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IN FOCUS

Kathleen Ann Rake, RCCAQ chair for 2016-17

Kathleen Ann Rake was appointed RCCAQ chair on November 23, having served on the Board since 2011. She is fully apprised of all issues involving the insurance industry. No doubt her professional background and passion for the brokerage sector will allow her to take up her duties with flying colours!

"It is with a great sense of enthusiasm that I am undertaking my mandate as RCCAQ chair," said Ann. "A good deal has been accomplished by my predecessors over the past few years with a view to positioning our profession and defending brokers' interests. I will be proudly continuing their work and will do everything in my power to move the RCCAQ forward."

INSURANCE BROKERS: FATHER TO DAUGHTER

Insurance brokers certainly run in the Rake family. Ann's father, Allen, founded Rake Assurances Transport back in 1986. After completing a college program in business administration and obtaining a marketing certificate, Ann was granted her broker permit and went to work for the family firm in 1990. Highly sociable by nature, she always had an affinity for her father's profession. "I'm someone who loves human contact. The way I saw it, the broker profession was a way for me to use my people skills."

Appointed president in 2005, Ann gave the family firm fresh momentum as Rake Assurances Transport went on to become one of the most respected firms specializing in transportation insu-



rance. This wave of success drew a good deal of attention, so much so that in 2013, the firm merged with Univesta.

Currently serving as vice-president in charge of business development at Univesta/Rake Insurance, Ann will also be taking on the challenge of leading the RCCAQ and bringing it into the future.

Ann is taking over from Patrick Bouchard, whose achievements she is quick to recognize. "In addition to showing more solidarity, the RCCAQ is more effective and more determined than ever before to defend its members' interests. That's largely thanks to Patrick's leadership!"

Ann Rake is the seventh woman to serve as RCCAQ chair. In this regard, she was preceded by Catherine Mainguy and Louise Mathieu (Ms. Mathieu

had invited Ann to join the board back in 2011). "Throughout my career, Catherine and Louise have been a great inspiration for me," said Ann. "They have big hearts and lots of spirit and have never been afraid of breaking the glass ceiling." She would also like to see more female RCCAQ board members: "Around half of insurance brokers are women. So it's essential for women to serve on the RCCAQ's board. That's definitely an issue I'll be spending some time on."

STRENGTHENING THE RCCAQ

Having actively served as an RCCAQ board member since 2011, Ann has worked hard to develop the brokerage sector. In her view, the decision to refocus on the RCCAQ's primary role as a professional association is one of the most important strategic moves in recent years for the organization's future. "We've taken a more political stance and moved more into lobbying and representation activities," she explained. "Our success will depend on our ability to protect and build on what we have achieved for our members."

Ann would also like to convince more brokerage firms to join the RCCAQ, thus providing the organization with more impact in terms of its professional defence and advancement strategies. Seeing how determined she is, it's a good bet that this desire will become a reality!

STRATEGIC CONTINUITY

One of the new chair's first tasks will be to oversee the strategic planning designed to define the RCCAQ's priorities for 2017-2020. Although this process has not yet begun, it is clear that monitoring the implementation of the new Bill 188 will be a top priority. The board will have to be vigilant in order to ensure that the RCCAQ's members are well defended while seizing opportunities that the new legislation is sure to create.

Among other priorities that the RCCAQ will be tackling, provincial tax harmonization and business transfers between family members figure prominently. At the federal level, lobbying efforts for a review of the Bank Act in 2019 will be kicking off in the near future.

Ann also has other goals. Growing competition in the brokerage sector and consumers' ever-higher expectations are key issues. Competition by direct insurers in the commercial lines is an increasing threat to brokers. Up-stream work will be required to ensure that the loss of market share, which has primarily affected the personal lines, does not also impact the commercial lines.

"The experience client, the theme of our recent convention, is the key to ensuring the maintenance and growth of brokers' market share," said Ann. "I think the message delivered by the various participants was quite clear. We don't have any choice in the matter. We simply have to adapt our business practices," she emphasized.

UNIFYING VISION

Ann has acquired extensive expertise throughout her professional career. The fact that she has worked for two firms with different business models gives her insight into the issues facing various types of firms represented by the RCCAQ. Her involvement with the IBAC, for which she served as a board member for two years, gives her a cross-Canada perspective that is sure to come in handy.

