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Insurance With Assurance

The Relationship Between Dealers and Insurance Providers

by Rick Janis

How can alarm dealers and insurance providers better assist each other?

The majority of our columns have dealt with the coverage aspects of your insurance policies. In this column we would like to digress slightly and talk about the relationship of security providers (alarm dealers & installers) and insurance providers (insurance agents & companies) and how they may assist each other. While we are not aware of any direct relationship between the two, we believe that each one can be of great assistance to each other.

When you market and sell your security systems, you probably stress the service and equipment you provide and how the complete system would protect your customer. However, there is another area that may help you clinch the sale and provide you with an additional service for your customer with little extra effort on your part.

Most likely, before you actually install a security system, you did a survey of the entire perimeter of your customer's residence. The survey allows you to assess the proper alarm needed to protect the residence and while doing this inspection you may uncover some improvements that are needed to the building or residence itself (i.e. unsecured windows, hazards in the driveways or sidewalks, etc.). This kind of information is invaluable to homeowners and business owners and it also improves the account from an insurance risk viewpoint.

Providing the homeowner with a pre-printed survey form that is filled out after the installation, would be a helpful reminder of not only the service you performed but also the kind of detailed oriented services your firm is known to perform.

Almost every insurance carrier for both Commercial and Residential locations provides a discount to the building owner for their insurance premium for any type of Alarm System. The discount will vary in the commercial side depending on the type of Alarm System. It may also vary on the residential side if the insured/homeowner has valuable paintings or artwork and a certain type of system is required. But no matter what type of system you provide, the insurance carrier for that building should be notified so that the owner can reap the rewards of the reduced premium. Most customers are savvy enough to notify their Insurance Agent or Company of the installation. However, since any extra service you may offer would only improve your relationship with your customer, we recommend that you have a pre-printed form available that would detail the installation and system and that you could address to the insurance agent or company. This could be either handed to the customer to forward on or, you could offer to deliver it yourself, especially if it is addressed to a local insurance agent. If you deliver these to a local agent he may be truly impressed enough to recommend your services to his new clients.

After all, because no financial institution will transfer monies until proof of insurance is provided, the first person involved in a new home transaction is usually the insurance agent.

In this age of increased competition any extra service we can provide makes us all stronger from a marketing position. Any type of security improvement you make to a building is a plus in the eyes of any insurance company. Letting them know of this improvement will be a plus for your customer.

Rick Janis is a Certified Insurance Counselor and president of the Alarm Insurance Agency. With over 7 years of experience in the security industry, he has been responsible for developing and managing comprehensive insurance and bonding programs for alarm dealers and monitoring companies. Rick is CEU certified by NBFAA and teaches CEU courses to the alarm industry on General Liability/Errors and Omissions and Worker's Compensation. He can be reached at 800-474-0933 or by fax at 800-240-0631. You may also e-mail him at rjanis@alarmins.com.