

BUYING DEALERSHIP INSURANCE: TAKING THE MYSTERY OUT OF THE PROCESS!

Most dealers truly dislike the annual process of buying their dealership insurance. Typically, it's no fun for anyone. It takes too much time, it's very confusing, and it's a language most people don't know. To top it all off - you never know for sure if you've gotten a really good deal. This article addresses three of the myths surrounding this process. Hopefully, this information can help you improve your approach and make the insurance buying event more productive and meaningful.

MYTH 1 "THE SHOPPER"

If I shop insurance every year I'll be viewed as disloyal and a less than desirable risk. Nonsense. In today's tough business climate, good business practices dictate shopping for the best insurance program every year. You owe it to your business to get the best coverage at the best price. Get quotes every year.

MYTH 2 "I'M A GOOD ACCOUNT"

I know I'm getting the best pricing from my insurance company because I have a very low loss ratio. Oops! Bad news! Just because you've been a great customer doesn't mean you're getting any company's best pricing. If you don't continually challenge your insurer with the competition, you may not see their best pricing.

MYTH 3 "I'M NOT A GOOD ACCOUNT"

I had some losses this past year so I'd better stay put and not shop this year. If you've had claims and don't shop you're very likely to receive higher prices and may even be pressured to take higher deductibles. If your expiring year loss ratio is 50% or less (premium paid minus losses paid), you should fare very well in the open market. Competition lowers prices and you should shop with confidence.

NEXT MONTH: FOUR MORE "MYTH-BUSTERS" FOR INSURANCE BUYERS.

MEANWHILE, DON'T FEEL OVERWHELMED. MOST DECISION-MAKERS CAN USE SOME OBJECTIVE, UNBIASED EXPERT HELP WITH THEIR COMPLEX INSURANCE PROGRAMS. USE PROFESSIONAL ASSISTANCE OR AVAILABLE EXPERT SOFTWARE ... THESE CAN LEAD TO BETTER DECISIONS, BETTER COVERAGE AND ALWAYS - A BETTER BOTTOM LINE.