“Dedicated to the highest degree of professionalism and business ethics in the sale of products and services designed to assist sales professionals in increasing revenues, client retention, and operational efficiencies.”

Community Webinar
Presented by Deborah Miller, Co-Founder & CEO
Relational SalesPro, LLC
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Insurance Community Center

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- The University does conduct monthly webinars that qualify for CE in 13 states.
In addition the community has unique business networking opportunities.

Enjoy the Monthly Newsletters on a specific topic with a tip of the week; claim; quiz flash and articles

- This month’s Newsletter is on Contractors
- Next month is Sales Strategies
Today’s Class

• You will receive **time-tested and proven methods** acquired from years of experience in agency as a producer and sales manager, with a carrier as a company sales consultant, and as a business owners working with independent agencies across the US.

• **You will learn the 7 primary reasons why producers fail** to attain their goal, and we will discuss the solutions to establish and continually cultivate an increasingly warm, leak-proof pipeline.

• **You will be asked to participate.** I have supplied resources to help solve common weaknesses that producers have. And, I will share the foundational steps that are required to implement these steps.

• I will **make myself available to you** after our session, if you are truly committed to change.
What NOT to Expect in this Session

- I plan to share step necessary to lay the foundation for a sound and increasingly valuable pipeline. Any statistics given are not meant to razzle-dazzle you or motivate you to change. **Change must come from within.**

- I will not imply that **you must do all** that I suggest. Implementing one, two or three keys will net results.

- I will not lead you to believe that I have inside secrets that will result in instant success. In the age of information, there are no secrets – only a fine line between those who choose to change & those that don’t.

- I will not lead you to believe that building a leak-proof pipeline can be accomplished in one year. You are embarking on a process that requires an ongoing commitment.
1. **Thinking short-term; planning is never a priority.**
   These producers think they know the best market to pursue and purchase a list & cold call.

2. **Staying stuck in reactive marketing.**
   These producers try to make anything fit; sacrificing commissions or they pursue a few large accounts.

3. **Working too few prospects that result in roller-coaster results; 2 months of feast followed by 4 months of famine.**
   These producers may have a specified goal, but do not have a strategies as to how to obtain it. They do not understand the activity necessary to turn a lead into a qualified prospect.

4. **Little, or no follow through.**
   These producers promise to follow up, but find something always comes up, or they have the mindset that they touch the lead one time; no appointment = poor lead.
5. Failing to recover lost clients, and not asking for more referrals.
   These producers fail to have client retention or centers of influence communication campaign in place to build referral advocates.

6. Poor organizational skills; not realizing the value of your time.
   These producers are pulled from crisis to crisis, and perform non-income producing tasks.

7. Failing to pre-qualify, ask for the sale; or all other reasons for a closing ratio less than 33%.
   These producers fail to qualify up front, and quote more than they should. Or, focus on product features, and fail to ask for the sale.

For most producers, the desire to change is quickly sidetracked by procrastination.
Prospecting is not a numbers game and it’s not contacting large numbers of cold contacts.

Prospecting is a separate function from sales. Just as marketing is distinct from sales but closely linked.

Prospecting refers to the methods used to generate contacts that producers want to turn into a customer.

Qualifying refers is the process of the producer selecting prospects they desire to pursue.

Qualifying begins with your initial planning process.
Best Prospecting Practice #1

Change your mindset and proactively plan for prospecting success every year.

• Eliminating unqualified leads should be on-going as you search for the "gold.” Your closing success will depend upon effectively identifying the right prospect to spend your time pursuing.

• Proactive marketing is the act of choosing to build relationships with the quality - - not hoping to open doors with quantity.

• As a rule of thumb - - for every account you close, you must have nurtured 4 to 6 additional prospects over time to develop sales ready opportunity.

• Once your prospects are being consistently nurtured, over time, your pipeline should render 20 sales ready opportunities for every 100 qualified prospects. Year-after year, your pipeline will become increasingly warmer and more valuable. You will have prospects calling you as you move into year two.

