Dear Christi,

Just like the insurance business, spring can be a little unpredictable. Your PIA membership helps provide you with tools and information to help you be prepared for success. Let us know what we can do to help you at info@piaky.org. We want to know! And if there are items you'd like to see us include in our newsletters, be sure to email marketing@piaky.org with any suggestions.

Cha Cha Changes

"I don't know where I'm going from here, but I know it won't be boring."

David Bowie

Sometimes it can seem like too much of a good thing. New data, software and industry change has created an explosion of information and analytics. It can be easy to go to extremes, by either jumping in without a real plan or by ignoring the new, and hoping you won't be forced beyond your comfort zone.

In This Issue

Cha Changes

Embrace Analytics

In this issue we'll look into a few of these developments, and give you some insight to help
you navigate the best course for your agency's future.

**Embracing the Benefits of Analytics**
from *PropertyCasualty360.com*

Companies in the insurance industry have always possessed a great deal of data, primarily from policy, billing and claims systems.

New real-time data sources - such as wearables, connected devices and social media streams - are increasingly available to add behavioral and contextual data for deeper assessment.

With the modernization of core systems, increasing affordability of large computer power and newer analytical tools such as machine learning, insurance carriers and brokers are primed to do more than traditional risk analysis. Advanced analytics allow them to identify new revenue opportunities, enhance customer and agent experience, assess operations for improvement and improve controls.
Yet, our recent survey revealed that organizations are not fully realizing the benefits of analytics - even though they inherently recognize the potential to lift their businesses.

It's easy to get excited about the potential of analytics - but moving forward requires a thoughtful approach that recognizes and treats data as a valuable corporate asset. The insurance industry must embrace this mindset to remain competitive in an environment that is challenged by product commoditization, shrinking margins, disruptive startups, regulatory uncertainty and changing consumer expectations. A company's ability to use its wealth of data will be a key to navigating these challenges successfully and generating value in the future.

For carriers and brokers ready to increase their use of advanced analytics, the survey results point to steps that can help set them on a productive path:

- Focus first on using analytics to solve a specific business problem. This is a good way to demonstrate the value of advanced analytics and show return on investment, which participants flagged as a near-term, significant challenge.

- Identify and correct data quality issues before advancing analytics initiatives.

- Address data segmentation issues that stem from acquired companies or disparate legacy systems.

- Make sure senior business leaders understand the full potential of using advanced analytics and are prepared to drive behavior change resulting from data insights.

- Develop an analytics strategy that supports strategic business objectives....more

Climate Change and the Insurance Industry

Insurers are Climate Change Believers
from Fortune

Whether they're paying for hurricane cleanup or reimbursing farmers for lost livestock and crops, insurers foot much of the bill for disasters associated with climate change. The chart below shows just how big that bill can get; the cost of insured weather catastrophes has been soaring far faster than
When it comes to agency technology, many of our survey respondents told us that keeping up with the latest innovations can be a tricky process, and at times cumbersome.

We asked them what devices their agency uses/allows, particularly whether smartphones were used to conduct agency business. We also asked producers whether they had a presence on social media, and the results tell us that there is room for improvement in that area. See the results below.
What technology devices does your agency use/allow?

- Electronic document retention system: 79.3%
- Agency Wi-Fi (wireless internet connection): 77.4%
- Third-party mobile network to access agency: 29.3%
- Agency laptops: 58.7%
- Agency smartphones: 54.3%
- Agency flash drives: 20.7%
- Agency website: 85.1%
- Agency social media pages: 64.4%
- Remote desktop connection: 59.6%
- None of these: 0.0%
“We have adopted most technology platforms that are available. We make every effort to be proficient with carrier rating, policy issuance, etc. Even with all of these investments, the processing of coverage and the handling of business between us and our carriers is [still] way too slow and cumbersome.”

Social Media

64.4%

of respondents say they have agency social media pages.
Those interested in learning more about subscribing to the report can contact Rick Flaspöhler, Partner, at rick.flaspohler@nmg-group.com.