Ann will be beginning her term in office with a commitment to developing a clear and unifying forward-looking vision for all RCCAQ members.



THE CLIENT EXPERIENCE: AT THE HEART OF YOUR FIRM'S STRATEGY

By Gladys Caron

The one thousand or so people who attended the RCCAQ's 2016 convention received some fast-track training on the client experience. A roster of speakers, panellists and trainers offered a wide array of advice, tying in with the findings of a survey conducted by Ad Hoc Research about consumers' perceptions of brokers. This survey showed that while some aspects of brokers' performance are positive, other areas need improvement.

After two intensive days, it's difficult not to be convinced that the client experience should be at the heart of your firm's strategy in the coming years... and firms that aren't that interested are taking a risk! That's because no company nowadays can afford to ignore its clients. But how should brokerage firms proceed and where should they start? The RCCAQ will be there over the coming year to assist its members and support them in making the client focus switch!

WHY IS THE CLIENT EXPERIENCE SO ESSENTIAL?

Several factors account for the essential nature of the client experience today. For one thing, growing numbers of companies in a variety of industries, such as Apple, Netflix, Amazon and Starbucks, are offering different and original experiences, prompting consumers to expect the same kind of treatment from other companies. The members of the insurers panel had a good grasp of this issue; they each outlined how they defined the client experience and how they applied it in practical terms in their own business.

For insurance brokers, it's no longer a matter of simply providing solid client service, with an efficient complaint management process, good call scripts and clear procedures. «That's now the basic starting point,» said Sean Mulcair of Gradient Solutions. «The client experience is much more than that. While client service is quantifiable and measurable, the client experience refers to consumers'

total brand exposure and speaks to their emotions!» he added. That's what makes the strategy more demanding.

Another factor contributing to growing interest in the client experience is the ascendancy of Generation Y, which is prompting companies to make improvements. Although it's known for being demanding, the millennials of Generation Y also tend to be more loyal, provided that companies are efficient. Yann Jodoin of National Bank of Canada offered these remarks during the insurers panel: «Accenture confirms that the difference between baby-boomers and Generation X on the one hand, and millennials on the other, is that baby-boomers and Gen Xers will say, 'Give me a reason to leave', whereas millennials will say, «Keep on giving me a reason to stay.'»



Insurers Panel: Jean-François Béliveau, Northbridge Insurance – Sylvain Fauchon, Promutuel Insurance – Jean-François Desautels, Intact Insurance – Yves Gagnon, L'Unique General Insurance – Glen Bates, RSA Canada – Martin-Eric Tremblay, Aviva – Mayssa Rifai, Economical Insurance – Benoit Perreault, presenter.

TEO TAXI: AN AMAZING BUSINESS MODEL!

TEO Taxi's experience is a textbook case of what we're talking about. Patrick Gagné, partner and chief of product at Taxelco and TEO Taxi, described the client experience as an obsession at TEO Taxi. Before the company was even up and running, TEO's management, under the leadership of Alexandre Taillefer, spent many months in discussions with industry stakeholders to put together a winning business model for all concerned.

Contrary to what one might think, TEO's management doesn't regard Uber's arrival as a threat, but rather as an opportunity to expand the taxi sector, which is indeed one of their most admirable achievements. «To succeed in a sector that's being upended, you have to be brave enough to forgo your short-term revenue,» said Mr. Gagné. He also drew a parallel with the music industry, noting that when Napster entered the market, the industry resisted and refused to stay up-to-date. Needless to say, the music industry is now facing a crisis that's swerving out of control...

The insurance brokerage industry would do well to learn from what's happened in the music sector.



Patrick Gagné, Partner & Chief of Product at Taxelco



Eric Stevenson, Superintendent, Client Services and Distribution Oversight

THE CLIENT EXPERIENCE: ESSENTIAL FOR THE AMF AS WELL

According to Eric Stevenson of the AMF, technology has generated enormous opportunities to improve the client experience. These opportunities are precisely what the AMF hopes to seize. Mr. Stevenson and his team are determined to keep on improving their practices in order to make them user-friendlier and more efficient.

In this regard, client focus is one of three major issues that Mr. Stevenson's team is working on. Their goal is to improve and accelerate online services while ensuring closer ties between the AMF's clients and the employees who interact with them.

