

“Given changes in technology, the consolidation of agencies and societal influences, discuss four ways your clients’ expectations have changed in the last 5 years and the two most important changes you expect to see in customer service in the next 5 years?”

In the last five years, the insurance industry has gone through a variety of changes, for example-- technology, increase in marketing from direct writers, but most importantly, we’ve seen changes in our clients expectations.

One of the changes that has become apparent, is the method that clients prefer to do business with their independent agents. Within the last few years, there’s been a shift of communication from meetings in person, to more online or email conversations. Many of our clients we’ve never met face to face, but have developed a rapport through these “untraditional” methods. Our clients are sending referrals to their friends and family solely based upon these email interactions that they are having with their agents. There’s an ease of doing business this way, quotes are being sent out quickly, without having to wait for them to arrive in the mail. Applications are being electronically signed, and returned within minutes of sending them out. This shapes the way we do business now, but it also changes how our clients want to do business.

Because of how quickly we are able to communicate with our clients, it can also create a change in their expectations of us agents. Let’s face it, we live in a world of instant gratification. We can order something online, and know it will be on your porch by the time you get home the next day. Why wouldn’t insurance be the same in our clients’ minds? It seems that because of how quickly we are able to get other goods and services, their thoughts are that insurance must be the same. As an independent agency, we know that’s not always the case and it presents a challenge for us to try and change that thought process.

The change in marketing that surrounds the insurance industry, has been a major factor in our clients’ expectations. It’s been ingrained in our clients minds that they can go online and get an instant quote and new policy—a policy that they are told by these ads, will save them on average around \$600. The last few years, there seems to be a huge influx of marketing surrounding price, instead of value, and that is reflected in what our clients are asking of us. Our clients hear and see these ads almost everywhere they go, every website they visit, every commercial break on their Spotify playlists. They know that if at any point in time they are unhappy with rates or an underwriting decision, they can go online, quote and purchase their own new policy. This has posed a unique challenge for independent agents, as we’re not the only option they have, and selling our value has become even more important.

With the ease of getting a quote online and being bombarded with insurance ads, clients have been getting information about their insurance policies from other sources. There’s been a shift from asking questions and getting information solely from their agent, to instead searching online and asking friends on social media their opinions and advice on their insurance policies. It seems that clients are not always relying on us the same way as they did in the past for advice, but instead making their own decisions. Our clients’ expectations have changed to match what these advertisements are telling them—it’s easy, quick, and you can do it yourself.

These changes that have happened in the past five years, have been a challenge for many agents, but they also open up some additional changes and opportunities in regards to customer service.

Our clients are spending a lot of time quoting themselves online and researching their own information. In the short term, there will be a bigger push for independent agents to increase their presence online, and provide our clients a “self-serve” option. Instead of our clients reaching out to others through social media, and internet searches, we need to have communication avenues and resources available to them at their fingertips. Whether it be the ability for clients to text their agents, or view and adjust their coverages through an app (with guidance), we need to be more proactive on creating these resources for our clients and developing stronger relationships through them.

Through the clouds of mass advertising of direct writers, there’s the potential for our clients to become numb to everything that’s being thrown at them, and start looking for a more efficient way to get what they need. This would present the opportunity for independent agents to be the resource that our clients need without having to comb through the weeds of false advertising. The personal relationship, though through different methods than the past, will continue to be an important need for our clients going forward.

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