

ASTONISH RESULTS' MARCH e-MARKETING AGENCY OF THE MONTH

CAPITALIZING ON CAMPAIGNS

*Florida agency builds on long-term
digital marketing success*



Photography by Nick Judy

Tim Shaw, CIC, owner of Tim Shaw Insurance Group, Inc., standing in front of the home office located in Fort Myers, Florida.



The Tim Shaw Insurance team.

For the past 35 years, Tim Shaw, CIC, has run a successful independent agency on Florida's Gulf Coast. Following a brief time working for a direct writer, Shaw put out his shingle in the mid-1970s, focusing primarily on personal lines. "Slowly, we moved out of the higher risk, non-standard auto and became a full service agency," explains Shaw, principal of Fort Myers-based Tim Shaw Insurance Group.

Today, the 21-person shop handles personal, commercial, life, health and financial services through its main location in Fort Myers and a sales office in Naples. "On the P&C side, we're probably at a 50/50 split between personal and commercial, down from 70% commercial before the construction industry crashed a couple of years ago," Shaw says. "We were heavy in contracting classes, and a number of firms went out of business." Because premiums are payroll- and sales-based, revenues dropped on accounts the agency retained.

Driving growth

Despite challenges, the agency prospers. Shaw attributes much of the success to education. "One thing that has helped the agency, especially with me starting from scratch, is the knowledge I gained through the Certified Insurance Counselor program," Shaw notes. "Information I was able to put into practice helped the agency become what it is today."

A little foresight did not hurt, either. "Back in 1996, when I was the state PIA president, the Internet was raising its head," Shaw recalls. "I was traveling around the state to chapters, telling agents it wouldn't be long before people would buy personal lines, especially auto, from their bedrooms in their underwear."

The quick shift to online buying paused when direct writers launched what Shaw calls, "800-direct business." Online buying followed, as people came online. Early online adopters were, as he recalls, middle- or upper-class individuals. "Those buying non-standard auto were still

calling on the phone," he says. "Today, everyone has caught up to the Web."

Shaw was ready for online shoppers. "From '96 on, we had a Web site," he points out, "and when people called for a quote, we'd send them there to complete a form. We were driving new customers to the Web site back then." This helped the agency quickly gain online organic search prominence.

Organic search success continues. "If you search Google for home insurance in Fort Myers or Naples, we'll be on the first page," he explains. "Most times, we will be in the first couple of organic listings." To stay on the leading edge of digital marketing, Shaw signed on in 2008 with Astonish Results, an online marketing and training organization focused on helping insurance agencies.

Initially, Shaw hoped the move would drive more Internet traffic. He learned, however, that his long-term Internet presence was already working; the bump was relatively modest. "I was already getting a tremendous number of leads from

what we had been doing since the 1990s," he notes.

He quickly realized the benefit was not in generating leads, but in managing them through the Astonish Virtual Profit Center, or VPC, a customer relationship management system that helps agencies convert leads to sales.

Strong connections

"To make the most of the VPC, I began developing e-mail campaigns," Shaw recalls. Whether prospects contact the agency because they saw the agency's sign, or they knew of its reputation, they were referred, they discovered the agency while doing research on the Internet or even the Yellow Pages, they are queued for a series of marketing e-mails.

The agency created several prospect and client statuses within this system, each of which drives a series of contacts. "One status, 'quote request,' generates e-mails that go out until we quote it," Shaw explains. Once quoted, the status changes, and another series of e-mails tries to sell the policy. If sold, the status changes to "active," otherwise, it generates an "ex-date" status, which triggers an e-mail 60 days before renewal.

To capitalize on the system, Shaw hired high school students to input data on prospects quoted but not sold in the previous year. "This let us instantly hit 'ex-date' prospects each month," he notes. "We didn't have to wait a full year drive new business."

Now in its third year, the database keeps growing. "Every day, we enter new prospects," Shaw says. "Some we sell, some we don't." Those who don't buy get many of the same e-mails clients do—newsletters, birthday wishes that include a reminder to check the expiration date on their driver's license, holiday greetings and more. "They get several contacts from us—probably more than they're getting from the agent they went with," he adds.

'Ex-date' e-mails might describe new markets the agency has, as well as available discounts. "In the second year," Shaw adds, "people feel like they know us. It's more of a warm lead than a cold lead. Best of all, the closing ratios go up."

For those who the agency does not convert in the second year, the process cycles. "We are into the early months of our third year 'ex-dates,'" Shaw says. "Karen, my sales manager, says responses are even better this time around. The people she talks to make comments like, 'Karen, you've given us quotes two

A Vertical Sales Process



Service



Account Managers



Sales



Underwriter



Processor



Sales



Tim poses with his wife Marsha Shaw, President of Tim Shaw Insurance.



years in a row. We didn't go with you, and we don't know why, because you contact us more than our agent does.”

The agency uses the system to connect with existing clients, too. For example, a carrier recently announced it was bringing back an annual auto policy. “Annual policies are better than six-month policies for clients, because they can lock in their rate for longer,” Shaw explains. “Plus, they offer better retention for us and the company.” Everyone in the database with a six-month policy got an e-mail that shared the benefits and encouraged contact.

