

INSURITAS CREATES A “NICE REVENUE STREAM” FOR CENTRAL STAR CREDIT UNION

Sometimes things just don't work out. That's what Central Star, a mid-size Credit Union in Wichita, Kansas, with 9,300 members and shared branching, discovered when they had an outside insurance agency set up shop in the CU.

“Credit Union members really trust their Credit Unions, and we couldn't control the quality that was given to them,” says Central Star CFO Mary Wehner. “So we dissolved that about eight years ago.”

But that didn't solve their members' problem of needing insurance -- and hating to shop for it. “There was such a need in our membership,” Wehner says. “We had people who really, they didn't like to shop for insurance.” So Wehner talked with several different Credit Unions around the U.S., and many of them recommended Insuritas. “I started researching and really liked what I saw,” she says. “And from there the rest is history.”

A FRICTIONLESS SYSTEM

According to Scott Strickland, Senior Vice President of Client Relations at Insuritas, Central Star was looking for a system that would be frictionless, meaning their members wouldn't have to leave the organization at all to look for or buy insurance. Central Star wanted to take advantage of the fact that the Credit Union has a very strong brand image in Wichita.

Strickland worked on the client installation and acted as a liaison to get the client up to speed, the operations team worked with the agency as the referrals started coming in, and Insuritas' Chief Technology Officer was involved in developing the website, setting up the phone queue, and building the agency's infrastructure.

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The project took four months, and Central Star Financial Solutions opened in November 2010 with its own exclusive mix of products. “Each client we have is different in that the product mix, the carrier mix, and the branding are unique to the institution,” says Strickland. “It's much more than just co-branding a white label agency.”

THREE WAYS TO SELL

Central Star Financial Solutions customers have three ways to shop for insurance: First, referrals are initiated for members au-

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tomatically when they apply for a home or auto loan. Originally Central Star sent the data to Insuritas manually, but Insuritas built an interface that connects the loan origination process with the Insuritas system. Now, if a member is applying for a loan, the information is automatically sent to Insuritas and the call center staff follows up with the member within 24 hours.

Second, customers can call into the call center, where Insuritas agents are ready to help them with their questions. Customers have found Insuritas' call center staff to be very helpful. "You can ask them lots and lots of questions, and they are very patient," says Wehner. "Does this fit for me? Should I have liability only, or should I have full coverage? There's a plethora of questions, and not all agents out there are as patient as our members need."

Finally, Insuritas insurance customers can shop online. A challenge in creating the online system was that Central Star didn't have the manpower to build a website. "We have a really small IT department," says Wehner. "Running a 74 million dollar Credit Union with just one guy keeps us pretty hopping." So Insuritas took the reins and helped Central Star build an easy-to-use interface for insurance shoppers.

Wehner and her team expected members to prefer using the phone to shop for insurance, but "We see about an equal mix between website and phone referrals," says Strickland. "Half the people want to pick up the phone and call, and half the people want to go on the website and never talk to anybody until they've made a decision to purchase."

A NICE REVENUE STREAM

So far, Insuritas has been able to get in touch with and speak to almost 55 percent of the referrals that they've received from Central Star, and deliver insurance quotes to 90 to 95 percent of those people. And of the quotes they've delivered, Insuritas has been able to convert almost 48 percent into sold policies. "These consumers are motivated; they've taken action to contact the agency in some way," says Strickland. "They're a very high quality referral source for us because of that proactive requirement on the part of the consumer."

In addition, Wehner says that hardly anyone turns down mortgage insurance, and she's seen members save from \$1,000 to \$1,500 per year.

Central Star has been thrilled with the results. "Over time that will build up to a nice revenue stream," Wehner says. From board members to teenagers, everyone who's used Central Star Financial Solutions has been happy with it. Says Wehner, "Insuritas has worked nicely for our Credit Union and for our Credit Union members."