

**COMBINE A STRONG WORK ETHIC, GOOD SALES SKILLS
AND THE ABILITY TO PERSIST THROUGH THICK AND THIN,
AND WHAT DO YOU GET? THE MOST EFFECTIVE PLAN FOR
SELLING LIFE INSURANCE. FIND OUT HOW THESE TOP
ADVISORS ARE USING THIS WINNING COMBINATION TO WIN
THE HEARTS AND MINDS OF THEIR CLIENTS.**

The Winning Combination

BY TINA OREM



Twenty-six years ago, Tim FitzGerald failed New York Life's aptitude test. He took the test because he had just washed out of the construction business and was on a quest to find out what he would do with his life when the company called and suggested he give insurance a shot. Of course, it rescinded the suggestion once the test scores came back.

"They said I scored so low on the aptitude tests that they didn't feel like I was right for this career," FitzGerald says.

"They let me take it again, and I actually scored worse!"

But FitzGerald decided not to take no for an answer, and the company gave him a chance. Today he is New York Life's top producer, outselling 11,000 others through his firm, TFG Financial, in Shreveport, La. The former nonstarter is now captain of the team, and New York Life has even rolled out many of his production methods system wide. ▸

Like many successful people, FitzGerald credits his success to that rare combination of work ethic, good customers and good timing. But creating that combination is easier said than done. So just in time for September's Life Insurance Awareness Month, we interviewed FitzGerald and three other award-winning producers to find out how they cracked the winning combination and continue to be leaders in the art and science of selling life insurance.

Overcome price anxiety

Producers who are proud of what they sell shouldn't be afraid to tell their customers and prospects how much the right policy costs, says Adam Sherman, a NAIFA member and CEO of Firsttrust Financial Resources in Philadelphia. He says that anxiety about sticker shock often leads some agents to present smaller policies than their clients need, creating a "lose-lose" situation.

"Agents like to deal in round lots," Sherman says. "I think they also take the path of least resistance. They assess a situation and say, 'Alright, this guy... half a million will solve this problem, or a million will solve this problem.' They're usually underselling the situation because they don't want to rock the apple cart too much. They believe if they come in and the client needs \$3 million, that \$3 million price tag will be something that from a competitive perspective might not make them fall into the right standing with the client."

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The idea is to make sure that the customer or the prospect sees the price as an investment rather than a cost. "If that's done properly and the premium notice arrives, and the client is ready to write that check for \$5,000, \$10,000 or \$15,000, they're aware that this is part of their solution," he adds.

Sherman says producers should make sure that their clients feel the same way about writing those checks as they do when they write checks to their other investment accounts—that they're building wealth for themselves and their families.

Another way to overcome price anxiety and increase sales is to focus on other lines of business. "I've found it easier to sell life insurance when you are competitive in auto and home insurance, because you're talking to more people," explains Paul Graham, a NAIFA member with Farmers Insurance in Farmington, Ark. "Since a lot of mine is referring from my property and casualty, when we're competitive in that arena, we sell more."

Graham, a winner of the Farmers Life Multi-Line 5 Star Award as well as its Top Life Agent award, says he still remembers one rookie who beat around the bush about pricing for fear of scaring the client away.

"She was asking the client: 'How much can you afford?' The client said, 'I can afford whatever I need to.'" Instead of taking that as a cue to move forward, the agent seemed reluctant to price the policy out. "I let it go on for about 10 minutes more," Graham recalls. "Then I jumped in and said,

'You said you could afford whatever you need. Well, let's just fill out the application and not worry about the price. Let's see what it comes back at.'" The result? "We wrote the policy," he says.

Ask for an app ASAP

Graham also feels strongly about asking for an application as soon as possible, because he's witnessed first-hand how life can have an odd sense of timing. Years ago, before he got into the insurance business, he tagged along with a friend who was going to meet with an agent to talk about getting life insurance.

