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## **PERSONAL INTERVIEW WITH CLIENTS IN INSURANCE AGENCY AND BROKERAGE**

ORIGINAL SCIENTIFIC PAPER

### **Abstract**

This Article explores a direct, personal interview as the most important type of communication with a client in insurance agency and brokerage, that is in insurance business as a whole. The accent is primarily placed on the preparation for an interview and within that the selection of clients, scheduling interviews, providing necessary data and preparing the supporting material. It is quite reasonable that this paper predominantly deals with conducting a personal interview, whereby it is advisable to obey particular rules and stages of the interview. The Article also highlights the importance of analyzing the interviews conducted with the Insured. Particular chapters deal with the characteristics of personal interviews in modern environment, especially its relation with machine interview as one of the outcomes of emerging new technology. Insurance agents and brokers have the task to use and benefit from this innovation if they wish to maintain their success on the market.

**Key words:** *personal interview with a client, machine interview with a client, insurance brokerage, insurance agency.*

### **I. Introduction**

The client communication policy in insurance business as a whole, including agency and brokerage, is said to be the most powerful marketing tool. It allows

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us to attract attention and feel success quickly. The relationship development and maintenance policy includes all the actions aimed at gaining trust, making bonds with the Insured and binding them to us. There are vast possibilities in this area, both now and, seemingly, in the future.<sup>2</sup>

The most important thing that needs to be acquired from clients is certainly their faith. The Insured observes an intermediary or an agent as a kind of measure of the range and benefits of insurance that are often invisible, at least at the commencement of business. Neither brokers and agents are an insurance company nor do they bear the name of a such – however, they are often the most important reason why a client in a search for coverage would resort exactly to them.

Another reason for tailoring an adequate communication policy is to bind the Insured for us. When acquiring a new client, everyone in this business has probably experienced the difficulties and costs that are caused to that effect. On the other hand, the costs of maintaining the existing relationships are, according to some estimates, up to five times lower. In highly emerged countries, the insurance market is almost considered allocated and the main issue is how to maintain a client. This is the reason to say that any Insured that has been kept at renewal equals the new client.

In order to find a client and strengthen the bonds, there is a range of available communication policy supporting tools:

- Personal interview with the client;
- New public media;
- public relations;
- Advertising;
- Sales promotion;
- Special events;
- Sponsorships.

Because of its significance, hereinafter, we shall specially deal with a personal interview with a client in insurance agency and brokerage. The steps comprising this means of communication include: preparation, conducting and analysis of the interview. In accordance with the latest trends in the world market, this Article will specifically include a comparison between a personal and machine interview.

## **II. Preparations for Personal Interview with a Client**

The interview preparations are deemed half success. This applies to both old and new clients. It is crucial how we are preparing and what for, so that the interview with the Insured can be to a mutual benefit. The preparation should be centered around specifically defined matters: selecting the clients - who we shall interview, determining the date, commencement and duration - when the interview

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<sup>2</sup> Silvia Fischer, „Zwitschern für den Kunden“, *Vermittler*, März 2020, pp. 9.

will be conducted; required data - what data to prepare for the expected interview, working materials and resources - which of them are necessary for the interview.

### **1. Selection of Clients**

The clients should be selected according to the occasion. There is a number of reasons for the interview - the question is which of them makes sense for the client, to ensure that the meeting will be scheduled. Below are highlighted possible reasons for conducting the interview:<sup>3</sup>

- frequency of visits - we will visit the clients that, for example, we have not visited for full three years;
- one contract - we will visit the clients who maintain only one insurance contract;
- expiration of the contract - we will visit the Insured with contracts that are about to expire in the forthcoming months;
- old contracts - we will visit the clients who maintain contracts older than five or ten years;
- old general insurance terms and conditions - we will visit the clients who have contracts with insurance terms and conditions older than five years;
- lack of supplementary coverage – we will visit the Insured who, for example, maintain a life insurance policy, but without coverage against the most critical illnesses or disability;
- clients who have left us - we will visit the Insured who maintained a motor insurance policy many years ago and maybe can be acquired again now;
- care for the elderly - we will visit the clients who do not have any of the services in this area. It goes without saying that a particular target group can be selected, for example, the agriculturists with special needs for insurance coverage. It is only important to make a choice that implies the actual reason for the visit. When the reason or target group is defined, we should limit the number of clients we want to visit to, say, 30. Moderation is important here, because it is not only exhausting but also boring to make a choice of 200 clients that take as long as a year and a half to process.

