

SAN convention celebrates 20th year

One business panel tackled the pros and cons of yellow pages advertising by agencies

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NORTH FALMOUTH, Mass. — After 20 years the Satellite Agency Network Group is still helping the local independent agent remain independent. At a recent weekend convention in Cape Cod over 200 participants gathered to attest to this fact, and discuss the issues they face. The members also gathered to celebrate the SAN Group's twentieth anniversary.

The Swanzey, N.H.-based SAN Group was developed in 1983 in response to the changes in the independent agency system. The group has more than 160 members throughout New England with a combined premium exceeding \$200,000,000. A member of the Strategic Independent Agents Alliance, which is the national organization by which the SAN Group concept is replicated throughout the U.S., SAN offers growth opportunities to agencies wishing to remain independent while being able to compete with other forms of insurance distribution.

Paul Murphy, a Malden, Mass.-based independent who has been a SAN Group member since 1995, said eight of his nine direct appointments are a result of his SAN membership.

"I owe all of my growth to SAN," he said.

Murphy was part of a group of six panelists who addressed members at the convention.

John Obrey, another panelist and member since 1988, said his Derry, N.H. agency benefited from SAN's access to markets and the clout the group brings to the table.

"Three years ago we were in danger of losing one of our top companies," he said, "and SAN stepped right in to help out."

Testimonies such as this were a common theme of the weekend.

Panelist Cheryl Barcome, who started The Insurance Source in Keene, N.H. over 20 years ago, has been a SAN member for the past 19 years. She said the greatest benefit of SAN membership for her in the beginning was the company appointments available through the group, and the network just keeps growing.

One of the issues the panelists discussed at the convention was getting the word out about their services, and making sure that wording is correct.

Moderator Matthew Masiello, who is chief operating officer for SAN Group in New Hampshire, Maine and Vermont, asked the panel for their take on advertising in the yellow pages.

Jon Williams, who said his Braintree, Mass. agency has more than doubled its premium volume since becoming a SAN member six years ago, isn't interested in spending a lot of money on phonebook advertising.

"I just don't want every single phone call coming into the office if we're a niche market," he said. "With the yellow pages unless we were running a huge ad that says 'we specialize in contractors,' we won't run anything."

Obrey said this is the exact sort of ad he runs, and he is "very specific about the type of clientele" he is looking for in his phonebook advertising.

"I spend the \$900 a month but I have completely revised my ad to get what I want," he said.

Obrey's ad specifies that he is a commercial lines specialist on the top, and mentions that he also writes personal lines on the lower half.

"But I specifically put in my yellow page ad that if you have had claims or tickets don't call me," he said. "I have no problem saying no."

Michelle Jacobik, vice president of Waterford, Conn.-based Sava Insurance Group, said she has also re-thought her phonebook advertising but not without sacrifice.

"Last year on our \$25,000 yellow pages ad, my competitor down the street wrote more business than you could imagine," she said, "because we raised the threshold of the business level and the limits of liability that we were going to write in the agency."

She said since there was hardly any retention from the customers who found her in the phonebook, callers looking for minimum limits were sent down the road.

"They got rich off of my ad," she said of her competition, "but we were playing the bills and we just had to make that transition."

Keith Vanacore, who was formerly with Webster Insurance and now runs the New Haven-based Vanacore Insurance Group, shared an anecdote about not spending much on phonebook advertising but getting results through coincidence.

"When we first started I didn't want people to find us so we simply listed our business," he said. "And my prior clients were finding us and I wasn't doing anything aggressively to be found."

Since Vanacore comes right before Webster alphabetically, Webster clients who recognized his name have been contacting him. "When their phone calls weren't returned, they would go to call Webster again, and then see our name in the phonebook and call us," he said.

Murphy said his philosophy on phonebook advertising is that the money could be spent better elsewhere. "Save the \$1,000 or \$800 a month and take your wife out to a really nice dinner," he said. □