• Succeed at prospecting and you will prosper -- neglect prospecting and you will fail.
By identifying your best future customer, you focus your marketing dollars and brand message on the markets that are most likely to buy from you. This process will save you time and resources on leads that shouldn’t be in your pipeline.

STEP ONE: Define the characteristics of your Ideal Customer Profile.

- Consider your current customer base and determine what it is about them that attracted them to do business with you.
- Look for common characteristics and interests. Which ones bring in the most business?
- Who are your competitors targeting? Who are their current customers? Don't go after the same market; search for an overlooked niche.
- Compile a list of your products and service by
  - Features. Next to each feature, note the benefit it provides (and the benefits of those benefits).

STEP TWO: Interview your underwriting decision makers
UNDERWRITING PRODUCT & PRICING QUESTIONNAIRE

Year: __________________ Carrier: ____________________________
Underwriter: __________________ Phone No./Ext: _________________

1. Has your company singled out a “best risk-type” or “program” from within your portfolio with some type of uniqueness?  Y / N
   If yes, please identify the company’s most desirable risk-type then the next two risk-types earmarked for growth:
   Most preferred risk-type: __________________
   Product uniqueness or strengths: __________________
   Second strongest target: __________________
   Third preferred target: __________________

2. Has your Marketing Department developed a campaign for any of these risks?  Y / N
   If yes, please identify the product and campaign:
   Risk: __________________ Campaign: __________________
   Risk: __________________ Campaign: __________________
   Risk: __________________ Campaign: __________________

3. Whom might I speak to about marketing assistance? __________________

4. Which risk-type (s) have been the most successful written company-wide? __________________

5. What risk-type has this branch been writing most? __________________

6. Would you name the agency (s) in my territory that are actively working with you on this type of business? __________________

7. Is this product price-competitive? ________ Coverage-competitive? ________

8. In what areas? __________________

9. Please name the other companies who are your major competitors in this product? __________________

10. What are the differences between programs? __________________

11. What modification factors or credits are available? __________________

12. In general, what risk-type has this branch written most? __________________
    Why? __________________

13. Of the risks discussed, which do you least like to underwrite? __________________
    Why? __________________
    *(This is a very important question to ask!)*

14. What can our agency do to work more effectively with you on submissions? __________________

Insurance Community Center
Best Prospecting Practice # 2
Further qualify your target audiences

- The fastest growing sector in our industry is Specialty Insurers – up 4%
  All other sectors remained flat.
  75% of the insurers ranked in the top underwriting quadrant are Specialty carriers.
  - Conning Research 8-2011

  - How many potential prospects are within a 4 hour commute?
  - How easy is it to identify them?
  - Can you obtain additional insightful information?
  - Do you know their hot buttons or pain points, and how will your products and services benefit them?
  - Are your competitive solutions well-established?
  - How do they make decisions; are their multiple decision makers?
  - Can you address them as a group?
  - Do they know you?
  - Do you have knowledge of this industry?
  - Do you have connections with their centers of influence?
Today's Date: ____________

Introductory Statement:
I appreciate the opportunity to examine your company's protection needs. Alex, I hope you will soon discover I operate just a bit differently from other insurance agents as I may ask a few more questions. My goal in asking questions is not to be nosy but, to more accurately understand your business needs in order to deliver the best possible protection plan for your company's insurance budget.

So, unless you have any objections, I'd like to ask a little background information about your company.
If no objections, continue with the following questions:
1) How did your company get started?

2) In your opinion, what is your greatest concern with or need for your current insurance program?

3) Who handles your program now?

4) How long have they serviced your account?

5) When you chose to do business with them, what did you find unique about them or their program?

6) Have they met your expectations?

7) What areas could be improved?

8) Other than price, what other concerns do you have about your insurance program?

9) Assuming I can provide solutions for these problems, and I must tell you, I don't know if I can - could you give me an idea of the cost I need to stay within to meet your budget for next year?

10) Can you help me understand how the buying decision will be made?

11) If I am successful in meeting these needs and get the results you want; would there be any other reason why we would not do business together?