When selecting the clients as part of the preparations for conducting the interview, the seller then often focuses on only one type of policy. This is considered wrong. Namely, each Insured is a special individual or perhaps a company with special requirements, wishes and ideas about coverage against numerous personal, business, health risks and that is how he should be approached.<sup>4</sup>

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<sup>3</sup> Volker Eickenberg, *Marketing für Versicherungsvermittler* (3. Auflage), Verlag Versicherungswirtschaft, Karlsruhe, 2013, str. 239.

<sup>4</sup> Ralf-Peter Prack, Andre Czerwionka, *Verkauf von Versicherungen und Finanzdienstleistungen ist (k)eine Magie* (2. Auflage), Springer Gabler, Wiesbaden, 2015, pp. 38.

## **2. Scheduling the Interview**

The easiest way is to write down in the planner when we will call the selected Insured to agree on the time of the meeting. It would be nice if every call was fruitful. But this is more than a demanding endeavor. To schedule ten interview dates, you may need to make up to thirty telephone calls. The next assumption is that approximately only one half of the scheduled meetings will be effective - out of ten interviews, five on average will end in concluding a contract. Needless to say, not everyone will always obey the agreement on holding the meeting, which certainly diminishes the overall success.

There are agents and brokers who forget, when negotiating, that they only need to appoint the place and time of the meeting at that moment, so they allow the sales conversation to develop over the telephone. This does not happen by accident, but because they failed to address the clients in such a way that the latter understand the benefits of the introduced interview.

Such failure can be remedied by following the adequate behavior rules during a telephone conversation, well confirmed in practice. The following tips are given to this effect:<sup>5</sup>

- greeting - greet the client and introduce yourself briefly;
- reason for the call – say to the Insured why you called him and how long your visit will last;
- benefits for the client - briefly present the material value that the Insured can acquire;
- appointment - ask the party for the date and place of the interview. Do not schedule an appointment in the distant future, stick to a maximum of eight days;
- second appointment - depending on the course of the telephone conversation, offer the client to choose one of the two terms.
- ending a call - say goodbye and repeat the agreed date, place and time;
- reminder - call the client two days before the scheduled meeting to tell them what documents they need to prepare or ask if anyone else will attend the interview.

Some brokers and agents find scheduling difficult, useless, burdensome or tedious. There is certainly a grain of truth in that, however, such behavior indicates a lack of necessary business skills. It is important to point out that the meetings can be scheduled by an internal or external associate who is not an insurance expert. The advantage of such an approach is that they will not be able to get involved into insurance matters.

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<sup>5</sup> V. Eickenberg, pp. 240.

### **3. Providing Important Data**

The interview preparations include the necessary gathering of a larger amount of information on the client. Having in mind the existing Insured, even if we think that we do not know anything special about them, we may come across a series of information that we already possess.

Preparation means obtaining or updating the following data:<sup>6</sup>

- personal data, marital status, data on family members, hobbies;
- employment and income;
- types and values of assets at their disposal;
- personal and business goals, wishes and hopes, including the readiness for short-term, medium-term and long-term investments in their fulfillment;
- number of insurance contracts concluded, including policies with competitors;
- information on eventual complaints regarding the indemnity payment and related services

In addition to the above, more extensive information and data will usually be required, depending on the type of risk for which insurance coverage is offered.

### **4. Preparation of Working Material and Resources**

To conduct a personal interview, it is necessary to have sufficient quantity/ number of supporting materials and resources, ready for use:<sup>7</sup>

- a laptop or tablet with the latest insurance service programs;
- insurance terms and conditions - the last valid terms and conditions per lines of insurance;
- printed proposals - proposals for concluding an insurance contract filled in by the Policyholder i.e. the Insured;
- informative material - the duty of agents and brokers, according to local regulations, is to ensure particular pre-contractual information, which accordingly form an integral part of the interview;<sup>8</sup>
- leaflets on insurance services - handed over to the Insured;
- booklets and prospectuses about the insurance company;
- forms - for contractual amendments, claim notification forms etc.;
- notebook, i.e. diary for taking notes with the logo of the Insurer or broker and/or agent, so as to make a good impression on client;

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<sup>6</sup> R.-P. Prack, A. Czerwionka, pp. 39.

<sup>7</sup> V. Eickenberg, pp. 242–243.

<sup>8</sup> Ilija Smiljanić, Nataša Petrović Tomić, Jasna Pak, „Non-life insurance“, *Training manual for taking exam and acquiring the title of authorized insurance agent or broker* (editor Nebojša Žarković) Chamber of Commerce, Serbia, Belgrade, 2019, pp. 145–146.

