LIVING YOUR NICHE

By Paul Lavenhar

Being a niche player is the way agents knock out incumbents. Businesses sometime have an inertia about their incumbent insurance agent. The agent is familiar, maybe he or she has come through when needed, so why change?

Most agents – despite the hype not to – are generalists. They believe focusing on a niche can exclude new opportunities. First, you can focus on specific niches, but still be open to other business. Second, generalists are more likely to lose business when faced with a niche player, then gain business by being all things to everyone.
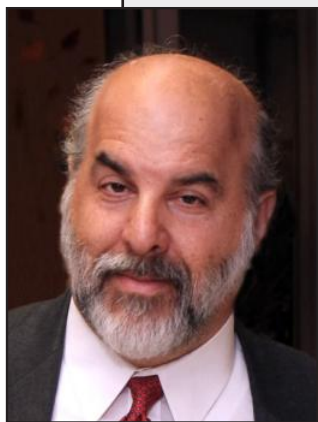
Successful niche players become the "guy" or the "gal" – meaning they are recognized as an authority in their niche. They are the real deal. They know the ins and outs of the niche for risk management, under or over coverage, and the latest products. They have underwriter relationships, and know how to present a best case to get best coverage at a competitive price. They are problem solvers who have the contacts and the savvy to intervene to take care of a problem whether it is for coverage or claims.

I have known several agents who have succeeded as niche players. Those agents are the ones that "live the niche." They have a real love of the niche where they specialize. One of the best examples I have

seen of an agent who "lives the niche" is our client **Rich Skorupski of Meeker Sharkey & Hurley** in New Jersey whose firm uses our marketing communications services. Rich specializes in nonprofits. He has immersed himself in the nonprofit world, so his clients know he gets it. That where it starts. Not just in marketing yourself as an expert, but making every effort to be one.

Rich has served on nonprofit boards. He participates in safety meetings. As a result he has learned firsthand about the unique issues nonprofits face such as financial constraints, regulatory changes, employee issues, and more.

"Our safety committee is comprised of employees, leadership staff, board members, and our insurance broker Rich Skorupski. Having Rich on that committee is important to us because he is able to provide us with guidance and resources that will help mitigate that risk, and he helps us be more proactive in our approach," says a client whose nonprofit serves people with intellectual and developmental disabilities.

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In New Jersey nonprofits have had to change their entire business model from receiving block grants from funders to fee-for-service - getting paid as you go funding.
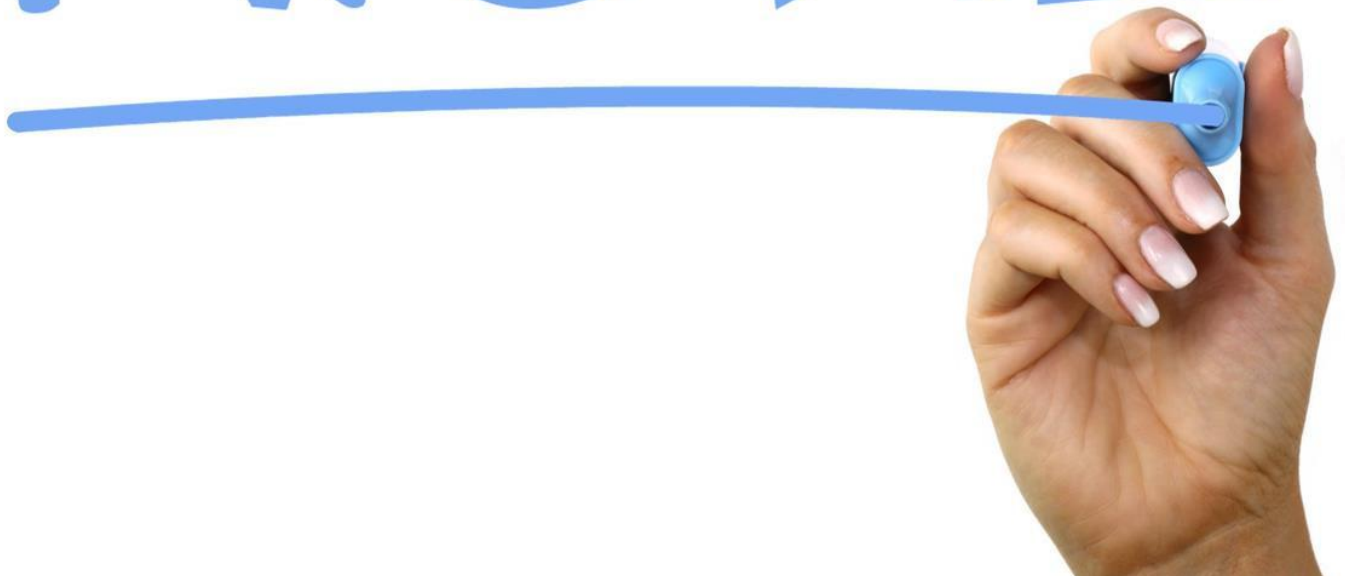
That affects cash flow as well as forcing nonprofits to cut services where the fee-for-service model is not self-sustaining – even if it is an important service for clients.

This change has raised risk management issues. If agencies create new services that are more suited to fee-for service, their coverage may need to be adjusted. With budgets tighter than ever, getting the most bang for the insurance buck is even more important than it usually is. In that environment being able to be a trusted advisor and counselor that is an extension of the nonprofit's team is invaluable.

A niche specialist can do that, a generalist cannot. "Rich has a wealth of knowledge in the industry with regards to safety and insurance coverage. He's always there to provide feedback and get us information on different goals that we're looking to achieve. He understands the non-profit industry and how we operate," says one of his clients from a facility specializing in serving clients with special needs.