Assuming you receive the commitment to move forward, either schedule an appointment to do your fact-finding or, begin the fact-finding portion of your interview.
Best Prospecting Practice # 3
Set clear and measurable goals that include activity levels.

- Stop-start marketing programs will lead to roller-coaster lead generation, causing many leads to “wither on the vine,” wasting resources.

- Factor in activity both horizontal and vertical markets:
  - Horizontal – categories offering a cross-section of prospects; i.e. building industry.
  - Vertical – are specific markets, found within horizontal market; i.e. contractors.

- Benefit from shared influences and referral potentials.

- What get’s measured get’s done, and this is especially true of marketing.

- Exercise - Goal Setting Template
**New Business Goal Setting**

**Commission Based**

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Confidential Information

## New Business Commission Goal Setting

**For Year or Period Beginning:** 1/1/11  
**Producer's Name:** John Doe

<table>
<thead>
<tr>
<th>Commission Projections</th>
<th>Annual</th>
<th>Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Business Commission Needed for Goal</td>
<td>$90,000</td>
<td>$7,500</td>
</tr>
<tr>
<td>Total Average Commission per New Sale</td>
<td>$6,000</td>
<td></td>
</tr>
<tr>
<td>Agency Revenue per New Sale</td>
<td>$90,000</td>
<td></td>
</tr>
<tr>
<td>Agency New Business Commission Revenue withGoal</td>
<td>$90,000</td>
<td></td>
</tr>
</tbody>
</table>

### Producer's Goal Summary

<table>
<thead>
<tr>
<th>Sales Activity</th>
<th>Annual</th>
<th>Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of New Sales Needed</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Number of Presentations Needed</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Number of Appointments Needed</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

*Please estimate if you have adequate time to achieve this level of activity. If you do not, go back to the prior and adjust your income goal, desired account commission or estimate of appointments and presentations.*

### New Suspect and Prospect Activity

<table>
<thead>
<tr>
<th>Activity Description</th>
<th>Annual</th>
<th>Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total New Suspects Not to (West Goal)</td>
<td>100</td>
<td>10</td>
</tr>
<tr>
<td>Number of Sales Qualified Revenue Sources</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Number of New Revenue Sources Needed to (West Goal)</td>
<td>5</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Number of New CCLD Suspects Needed</th>
<th>Annual</th>
<th>Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>307</td>
<td>26</td>
<td></td>
</tr>
</tbody>
</table>
People tend to buy from people they like, respect and trust

• Most people react negatively to high-pressure sales. Regardless of your product or service, people buy for emotional reasons, and they buy from people they like and trust.

• You must give your prospect an opportunity to form an opinion of your honesty and reliability to gain the confidence sufficient to rely on you.

• Prospects must recognize your name and logo, and equate it with your unique value and desire to do business with them.

• Consistent marketing – every 30 days in year one will uncover new opportunities.

• An automated marketing system of sorts is an absolute necessity to providing the high touch needed without your time or efforts involved.
80% of all sales are made after 5-7 contacts but,

ONLY 10% of all producers have a means to continue
communication to nurture prospects;

The salesperson who nurtures enough relationships
will close the most business, retain the best quality
business, and be the most successful.

“The average business person receives
Only one written (snail mail) letter every 2 months”

-Target Marketing Magazine
Develop Centers of Influences - -
• As you choose the businesses you want to reach with your marketing communications, include businesses and people who influence your target audience.

• Ask your centers of influence for referrals. Develop “reciprocal” relationships with 10 to 12 "core" influencers by taking them to lunch regularly, and send referrals their way.

• Connecting influencers with other influencers can be a powerful step in building relationships.

Improve Client Retention --
• “WOW” your best clients. Identify your top 20 clients and implement a strategy to exceed their service and relational expectations.

• Advocates are those who sing your praise and become a valuable source of referrals.
After closing an account, take a few minutes to share your desire to provide quality - beyond their expectation service.

After learning what they expect, discuss with your staff what you will do to exceed their expectations.
Referrals, More Referrals and Even More Referrals!