- ballpoint pens or pencils, also with the appropriate logo;
- colored markers for writing on board;
- calculator with large screen and keys, easy to use;
- little things to help sales - depending on the type of insurance, for example a car toy, a wooden house, a game like "Man, don't be angry" (\*local social game) with money;
- business cards - with the latest data, clean and without folds or bendings.

For storage and use of working material and resources you need a bag i.e. a suitcase, which will also indicate business and expertise. The bigger the luggage, the less likely it is to forget to bring it. Speaking of forgetfulness, a laptop battery should be well charged. It is not recommended that the cable be plugged into the socket with the client in order to have things ready for the interview. Moreover, you should check whether the latest Insurer's proposals are always at hand. This will allow you to avoid repeating questions and answers for clarifications and inconvenience that the work on the contract has not yet started and/or another visit is needed. Such a thing is by no means appropriate for the image of a well-versed insurance broker or agent.

### **III. Conducting the Interview**

The client opens the door and we focus on conducting the interview. It is now necessary to respect the AIDA rule and the eight interview segments and/or stages.

#### **1. AIDA Rule**

The AIDA rule has been established for long period, but even now it represents an extremely popular and proven rule of success in the sales practice. It explains the sales procedure in simple, clear and correlated steps that lead to the agreement on a business.<sup>9</sup>

The name of the form represents an abbreviation of four English words:

- A – Attention - Client attention arisen by an agent or broker, representing a root of insurance service, i.e. making proposal. It takes a good reason, that is, an opportunity;
- I – Interest – client interest inspired by increasing attention for insurance service. In this stage, the Insured is presented the benefit in connection with the cause of interest;
- D – Desire – desire of the client who considers the insurance proposal or service useful and urgent, so he will buy it. But the client will do this

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<sup>9</sup> Matthias Beenken, *Vertriebsmanagement* (2. Auflage), Verlag Versicherungswirtschaft, Karlsruhe, 2013, pp. 67.

only when the Policy grants enough benefits and when all the doubts are eliminated;

- A – Action which preferably implies the client’s decision to sign the insurance contract. The signature is a foregoing result of the previous steps. Action, of course, can also mean cancelling the purchase.

The course of the sales procedure under the AIDA rule shows arising of the customer’s will to conclude the Policy, through the order of particular interview steps. The starting point on the first, the “attention” stage, that begins with greetings and introductions, is the tendency to gradually develop the attention for the insurance agent i.e. broker and the subject matter insured, little by little. In the second, transitional stage of warming up, called the “interest”, the attention is transformed into the growing interest of the client. The client’s desire to conclude a contract is the strongest in the third phase called “desire”, which includes the establishment, description and resolution of insurance needs. In order to reach a final solution, the party’s objections are discussed. As soon as the decision to buy insurance is made in the fourth stage of the “action”, the curve that shows the trend of the will to buy starts dropping down. It is also up to the broker or agent to deal with any eventual purchase cancellation.

Although the AIDA form does not imply a binding sequence of steps and whereas the events in different stages differ in duration, the awareness of and applying this form means useful assistance in monitoring the goals during the sales or advisory interview.

## **2. Interview Stages**

As pointed out, the process of conducting the interview has several parts. Each of these stages should be observed a separate whole that builds on the previous part and connected to the next part. Such an observation is deemed necessary to issue an insurance policy, in the end. Therefore, it is necessary to take into account the stages of the interview in a reasonable order, so that the interview be successfully completed for both the broker/agent and the Insured.

In perfect form, it would look like this: 1. greeting and introduction, 2. warm-up, 3. definition of insurance needs and offering solutions, 4. dealing with complaints 5. completion, 6. acceptance of the proposal 7. recommending to others and 8. departure.<sup>10</sup>

### **2.1. Greeting and Introduction**

It is almost needless to stress that the client should be greeted when he opens the door to us, and if he doesn’t know us yet, we need to make a brief

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<sup>10</sup> V. Eickenberg, pp. 246.

introduction - say our name, who we are and what is the reason of our visit. We will earn points during the first seconds, especially with the new Insured, if we observe the tips below:

- dressing up- as expected by the client, a clean, well-groomed, outstanding clothes, muted in colors that elevates our position and give a personal stamp. The client expects that the business attire of the agent or broker is a suit or a business costume.<sup>11</sup> Of course, there are exceptions to this principle
- posture - the upper torso and head should be upright when standing or sitting
- hand, head and body movements when speaking - calm, but determined and steady, supported by assertions. It is also necessary to look in the eyes;
- voice – clear, determined, steady, warm;
- way of behaviour - polite, considerate, friendly, full of understanding.

