

Tech Deficit Causes a Local Insurance Company to Lose Thousands to Big Competitors

When thinking about technology, too many businesses adopt an “if it isn’t broken, don’t fix it” mentality. They think if they can access email and nothing is going wrong with the computers on their desks that their technology is adequate.

*What they don’t realize, however, is that their competitors are spending money—**a lot of money**—using technology to take business away from them.*

In this case, a local insurance company is losing thousands of dollars of business to national insurers.

A friend of mine¹ was recently in the market for insurance. Friends recommended two insurance companies to him: one small and local, and the other large and national. He very much wanted to “shop local,” but decided to get quotes from both.

Working with the local insurance company was complicated. Filling out a form on the local company’s website resulted in an email from someone at the agency asking him what he needed. Once he sent an email back (with basically the same information as the form), he got another email with an application attached. As he tried to fill out the application, he had a couple of questions, which resulted in two more emails back and forth to the agency.

Finally, he sent the application back and waited. Some days later, the agency responded with a quote. By that time, he already had insurance from the big company.

His experience with the large insurance company was very different. He thought the small agency would be more personal, but the large company used technology to make the entire process personalized and convenient.

Their more convenient process went like this:

- A link on the website allowed him to schedule a call with an agent.
- The agent called at the scheduled time and walked him through the application.
- Later that day, he received a quote.

¹ This is a true story. Names and some small details have been changed to preserve anonymity and confidentiality.

- The agent sent an email a couple of days later to remind my friend to return the quotes (which he did).
- Soon after this, he received documents to review and sign online.
- He completed the documents online, made payments online, and was insured.

What made the large firm so successful? I don't think they cared more about my friend or his insurance needs. Their agent wasn't more knowledgeable or more friendly.

The large company simply used technology better. That made them easier to use, faster, and more responsive. Because of that, the local agency lost thousands of dollars of revenue.

What makes this an even more interesting story, however, is that all the technology tools used by the large company are currently available to the local agency and well within their price range.

For a minimal amount of money, the local agency could:

1. Implement something like Calendly that allows potential customers to schedule appointments from their website. (Cost, between \$0 and \$12 per-month)
2. Use online forms and DocuSign to collect information and get documents signed. (Cost, \$25 per month)
3. Build an automated workflow for each lead generated from Calendly to make sure that agents followed up at the appropriate time. (Cost, around \$25 per-month)

In other words, the agency doesn't have to spend big money to compete with their big competitors. The solutions they need are available and affordable. They just need to implement them.

At TransformITy, we specialize in helping small and medium business do just that. We are expert at understanding business processes and implementing cost-effective automation technology.

Contact us at info@transformitysolutions.com to learn how we can help your business use technology to improve efficiency and drive revenue.