**Drones and Self-Driving Cars**

**Why Not Combine Them?**  
*from InsuranceJournal.com*

We’re eventually getting autonomous cars so you don’t have to do the driving, and drones are all the rage - although Amazon CEO Jeff Bezos' vision of
drones delivering packages to your doorstep hasn't come to fruition - not quite yet. So combining the two makes perfect sense... Read full article

How the insurance industry will adapt to drones and driverless cars

"Upscale Millennials" Likely to Adopt Usage-Based Insurance

Make It Personal

New research has found that nearly a third of millennials (those born between 1982 and 2000) qualify as urban professionals earning in excess of $75,000 per year, according to Nielsen. That represents approximately 24 million U.S. consumers - a massive number by any stretch, and one that continues to grow rapidly.

The good news for auto insurance carriers offering usage-based insurance (UBI) is that this particular group of consumers has proven to be vastly more accepting of the telematics technology that makes UBI possible. In fact, a recent study by Nielsen points out that upscale millennials are 79 percent more likely than the average consumer to use telematics programs.

Millennials are drawn to products and services that are highly personalized, and are becoming increasingly more sophisticated when it comes to doing business with companies that understand their preferences. To engage this group, your safe driving rewards and value-added services should appeal to their wildly varying tastes and needs.
By understanding various sub-segments of this group, you can begin to customize the UBI experience for dozens or even hundreds of sub groups. A 19-year-old college student in a small town in Ohio may have significantly different needs and expectations than a 24-year-old urban professional.

To execute on this level of personalization easily and effectively, you'll need access to rewards providers that can seamlessly integrate with your program, allowing you to configure and manage your safe driving rewards and incentives across multiple sub-segments in numerous locations. An open telematics platform that is fully integrated with rewards providers and allows you to customize and configure programs via a non-technical, user-friendly web-based interface can put your UBI program ahead of the market...

Read full article

Meet Your PIAK Board

Joe Cerzosie, CIC, Board Member

Joe started in the insurance business in 1986 as a territory manager for Progressive Insurance Companies. In 1990 he joined Lexington Insurance Agency as the personal lines manager and is now one of the owners, responsible for insurance sales and administration. He is a graduate of the University of Kentucky and earned his Certified Insurance Counselor designation in 1988.

Joe has been involved with the Professional Insurance Agents of Kentucky since the late 90's, serving as a board member and as President from 2006-2008.

According to Joe, "PIA offers many products and services to help members manage their agencies, educate their staff and help serve their customers. But the most important thing an agent can get by being involved with PIA is the opportunity to network with other agents from around the state. Involvement in PIA can also help you make contacts with company representatives from companies you already represent as well as others you may like to represent. Lastly, it is an opportunity to give back to your industry in areas of education, legislation and developing plans for our future".

Joe is happy to share tips on making the most of your PIA membership, or answer your questions on your career in insurance. You can call him at 859-899-2409 or email joe@lexingtoninsuranceagency.com.

Tax Time Is the Best Time

For Hackers!
from PropertyCasualty360.com

With the amount of personal and financial information traveling through cyberspace, there are plenty of opportunities for them to steal personally identifiable information (PII), tax refunds and other personal details about taxpayers. Although over 700,000 taxpayer accounts were compromised in
2015, surveys show that consumers do not take the risk seriously, leaving them vulnerable.

Here are several ways to keep you, your company and your clients' information safe and suggestions to keep tax refunds out of the hands of fraudsters.

1. Trust, but verify
Just like other types of CEO fraud that spoof an executive's email address and even his or her writing style, fraudsters can employ these same strategies to access employee information or even request a funds transfer. Anyone who receives such a request from an executive, vendor, bank or other institution should verify the request by phone or some other means besides email.

2. What's on the web?
It's wise to keep contact information for employees in the finance department off of the website, particularly lower level employees or those responsible for wire transfers, since it makes it harder for thieves to target them for fraudulent schemes.

3. Monitor W-2 requests
"Hackers are on the grab right now for W-2s, social security numbers and other personal information in order to perpetrate tax fraud," said Katherine Keefe, global head of BBR Services in a press release.

4. I need this immediately!
It's not unusual for a scammer to request that information be sent as quickly as possible. By making the request seem urgent, the fraudster hopes that an employee will respond without considering whether or not the request is genuine because of the threat of a reprimand or some other consequence if the response is delayed in any way.