- A referral has a 67% change of closing. The trust that has already been established between referring party and you, is transferred to the referral.

- The best time to ask for referrals is immediately after the sale is made. At this point the customer’s enthusiasm, satisfaction and confidence in you is at the highest point.

- Instead of the traditional method of asking for referrals . . . “Do you know anyone who can use my product/services?” Consider this -- ask if he/she belongs to any professional organization, social clubs, community association etc. If the client is in an office building with other offices, ask if he knows anyone else in the building. By asking for referrals in this way, your client only has to give you names and not make any judgments.
Do you know the average salesperson spends only 20% of their available time performing income-producing tasks?

- 31% - administration (12.4 hours)
- 18% - travel time (7.2 hours)
- 17% - non-productive downtime (7 hours)
- 14% - problem solving (5.4 hours)
- 10% - active selling (4 hours)
- 10% - prospecting (4 hours)

Resource: Annual sales force effectiveness study, 2008
Based on a 40 hour work week
Best Prospecting Practice # 6
How much are you paid to perform non-income generating tasks?

$500,000 annual commission revenues = $277.78 per hour
$400,000 annual commission revenues = $222.22 per hour
$300,000 annual commission revenues = $166.67 per hour
$200,000 annual commission revenues = $111.11 per hour
$100,000 annual commission revenues = $ 55.55 per hour
$  50,000 annual commission revenues = $  27.78 per hour

calculations based on 1800 hours per year

Make it a priority to get organized:
Write down your 3 most important tasks of the day, first thing in the morning, and make it a priority to get them done --

All those non-income producing tasks – will you task it out, or hire it out?
• Tasks that are out of your skill-set that would take far too long to do.
• Information gathering; looking up addresses or making phone calls.
• Maintaining a paper file and an electronic file.
• Non-automated follow-ups.
• Drafting marketing communications.
• Or -- roaming the internet or browsing Face Book.
Work Best Time To Call, by Industry

<table>
<thead>
<tr>
<th>Type of Industry</th>
<th>Best Time to Call</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>After 3pm</td>
</tr>
<tr>
<td>Accountants</td>
<td>Between 12th and 20th of each month</td>
</tr>
<tr>
<td>Architects</td>
<td>Late Afternoon</td>
</tr>
<tr>
<td>Artists, Commercial</td>
<td>2:30pm to 3:30pm</td>
</tr>
<tr>
<td>Bankers</td>
<td>Before 10am</td>
</tr>
<tr>
<td>Barbers&amp;Beauticians</td>
<td>Monday</td>
</tr>
<tr>
<td>Brokers</td>
<td>Before NYSE opens</td>
</tr>
<tr>
<td>Chemists</td>
<td>Late Afternoon</td>
</tr>
<tr>
<td>Claims Adjusters</td>
<td>10am to 11am</td>
</tr>
<tr>
<td>Chefs</td>
<td>Mid-Week</td>
</tr>
<tr>
<td>Contractors</td>
<td>Before 8am or After 9pm</td>
</tr>
<tr>
<td>Convalescent Homes</td>
<td>1pm to 3pm</td>
</tr>
<tr>
<td>Dairy Employees</td>
<td>Late Afternoon</td>
</tr>
<tr>
<td>Dentists</td>
<td>Before 10am</td>
</tr>
<tr>
<td>Department Stores</td>
<td>8:30am to 9:30am</td>
</tr>
<tr>
<td>Dentists</td>
<td>1pm to 3:30pm</td>
</tr>
<tr>
<td>Doctorns</td>
<td>11am to 1:30pm</td>
</tr>
<tr>
<td>Executives</td>
<td>Tues – Thurs, 10:30am to 3pm</td>
</tr>
<tr>
<td>Garage Owners &amp; Employees</td>
<td>Tues, Wed, 1pm to 5pm</td>
</tr>
<tr>
<td>Grocery Stores</td>
<td>Tues, Wed, 1pm to 5pm</td>
</tr>
<tr>
<td>Jewelers</td>
<td>Mid-Morning</td>
</tr>
<tr>
<td>Lawyers</td>
<td>Before 10am or After 4pm</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Before 11am or After 3pm</td>
</tr>
<tr>
<td>Movers</td>
<td>From 4th to 8th or 17th to 22nd of Month (No Mondays)</td>
</tr>
<tr>
<td>Newspapers</td>
<td>Before 11am</td>
</tr>
<tr>
<td>Personnel Directory</td>
<td>Before 11am</td>
</tr>
<tr>
<td>Photographers</td>
<td>9am to 11am</td>
</tr>
<tr>
<td>Publisher/Printers</td>
<td>After 3pm</td>
</tr>
<tr>
<td>Purchasing Agents</td>
<td>Before 3:30pm (Avoid Monday &amp; Fri)</td>
</tr>
<tr>
<td>Real Estate</td>
<td>9:30am to 11am Mid-Week</td>
</tr>
<tr>
<td>Restaurant Managers</td>
<td>Before 10am; Between 2:30pm &amp; 4pm</td>
</tr>
<tr>
<td>Retail Store Managers</td>
<td>Half Hour Before Opening</td>
</tr>
<tr>
<td>Surgeons</td>
<td>2:30pm to 4pm</td>
</tr>
<tr>
<td>Theater Owners &amp; Managers</td>
<td>Before 2pm</td>
</tr>
<tr>
<td>Wholesalers</td>
<td>Before 10am or Saturday Mornings</td>
</tr>
</tbody>
</table>

