

Agents Council for Technology Meeting

February 12-13, 2014

Scottsdale, Arizona



Meeting hosted by: Jeff Yates (Outgoing ACT Executive Director), Ron Berg (Incoming ACT Executive Chair), and Jim Armitage (Chair, ACT Committee)

ACT Committee: Jim Armitage (Chair), Steve Aronson, Lisa Parry-Becker, Scott Rogers, Vance Stine, and Spencer Holden (IIABA Executive Committee Liaison).

Attendance: 125, with +12 first-time attendees.

WEDNESDAY AFTERNOON, MAR 12

IIABA CEO Keynote - Today's Marketplace for Independent Agents & Brokers - Opportunities & Challenges - Bob Rusbuldt, IIABA President & CEO

Mr. Rusbuldt shared background on Jeff Yates' career, and impact as ACT Executive Director. Ron Berg is assuming ACT leadership as of March 1, 2014.

Bob then discussed the Big I Market Share report (annual, for 18 years). It contains a great deal of historical data and is very useful for carriers and agents as we plan our future. Stats: Personal lines market share is larger than the commercial lines market in the United States. Commercial lines premium is not higher than personal. Independent agents still control the majority of the entire marketplace—57% of all P&C premium. We are dominant on the commercial side, at 79%, and this has been pretty static for years. We write 34.7% of personal lines, which has ticked up over the last year or so. We were able to grow personal lines market share in 26 states last year. We were able to grow overall in 25 states.

Looking back to 1995, the direct-response channel and regional carriers have grown at the expense of captive and national independent agency carriers. Captive carriers continue to control about half of the personal lines marketplace. That's down 8.3 percentage points since 1995. Captive market share has bounced between 50 and 52 percent since then. Regionals enjoyed 7.5% of the marketplace in 1995. Direct response writers doubled, from 7.1% to 14.4%.

Mr. Rusbuldt also responded to questions on the ACA and IA opportunities/responsibilities, and agency perpetuation, including IIABA Best Practices resources.

Customer Experience Work Group Overview

Co-Chairs: Judy DeLaRosa (Chubb) & Claudia McClain (McClain Insurance Services)

Reviewed why the work group was formed and overview the Work Group strategy

Our challenge: Using the 'Key Trends' identified by the ACT Strategic Future Issues Work Group, and review 'touch points' in the Consumer/Customer insurance journey – as they Discover, Research, Buy, obtain Service, Renew or Leave, and potentially become Advocates of the agency/carrier. The group will create a roadmap of this journey, identifying Pain Points, Moments of Truth, and Best Practices. The product of this initiative will be to generate a 'Best Practices'

document to share with ACT members, which details opportunities to create a customer experience that stands out from the competing direct distribution system.

Customer Experience Subgroups

Nick Oldfield (Cincinnati Insurance) – Commercial Lines

Karyn Furstman & Cynthia Lait (Safeco) – Personal Lines

The main Customer Experience Work Group created two Customer Experience Subgroups, having specific focuses on commercial and personal lines. These subgroups have created ‘Personas’ of core customer profiles and are using these to create the touchpoints and identify opportunities. These sub groups are now in progress.

The Wednesday afternoon ACT meeting also held **Customer Experience Breakout sessions**, engaging meeting attendees to confirm touch points developed this far, and also identifying which touch points are Moments of Truth, Pain Points or Best Practices. Clearly, the Claims, online presence, billing, renewal, and life event experiences are key moments in our customers’ journey.

Ron Berg gave a quick overview of Touchpoint Dashboard, the software tool the Work Group is using to map out the touchpoints.

The Work Group will continue to work on developing the roadmap and recommendations documents.

THURSDAY MORNING, MAR 13

ACT Executive Director Perspectives

Jeff Yates – Reflecting on the last 12 years and thoughts for the future

Focus on ACT’s value to the industry, teamwork, volunteers, the need for agency advocacy for technology growth, and the need for a sense of urgency on all important initiatives.

ACT Executive Director Perspectives

Ron Berg – Incoming thoughts on opportunities and focus areas

Discussed opportunities in this time of change and enablement. Focus on ACT volunteers’ expertise, commitment, and passion for the best insurance distribution system. Important focus areas: Activity Notifications, Commercial Lines Download, Claims Download, Real Time education and utilization, Social, Mobility, and improving Communications.

TrustedChoice.com & Project CAP Plans for 2014

Chip Bacciocco (CEO), Mark Iverson, Marty Agather and Vinnie Savarese, Project CAP

Review of Project CAP’s two parts: Consumer Portal, and Digital marketing. There are a lot of tools available for that. E-mail and drip marketing, building a better website, etc. Digital marketing services is an “open platform” model, partnering with key vendors. Discussed traction: 2,000

agencies have registered for a premium profile. ~1,220 have done so in the last 75 days. 27 personal lines carriers have signed up.

CAP had 68,000 visitors to the portal in January. Demographics: 76% of prospects are over age 30. 48% are married. 38% of new vehicles are valued at over \$30,000. 55% are choosing maximum limits. Only 16% choose minimum.

Also rolling out Comparative Rating – EZLynx is the primary comparative rating partner, also integrating with Boston Software (in MA) and Vertafore (for integration on the back end, for a smooth experience for those who use a Vertafore rating solution). Also working on Commercial Lines rating.

REAL TIME CAMPAIGN

(Liz Kittell and Joyce Sigler)

Reviewed feedback and guidance from Real Time Download Steering Committee.

