Becoming an “Object of Interest” Is Job No 1. Here’s How to Do It.

by Dan Weedin

I recently responded to a discussion among insurance professionals on Linked In regarding the subject of insurance advertisements on television.

The writer was fed up with what he termed the “dumbing down” of insurance to the public. Between Flo from Progressive, the dancing e-surance staff and the ubiquitous Geico gecko, public perception is shifting to the extent that the company with the most entertaining commercials also is most deserving of your business.

As distasteful as this may be to “hard-core” insurance professionals, the reality is that this form of advertisement works. The marketing gurus in charge of such campaigns aren’t concerned about making sure that individuals get proper limits of liability or guaranteed home replacement coverage; they are solely concerned with making the phone ring or driving website traffic for its client.

And, they undoubtedly are succeeding in that objective. They have made Progressive, Geico, e-surance, State Farm, Farmers and Allstate (whose commercials I like, by the way) objects of interest.

This should be a lesson to you — a lesson in both branding and messaging you can take away from these new advertisements, and that is becoming an object of interest is Job No. 1 for you. You can’t develop a relationship, earn trust or even consider selling a policy until you’ve developed a curiosity about

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you and who you are. People want to deal with professionals who are interesting and who raise questions on how to improve their condition.

I’m not suggesting you dress like a lizard, pitch your message on the street corner with a sandwich board sign, or hang a gigantic banner on the highway; what I am saying is you need to draw attention away from all the other “noise” out there and change the paradigm of what insurance actually is to your audience. So how do you do this?

1. Be Contrarian: Some of the best-known “objects of interest” got that way by offering a contrarian viewpoint. I’m not talking about being “contrary” or rude. I’m talking about being assertive in the fact that you have a theory that goes against the tide of traditional thinking. Here are a few ideas when it comes to insurance that start with contrarian viewpoints and are followed by the real message.
   - You don’t need life insurance. (You need “death” insurance.)
   - Long-term care isn’t really good insurance. (It’s a “must-have” investment.)
   - Crisis isn’t a thing to be avoided. (You need it to accelerate growth and find opportunity.)
   - Umbrella insurance doesn’t offer you extra protection for your family. (It offers extra protection for your insurance.)

You’ll find that by pushing the original paradigm, you can often create curiosity, which leads to questions, which ultimately leads to conversation. And conversation is the key to new business.

2. Toot Your Horn Early and Often: As my professional mentor Alan Weiss has always said, “If you don’t toot your own horn, there is no music.” With the advent of technological advances in communications, this is easier than ever. Consider these inexpensive or free options to make your own music: write a blog, publish a newsletter, send out regular press releases, write a column, publish articles and white papers, host teleconferences and webinars, create videos and speak to groups. You will be providing value to your audience, which raises awareness of you... basically, tooting your own horn!

This concept is primarily about providing tremendous value through your intellectual property. Readers, viewers and participants should walk away thinking, “Wow, she is very smart. I need to learn more!”

Note: Intellectual capital is the stuff between your ears — it’s your “smarts.” Intellectual property is the manifestation of your intellectual capital through books, articles, videos, booklets, white papers and other resource materials.

3. Be Well Read: Being well read means having information and commentary in your head that allows you to carry on intelligent conversations and ask smart questions. There are a several areas from which you should consistently draw, including:
   - Newspapers — both local and national
   - Self-development books — balanced between industry and skills development
   - Fiction — I think I learn more from fiction than I do from any other genre
   - Historical works, including biographies
   - Classics — The language is superior to what we read now and you simply must be conversant with intelligent people.

I guarantee you, the better read you are, the better you will be able to think and talk extemporaneously, and you’ll find yourself engaged in more conversations.
4. Tell Stories: People love to hear stories. If you can create a list of stories and anecdotes about your successful partnerships and how you’ve helped to improve your clients’ condition, then you will most assuredly find more interested parties. People want to know how you can help them, and if they have clear peer-type examples to share, you create more credibility.

The best way to accomplish this is to keep a story file. When something of interest to you occurs, jot it down along with a comment on how you may be able to use it. Stories are critical to gain emotional engagement from the audiences you speak to, write for, and converse with, so always have a message and a call to action for each story.