5. Beware of social media posts
Executives who post their plans can make it easier for scammers to reach out and request employee information or wire transfers while the executive is unavailable to confirm the request.

Additionally, keep in mind that passwords matter, guard your personal information, use direct deposit, and file early. If you do suspect that someone has stolen your identity for employment purposes or to file a fraudulent tax return, you should complete form 14039 and mail or fax it to the appropriate IRS office with the requested forms of identification. Read full article

Conquering the Biggest Enemy of the Salesperson

Distraction!
by John Chapin

A salesperson's most important activity is talking to qualified prospects. The biggest enemy of the salesperson is anything that distracts him or her from working on that most important activity. Distractions come in many forms, some
obvious and some not so obvious. Here are those distractions along with their solutions.

Seven Distractions that Keep You from Your Most Important Activity

Distraction #1: Cell phone, e-mail, text messages, false emergencies, and other similar items.
Recently I was helping a call center increase their number of calls. The first thing I did was observe everyone to see how they typically make calls. I watched one individual pick up the phone, start to dial, and then stop because he got a text message. He read it, responded, and then went back the phone, hung it up, and started to redial. Just then an e-mail chime sounded and he looked to see who it was from. Once again, he hung up, then redialed. He got voicemail, left a message, then brought up his CRM to enter the information for that call. For the next half hour I watched as callers got distracted by everything from the above items, to trips to the bathroom and to fill up water bottles and cups of coffee. As a group, they averaged 2 ½ calls in the 30 minute period. Yes, one call every 12 minutes.

Distraction #2: Paperwork
Paperwork, other than filling out an order with a customer, is for after or before prime prospecting hours. It’s okay to make a quick note, record something on an order form, or write down something you need to work on later, but you are never working on letters, proposals, or doing anything that can be done off-hours.

Distraction #3: Servicing accounts
You may occasionally need to service accounts, but this should be done to a minimum and it should only be done for the 20% of your accounts that are giving you 80% of your revenues. I see many salespeople get adamant about servicing every aspect of every account. While they justify this as taking care of the customer, they are really doing it to avoid the hard work (fear and discomfort) of prospecting. You may have to do some servicing, just do as little as possible.

Distraction #4: Looking for a quicker, faster, easier way to prospect other than picking up the phone or calling in-person
All prospecting should be done either in-person or by phone. Skype and other similar methods are also okay. The point is to be talking live, in real time with prospects. E-mail, social media, mailings, and other similar indirect methods that don’t allow you to actually talk to someone, are distractions from effective prospecting and nothing more than another way to avoid the hard work (again, fear and discomfort) of making live calls. You can and should still use these methods, but only after you have reached out via phone or in-person.

Distraction #5: Talking to prospects who are not qualified
Stop pretending that ugly duckling is a swan. You know the truth in your gut. Either get rid of them immediately or give them one last chance to do business with you.

Distraction #6: Majoring in minor things
Minor things include: cleaning your desk, rereading the letter you’re about to send out, doing preparation work, and all other "minor" items you should be doing before or after prime time.

**Distraction #7: Anything else that gets in the way of calling on qualified prospects**

This could be a doctor's visit, a car accident, an earthquake, weather, friends wanting to chat, or anything else under the sun. Regardless of what happens during the day, your primary focus needs to remain on hitting your daily number of qualified prospects.

Make sure anything you have control over does not interfere with "prime time." Do not schedule doctor or dentist appointments, the plumber, the electrician, or anything similar during prime hours. When something unexpected arises, that you don’t have control over, like a car accident, weather, or similar event, ask yourself, "How can I still get all my calls in?"