Some people will consider the above features superfluous, but the client will notice them without even being aware of it. It only takes the client a few seconds to judge a person. It's like with a job interview: there will be no second chance for the first impression.

In the case someone experiences difficulties in this stage of interview, greeting and introduction can be practiced, just as, after all, a personal interview requires continuous practice and work. Here, it is essential to take care of the body posture and a clear and nice-sounding voice because the exterior reveals how we feel. Even when the client is not a psychologist, they will unconsciously notice the mood of a person. Moreover, it is important that our behavior reflects our personality. You need to stay original, be who you are. Unnatural facial expressions, excessive kindness or short trousers are not suitable for visiting the Insured.

Having mastered the first three minutes, you can move on to the next step of the interview.

## **2.2. Warm-up**

During the visit, you enter into the client's world, the world that secures safety and intimacy to the client. To respect this, it would be good behavior to wait and see which room you will be invited into and which seat will be offered to you. If possible, it is advisable to choose a seat opposite to or diagonally from the client. While you are in the hall or lobby, you can start speaking of light, informal topics.

Such behavior is of great help to the new insured, who do not know us. They only get to know us better in a direct, personal interview. Like ourselves, they are also trying to gain a foothold to assess the situation and the interlocutor. As soon as

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<sup>11</sup> R.-P. Prack, A. Czerwionka, pp. 13.



the client is somewhat certain that we are, in his opinion, a straightforward person, they will be ready to trust us, which is a must for the business. This achieved, it will be easier to make the client agree with the reason of the visit and slowly direct the informal conversation to the subject of insurance cover.

During the insured's preparation i.e. warm-up, it is advisable to follow the below advice:<sup>12</sup>

- Chat – small talk of unusual or valuable items in the client's premises or perhaps about the weather. It is not advisable to just run through the door and start talking about insurance;
  - Place to seat – allow them to show you the appropriate place; You may suggest a position that will allow the client to better follow your presentation;
  - refreshment - accept, with gratitude, a refreshing drink;
  - alcohol - thank and refuse;
  - smoking – you may smoke only if the client also smokes;
  - Interruption - allow the client to talk and tell their story; do not interrupt them;
  - listening - listen carefully and friendly;
  - smiling – smile, but not tensely;
  - approval - agree with the client's statements. For example, nod your head in confirmation or perhaps in amazement;
  - questions - if necessary, ask questions to the interlocutor while he is speaking, but only during breaks;
  - notes – at this point, register the information that you will need later during the conversation;
  - reason to talk - decide which reason to choose to start the sales story.
- From the preparation for the interview with the old insured, you may know that they bought a new car last year or spent the summer holidays on the mountain of Zlatibor. With a new insured, it will probably be enough to praise his furniture, art paintings or a garden;
- party to the interview – be friendly, interested and honest interlocutor.

The success of this stage reflects in whether and to what extent you managed to move into the stage of identifying insurance needs and proposing solutions.

### **2.3. Identifying Insurance Needs and Proposing Solutions**

In the first minutes, we have established a good connection with the client and they are prepared for the next step of the interview. It comprises several parts

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<sup>12</sup> V. Eickenberg, pp. 248.

which we will summarize below. At this point, it is important to stress the way to understand the position of the insured fully, to grasp their wishes, consider their family members, future life and business plans - this can still only be done by personal advisors or salespeople with not only professional and market knowledge, but also the authority to resolve social issues and understanding the needs of the person sitting opposite to them. Money issues are so complex that applied programs on computers and mobile phones, as well as websites (for the sake of comparison) cannot help with everything, especially not when talking to the insured. In other words: personality of an individual cannot be translated into figures.<sup>13</sup>

During the interview, the client should be comprehensively advised, since they are the center of attention. This comprises a comprehensive survey of existing types of coverage, on the one hand, and the unmet needs on the other hand. First, we need to review the life circumstances and insurance coverage, that is the current situation. Then, together with the insured, we shall define their aspirations and goals, i.e. the desired position. Goals and desires are immediately included into the interview. This is followed by the choice of a solution to change the existing condition and present the proposal to the client.

When we pose the insured questions, we guide them to meet their own needs. This requires us to dive into their world and master and apply various questioning techniques.<sup>14</sup> For example, there is the "either-or" question, where a client needs to select one of the two solutions; an informative question asking the client by the interrogative words "who", "what like", "what", "when", "where", "how", "why"; a question-trap, necessary to clarify the contradictory statements of the client; counter-question, to dissuade the client that their question needs to be answered and so on.

