

HOW TO CHOOSE INSURANCE

Helpful Hints from the Experts

Which is More Important...Price or Customer Service?

by *Richard Berman*

(NAPSA)—For the consumer it can be a challenging question. Which is more important, price or service? If both products were equal, the answer would be simple. We would choose the one offered at the lowest price.



But with some products, insurance for example, the wisdom of your price or value decision may not become apparent until you face an emergency. Then, of course, it's too late to run out and buy another policy.

Robert Ballin of Mineola, New York is one of those who is confident he made the right decision. Ballin got into a car accident which he fully admits was his fault. A retired lawyer, Ballin knew the liabilities he might have faced. But he says the rapid settlement from his insurance company spared him the stress of court appearances and testifying at trial.

"They could have delayed payment," says Ballin, "hoping for a better settlement. But instead they did everything they could to help me get through a traumatic situation. I had researched this company through and through—so I was not entirely surprised. I knew they put the policyholders first. But you never know how they'll come through until your back is against the wall. Then you'll be glad you factored great customer service into your insurance buying decision."

Bruce Maynard, a senior vice president for Ballin's insurer, Amica Mutual Insurance Company (www.amica.com), says there are specific ways for consumers to look at the price versus service ratio and come to an intelligent decision.

Among those, says Maynard, are:

How knowledgeable are the company's representatives on the phone?

Does the representative try to match your needs—or just sell you a packaged product?

How quickly do you reach an actual person on the phone?

Are you dealing with a company employee...or an independent sales person working strictly on commission?

How is the company rated in top consumer publications and by services like J.D.Power Inc.? (www.JDPower.com)

What is the company's record of customer renewal? They should be willing to tell you what percentage of their customers stay with them year after year.

For how long has the company been in business? What is its rate of employee turnover? (Yes, a good company will even answer that question).

Is it a mutual company, representing its policyholders, or does it primarily represent its investors?

Is the company national or local? A national company can provide swift help wherever you are. It may even help you with major moves and relocations.

In a claim situation, does the company let you choose how your loss will be handled? Who will be repairing your home or car? Will it be someone chosen by the company or someone of your own choosing?

While price is an important consideration, Maynard maintains that insurance prices tend to level out over several years as companies compete.

Service, on the other hand, is a long-term issue and a critical one.

"Choose insurance," says Maynard, "for the long term. Give at least as much weight to buying insurance as you do to other major purchases such as homes and cars.

Insurance represents protecting everything you have.

You may not have a lot of interaction with your insurance company. But when the time comes, you really want them to be there for you—and with your sole interest at heart."

(Richard Berman is a writer specializing in insurance issues. He consulted with Amica Insurance [1-800-24-Amica] regarding information and content for this column.)