The agency taps the database to notify clients when carriers exit the market, too. “We can fire out an e-mail just to the affected customers, telling them what to expect, and making sure we connect at renewal,” Shaw explains. “It has improved service dramatically.”

As a result of targeted e-mail campaign success and the wealth of information in the system, the agency has been able to cut its Yellow Pages advertising altogether and has eliminated all but a narrowly targeted lead purchase. “We now rely on referrals from satisfied customers, our Internet presence and prospects that are in our database from prior years,” Shaw explains.

He calls the VPC a “self-perpetuating lead system. It just keeps growing and growing. Once you program the e-mails, all you need to do is change statuses and e-mails go out 24/7, 365. It's like having a \$30,000-a-year employee doing nothing but contacting your customers continuously—and not missing any.”

People factor

Shaw used this description to help drive staff buy-in. “To be honest, it was a little difficult in the beginning, getting some of the more seasoned staff engaged,” he explains. A few months into the process, he held an employee meeting.

“I told them a story,” Shaw recalls. “I said, ‘I'm thinking about hiring someone who would cost me \$28,000 a year, and this is what this person would do.’ I outlined what the VPC does. At the end of the conversation, I asked, ‘Okay, team, what do you think? Should I hire this person?’ The response was a unanimous, ‘Yes, yes!’”

Shaw responded, “Well, we don't need to hire anyone. We already have it in-house. It never calls in sick and works seven days a week! When they realized how much it could help, usage

increased.” The positioning, coupled with compensation changes that reward increased sales and retention, led to employee acceptance and helped drive consistent annual growth.

To help manage staff workloads, Shaw incorporates electronic forms into the digital marketing mix. “If a prospect calls a typical agency for, say, a homeowners quote, someone needs to gather information—name, address, when they bought the house, who holds the mortgage, how many square feet, whether it has a pool, if there have been losses, all these questions,” he explains.

Rather than have the prospect *and* the employee take time on that, Shaw gets caller permission to send a link to a form the prospect can use to share pertinent data. “I explain it's the fastest way to do it,” Shaw notes. “I tell them I'll send the form, which they can complete at their leisure, and when they return it, it goes right to my desktop and they jump ahead of everyone else.”

People who are comfortable shopping online invariably accept the request. For those who don't have a computer or who are not confident navigating the Web, the agency still takes information over the phone. “But if someone just says, ‘Well, I

Almost all of Tim Shaw's advertising is electronic. Including his large sign located just off of Highway 884.



don't do business that way, we recognize they might be better served by a different agent," Shaw explains.

Not only do people accept the request, they respond. "We tracked it for six months, and had a 99% return rate," Shaw explains. They don't track it any longer.

Before long, the agency expanded the program. "When someone calls for a home or auto quote, why should we settle for just one type of coverage?" Shaw says. "Now, we have an e-mail set to go that covers home, auto, motorcycle, boat, umbrella, and even golf carts." It explains that Tim Shaw

Insurance is a full-service agency and explains that discounts are sometimes available for multi-policy purchases.

"It forces the rounding question and it allows us to ask it of everybody—new customers and repeat customers," Shaw says. "It's awesome. We eliminated the work required to ask all of those questions. The forms come in and we immediately go to work getting them a quote—or more than one. It allows us to do much more than we could otherwise."

Sometimes realtors and mortgage companies looking for a quick quote

balk at the process. That said, he adds, "Others recognize the value and store the e-mail on their desktop. They send the link to their customers and we get the business."

New frontiers

Shaw says digital marketing has changed his agency, at least in personal lines. "We are so excited about our initial successes, that we are rolling it out to commercial this year," he explains. Initially, he was reluctant to make the move to commercial because he thought it would work only for smaller accounts, which the agency does not target.

In talking with others who use the Astonish system, he learned otherwise. "Some of these agencies have done quite well with larger accounts," Shaw notes. "They've done best in markets where carriers have good appetites and are competitive. We have a few of those, so we are going to roll it out in the commercial division this year and hope to get the same kind of success."

Using the e-mail form will help agency staff zero in on commercial risks it wants to write. "We get a lot of small commercial calls," Shaw says, "and it takes time to find out whether we can serve them. Using this process, when the form comes back, my commercial lines manager will know in 20 seconds if she wants to push it to a producer for a quote."

The agency refers those not making the cut to a willing agency that Shaw trusts. "We tell prospects that we'd like to refer them to an agent who can better serve them, but we leave the door open for future contact if the business grows," he explains. "We can say 'no' and keep it on good terms."

As the Florida commercial insurance market is showing signs of an upturn, Shaw is excited about the potential. He is looking for success that tracks what the agency has seen in personal lines.

"Profits are up this year," he explains. "Thanks to the steady stream of leads—and our ability to connect with prospects and customers regularly—my personal lines business has been up 10% or 15% every year, even through the foreclosure market." ■

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