



5 Questions to Boost Your 2018 Life Insurance Sales

by Kenneth A. Shapiro, as seen in

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We're all familiar with the formula for success in a new year.

We've heard the same words every year. They go something like this: Make more calls, talk to more prospects, prepare better proposals, and work harder than ever.

While every advisor can benefit from such advice, it may not be enough. Even though advisors may know how to sell life products, they can be more successful if they ask themselves five questions. Here they are:

1. **“Do my prospects know how much life insurance has changed?”**

What are my prospects thinking when I talk to them about life insurance? Some are bored, confused, and want to get it over with, while others say they have enough now, or feel they'll be pressured into buying a policy. For the most part, they know little or nothing at all about it, other than you must die to use it.

With rare exceptions, it's an uphill battle.

Yet, as advisors know, everything (not just some things) about life insurance has changed in the last 10 years—and it continues to pick up speed. All of it driven by a combination of three factors: technology, underwriting, and sales support. Taken together, their impact is immense. Here are a few of the far-reaching implications that prospects deserve to know about:

- It's easier to do business. It seems as if the big hurdles are all knocked down. No more piles of apps left sitting on someone's desk; no more delays caused by going back and forth; and no more long and tedious application forms.
- Underwriting can be close to instantaneous. Thanks to the harnessing of an insurance carrier's vast amount of data and the use of algorithms, decisions and offers can be available at the press of a button, including even difficult cases. With insurance companies becoming more comfortable with the technology, its use will continue to broaden.
- Outcomes are more favorable. Some people stay away from the doctor, fearing that a medical problem will be found. They have the same worry about applying for life insurance. With immense medical and technology advances, just the opposite is true. What was once a decline may now be preferred.

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The best opportunities for sales come from educating prospects as to the advances that make life insurance a far more favorable investment.

2. “What should I do when prospects say they have life insurance?”

It’s unfortunate, but rarely does anyone take the time to help people understand the life insurance they own. Some are confused as to their coverage, while others are surprised because they don’t have the coverage they think they do.

This is the perfect opportunity to establish yourself as their advisor, the one who serves their best interests, by conducting a no obligation policy review. You know what you may find: one or more old policies that are under-performing, no longer needed, that aren’t cost-effective, or don’t fit the policyholder’s current financial goals and lifestyle goals.

3. “How do I know which insurance carrier to use?”

Today, most life insurance advisors are quick to admit it’s nearly impossible to keep up with the changes that are taking place in existing life products, as well as the new ones coming to market.

At the same time, it’s understandable why advisors tend to stick rather closely with the same two or three companies. Once they are comfortable with how a company operates and are acquainted with their underwriting idiosyncrasies and requirements, they stay with them.

Although some advisors get by with using the same carriers, it can create an exposure, one that opens the door for others to present more appropriate solutions, including cost-saving possibilities. Every advisor can benefit from a coach with an in-depth knowledge of a broad range of companies.

4. “Which linked benefit product works best for my client?”

The specter of needing long-term care services either at home or in a nursing-type facility sparked carriers to come up with standalone long-term care policies absent guaranteed premiums. What seemed like a solution to one problem created two more. First, as nursing home rates continued to rise, so did LTCI premiums. Second, consumers recognized that if they didn’t use their LTCI policy, their premiums were gone. Both of these created an untenable sales situation.

What has followed are “hybrid” or “linked benefit” solutions tied to either a life insurance policy or an annuity that offer consumers options for meeting needs. There are also “accelerated death benefit riders” that let policyholders use their life insurance death benefit for long-term care services.

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5. “What’s the best way to go about designing a life insurance plan for a client?”

Without question, today the tens of millions of younger consumers expect personalization in what they do and buy, everything from the messages they receive to vacation destinations, to where they live, and to what they eat and drink. Whether they buy a pair of slacks in a store or online, customers expect them to fit. Close enough is no longer good enough.

It’s the same with life insurance. Even though their life insurance IQ may be limited, they know the importance of saving for retirement, for example. They expect that when they make a financial decision it fits their particular needs and situation. When they buy life insurance they’re looking for a personalized program that supports their lifestyle.

All this points to three tasks involved with selling a life program: understanding the client’s story or fact-finding, designing the program, and presenting the plan. The first and last are the advisor’s responsibility, while designing the program requires the assistance of a knowledgeable and experienced advisor’s advisor.

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