HUMAN CONTACT REMAINS A KEY PART OF THE CLIENT EXPERIENCE

Richard Branson, the world-famous founder of Virgin, once said, «Invest first in your employees and they'll then take good care of your clients».

Jasmin Bergeron also emphasized human relations during the training activity he presented. One of the key points he made concerned the «last impression». Without neglecting the importance of the first impression, Mr. Bergeron is convinced that it's during the final minutes of a meeting that you have the greatest chance to score points. He also advised the participants to make sure that clients are satisfied before they leave, to reassure them about the products they have chosen and to ensure that the get-together ends on a friendly and personal note.

All in all, the 2016 convention was filled with useful information and advice, which the RCCAQ will enhance by supporting its members throughout the coming year. It will also be encouraging brokerage firms to take action, including putting together a vision statement and a solid

business plan, as well as taking practical steps on a day-to-day basis, in line with the suggestion made by Benoit Perreault, consultant and expert in client experience management: «The best client

experience indicator is the action you take. That means everything you can do while interacting with clients with a view to meeting their needs and adapting as you go along.»

YOUR COMMERCIAL CLIENTS ARE A GOLD MINE FOR YOUR FIRM.
WHAT IS **YOUR STRATEGY** TO MAXIMIZE THEIR VALUE?

VIGILIS

➔ **RCCAQ IN ACTION**

MAXIME POULIN, 33, WINS JUNIOR BROKER DISTINCTION AWARD

By Gladys Caron

Together with his partners, Maxime Poulin acquired Ostiguy & Gendron Group in 2015. Despite the acquisition and subsequent transition, the next year was one of the best in Ostiguy & Gendron's history in terms of growth, revenues and profitability.

"I am truly pleased and honoured to have won the Junior Broker Distinction Award," said Maxime Poulin shortly after having been presented with the award by the RCCAQ and LARAQ during the RCCAQ's annual convention. "First and foremost, I am very happy for our firm. The award highlights the trust that was placed in me when I was named an Ostiguy & Gendron partner back in 2015. If this award results in better recognition of our firm's cutting-edge vision, and if that inspires other members of the team, I will be truly proud," he added.

CAREER PATH

After completing a college-level program in insurance and financial services, Maxime joined ING Insurance in 2003, where he worked as a business insurance underwriter for four years. Out of a natural sense of curiosity, he decided to join Compu-Quote (now known as Applied), where he worked as a sales rep for Eastern Canada.

These positions played a pivotal role in Maxime's



Louis Ferrari-Vianna, LARAQ – Johanne Lamanque, Insurance Bureau of Canada – Maxime Poulin, Winner Junior Broker Distinction Award – Julie Saucier, IADQ – Guy Parent, RCCAQ – Serge Therrien, Journal de l'assurance

career since he had opportunities to meet with the senior managers of firms across Canada. Needless to say, he developed an extensive network of contacts that still comes in handy today. He was also exposed to the different realities of the firms his company worked with. Returning to the insurance sector, he accepted a position with Axa and then moved on to Ostiguy & Gendron in 2012 as business development director.

Driven by his deep interest in entrepreneurship, Maxime knew he would eventually switch to the brokerage field. He remains convinced, however, that fine careers can be had working with insurers. In his case, the tipping point came after numerous meetings with Pierre Ostiguy and Daniel Gendron while he was their insurer. In the end, he was won over by how they viewed the succession process, as well as by their transition plan and the team they put together. He remains very grateful to them.

Before making the switch, Maxime had to obtain his insurance permit. During the transition between his previous job and his arrival at Ostiguy & Gendron, he hit the books hard for two weeks and obtained his personal and business insurance accreditations. He went on to complete the RIBO Level 2 management exam, which authorizes him to be the director or owner of a full-service firm in Ontario. He also holds the CRM designation (Canadian Risk Management).

SHARED VALUES

One of the reasons why Maxime decided to join Ostiguy & Gendron was the firm's values, including a dynamic and daring approach and close ties with clients. He was also impressed that the managers continued to manage a portfolio and thus remained attuned to their clients' needs.

Shortly after becoming a father of twins, Maxime and his partners, led by Jean-Philippe Martineau (now the firm's CEO), began negotiations with the firm's owners to buy them out. The negotiations took place over nearly a year. The transaction was finalized in 2015 and sparked a good deal of interest in the industry, given that examples of non-family takeovers of major firms are quite rare.