Probably everyone will, as early as the warm-up stage, become aware of whether they are working with a client who is either difficult or approachable in the interview. In principle, each interviewee behaves in his own way, so the interviews are unique and difficult to compare to derive the rules of insured conduct. Still, it would be helpful to at least be able to roughly match the type of the client we are facing and make success for both parties. Understanding the types of the insured persons is a useful tool for deriving the rules of sales techniques and tactics. When a pattern of behavior is repeated often and regularly during a personal interview, it becomes possible to develop and recognize particular types of clients. By classifying the insured persons into individual compartments we get significant help, especially with new insurance buyers.

The client doesn't just use words to talk to us. In a personal interview, up to 90 percent is communicated unconsciously and wordlessly i.e. through facial expressions

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<sup>13</sup> Oliver Liebermann, „Persönlichkeit lässt sich nicht digitalisieren“, *Vermittler*, February 2020, pp. 3.

<sup>14</sup> Thomas Köhne, Manfred Lange, *Marketing und Vertrieb von Versicherungs- und Finanzprodukten für Privatkunden* (3. Auflage), Verlag Versicherungswirtschaft, Karlsruhe, 2015, pp. 163.

or movements of hands, head and other body parts. The silent communication is an expression of recognizable feelings and beliefs. It is decisive for the agent and/or the broker to understand the unspoken signs of body language, that help them correctly understand the open issues and the client's will to conclude business, as well as whether they can expect a favorable continuation of the discussion. We regularly meet the so-called wordless speech, combined with words. When interpreting body language, it is necessary to have a clear view of the situation, i.e. the environment in which these two ways of communication intertwine. Even then, it will not always be possible to fully interpret all meaning.<sup>15</sup>

## **2.4. Dealing with Complaints**

When we want to work with the insured, it goes without saying that we will face various complaints from their side. Complaints are always present, even when the interview is going on quite well. Therefore, they should be used as an opportunity to convince the client that his personal benefit coincides with the benefit actually offered by the insurance service. The customer should be encouraged to get a good sense of how he made the right decision. In that case, they will not succumb to remorse after your visit and wish to withdraw their signature.

The complaints give the broker and/or agent chance to prove themselves, even when it seems that they are too strong and irrevocable. A complaint is more a call for help than a desire for an exhausting dispute. The art of resolving complaints consists in turning "no" into "yes".

Below are the most important pieces of advice for dealing with complaints:<sup>16</sup>

- premium amount - always a conditional amount
- starting an interview - never start an interview by talking about insurance premium
- benefits of service - always link the policy benefits with the premium that should be settled
- insurance premium and indemnities - if possible, answer early questions regarding the premium only after presenting the insurance service you propose
- high premium - it is the proof of the extensive insurance indemnity, quality of services and the assistance of the agent or broker to support the business
- expensive, cheap - avoid the terms "expensive" and "cheap"
- cherishing your own value - cheap services make the insurance company, especially yourselves, cheap

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<sup>15</sup> Maja Žitinski, *Kultura poslovnoga komuniciranja*, Sveučilište u Dubrovniku, Dubrovnik, 2010, pp. 94–95.

<sup>16</sup> V. Eickenberg, str. 268–269.

- new acquired value - indicate previous successes, reliability, good wil and market position of subcontracting insurance companies
- services of brokers and agents – point out at your services and your performance
- desire to buy - inspire a purchasing desire with the client
- caution! - do not act upon complaints unless the client gives a valid reason for them
- complaints procedure – deny only two or three customer complaints. If they feel you are holding them in power or they are losing their reputation, that will probably be the last time you see them
- respect - evaluate more than three complaints as a temporary “no” of the client and respect that.

### **2.5. Completion**

You have gone through all the pros and cons with the client. In addition, you have clarified or denied all controversial issues. You can now enter the completion stage unencumbered. It is exactly the young or inexperienced agents and brokers that are often lost in this stage. The reason is that they do not recognize the signs of readiness for purchase that the client emanates or at least not in due time, so completely unnecessarily, although in good faith, they continue the conversation that can hamper the business

If the insured does not give any recognizable sign that they are ready to buy, there are numerous ways, that is, questions to inspire them. For example, they could refer to previously received recommendations: “Already 80 percent of my clients have taken out coverage against critical illnesses in addition to life insurance”. Or, we offer the insured two options: “Would you like to pay for your life policy monthly or quarterly?” The client can also be inspired with recommendation: “Starting from the current situation in traffic, it is advisable to take out the accident insurance”.

