

Agent Survey Shows Cost Of Poor Carrier Technology

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Independent insurance agents in four states, when asked to rank carriers' performance for a survey, gave low marks to those with technology difficulties and had high praise for carriers who were helpful and accessible.

The Professional Insurance Agents of Connecticut, New Hampshire, New Jersey and New York State, who polled their membership, said it was the second year in a row that the Mayfield Village, Ohio-based auto insurer Progressive has scored in the top rank among the four states.

Glenmont, N.Y.-based PIA said the Company Performance Surveys showed The Hartford, OneBeacon and Travelers scored in the top 10 in three of the state surveys for the second year running.

A total of 1,094 agents, with 556 participants in New York State, provided responses, with each scoring an average of five companies in this year's survey.

PIA's New Hampshire unit, based on its poll, awarded honors last month to the Andover Cos., Acadia/W.R. Berkley, MMG Insurance, Mt. Washington Assurance Corp., Peerless and Progressive during its Joint Education Conference.

It is the fourth year for the PIANJ survey, the sixth for PIANY, and the seventh for PIACT.

PIA said each survey used the same methodology but included different national and regional carriers depending on their market presence and agency representation in each state.

The trade organization noted that agents in the survey were quick to congratulate companies for technology improvements, but their comments also revealed the competitive costs for companies that fail to keep up.

While companies' Web sites remain important, agents also have begun to compare companies on their real-time functionality—or lack thereof.

A Connecticut agent said about one company: "Technology must be improved. Real-time Web-based rating and endorsement processing [are] needed to compete with other carriers."

Describing a high-scoring carrier, a New Jersey agent said, "If they would start using real-time, they would be the perfect company." Another reported comment from New Jersey, about a national carrier: "Their new platform for real-time is outdated and clumsy."

PIA said comments from New York agents made clear that their business decisions rest on ease of interaction with companies' technology.

One survey critique of a national insurer said, "Need better Web site. Too difficult to use—causing us to not write business with them," PIA related. And another said of a New York domestic carrier, "Advanced automation capability would allow us to write more business."

PIA said there was an evident trend among the top scoring firms concerning the "treatment of agents" category dealing with items such as support for the independent agency system, compensation and communication.

Mt. Washington Assurance, in Concord, N.H., according to one agent surveyed, is "always available and able to answer questions."

Lawrenceville, N.J.-based ARI Companies provides "unmatched access to my underwriter and management," said one respondent.

New York Central Mutual Fire Insurance Company is "always willing and always able to get someone on the phone to help you at all times," according to an agent.

At Dryden Mutual of Dryden, N.Y., the "staff is very helpful and friendly," it was noted.

PIA said the comments indicated that a preference for good technology to speed business transactions does not imply agents are willing to forego personal relationships and accessibility at their carriers.

Independent agency personnel were asked to rate carriers on 16 performance items in areas including product and pricing, treatment of agents, marketing support, technology, claims handling, service and underwriting.

Respondents were asked to provide separate ratings for personal and commercial lines in some cases where a company operates them as distinct business units. The survey was conducted earlier this year via the associations' Web sites as well as fax-back survey

forms.

The top 10 scorers in Connecticut include: AIG Agency Auto; The Hartford (commercial); The Hanover Group (personal); Chubb (personal); OneBeacon (commercial); OneBeacon (personal); Travelers (commercial); Travelers (personal); Peerless (commercial); and Progressive.

New Hampshire's top 10: MMG; Mt. Washington; Peerless/Liberty Mutual; Harleysville; Acardia/W.R. Berkeley; Concord Group; OneBeacon; Progressive; Commerce Group; and Chubb.

New Jersey's top 10: ARI; The Hartford; Travelers/NJ; Progressive; IFA Insurance Co.; Great American; New Jersey Skylands; Chubb (personal); Palisades; and Norfolk & Dedham/Fitchburg.

New York's top 10: Selective; New York Central Mutual; Travelers (personal); The Hartford (commercial); Travelers (commercial); Progressive; Preferred Mutual; MetLife Auto & Home; NGM/Main Street (commercial); and Sterling.

Each company received a private, full report on its individual results and the June editions of the associations' PIA magazine contain complete results of the surveys, including representative comments by the companies' agents.

Results of each of the surveys are online at www.pia.org/GIA/cps/.