

Are Photo Estimates a Downfall?

I have heard a lot of discussion about photo estimates lately. People ask me what I think about them and how they will affect our industry. My first response is that you should treat them as any other field estimate you receive; as an outline to write your own damage assessment.

That was until I had to go through the process myself.

Someone hit my wife's car while it was parked and forgot to leave a note, so I had to process a claim on my policy. After going through the drill of answering all the usual questions and listening to a presentation about the program shops they have, I was sent a phone app to take photos of my car. My knowledge of the industry and the photo skills I possess were of little use in this instance. The app only allowed for a couple of photos and none of them could really capture the damage completely.

I received the estimate on my phone in less than 24 hours, and as I reviewed it, I found items that were clearly missed on the estimate. I'm not talking about labor time variances. I'm talking about moldings, emblems and pinstripes that are clearly visible in the photos but not on the estimate. I called the claims office, informed them of the things that were missed, asked for them to be added and for a new estimate to be created. This is where things became exciting.

I was told by the claims office that if I intended to get my car repaired, I should take it to my shop of choice so they could write a supplement. I told them I intended to have my car repaired and would like a corrected estimate before I schedule the repair so the missing parts could be ordered in advance. The claims handler said it was not company policy to change a photo estimate until the car was inspected at a repair shop and a supplement submitted. When I questioned the policy, she said that it was up to the shop to decide if those items were actually needed. I was then again offered the opportunity to take it to one of their program shops for complete satisfaction.

Conceding to the insurance company, I took my car to my shop of choice to begin the supplement process. I say "begin" because it took more than one attempt to get all the damage accounted for by the insurance company. When the final supplement was completed, it was **210%** of the original photo estimate.

Now that I have gone through the process myself, my mindset has changed. I have always said photo estimates mislead the consumer, but this experience allowed me to see how much the consumers themselves are misled. My knowledge of the collision industry helped me work through the experience successfully, but what about the average consumer? If I took the original estimate at face value, cashed the check (which closes the claim) and decided to get my car repaired later when it was more convenient, how hard would it have been to get a supplement approved at a later date? How would the average consumer know the photo estimate did not define all the damage? This caused me to change how I advise shops when this subject comes up.

I still believe the shop needs to use any field estimate available as an outline to create their own damage assessment, but they need to have a different discussion with the consumer. I feel it is necessary for the shop to review the photo estimate with the customer at their vehicle, being sure to itemize the things clearly missed and explain that once these things are added, the estimate could easily double (like mine did). Without doing this, a naïve consumer could believe that the shop is the one doing the deceiving, not the insurance company. Not doing this could set the shop up for failure as doubt would be developing in the consumer's mind throughout the repair process.

Yes, shop personnel will need to become educators of sorts. Photo estimates are not going away - in fact, some insurers are looking at artificial intelligence to determine damage based on previous claims. They aren't bad, but they need to be handled differently. This is the future of damage estimating, so be sure to prepare yourself and educate your customers (in advance if you can), and accept photo estimates as another opportunity for your business.