

MarketStance Case Story: ISU International



MarketStance product proves missing link to ISU agency growth approach

The already beleaguered independent agency system now faces another blow — the prospect of an extended soft market with its abrupt declines in agency and producer income. To Thomas J. Ryan, CPCU, one time CEO of Fred S. James and now Founder and Chairman of ISU International, independent agencies need to reinvent their businesses if they don't want to fall like the Roman Empire. That's what ISU is designed to do, and they're finding MarketStance Enhanced Leads to be the missing link in their approach.

Challenge

"This is a time of critical change in the independent agency system, and the distribution side of the insurance business is woefully ill prepared," contends Tommy Ryan of ISU, a leading aggregator of independent insurance agencies that provides agents with the strengths and resources of a national organization while permitting them to remain totally independent

The easy times of rising rates and commission income that provided principals and producers with a rich and steady growth in income are in the past, he explains. The soft market means competitive quote followed by more competitive quotes. "That routinely plays havoc with the independent agency system," states Ryan.

Agencies have little or no capital to reinvest in the business, according to Ryan, which compounds the issues of a soft market. And a soft market exacerbates the struggle that agents face in attracting young and potentially successful producers. "Coupled with an industry that sees the agent's role as a combination of 'quote messenger' and

'client service representative,' an extended period of depressed earnings potential makes other industries all the more appealing," says Ryan.

To combat these issues, ISU advocates that agency owners reinvent their businesses by embracing new and effective methods of increasing both agency and producer income.

Solution

Key to achieving an increase in income, in spite of a softening market, is solving the two major problems facing all producers – namely "Where do I go?" and "What do I say?"

"We at ISU know we have found the answer to both questions in the form of MarketStance," states Ryan. "The first time Jim Hearn (MarketStance VP) explained the ExpressLeads¹ system, I knew we had found the missing link in the development of the ISU One Responsible Source™ sales concept."

Most lead systems provide information addressing the "Where do I go?" question, but

¹ ExpressLeads is a delivery system that provides web-based access to the MarketStance Enhanced Leads.

MarketStance Enhanced Leads takes a giant stride in answering the “What do I say?” question that agents have

MarketStance Enhanced Leads tackles the “What do I say?” “Actually,” says Ryan, “they take a giant stride in answering that agent question.”

MarketStance Enhanced Leads go beyond the classic contact and operating overview information to include benchmark information on the account’s:

- premium potential by line of business
- exposures
- typical workers comp and commercial auto loss ratios of similar accounts
- growth expectations for employment and sales
- commission potential

MarketStance Enhanced Leads convert market data into knowledge about an account which agents can convert into action. “That action leads to progress, success and wealth,” Ryan declares.

Imagine the potential sales pitch you could develop, Ryan adds, if you knew:

- 1) how many similar risks in the prospect’s SIC are in your marketing area;
- 2) the estimated premium by size of a particular prospect, along with the approximate commission by line of insurance
- 3) the approximate ex-date of one of the prospect’s major lines of insurance, and
- 4) name, address, telephone number and estimated number of employees.

“I think the ISU One Responsible Source concept combined with the MarketStance leads is a marvelous concept for young and old in our business and gives us a great track to improve our sales skills, as well as to build

our confidence in convincing prospects that they should be our client,” says Tim Milaney, CPCU. CIC, ChFC, RHU, of ISU Insurance Services in Westlake Village, California.

Results

In just nine months, the MarketStance leads have proven such a positive addition to the ISU toolkit that they’ve increased the number of leads ordered. “Together the MarketStance Leads System and ISU One Responsible Source are good enough to put our producers in control of the sales meeting so that they pick up the entire account without even quoting,” declares Ryan, harkening to the experience of Joe Daynes of the ISU San Francisco office.

Says Daynes, “The ISU One Responsible Source Sales System along with MarketStance Enhanced Leads is a one-two knockout punch...a real change in strategy. On my last sale it redirected a contractor prospect from wanting quotes into a satisfied client turning over his entire account by Broker of Record without quoting...on the second call.”

Other ISU producer stories echo the enthusiasm of Ryan and Daynes.

“By using MarketStance leads and the ISU One Responsible Source approach, the broker is in control of the meeting from the beginning and has a greater chance of walking away with all lines of business rather than an ‘opportunity to quote,’” says Garth Hamilton of ISU Insurance Services in Spokane, Washington.

