

Good Things Can Come In Smaller Packages!

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The smaller Regional Carriers can definitely be a force to be reckoned with when it comes to their competitive advantages. According to Agents and Brokers, Regional Carriers understand them better because they operate more like them than the National Carriers do.

Since Regionals are situated in the same geographic areas as their Agents and Brokers, they have a better grasp on how to react to their needs. Regionals tend to cater more to their Agent and Broker relationships, making the time to listen and communicate in an effort to develop solid partnerships with them while enjoying a more comfortable rapport. According to Agents and Brokers, they are able to develop and enjoy these day-to-day relationships with their Underwriters and Fields Reps from the Regional Carriers in a more symbiotic way than with those from the National Carriers. They try harder and are more committed to long-term stability, applying a win-win outlook by aligning themselves closely with their Agents and Brokers.

Regionals are known to be more accessible and have a vested interest in maintaining a presence more locally for the long haul. Their pricing decisions are driven by their tried and true dedication to the market and, more specifically, their vicinity. While looking to differentiate themselves from the Nationals, Regionals concentrate more on managing relationships in lieu of dollars. Being less bureaucratic and more innovative on a smaller scale, Regional Carriers consistently deliver quicker responses which have been fine-tuned and tailored to the specific needs of their customers and partners. It is for

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these very reasons that they are often recognized as more of a niche market which lends itself to the success of these somewhat lesser-known smaller carriers.

Research shows that Agents and Brokers feel Regional Carriers excel in the areas of customer service, relationships, implementing change, listening, dedicating one Underwriter per Agent/Broker (as opposed to a team of Underwriters, each handling a particular line of business for any given Agent/Broker), underwriting expertise, compensation, agency support, claims services, field reps, personalization, flexibility, tailoring to specifics, niche markets, responsiveness, quicker reactions and fine-tuning. National Carriers on the other hand excel in the areas of Program business, technology (particularly related to the Insureds), marketing, advertising, financial stability and ratings. While both have earned their place in the market, Nationals seem to be more out of touch and tend to be rather cyclical with regard to their operations. It is usually the size of the risk which ultimately determines where it will be placed in most cases. Nationals excel with the larger risks while Regionals cater to smaller lines.

When it comes to implementing changes, smaller can also definitely be better. Regionals have their finger on the pulse of their local marketplace because they are physically situated where their business is generated from. Being a local resident, they are more familiar with what's going on in their area and the conditions that drive the market. They know what can and should be done regarding changes which allow them to spontaneously respond to market demands by making quick business decisions and rapidly implementing the appropriate changes to see them through.

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