Here’s the bottom line: You must create velocity in your marketing by taking a page from the big boys in the industry. Become an “object of interest” by using the techniques listed above, all of which are inexpensive and painless. They also will fill your prospect pipeline and turn into business, which is a huge ROI for you!

Learn More from Dan at the Sales & Leadership Conference, March 9-10 in Helena, Montana. Topics include:

- Maximizing Relationships & Referrals
- Risk Management & Strategic Crisis Planning for PL & CL Clients
- Risk Management Case Study

An Insurance Intermediary’s Duty to the Client
by Dennis Gambill

Insurance intermediaries are typically classified as either ‘agents’ or ‘brokers’. While agents will generally serve a single insurer, brokers are usually seen as independent contractors who will have a relationship with a number of insurers.

It would then appear that there is a distinction in the process of obtaining an insurance policy that will identify in exactly what capacity the intermediary is acting. The question can then be asked: What are the duties to the client while acting in either capacity?

The subject, “Standard of Care, Insurance Agents”, has long been a topic that has been the subject of many court cases. One of the earliest in Montana was probably “Gay v. Lavina State Bank” 1921. But, for the most part, the main point of emphasis has been that an insurance agent owes an absolute duty to obtain the insurance coverage which an insured directs the agent to procure.

If a broker/agent fails to procure that specific insurance then he or she is liable for damages suffered due to the absence of such insurance. Further, the development of a ‘special relationship’ can impose a heightened duty on the broker/agent. Circumstances
that can emphasis that relationship can be how many years a person/entity has been a customer, how much involvement the agency has in obtaining coverage or was there any kind of a written contract to perform a special task.

Naturally, these are all factors that will be viewed by legal counsel for a plaintiff. Because of the close scrutiny of attorney’s for the appearance of any misstep by a broker/agent many will take extraordinary precautions in how they advertise or hold themselves out to the public. Kind of a “damned if you do, damned if you don’t” situation where the insurance seller retreats for fear of reprisal.

Chris Burand, a national known insurance consultant, wrote an excellent article, “The Commoditization of P & C Insurance”. The article appears on Virtual University web site. All brokers/agents should read that article. [IIAM members have free access to the VU using their member logins.]

In a Montana Supreme Court case, “Monroe v. Cogswell Agency & Safeco” (2010) the Court seemingly gave a summarization of where the broker/agent capacity starts.

A majority of the Court said that the insurance seller acts as a broker while ‘shopping’ for insurance and determining with which insurer to place coverage. Once that is determined, the broker becomes an agent for the insurer. The Court referred to this as “a distinct two-step process” and “is at the heart of the agency issue.”

The Court further stated “although we have not specifically addressed it, our jurisprudence suggests, and other jurisdictions conclude, that for the purposes of agency analysis, an independent soliciting agent only becomes an agent of the insurer during the second step-after it has selected that insurer’s specific policy”.

The heart of the broker/agent duty to the client then obviously is during the broker stage—“shopping” for the coverage and insurer.

This is now where the client has made a specific coverage request. One of the problems some brokers will find is that the request is not specific enough, or the client is too guarded with releasing sufficient information, especially when purchasing business insurance. This is the time when openness should be the greatest!

In order for the broker to determine proper coverage, information has to be as complete as possible. By not being thorough with providing information, whether with personal insurance or business insurance, a broker can sometimes be set up to fail—and in court is not the place for that to happen!

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Providing information, especially if that information is incorrect, can be another burden for the broker/agent.

When an application for insurance is completed specific information is given and is attested to by the applicant as being correct and true. Generally the application contains warranties that act as an inducement to the insurer to accept the coverage requested by the applicant. The application is signed and dated by the applicant.

Recently the Montana Supreme Court, in “Bailey v. State Farm/Olson” (2013) made a seemingly controversial ruling regarding an agent's duty. According to the Court, certain requested coverage was not secured. A lower court had granted summary judgment to State Farm & Olson. The Supreme Court reversed this judgment and remanded the second issue for further proceedings.