The agent gave the friend a quote but didn't ask him to fill out the application form. The friend got fired a week later, went out drinking, and died on the way home, leaving behind a wife and baby. "So I always ask now," says Graham, "because that agent didn't ask."

Stress the special benefits

Because of job losses and economic uncertainty, many producers find themselves in front of customers who are thinking about surrendering or not renewing their life insurance policies. Reminding them about the valuable aspects of their policies other than just death benefits can be a way to save those policies.

"We have seen some cancellations on insurance and we have tried to maybe turn those policies into extended terms right now," says Cynthia Sultenfuss, an agent with Texas Farm Bureau Insurance in Pearsall, Texas. Sultenfuss has been with the company since 1997 and is a NAIFA National Multiline Sales Award winner.

Whole life insurance customers have more flexibility if they've built a cash value into those policies or receive dividends, she adds. "They can use those dividends to pay up their policy for a few years so that they don't have

TAX ADVANTAGES ARE INCREASINGLY OF INTEREST TO CUSTOMERS.

to worry about losing their coverage. A lot of people don't even think about that when they come to us when they can't make a payment."

Tax advantages are increasingly of interest to customers as well. "This is where the change is starting to take place with some of the pending tax situations and most people believing that we're going to be in a higher tax environment in the future," says Sherman.

"People are using the life insurance cash values as a way to supplement longer-term savings, and life insurance still has a tax-preferred status both in the accumulation and distribution phases. And that's become very popular among our clients."

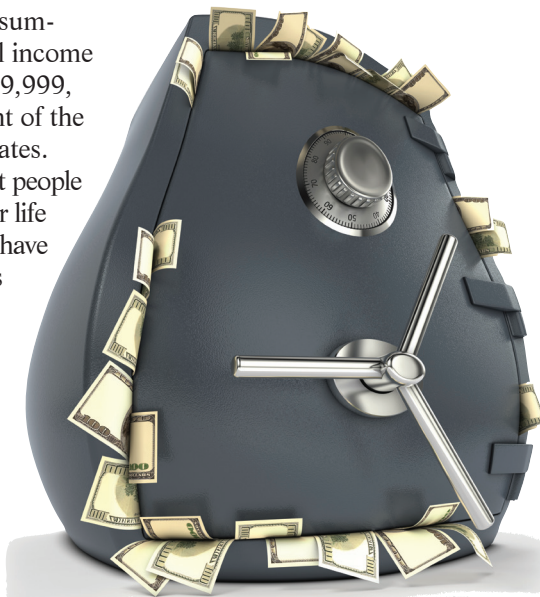
When it comes to keeping customers, pointing out these special advantages that life insurance has can make all the difference.

Don't forget the middle class

Though people in every industry seem conditioned to pursue only affluent customers, successful life insurance producers know that middle-market customers can be a treasure trove of opportunity because they are tremendously underserved and underinsured.

This middle market, which LIMRA defines as consisting of consumers with a household annual income of between \$35,000 and \$99,999, represents almost 60 percent of the population in the United States.

"Sometimes more affluent people do not have as much need for life insurance as the people who have very little money," Sultenfuss says. Besides, people in affluent areas may have bigger houses, bigger cars and bigger debts to insure, but their employers also often provide them with at least some life insurance coverage.



**SUCCESSFUL LIFE INSURANCE PRODUCERS
KNOW THAT MIDDLE-MARKET CUSTOMERS CAN BE
A TREASURE TROVE OF OPPORTUNITY.**

How to Sell More

- Pursue the middle market.
- Attempt to sell as much insurance as the prospect needs.
- Don't waste time in asking the prospect for an application.
- Stress the special benefits.
- Go high-tech.
- Remember that selling life insurance is an endurance sport.

"What they need on the outside may not be quite as much as what some people in the more rural areas need," she explains. Losing a breadwinner can be much more devastating for single-income families in the middle market, she adds. As a result, life insurance serves them especially well.

