

Brick-and-Mortar P&C Counterpunch: Fighting Technology With Technology

QUALCORP

QualCorp, a Santa Clarita, California-based software firm, was founded in 1992 as a third-party administrator issuing policies for MGAs. Since then, QualCorp has expanded its expertise to helping agencies manage the total policy workflow, from initial data entry, to rating, to issuance, and finally to service and claims. QualCorp is privately held.

QualCorp's main goal is to make agencies more efficient by helping them manage their workflow. It accomplishes this through its product offerings: Forms Plus (drives the aforementioned policy issuance for MGAs) and Drag and Drop Forms (eliminates the need for repetitive data entry across multiple carrier forms). The latter is essentially a toolkit that allows agencies to customize a way for data to be pulled in from their databases onto various carrier forms. This enables an agency CSR to pull together a maximum number of quotes with minimal effort, in the spirit of transparency.

Despite its focus on operations, QualCorp also offers agencies the ability to conduct analytical assessments that offer value beyond operational efficiency. QueryPlus is a software offering that can be bolted onto an agency's AMS and produces all kinds of reports for the agency, including retention reports, production reports by producer, or line-of-business reports. The tool can also be used to segment a book of business for a variety of purposes:

- For the marketing value chain element, QueryPlus can produce a report that can identify which policyholders are in need of more coverage and can serve as the basis for a marketing campaign.
- For the service and claims value chain element, an agency can run a report to identify which policyholders might have suffered damage in a natural disaster and can engage in proactive outreach for post-catastrophe servicing. QualCorp has layered in Microsoft's Business Intelligence to make this offering even more robust.

QueryPlus is also designed to interact with different AMSs, which QualCorp believes is the only software provider to offer this feature. This is important for many agencies that have merged with other agencies that use different AMSs.

QualCorp maintains that agencies need this type of service offering to be competitive, both in terms of new sales entrants and in terms of shifting customer expectations. On the former, QualCorp points out that policies purchased online cannot replicate this service offering, so QualCorp is giving agencies an advantage over those new entrants. On the latter, QualCorp points out that meeting expectations is sometimes not enough, and that agencies need to exceed by being ahead of the curve for policyholders when disasters strike.

QualCorp believes that all agencies can benefit from its software but that larger agencies see the most benefit, since delivering a personal touch to a large book of business is more difficult through a larger organization. Smaller agencies with smaller books of business can still benefit, but because they are smaller, they are easier to manage. That said, as smaller agencies are consolidating, it is likely that these larger firms will require an offering such as QualCorp's.

OUR TAKE

The ability to deliver personalized service or a personalized marketing pitch is something that agencies clearly value. QualCorp is well-positioned with its efficiency-focused offering that addresses a core agency concern: being too big to be intimately familiar with clients. QualCorp has hit upon a way to provide the seemingly dichotomous proposition of being big while acting and appearing small. QualCorp's target market of larger, multi-office agencies is well-suited to benefit from the software, especially since the software is able to integrate well with multiple AMSs. That said, other firms offering similar solutions have realized the limitations of integrating with only one AMS, and they are designing their bolt-on software to be as expansive as possible. These efforts will likely blunt any advantage QualCorp has built, but they won't portend its demise.

As a wave of agency consolidation rolls through the industry, QualCorp is nicely positioned to take advantage of any mergers. It ought to consider tailoring its offering to better appeal to smaller agencies, however, a growing segment in which there is likely greater opportunity. If the mergers are laden with smaller agencies merging to form larger agencies, QualCorp's opportunity grows with those mergers and is poised to take advantage of that trend.