Work smarter by calling prospects for an appointment, at the time they are most likely available.
Best Prospecting Practice # 7
Tighten qualifications, propose only with a buy-in, and seek closing skill training.

Doing a good job of qualifying allows you to identify, with greater accuracy those prospects that fit in your 80:20 profile.

Make it Your Goal:
- To have 80% of your business generated by 20% of your pipeline.
  - Leaving the remaining 80% to continue on nurture.
- Focus on increasing your success ratio with this 20%, and screen out the lowest 10% that cause 90% of your problems.

- Drop Bys are a great way to put a name and face together and, the process allows you to determine if the business appears well-maintained and well-managed.
Best Prospecting Practice # 7

Tighten qualifications, propose only with a buy-in, and seek closing skill training.

• Mid Term prospecting usually produces fewer changes however it is a great time to determine the accounts relationship with its current agent or broker allowing you to weed out the lowest 10% of your pipeline.

• Your ultimate goal is to improve (lower) your appointment to proposal ratio, saving agency resources and a considerable amount of time. This will become increasingly possible the longer you nurture your pipeline.

• Lastly; keep in mind that on average, 63% of all proposals presented, are not closed because the producer failed to ask for the business.

Remember -- It’s All About Relationship ®
Best Practices for a Leak Proof Pipeline

- Set clear and measurable goals every year;
- Block out 3 hours a week to identify & research new business prospects;
- Communicate with former clients to win them back;
- Build reciprocal relationships with centers of influence;
- Drop in on prospects to introduce yourself and leave helpful materials & your card;
- Develop 20 solid advocate-client relationships;
- Formally nurture at least 75, but not more than 500 qualified prospects;
- After closing a sale, assess your new client’s service expectations;
- Communicate with A & B clients mid-term, to improve renewal ratio;
- Solicit referrals from clients;
- Send your prospect a thank you communication after speaking to them;
- Send a letter or email when you get voice mail repeatedly;
- Communicate regularly when you don’t win the account as situations change;
- Send at least three brand-building communications to new prospects prior to placing a phone call for an appointment;
- Send thank you emails/letters after every face-to-face appointment.
Thank you for joining our webinar

If you have questions that were not been addressed during our session, please email me at dmiller@relationalsalespro.com.

To learn more about our offerings, please visit our website at www.relationalsalespro.com.
Thank you!

November’s Webinar Events!

- **Tomorrow: Tour of the University** (Community Members only)
- 11/3 – Community: Longshoremen
- 11/10 – University CE: Website Review
- 11/15 & 16 – University CE: Ethics
- 11/17 – University CE: Valuation (CA Credit Only)