Underinsured Motorist Coverage had not been procured by the agent in Montana after the Bailey’s moved from Oregon. Stan Bailey had signed both auto applications with the Olson agency that did not include Underinsured Motorist Coverage. The Bailey’s had this coverage in Oregon where it was included with Uninsured Motorist Coverage using the same coverage symbol. The Bailey’s received new premium and coverage notices from the Olson agency with State Farm for a period of seven years without ever questioning the absence of UIM. Even during a phone call, while making some policy changes, when the absence of UIM was pointed out by an Olson agency employee, there was no acknowledgement by the Bailey’s of the need for UIM.

Subsequently, a serious accident occurred where the at-fault driver had only minimum liability limits. At that point UIM coverage became very necessary—but was not available. The 2013 court case resulted after the Bailey’s appealed the lower court summary judgment. The second issue, which was remanded, had not originally been addressed: The issue of contributory negligence on the part of the Bailey’s for failing to read the original applications which did not include UIM.

In “Fillinger v. Northwestern Agency” (1997), the Montana Supreme Court stated “We are persuaded by the reasoning of this line of authority that an insured does not have an absolute duty to read their policy, but their failure to do so may amount to contributory negligence”. (emphasis mine).

How would you rule on this second issue?
Kerri Emmons
Membership & Marketing Director

How long have you been at the association?
Started on Feb 9, 2015

What do you do?
Membership & Marketing Director. My primary responsibilities are to develop and enhance relationships with our current membership, foster new membership opportunities and to support our Young Agents.

How long have you been in the insurance industry?
Close to 20 years

Where are you from?
Raised in Wyoming, Casper to be exact.

Education/Experience:
I started my insurance career in property and casualty, commercial and then personal. I have spent the last 16 years in the Benefits world as a Service Director.

What brought you into the insurance industry?
Random opportunity.

Tell us about your Family
I have an awesome husband, Jonathan, an adorable 9 year old daughter, Sydney, and a five month old Golden Retriever, Stella

What three adjectives best describe you?
Enthusiastic, Considerate and Learner

What do you love about your job?
I am so excited to help our member agents as well as the Young Agents. We have so much change going on in our industry, I feel I can help facilitate benefits the Association brings to our current member base with the objective to enhance their current offering and/or bring solutions to their business. As for the Young Agents, welcome to our future. As most of you are aware succession planning is crucial and the young agents will help set those paths in motion.

What is the best advice you’ve ever received?
Be Kind. My advice to others: always make sure you make time for your own professional development.

Do you have a favorite hobby?
I enjoy a multitude of activities. As long as it includes my family, friends and fun, I am in.

What advice would you give someone that just joined the industry this week?
Learn all you can about the industry and what business owners are dealing with in general. Business owners need their insurance agent to understand that they do at a high level and need your expertise.
Montana Big “I” Introduces Carrier Committee
by Stacy Juelfs, Committee Member

The Montana Big “I” has introduced a new committee in 2015. The Carrier Committee was created to help plan events, increase communication and support the local Big “I”.

The current committee members are:

- Stacy Juelfs, Main Street America Group
- Scott Tuxbury, Big Sky Underwriters
- Dame McDonough, Travelers
- Karla Dedman, Montana Insurance Managers
- Tom Chamberlin, Mandeville Insurance
- Kerri Emmons, IIAM Membership & Marketing Director
- Natalia Rogers, IIAM Education Director

The committee will meet quarterly.

Carrier Committee Mission Statement

The Montana Big “I” Carrier Committee provides support to the Big “I” by enhancing the experience through carrier engagement, communication to our carriers and agents throughout Montana. We support annual events through planning and communication about the events.

For more information contact Stacy Juelfs.

Webinars

Competing with Direct Sales & Captive Agency Insurers in Personal (and Commercial) Lines

March 25th
11am to 2pm MT
$79 · 3 CE MT

While the focus is primarily on personal lines where direct sales and captive agency companies dominate the marketplace, the first hour addresses both personal and commercial lines and many of the principles discussed throughout the webinar are applicable to both personal and commercial lines.

Congratulations Webb Mandeville, Mandeville Insurance Agency, on receiving the Rickey Mart Memorial Agent Appreciation Award from the Montana Association of Counties.