



Mining My Business Too



I ALWAYS have approached my business from the perspective of the three-legged stool. First and foremost I look to do what is best for the client. I do this even when it means selling a product that offers fewer commissionable dollars. I then also ensure that my agents and the companies for which we sell also benefit. This supports a win, win, and win relationship.

I have worked diligently to grow my agency to what it is today. Most producers would agree that clients make our world go around. We spend much time and effort in building our relationships and sales, yet no matter how hard we try, some attrition of our clients to other producers or companies is inevitable.

An important question the producer should ask himself is, "What is the single most compelling reason a prospect should choose to do business with me?" After all, prospects have many options when shopping for insurance or financial products. There is competition and no matter how hard we try, closing every sale, every time simply is not possible. Like many producers, and much to my dismay, even a few of my longest term customers still have business placed elsewhere. This is not a result of a lack of salesmanship or trying, but instead, I am happy to say, is because replacing those particular products would not necessarily be beneficial to them. In the big picture, we producers only can hope that a client will stay loyal to us and continue the relationship with us long term.

Tech Too

in some fashion, form, or function, technology connects the customer, the producer, and the company. Technology plays an irreplaceable role in our everyday business. Producers should that they could gain a competitive edge by implementing it properly.

In one example, technology has enabled me to identify a recent phenomenon in this low interest rate environment. Some fixed annuity settlement option payouts (i.e., five-year annual payment certain), combined with a five year guaranteed rate, may pay higher returns than the interest clients currently are receiving. This has enabled me to enhance fixed returns for some of my clients.

I have written many times about the need to have information easily at hand. As an example, old paper files are cumbersome and are limited in availability. once someone has removed a file from the filing cabinet it essentially is unavailable. By placing documents in an electronic format, the producer and staff more easily can work from a centralized repository that may be shared among many people, even remotely. Give me an IP telephone and highspeed access to the Internet, and I can sell from anywhere in the world.

Market Too

Some producers may classify marketing as an unnecessary expense. Inevitably however, they find out later that it really is necessary. Building customer loyalty is time consuming. Clients can be a fickle bunch, so keeping our name in front of them is a high priority. To assist in achieving this, a sound marketing strategy is a must. Whom one targets in marketing is almost as important as how. There are many ways to market oneself. Direct mail and newspaper advertising are popular. Newsletters also are great, but require more time and dedication, particularly if they are to be done consistently.

There also are tradeoffs to what I call pre- and post-marketing. In a pre-marketing campaign, the producer expends marketing dollars in an attempt to recruit new suspects. In post-marketing campaigns, the producer invests in the clients he already has. For the neophyte producer, a pre-marketing campaign is a must. As the producer's book of business grows, a blend of both strategies probably is in order.

Report Too

Some seasoned producers, myself included, invest marketing into our existing clients. This can lead to a nice flow of referral business.

I have mentioned my business practices many times. I continue to reiterate them because I know they work. Four times a year, my firm sends each of my clients a newsletter as well as a consolidated account summary of their business with me. This marketing approach is beneficial in many ways. First, my newsletters keep clients abreast of important changes in the business that may affect them. It also offers updates as to what is happening at the agency, with myself, my staff, and to some degree, my family. This personal touch enables me, in essence, to become a larger extended family with my clients.

Second, my agency creates customized client reports that are sent in conjunction with the newsletter. Taking the example of annuity payouts mentioned previously, the report also tracks the values. By generating consolidated reports on client business, the producer will discover many opportunities.

Mining My Business Too

As I mentioned last month, I have hired a company to help mine and update the information on all of my business quarterly. After the data gathering is complete, I can review my clients' latest information. With these easy-to-read reports, it takes me only a few hours to review my 1,200+ personal clients.

Not only does this enable me to address any concerns, it also enables me to generate new sales. Looking for business that is due to expire or products coming out of their surrender period, I can work on finding a better product to fill my clients' needs. In addition, this review assists me in locating areas of weakness in a client's coverage or financial position. The mailings have proven to be an extraordinarily productive and innovative way of operating more effectively.

I have spoken with many suspects over the years who told me, "I have not heard from my agent since he sold me the product." Almost any producer can turn a prospect's key frustration into an opportunity. With proper support, this too can

turn into a long-term relationship. A compelling reason why customers continue to choose doing business with my agency is our ongoing marketing

Mining my business is more than only gathering data and marketing products. It is taking the time to review thoroughly each client's information four times a year from an easy-to-read report. Therein I find sales. By looking to do the right thing, to ensure my clients have the correct coverage and are on track with their life plans, I build the three-legged stool.