Sultenfuss works with clients in the San Antonio metro area as well as in rural Texas and knows what that devastation looks like. "It's in the paper every single week when someone passes away and they're having to do a fund, a benefit, a 'love fund' every week just to pay for the funeral expenses," she says.

"Even though a lot of people we have are not very affluent, they are also a very proud people. It hurts them to have to beg or to have to ask for handouts to take care of someone's last needs That pride that a lot of people have down here does play into their buying life insurance."

There is that paradox, of course: Middle-market customers have less



friends and that the site is actually helping him get closer to his clients, which is increasingly difficult for producers who are trying to provide good service to hundreds of customers.

"I have a client who's in Alaska now," he says. "I didn't know that, but because she's on Facebook, I knew that. I knew when she went to go see her daughter, who used to be a client of mine, in Georgia. I was able to say, 'Tell Michelle hello.' You don't want to be the person who everybody talks to just to buy insurance. It's about relationships."

Graham also maintains a list of recommended community businesses, such as banks, body shops

especially meaningful when customers are thinking about wandering away.

FitzGerald recalls one example of this. "I was working with a client who kind of hit the ball out of the park five or six years ago and he went from where he was to being worth \$35 million," he says.

"Of course, I had been with the same client 19 years before when he was bankrupt." The client went to see other advisors, got burned spending what FitzGerald only described as "a lot of money" with them, and then came back to TFG Financial.

"Where were these people 19 years ago, when you and I were sitting across from each other in your office and the wheels had fallen off and we

were putting band-aids

in place to take care of your family?" FitzGerald asked the client.

This is why selling life insurance is above all an endurance sport, and the following example bears this out. When FitzGerald was answering questions for this article, he was minutes away from making a big presentation to a family he's worked with for all of the 26 years he's been in the business. The room was full of CPAs, consultants, attorneys and family members.

His work with the family started small. "We literally started off just doing term insurance, and then later we were doing some permanent insurance," he says. "When they were having hard times, I'd be trying to figure out how to borrow money from this policy to pay for that one—you know, those times."

Over the years, the family's needs increased from simple protection to wealth-building to more complex estate planning, which was the agenda for his meeting that day—a day that wouldn't have come to pass had it not been for FitzGerald's staying power.

"But it started with protection," he says. "I'm the guy who kept plodding along and kept pushing and finally got it done." □

Tina Orem is a freelance writer and a frequent contributor to Advisor Today.

SELLING LIFE INSURANCE IS ABOVE ALL AN ENDURANCE SPORT.

money to spend on insurance than their wealthier counterparts. But this doesn't deter Sultenfuss. She has invested years cultivating deep relationships with middle-market customers, who are much more likely not to have separate financial advisors and thus far more likely to turn to her for other services, as well. "I work very, very hard at it," she says.

Use technology wisely

Though using technology to keep in touch and nurture existing connections with customers is nothing new, a lot of forward-thinking producers are finding novel ways to use it to cut through the clutter.

A good example of this is Paul Graham's Facebook page, which he created to share articles and tips with anyone who is interested. The social-networking site might seem like a teenage time-waster, but actually it has 100 million users in the United States, and the fastest-growing group of people are those in the 25-and-older age categories.

And as of January this year, Facebook even had almost 10 million users who were over the age of 55. Graham says he now has several hundred

and Realtors, on his website for customers who are new to town.

Graham is quick to add that online communication does not replace the one core activity that leads to sales every time: developing real, in-person relationships with customers. "A website is a good place for people to get basic information," he says. "But they need an agent. Everybody's situation is a little different."

Hang in there

If there's one thing these top life producers have in common, it's respect for the notion of delayed gratification. Anyone can sell a few policies quickly, but the success of these producers demonstrates that true excellence requires stamina, time and mental fortitude.

They go back years—decades even—with many of their clients, and they have avidly cultivated those relationships the way gardeners tend to bonsai trees.

In the process, they've watched their clients grow and prosper, and more important, they've helped them through some of their darkest times. Relationships like those don't just develop after one or two meetings, and those ties are