the cost of doing business. An AMS provides carrier integration, ease of automation and efficiency to every agency using one. But by harnessing the full power of the AMS system, agencies can also create substantial income-generating opportunities. The most successful agents use it not only for essential carrier and client management, but as a powerful sales and retention tool.

Just as the brain and spinal cord play a central role in the control of most of your body, an AMS can integrate the activities of your independent agency, and used to its fullest capacity, will provide opportunities to excel at your business. Here are five ways the independent agency can utilize an AMS fully to get the best return on its investment:

1. **Recognize an AMS is first and foremost a sales and retention tool.** Agents look at an AMS to house information and keep client data organized, but often don't use it as a sales tool, which is a critical mistake. Powerful AMS data can be used to approach clients, capture and store new data, plan targeted campaigns to reach agency goals and focus staff on income-generating activities where they'll most likely find success.

2. **Target your marketing campaigns.** Since AMS reports can generate key client data, agents can use the information to segment their clients and pinpoint who needs what products. For instance, agents can identify who purchased homeowner policies only, and explain to them why bundling with an automobile policy is a smart way to save money. If the agency has a goal to increase the number of clients paying by electronic funds transfer (EFT) as part of a client retention strategy, agents can build a marketing campaign to advertise the ease of paying bills monthly, thereby increasing EFT enrollment. Using data tactically, agents can share with clients available discounts, new opportunities for bundled coverage or new endorsements to policies that will safeguard them from risk.

3. **Consult the client for positive outcomes.** Moving a client from a transactional service event to one that engages a meaningful relationship-based dialogue is a game changer for agency staff. Having the right client data at the right time enables agents to better market products to clients when they most need them.

Frequently, staff are focused on just the current transaction and are not inquiring about relevant information to guide future conversations and cross-selling opportunities. By offering more of a consultative approach rather than a transactional one, staff will better engage the client, capture more information and develop a higher quality relationship. "Consultative selling focuses on the customer's needs. Rather than hard-selling a product, the salesperson asks questions and listens to the answers. The goal is to build a long-term relationship rather than a short-term, transactional one," noted career website, The Balance.

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Sharing talking points with customer service staff helps guide conversations with clients, so they can collect vital information, such as email addresses, family information and any recent changes to their home life or professional status. Verify they understand why this data is vital, where it is to be stored and what reports can be generated based on data collected.

4. **Manage data to be pure**. Set a precedent for collecting and standardizing data input and review data entry regularly to ensure its accuracy across the office. Capturing clean data will improve efficiency within an agency. Also, set naming conventions for clients (standard file naming) and identify procedures for gathering data at each client interaction. And whether using standard or customized reports to measure progress, make sure they provide a clear picture of agency progress. Policy downloads will give an indication of the data purity. Use downloads as an opportunity to identify errors and exceptions. Examine exceptions to see trends or determine how errors are happening, then address staff about recurring inconsistencies.

5. **Use reporting regularly.** Agents can work with their AMS provider to create custom reports and obtain a snapshot of the agency's overall health over a specific amount of time.

   According to Forbes Magazine, "Key performance indicators, or KPIs, are a pertinent part of measuring the successes and failures of your business. Also known as a flash report or dashboard, a KPI report allows business owners and managers to get an overview of how their businesses — or individual departments — are performing at any given time."

   Utilize KPIs, such as average book of business by producer, revenues by lines of coverage, total new quotes and close ratio, to measure and track success monthly. Share goals and promote them with staff to keep the agency focused on income-generating activities.

With a quality AMS system being used to its fullest potential, independent agencies will be primed to be proactive, market themselves efficiently and meet or exceed their goals for growth today and in the future. ■

Jeff Holmes is the COO of SIAA Inc. and can be reached at jholmes@siaa.net.