### **2.6. Acceptance of Proposal**

Having received a signature on a Proposal or a Policy form, you should not immediately say goodbye to the insured. You are not on the run, have just crowned all your efforts with success. Thank the client for signing and confirm that they made the right and important decision. Stay for at least ten minutes in an informal conversation that will be non-binding for both parties, but may be useful and purposeful.<sup>17</sup>

Upon signature, you can introduce a new measure to build trust as a sign of gratitude. Give the client a small present because it reflects a friendship. This is all

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<sup>17</sup> R.-P. Prack, A. Czerwionka, pp. 23.

the more true if you choose the presents that are tailor made for the insured, that is, that suit them – relating either to their hobby, field of interest, expectation or the type of insurance under which the Policy is concluded. Gifts can be related to the car, work, office, children of the insured, leisure, holidays and so on. Label the gift with a personal stamp, by the manner you hand it over. You should learn how to make gifts, in order to increase the importance of this act. Develop your own subtle sense of making particular gifts for particular occasions.

### **2.7. Third Party Recommendations**

As we may well know, business is not only done with existing clients - everyone is interested in increasing the number of customers. We need new policyholders who will be just as satisfied as the client who has just signed the proposal. Their satisfied facial expression is related to our expectation that we will be recommended to others. It is best not to leave this to a chance or the client's mood, but ask openly for it, at this very moment. According to some estimates, you meet the clients on average from one to three times a year ( when there are no occurrences, even more rarely), so such a favorable moment may not happen again quickly.<sup>18</sup> Even the insured who do not buy from us, or through us, should be asked for recommendations. Maybe they know someone who needs just such an insurance service. Never ask for more than two recommendations. The client might think you are in trouble. In any case, if the client can not remember anyone, or does not want to name anyone, let's respect their decision.

### **2.8. Departure**

We received a recommendation and it is time to slowly say goodbye to the insured. Maybe they have already told us that they had to rush to another appointment. Should they have any additional questions, answer them immediately. It goes without saying that, ultimately, you will thank the client once again for the interview and the time set aside. You will do this even when you have not concluded the job, for which you must always show understanding. Be sure to ask about the reason for the denial and if and when you could see them again. Overcome the feeling, that is, the attitude that an outcome means a loss for you. Disappointment is the last thing to show. Instead, think about how the client gave you a reason to work even harder on yourself.

If, on the other hand, the interview ended with the insured's acceptance, you should be cheerful, for this does not mean only an earned commission; it is, much more, a sign of trust and satisfaction that the job will be done precisely with you. Congratulate the client once again on their choice. Behavior at the end of

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<sup>18</sup> David Gorr, „Das Image des Versicherungsvertreters würde ohne die Geschichten der Strukturvertriebe längst nicht so leiden“, *Versicherungswirtschaft*, October 2019, pp. 24.

a personal interview is an important factor in the overall business. It should be borne in mind that there is no good or bad interview. Each contains hints of how we can be even better.

#### **IV. Analysis of Conducted Interview**

If you want to continue to be successful in a personal interview or increase your success, it is understood that you will regularly analyze the interviews conducted. Sometimes it happened during the interview that you somehow got stuck and lost momentum. This in itself is not bad, because the success of interviews with most people depends, among other things, on the daily mood as well. It would be bad only if a few weeks passed without any successfully completed work. You might then think that the reasons for the decline are fierce competition among brokers and/or agents, unreasonable policyholders, too expensive policies. However, no matter how bitter it sounds - the blame is always on you.

If you want to be more successful in working with the insured than before, you need openness and knowledge of the need to analyze the interviews. Here, we should think of the saying: "Whoever stops being better, stops being good." Here are strong reasons to go back to past interviews:<sup>19</sup>

- gaps - by critically processing the results of the research, you clearly discern your own professional or sales shortcomings, which you will then work on;
- deviation - you recognize the stage of the interview from where you deviated from the plan started and what goals you achieved from that moment;
- posture - you realise whether, in a particular case, your attitude was the cause of low success;
- repair - you give yourself a chance to improve your advisory or sales behavior;
- self-observation - sharpen self-observation, remaining sensitive to success;
- capability to learn - by analyzing the interviews conducted, you prove to yourself that you are still curious and ready to learn.