The campaign is working to find creative ways to communicate the value of Real Time; having a unified voice, driving implementation, re-energizing momentum, and providing actionable items for agents and carriers.

Other 2014 strategies include building a stronger social media presence and a more interactive digital approach overall. Have created the Commercial Lines Download page, and two new Prezi presentations. The campaign has created a huge editorial calendar for the rest of the year that includes blog posts, images, press releases and memes, all designed to give agents and carrier more things to share. The 2013 Agency Technology Survey offered some really great results. We can take the data and transform it into useable and digestible information. For more info, visit www.GetRealTime.org, or email (liz@Aartrijk.com).

Industry Implementation Open Forum

Ron Berg & Jeff Yates, Facilitators

ACT surveyed attendees prior to the meeting, held an open forum on the top three issues identified; Single Sign-on and streamlined password handling (17.5%), Activity Notifications (15.66%) and Electronic policy delivery (12.12%.) Then were Real Time Commercial Lines Rating (10.10%) and Commercial Lines Download (9.6%).

Activity Notifications. Vertafore reports working with carries to develop, implementing the ACORD Standard activity notes with attachments. Applied now has 15 carriers sending Activity Notifications (600,000 messages a year) to 3,000 agencies. Noted that NASA and SIS are also participating, and Hawksoft is developing. Projection: If all potential carriers who can do personal and commercial download implement Activity Notes, and 15,000 agencies use it, the industry could be at 300 million transactions.

Electronic Policy Delivery

Susan LaBarre of Liberty Mutual, Work Group Chair:

The Policy Deliver Work Group developed a best practices document, sent an overview article, and also held a Webinar, overview the recommendations around electronic policy delivery. The recommendations detail best practices for Personal Lines, Small-, and Mid-Commercial Lines. This covers policy delivery to both agent and customer, dependent upon what works best for each individual distribution.

Carriers and agents in attendance discussed their preferences and feedback on delivery of policies via activity notes and/or electronic delivery system (e.g., The agent gets the policy in activity notes then delivers it to the customer).

Commercial Lines Download

Vendors, carriers focusing on identifying existing issues and communicating benefits of using Commercial Lines download.

Hawksoft reports 85% adoption of commercial lines download for agents who also write personal lines. IVANS hosting webinars on how to get companies to adopt it - Seeing 60% of agents getting personal lines download now getting commercial. Also seeing a 6.5% increase over the past year in the number of transactions.

IVANS discussed how they have created a matrix of over-writers, schedules that don't work and bad data. The matrix is broken out by line of business. Under the line of business, it shows who is responsible. Also creating a process to encourage greater adoption of commercial lines.

Overall, the industry needs to overcome the perception that commercial lines download doesn't work, and implement it as a part of CL agency workflow to see how well it does in fact work.

One carrier rep detailed how they used a sheet of updated Vertafore and Applied commercial download to explain all of their internal issues.

Single Sign-On

The majority of Real Time transactions that fail do so because of password issues. The goal is to make Single Sign-On this a reality with transactions within the management systems and raters, so the agent or user is not negatively impacted with ID/Password issues. Another positive is reducing the agency administrative work involved deprovisioning IDs after associates leave agencies. Urgent for agents to discuss Single Sign-On with carriers.

New ACT Work Groups - Reports

Agency Technology Agreements Work Group

Jim Armitage, Chair

The main charge of the Work Group is to update the 2004 "Guidelines for Agency Carrier Technology Agreements". Currently reviewing what has changed in the interim; what's new, what's

irrelevant, and finding that the 2004 document is still mostly relevant, however new issues that have emerged in the interim need to be evaluated; Agents need unlimited access to customer data, concerns with Electronic signatures (e-signature methods, click-throughs); data breach; federated single sign-on; use of data by third parties; and electronic delivery of policies – all need to be reviewed in respect to what agent/carrier technology agreements should contain.

The Work Group will generate an updated recommendations document and distribute to ACT members.

ACT Communications Work Group

Ron Berg presented on behalf of Paul Peebles (Work Group Chair)

Work Group charge:

1. How can we improve ACT communications overall? Will focus on:
 - a. Content: **What** is the message?
 - b. Media/method: **How** is the message delivered? (I liked Liz' presentation on concise, infographics, etc.—presenting information in the format the reader/content consumer needs)
2. Internal and external communications will be addressed.
3. We need to be sure we have the right message for each audience (agents, carriers, technology partners and the broader industry as a whole.) We need to have the message up front and easy to see, but some people want to go through that white paper. Some just need to get the guts of it, make a decision and move on. It's a heady challenge and a wide scope.

Work to date: Work Group held an initial strategy discussion, looking at hurdles and opportunities. Next steps are to put structure around our strategy, leveraging existing communication platforms (e.g., the new IIABA format for the ACT website, Groupsite for internal communications, and adjusting external communications). Will also investigate using video and emerging tools and platforms, such as Social, podcasts, etc.

The Work Group will take a two-phased approach. In **Phase I**, the work group will review and recommend. For **Phase II**, an ongoing advisory panel will provide insight on what is working elsewhere.

Times & Places for Next Meetings

-- **May 5, 2014 ACT Meeting** (afternoon) in conjunction with the May 4-6 ACORD LOMA Conference, Rosen Shingle Creek, Orlando, FL

-- **October 27, 2014 ACT Meeting** (afternoon) in conjunction with the ACORD Implementation Forum, Marriott Harbor Beach Resort, Fort Lauderdale, FL