According to Tom Bone of ISU Insurance Services in San Francisco, “Compared to the dated concept of ‘the lowest quote gets the business,’ the ISU One Responsible Source approach allows me to ...use my time most

effectively, control the sales meeting agenda, qualify the candidate to our criteria, destroy the prospect's confidence in the incumbent agent(s), and greatly increase the opportunity for getting paid for my efforts."

"MarketStance leads using ISU One Responsible Source sells itself, as my first call illustrated," says two-month trainee, Rob Daynes of ISU in San Diego.

"All of these members of the ISU Network have turned their eyes and faces to the future," says Ryan. "They've invested in their

own business and created a new landscape for insurance agents. They sell the same product, but they do it in a new way.

"To me this echoes the work and words of Daniel Burnham, the architect who designed the first skyscraper and changed the landscape of Manhattan. He said, 'Make no little plans. They have no magic to stir men's souls.'"

MarketStance Enhanced Leads and Sponsored Business Development Program

MarketStance Enhanced Leads go beyond typical leads to provide context on potential prospects with benchmark information important to insurance transactions. As the ISU experience demonstrates, this information can be effectively used in controlling the sales meeting agenda and improve your chances of walking away with more than just an "opportunity to quote."

The Sponsored Business Development Program, through which ISU is securing its Leads, embraces Enhanced Leads in a turnkey agency development tool that is an effective process for building distribution horsepower. (Continued)...

Enhanced Marketing Lead

ASSIGNED TO: **Harold Marcus** (\$49k, \$5.9k)
 FIRST ACCESS: 3/16/06 AGE: 20 DAYS
 DATE PRINTED: 4/5/06

CONTACT INFORMATION

Company Name: Mandarin Oriental Mgmt USA
 Trade Name: Mandarin Oriental Hotel
 Headquarters Address: 345 California St, Ste 1250, San Francisco, CA 94104-2622
 Contact Information: Wolfgang K. Hultner, CEO, 415-772-8800
 Family Tree Status: Single Location Firm
 Duns Number: 28417587
 Parent DUNS: 28417587
 Parent Company Name: n/a

OPERATING OVERVIEW

Total Employees: 40
 Total Revenues (\$000): \$2,600
 Primary SIC: 8741000 Mgmt Svcs

GROWTH EXPECTATIONS (4 yr Forecast)

Accounts	Local Peers	National Peers
Employment	n/a	1.0%
Sales	1.2%	1.0%
	1.4%	1.0%

PEER-GROUP BENCHMARK PREMIUM (\$000)

All Lines	\$49
Property	\$6
Liability	\$12
Workers' Comp	\$13
Commercial Auto	\$10
Boiler & Machinery	\$0
Inland Marine	\$5

EXPOSURE BENCHMARKING (\$000)

Payroll (\$000)	n/a
Property Values (\$000)	\$2,720
Equip as % of total property	\$2,062
# of vehicles	54%
	8

COMMISSION POTENTIAL

Total Account	\$4,920.0
Property	\$720.0
Liability	\$1,440.0
Workers' Comp	\$1,560.0
Commercial Auto	\$1,200.0

PEER-GROUP BENCHMARK PROFITABILITY

W/C Loss Ratio	0.75
Comm Auto Loss Ratio	0.53

WORKERS' COMP COVERAGE

Ex-mod

The Sponsored Business Development Program is structured to provide the sponsoring organization (carrier, agency network or program administrator) with ample opportunity for exchange and relationship enhancement. Components are designed to help engage agencies in discussions that pinpoint the opportunities best suited to the sponsor's appetites or needs, and the agency's market position.

Market Opportunity Reports are generated for each enrolled agency. The Reports provide the 100 top classes ranked according to the number of accounts and premium potential. At the Gold Service level, an Agency Book of Business Profile is also produced to help better identify agency strengths and areas of opportunity. These tools help refine the targeting of the Enhanced Leads produced to improve the relevance and usability of those leads.

Targeted Enhanced Leads are produced monthly for each agency enrolled in your Sponsored Business Development Program and can be accessed by you via a web-based lead retrieval system, offering you the opportunity to engage agencies in production discussions on a monthly basis.

For more information on MarketStance Enhanced Leads or the Sponsored Business Development Program, contact your MarketStance Sales Executive, call 888.777.2587 or e-mail us at info@marketstance.com.