#### **V. Personal Interview in Modern Environment**

Personal advisory-sales interview is becoming more demanding today, if only we keep in mind the increasingly complex insurance services, the explanation of which may become too difficult for some brokers and agents. In addition, there is a growing pressure of computer and telephone offers, with the operation of websites for comparisons of prices, terms and conditions and other features of insurance policies. Today, the clients are more informed, more sensitive to prices than before

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<sup>19</sup> V. Eickenberg, pp. 278.

and they want a quick, understandable address that is tailored for them. The centuries-old real world and the new, digital, partly unreal world do not exclude each other in the field of insurance brokerage and agency. We need to adapt to the new world and see it as a guide for acquiring new jobs.<sup>20</sup>

To meet such requirements, the insurance companies make special auxiliary tools available to brokers and agents, i.e. programs that supplement personal interviews. In this way, each broker and agent is individually supported and can fully dedicate himself to the emotional side of the client relationship thus raising the value of direct contact, expertise, adaptability and business success. In applied computer programs, the interview with the insured is divided into stages. During each of them, support is provided by instructions, tables, pictures or short films concerning the relevant kind of business, which is especially important for beginners. Such programs can be used both online and offline.

It is interesting to point out the findings of one study that clearly highlight the benefits of implementing one of the above mentioned sales programs. The first group of intermediaries worked with technical support and the second worked in the regular way. After some time, their performance was compared: the first acquired 50 percent of top customers and the second 19 percent. These are the "A" clients whom we know personally and well and with whom a large number of contracts have been effected (usually more than three). The businesses are good and lucrative and it looks like this will continue in future. Moreover, among the members of the first group (which was supported by the new programs), out of the total number of sold policies, exactly half took out expensive policies. In the second group, this indicator amounted to one third. The biggest difference was recorded in cross selling, meaning that in addition to the existing policy, the supplementary one was sold - the ratio was as high as 65 to 12 percent.<sup>21</sup>

Another study showed that one third of the clients are interested in being remotely advised by brokers/agents. Such readiness is still not well explored. Namely, at the same time, less than a quarter of the respondents stated that they had the opportunity to talk to the seller via Skype or Facetime.<sup>22</sup> The spread of the coronavirus pandemic will inevitably encourage the growing use of remote counselling.

In modern environment of technological progress, personal interview will create new value only if adequately approached. The above examples indicate that the technical and regular interviews can complement each other. It is also necessary to emphasize that to this purpose, the assistance of insurance companies is a must. It is only necessary to choose which means and when we will use and act accordingly.

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<sup>20</sup> Vanessa Scheffel, „Es sind Menschen gefragt, die etwas bewegen wollen“, *Der Vermittler*, Mai 2020, pp. 3.

<sup>21</sup> Dirk Schmidt-Gallas, Stefanie zur Horst, „Ich, persönlich, digital“, *Versicherungswirtschaft*, März 2020, pp. 32.

<sup>22</sup> VW-Redaktion, Umfrage: Zwei Drittel der Versicherten sind mit ihrem Vertreter zufrieden, <https://versicherungswirtschaft-heute.de/maerkte-und-vertrieb/2020-03-13/umfrage-zwei-drittel-der-versicherten-sind-mit-ihrem-vertreter-zufrieden/>, visited on 23. 12. 2020.

## **VI. Personal versus Machine Interview**

For many years now, there have existed special computer programs that automate particular tasks - the computer interview with the client instead of face-to-face talk. These programs, computer interlocutors, are made to imitate human way of speaking as convincingly as possible, which is very demanding. They occur in a variety of areas, such as e-commerce, education, entertainment, monetary services - including insurance, healthcare, news. Their purposes can vary: customer service, gathering information, allocating the user requests, and so on.<sup>23</sup>

Computer interlocutors are increasingly used by insurance companies, while brokers and agents get involved pro rata their relation with the companies, which means that the intermediaries themselves do not introduce such interlocutors. The application of this modern solution relies upon the intention to strengthen the bonds with the client and improve the client experience with the insurance service provider. If we critically observe the regular proposal of services, we will come across many procedures that are unreasonably and an impersonal counseling (sometimes as though we wanted to get rid of the Insured as soon as possible). Computer interlocutors, with artificial intelligence, step in to assist - either while the Insured is inquiring about the proposal, when entering into contractual relations with the new insured or during the claims settlement.

According to one relevant survey on the benefits of using computer interlocutors, 62 percent of respondents pointed out to their not being linked to working hours, 61 percent to the fact that waiting in a row is no longer a part of customer support and 55 percent highlighted the speed of answering questions.<sup>24</sup> It is precisely these matters that make customer relations demanding and strenuous in everyday business.

