

# from IIABA

## Agent Talking Points to Advocate for Real-Time Multiple Company Rating

### Definition of the Issue and the Opportunity

Real-time multiple company rating represents an enormous improvement over the current rating process where independent agents must deal with the websites of multiple carriers in order to compare rates among them. The carrier website approach requires the agent to logon to each site, remember the unique password, navigate to the proper screen, enter the same data multiple times, and train agency staff on each carrier's workflow.

Real-time multiple company rating, in contrast, enables an agent or broker to request and receive rates from multiple carriers simultaneously working through the agency management system or comparative rater of his or her choice. The Independent Insurance Agents & Brokers of America has taken a major stand urging carriers, vendors, and agencies to accelerate their efforts to implement this real-time multiple company rating workflow.

Grassroots agents and brokers play a crucial role in convincing their companies and vendors to invest in this improved real-time rating workflow. It is very important that agents lobby for these improvements with both their national and regional companies at every opportunity (marketing meetings, advisory councils, carrier panels, etc.), *and* implement the new technology promptly when a company makes it available, because the companies and vendors are closely monitoring agency usage in deciding whether to invest in it further.

### Core Agent & Broker Talking Points

The following talking points will assist agents in making the case for this new rating workflow to their carriers and vendors.

- It is highly inefficient for my staff and me to have to go to multiple company websites in order to determine which company has the best rate for my customer.
- We are seeing the benefits of technology in many areas of our business, but in the rating area, we have actually taken several steps backwards. We have to train our staff on the workflow for each site, logon to each site and remember the password, and then repeatedly enter the same data onto each site—data that is often already residing in our agency management system.
- It can take my staff and me 1 to 2 hours to compare the rates of a reasonable number of carriers in order to write a personal lines policy. This is time we could be using to go after new sales and to reach out pro-actively to our customers to provide advice and round accounts.
- My agency wants to grow, and your company wants to see growth from my agency. It seems to me that we should be doing everything we can to make the process to put new sales on the books as easy as possible for the agents. We are facing aggressive competitors who are doing everything they can to take business from my agency.
- My agency has made the decision to move to a real-time multiple company workflow, where we can work in our comparative rater or agency management system to get the rates from multiple companies and then issue the policy. We believe this move is essential for our agency if we are to remain in a strong competitive position for the future. Your company is important to us, and we want your company to be in this mainstream workflow that our agency will be using.

- What are your plans to implement real-time multiple company rating with my agency management system and comparative rater? Doesn't it make sense to accelerate those plans in order to drive new growth for your company and our agency?

### **Additional Issues & Information**

Some carriers resist this new real-time rating workflow because they fear their agents will "spreadsheet" them and cause them to suffer adverse selection. We need to point out to carriers that we look at more factors than just price when deciding which company offers the best fit for a particular customer. Successful companies can manage their agency plant in other ways to make sure they are treated fairly and write a reasonable percentage of the policies they quote. The answer is certainly not to resist implementing a new rating process that will encourage agencies to put more business on the books and make them more efficient.

For agencies which would like to discuss the actions they would like to see their carriers take in more depth, ask them to:

- Enable agency management systems and comparative raters to request and receive the carrier's real-time rates, especially for the agency's specific systems.
- Provide the vendors with very clear specifications regarding the XML feeds the carrier requires, test them, and keep them updated.
- Use the ACORD standards and applications, and if necessary, a supplemental application for additionally needed data. Limit company unique data to only that which is absolutely necessary.
- Collaborate with the vendors to make the process of handling the company's unique company edits and third party underwriting information as simple as possible for agent users.
- Educate the field marketing staff on the benefits of the real-time multiple company rating that the carrier offers, and have them encourage agencies to implement it.
- Provide educational opportunities and help desks to assist agencies with implementation.

For more information, go to the "Highlights" section on [www.independentagent.com/act](http://www.independentagent.com/act) to see the IIABA policy statement and the ACT article, "Real-Time Multiple Company Rating; An Important Growth Driver for our Future." See [www.acttech.org](http://www.acttech.org) to ascertain the real-time capabilities your particular carriers offer for your agency management system and comparative rater.

Please contact Jeff Yates, ACT's Executive Director, if we can render any assistance. (jeff.yates@iiaba.net). Please keep us apprised of the progress you make with your companies and vendors.

Thank you for getting actively involved in this issue. We have an important opportunity to reshape the current rating workflow in a manner that will put our agencies and our distribution system in a more efficient and competitive position for years to come.