Maxime quickly proved his worth as executive

vice-president. In the space of just over three years, he built up an impressive level of premium volume from new business while managing a large client portfolio. He also spearheaded the acquisition of two firms in line with the firm's strategic development goals.

AMBITIOUS LONG-TERM VISION

The long-term vision of Maxime and his three partners (Jean-Philippe Martineau, Louis-Philippe Dupuis and Monique Gagnon) is crystal clear: they want to ensure a steady pace of growth for the firm, which now boasts nearly 60 employees, 10 of whom were hired in 2016. More specifically, they are seeking to boost the firm's premium volume by 50% by 2020. Developing niche markets and embracing geographic diversification are the twin pillars of their strategy.

Maxime and his partners hope to carry out their ambitious plans by staying highly disciplined. "We place a good deal of importance on executing our strategies and on being excellent day-to-day managers. It's easy to get carried away by success, but it's also important when making a decision to step back and ask yourself if it's really in line with our strategic plan. If we can do that, we will continue to deserve the insurers' trust. They have been enormously supportive of us in the past few years, and we are very grateful to them," he said.

INDUSTRY OUTLOOK

WHAT SMALL BUSINESS CUSTOMERS WANT – A FEW TIPS TO TAKE CUSTOMER EXPERIENCE TO THE NEXT LEVEL

The evolution of small business insurance might make it easier for independent business owners to research and find solutions, but it doesn't mean they want to be left to their own devices. "There's an assumption that it's becoming a commodity, and that customers just want to go online and get a quote," says Ilda Dinis, vice-president of customer experience and marketing at Northbridge Insurance. The truth? "Small business owners value the advice that brokers provide," she says. How can brokers be sure they're hitting all the marks? Here,

Dinis highlights common gaps in small business service, along with ways to meet them head on.

Small business customers want to ensure that they have the right coverage and limits. What are some common concerns?

Understanding of insurance outside the industry is incredibly murky, so small business customers want to feel confident that they have the right coverage to protect their business. Before the Internet, customers used to come to brokers



Ilda Dinis, Vice President, Customer Experience and Marketing at Northbridge Insurance

for information. Today, everyone's going online first when looking for a supplier. Now they're coming in with a lot of information, but don't know what to do with it. They need their broker to boil it down and tell them what's right for their business.

What coverage elements do they often overlook?

We conducted research with small business customers last year and found that many of them don't bother with business insurance at all. About half don't have insurance because they think it's too expensive, or if they're running a home-based business, they think they're covered under their homeowner policies. There's a huge opportunity for brokers to educate small business owners not only on the right coverages, but on the importance of having those coverages. They can also dispel some of the myths—for example, small business owners often use their home or auto insurance as a barometer for what a business policy will cost, but, quite often, it's just a few hundred dollars a year.

How can brokers best address small business customer concerns on pricing and coverage clarity?

There's a myth that small business customers are always looking for the cheapest insurance. The reality is that they're looking for the best coverage they can afford. That's a really important distinction for brokers. The clarity piece is also huge. When it comes to limits, brokers can also flex their muscles and their value with small business owners. Some customers actually have too much coverage and a broker can guide them to ensure that they have the coverage and limits that are associated with the risks to their business.

What about customers with little time for insurance education?

Small business owners wear every hat when it comes to running their business—they're chief financial officer, chief marketing officer, chief everything officer. They don't have a lot of time, so make it easy for them and get back to them on their own terms. They want the option to communicate with service providers via text, phone and email. Don't force a face-to-face meeting if they don't have time for one—do it by phone or by email instead.

Anything else to keep in mind when approaching small business customers?

Small business owners often feel like they're an afterthought, and that suppliers and vendors get back to them after dealing with larger customers. They're incredibly proud of their role in the Canadian economy and want suppliers to understand and respect that. These owners want to work with brokers who treat them like true partners and who will help them make the right choices for their business.

What does Jean-François Béliveau, Executive Vice President, Quebec region, Northbridge Insurance, think about this?

"Small businesses are the strength of the Canadian economy. The research we do, whether through our Customer Innovation team or with external partners, allows us to have a better understanding of this type of customer. I think the key for brokers to succeed in this market is flexibility and the concept of value-added advice. As Ilda Dinis said, the amount of information available on the Internet is so great that today's customers are very knowledgeable, but they have difficulty separating the wheat from the chaff. That's where brokers can play their role of being true risk management advisors."