

# How Agency Owners Benefit from ValChoice

*With the markets for selling insurance becoming increasingly competitive, agency owners are turning to ValChoice to increase agent efficiency and to improve customer satisfaction.*

The ValChoice logo features the word "ValChoice" in a bold, sans-serif font. The "Val" is in a light blue color, and "Choice" is in a darker blue. A registered trademark symbol (®) is located at the top right of the word. A grey, curved line arches over the "Val" portion of the logo.

**ValChoice<sup>®</sup>**



### Selling Insurance in an Increasingly Competitive Market

Does your agency have an ever-increasing focus on value? For most agencies, focusing on value is a necessity simply because trying to compete on price is difficult. Many agency owners say the focus on value is helping to slow the loss of customers. However, it's not stopping the loss of customers to the low price leaders.

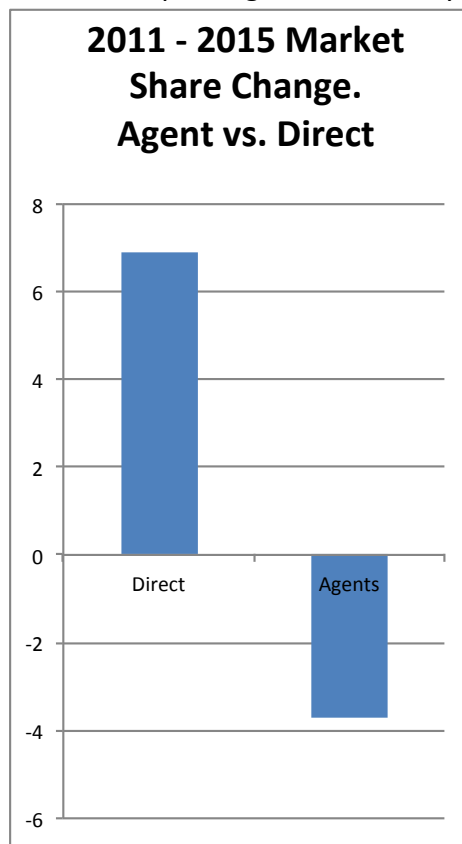
The nature of a market transitioning to online with a focus on price is that the speed at which low price offerings overtake higher priced offerings ebbs and flows. What doesn't change is that the low price offerings continue to gain market share. When equilibrium is finally reached, the market will look very different and typically the sales channel hardly resembles what it was formerly. The travel business is a good example, going from 60,000 to 15,000 agents in a period of 20 years following Microsoft's launch of Expedia Travel Services.

In the auto insurance business, the chart to the right shows the changes in market share between direct sales and sales by agents, total U.S. from 2011 to 2015. This clearly shows a disturbing trend that agency owners wanting to maintain the value of their business must address.

The good news is, there's a way to fight back by selling value and using analytics to benefit both your clients and your business. Embracing analytics that provide insurance industry transparency has several positive benefits, including:

- Selecting only the best companies to be represented by your agency
- Building trust with clients that leads to longer term relationships

- Improving the efficiency of the sales effort, thereby reducing costs.



### Selling Products from the Best Carriers

Historically the evidence of how good a carrier is was based on a small sample size of data. Realistically, it wasn't possible for an agency to know the real differences in claims



payment history between carriers because the number of claims within the agency wasn't large enough to have credible data. This left the carrier with all the power.

When agencies attempted to sign more carriers in order to have a larger, more diverse offering, they often would be confronted with the requirement to move their book of business in order to sign new carriers. This was both a labor-intensive undertaking, as well as an unknown risk for both the client and the agency.



With an independent, unbiased, competitive analysis, this dynamic has changed. Carriers not offering the product quality needed must show a roadmap to improved performance and/or offer higher commission rates. It's no longer necessary for agencies to promise a book of business, unless the carrier can prove good performance.

### Increasing the Trust Clients Have in Your Agency

Consumers are increasingly coming to expect transparency. It's available throughout our society, but is only just beginning in insurance. Agents and agencies that embrace transparency will create a trust and a bond with clients that companies and agencies not embracing will not enjoy. This trust creates a lasting value in clients making them less likely to take their business elsewhere for a lower price.

### Improving the Efficiency of the Sales Team

Personnel are one of the largest costs in the agency business. Improving the efficiency of the employees brings opportunities for growth and lower costs. The conversion rate tools ValChoice offers for agents and agencies significantly increase conversion rate, resulting in a more efficient organization.

### The Power of Independent Analysis

ValChoice provides all the above benefits by analyzing large amounts of high-quality data and presenting the data in an easy-to-understand way for agents and agencies to use both internally and with clients. With our tools, you have independent; quantitative analysis based on industry financial and complaint data from insurance companies and regulators. [Click here](#) to see a video demonstration of our easy-to-use tools.

### What Consumers are Saying:

*"With four young children, I need to know I'm protected if anything happens to me or my family. Thanks to ValChoice, I found out my insurance company was rated extremely low, prompting me to move my business to a better provider in order to ensure my family's future." Mike M., New Hampshire*

*"I had no idea how my long-standing insurance company compared. ValChoice showed me that they ranked near the top. And with that information, I had the confidence to continue with my current provider." Matt K., CA*



## Components of the ValChoice Score

### Price

The Price portion of the ValChoice score analyzes financial data and shows how each insurance company compares based on the coverage they offer for the price. The analysis is displayed with a fuel-gauge-style image so users can easily tell how any given insurance company performs. For example, in the gauge to the right, this insurance company has excellent performance.



Mid-point on the gauges represents industry average performance.

### Protection

The protection grade is based on examining all forms of losses. The analysis is presented in an easy-to-understand image showing how good the company's claims payment performance is in the state where the client lives. This analysis is also portrayed with a fuel-gauge-style image.



Compared to peer group companies.

### Service Quality Grade

The Service component of the overall score is based on complaints filed with insurance commissioners. With a large database of formal complaints, ValChoice analysis identifies which companies are the best, and the worst. The data is presented in an easy-to-understand, star-rating format.



## The ValChoice Score

The ValChoice Score is a combination of the three subcomponents: Price, Protection and Service. Clients can decide which grade is most important to them, or decide which insurance to buy simply based on the ValChoice Score. Like the Price and the Protection grades, the ValChoice Score is represented with a fuel-gauge-like image with the center (yellow) being industry average. [Click here](#) to watch a video and learn more about ValChoice subscription services.





### **A Service that's Easy to Offer Your Clients**

ValChoice tools allow you to customize reports for your clients. You can show a single company or show companies side-by-side. There is no better way to visually demonstrate the value of insurance. Best of all, the tools are easy-to-use and are personalized with your agency name and contact information. [Click here](#) to schedule a demonstration to learn more about how these tools can be used by your agency.

### **About ValChoice**

ValChoice® is the only company to provide consumers, agents and advisors with information on which home and auto insurance companies offer the best price, protection and service. The company's advanced analytics platform collects and analyzes millions of financial and complaint data points and delivers the results in an easy-to-use service that Forbes Magazine describe as "Carfax for insurance." Using ValChoice, consumers are finally able to shop for insurance based on value rather than making decisions blindly based on price or advertising campaigns.