Computer interlocutors assist the insured in general in two aspects, assistance upon occurrence of damage and in the current access to various information:

- assistance with filling the indemnity claims. The insured no longer has to wait to be connected to a broker or agent, which could otherwise take time due to the multitude of clients. At the same time, the difficulty of different time areas and working hours is eliminated, a circumstance that is especially interesting for travel health insurance. By automating computer interlocutors, twenty-four-hour availability is achieved;
- immediate notifications and query responses. In particular, computer interlocutors can simplify the sometimes embarrassing question of customer support service to clients: "Which contract best suits your needs?" The clients of insurance services consider that the insurers wish to effect as lucrative business as possible, not taking into account what is best for

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<sup>23</sup> Jürg Freiherr Frank von Fürstenwerth, Alfons Weiß, Werner Consten, Peter Präve, *VersicherungsAlpha-bet (VA)* (11., völlig neu bearbeitete Auflage), Verlag Versicherungswirtschaft, Karlsruhe, 2019, pp. 132.

<sup>24</sup> Yoav Barel, Rede mit mir, *Versicherungswirtschaft*, February 2020, pp. 64.



the insured. Computer interlocutors, whose work is based on artificial intelligence, are made to continuously collect information and new data and learn from them. Therefore, they are able to present the details from the Policy to the insured in an understandable way, what terms and conditions are offered and whether they are appropriate for them. The mechanical interlocutor comes to the rescue as an artificial advisor, finding possibilities suitable for their requirements and living habits. Furthermore, with such an approach, the client does not have to personally search through the Internet that is full of contradictory information. Also, the application of a computer interlocutor offers the possibility of monitoring the status of the submitted request for renewal of the insurance contra

If such circumstances arise where the options of using such assistant are exhausted, a human advisor will intervene and continue to deal with the client's requests/wishes, in a streamlined and adequate manner. This is considered to be a modern combination of providing advice to the insured using the time reasonably. With their features, computer interlocutors can permanently collect data, improve and get closer to a human who works directly with the clients.

The strength that comes from the use of the so-called smart technology is great. Its unique features contribute to restoring trust in insurers. These characteristic assistants are built into the already existing services and business of a company or form an integral part of the establishment of a modern insurance-technology company. It is assessed that in order to include such a program in an incorporated insurance company, one needs to spend between 120 and 160 hours of work. The approximate costs of developing, designing and including a computer interlocutor in the operations of an insurance company range from 25,000-30,000 US dollars.

Computer interlocutors provide insurance companies with advantages, i.e. the added value. They save time and money, while improving the user experience. Therefore, it is only reasonable that they are used by various insurers. First of all, we find them in insurance-technology companies as new financial and technological companies whose business relies upon the use of computer and other modern technology and cooperation, but also competition, with the traditional insurance companies. Moreover, these services are used by the insurers that have been present in the business for decades or, even longer.<sup>25</sup>

## VII. Conditions

Starting from the findings in this paper, we can conclude that the personal interview is certainly the most important means of communication with the insured.

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<sup>25</sup> Thomas Köhne, *Versicherungsmarketing*, Verlag Versicherungswirtschaft, Karlsruhe, 2016, pp. 138.

In countries where the agency and brokerage are separated by law, such as Serbia, we can underline that for an agent, a personal interview is primarily a sales interview whereas for a broker, it is an advisory interview. From the point of view of the insurance company, the broker also conducts a sales interview.

With the necessary precondition of proposing tailor-made policies, the better preparation and conducting of a personal interview will ultimately be decisive when it comes to the business relation and whether it will be established and maintained or not. That is why this form of direct communication with the client has a special value.<sup>26</sup>

The interview is a way of individual interpersonal approach and treatment for inspiring readiness to buy by offering solutions tailored to a specific insured. Prerequisites for this are a range of personal virtues in order to perform successfully, explain the need for a policy and speaker skills. Each agent and/or broker is a kind of tool that will awaken the readiness of the client to conclude a contract.

Personal interview is vastly more effective than any form of mass communication such as newspaper ads, television commercials or emails. The reason is a better acceptance of information by the insured and greater flexibility in the exchange of information. Through a face-to-face sales conversation, the customer's attention is focused on the service being sold and the seller has the opportunity to immediately answer any questions. The story is all the more successful if the seller knows how to tell it.<sup>27</sup>

The modern age of high-tech development also introduced novelties in conducting personal interviews in insurance agency and brokerage. It is up to the agents and/or brokers to adapt to these innovations and benefit from their use.

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<sup>26</sup> Karl-Heinz Puschmann, *Praxis des Versicherungsmarketings* (2., vollständig überarbeitete und erweiterte Auflage), Verlag Versicherungswirtschaft, Karlsruhe, 2003, pp. 319–320.

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