Your most important task every day is hitting or exceeding your prospecting numbers. Period. It is always the most important thing you do. Your creative brain will either come up with excuses to avoid this hard work or find ways to get it done regardless of what comes up in your day, including car accidents. Use your head and find all ways, both obvious and creative, to prevent distractions and get as many calls in as possible. [Download full article](https://ui.constantcontact.com/visualeditor/visual_editor_preview.jsp?agent.uid=1127507085187&format=html&print=true)

*John Chapin is a sales and motivational speaker and trainer. For his free newsletter, or if you would like him to speak at your next event, go to:* [www.completeselling.com](http://www.completeselling.com)

**Insurance Marketing: 2017**

**The Four P's**

**P2: Place**

_by Sally Davison_

**Location, location, location.**

Where and how people acquire your products and services is not separate from your marketing. It is marketing. We all understand the value of certain high-traffic physical locations. Businesses pay high rent to be in the busiest shopping center in town. For any type business, including insurance, an analysis has to be run on the value of "built-in" traffic and visibility v. the cost of the location. If you are hard to find then it follows that you'll have to spend more on other types of marketing so that you give people a reason to come seek you out.

Your location also impacts your image in multiple ways. If you are targeting high end clients, your customers will expect appropriate surroundings. If you are selling convenience, your customers expect easy parking or access. If you do any amount of walk-in business, your neighbors will have a big impact, so you want them to be attracting similar profile folks. We've all watched businesses fade away because they picked the dying side of town to open up shop.
It's also critical to know in advance the signage restrictions for your location. Just because the business next door has a two-hundred foot tall neon spinning strobe planted on the roadside, it doesn't mean you'll be able to put up anything if they were grandfathered in and the regulations have changed. Insurance agencies are a business similar to mine, in that your face-to-face meetings may likely occur at your clients' locations rather than at your own. But that too is a marketing element. In a B2B structure, going to your clients makes it easier for them and gives you the opportunity to be more integrated with their organization.

Your internet business presence is almost exactly the same. Just having a website does not mean that anyone will ever find your virtual location. Where and how you "park" matters a whole lot. And the atmosphere at your e-location is just as important as a physical building. It must be as comfortable and convenient as your target market expects, or they will shop somewhere else. And let's face it, it's a lot easier to walk out and go somewhere else when you're on-line than when you're out and about. For some, the internet presence is the only location making it even more critical that it's "prime" real estate. Remember, your website, along with your entire internet presence, is your business, not merely collateral.

The key is to make sure that "where" your products are provided are the best fit for your target market. That may be multiple locations to add to the convenience and possibilities of customers finding you. E-commerce and product delivery options are constantly evolving, so stay current on the methods that your current and potential customers prefer. Download full article

Next Month: The Four P's-P3 Price

Sally Davison is owner of Sally Advertising, LLC, and is currently assisting PIA of Kentucky with their marketing communications. If you have a question for Sally call 859-361-5004 or email sally@sallyadvertising.com.
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Upcoming Classes

**CISR Personal Residential**
April 12, 2017 ~ Louisville

**CISR Commercial Casualty II-BAP,WC,Excess**
April 19, 2017 ~ Lexington

**CISR Personal Lines - Miscellaneous**
April 26, 2017 ~ Paducah

**CISR Insuring Commercial Property**
May 10, 2017 ~ Louisville

**CISR Personal Lines-Miscellaneous**
May 16, 2017 ~ Lexington

**CISR Agency Operations**
May 17, 2017 ~ Paducah

Live Webinars

**ALERT:**
*Agent Legal and Ethical Responsibility Training*
April 19, 2017 ~ 1:00-4:00 PM ET

**Additional Insureds: The Quandary**
June 15, 2017 ~ 2:00-5:00 PM ET

[Visit full event calendar](https://ui.constantcontact.com/visualeditor/visual_editor_preview.jsp?agent.uid=1127507085187&format=html&print=true)
our issues are made possible by the continued commitment and involvement by PIA members," said PIA National President Gary Blackwell. "It's part of our year-round coordinated program of grassroots advocacy."... more

Highest-Ever Claims Satisfaction
According to the J.D. Power 2017 U.S. Property Claims Satisfaction Study, about one of every 15 U.S. homeowners insurance policyholders files a claim each year, and these claimants have given insurers their highest ever satisfaction ratings, with a record score of 859 on a 1,000-point scale, up from 846 last year..... more

Uber Suspends Autonomous Tests
Uber Technologies Inc. is suspending its self-driving car program after one of its autonomous vehicles was involved in a high-impact crash in Tempe, Arizona, the latest incident for a company reeling from multiple crises....more

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