

# Shopping for Insurance: Why Price Isn't Everything

Too often consumers view the purchase of insurance as buying a commodity. You are not buying a lawn mower, which is the same product regardless of where the purchase is made. You are buying a promise and your agent's well-established reputation and ability to represent your interests.

Insurance is an extensive contract full of exclusions, conditions and limitations. It's complicated and takes very special understanding only gained through a substantial amount of education and experience. When you come to your agent for insurance advice, we start by reviewing your existing coverage and then qualifying our findings by asking you questions. In this review process, many times we find gaps in coverage that could have devastating effects if not corrected. In most cases those gaps can be closed through the use of inexpensive coverage endorsements.



In one case, a policyholder purchased their own homeowners insurance through a national insurer utilizing an 800 number because she heard it was cheaper. With a lot of research and a certain amount of luck, this person made it through the valuation process determining the rebuilding cost of her home. While she managed to squeak by on evaluating the construction cost of her home, she was unaware of the business exclusion in the policy. Since this homeowner held almost weekly parties in her home selling cosmetics, a special endorsement extending business liability, which is sometimes allowable, was needed. A reasonable alternative would be an inexpensive business policy. In the event of a guest injury, her failure to obtain this coverage could have devastating financial consequences.

This person viewed the purchase of insurance similar to the purchase of a lawn mower. Failure to be aware that part of what you are paying for is the expert advice of an experienced and professional insurance advisor can result in you not having coverage when claim time arrives. Selecting an insurance agent is not unlike selecting an attorney or accountant for their good name and practice. We believe the services we provide and experience we have make a difference in your insurance buying experience.

*Inside Insurance, November 2010*