



## Needless Mistakes That Kill Life Insurance Sales

by Allan D. Gersten, CLU, CFP®, ChFC, as seen in



To be successful in selling life insurance, some advisors think that being aggressive is the way to succeed. Others feel that it takes a certain charisma. It's time to put such thoughts to rest, since neither is necessary nor appropriate.

What works best is a well-organized, logical, and professional sales approach that fits the individual advisor. But this alone doesn't guarantee success. More than anything else it comes from avoiding five all-too-common mistakes that kill life insurance sales.

### **1. Failure to read clients correctly**

Nothing is more detrimental to closing a life insurance sale than starting off with preconceived assumptions about what makes clients tick, their ability to make a purchase, how serious they are, or even the outcome of the meeting.

Assumptions create "interference" that distort client "signals," resulting in an inaccurate reading of the client, which can skew the meeting in the wrong direction. Worse yet, they immobilize the advisor's ability to listen accurately. In effect, preconceived assumptions undermine closing the sale right from the start.

When advisors focus their attention on listening to the client — not on "will they" or "won't they" buy — they can uncover needs, discover motivations, recognize opportunities, and begin to see the next steps that will lead to making the sale.

### **2. Failure to offer solutions**

Too many advisors make "the great policy" mistake. They focus on the "bells and whistles" of the policy, but never get around to connecting the dots so the clients can have a clear understanding of how owning the policy will benefit them.

Is it any wonder that clients are often passive, show little or no interest, and never ask questions? Advisors rarely hear someone say, "Yes, that's exactly what I want." What they get is, "We'll think about it" or "It costs so much."

If the solution fails to capture the client's imagination, there's no sale. If it doesn't solve a perceived problem, help make it possible for a dream to come true, or reach deep felt goals, it's just a dull policy. The right solutions make life insurance sales.

## Needless Mistakes That Kill Life Insurance Sales

by Allan D. Gersten, CLU, CFP®, ChFC

---

### 3. Failure to learn products

Today's life insurance products are so complex that an in-depth knowledge of even half of them is impossible. At the same time, a lack of knowledge is no excuse. Successful advisors have a thorough understanding of the products they favor, along with the details relating to possible alternatives. This includes the specifics of the contracts, relative costs, flexibility, and benefits.

Knowledge is valuable, particularly for today's better-informed clients. An advisor's competence sends the message that it's in a client's best interest to pay attention to this advisor. In the same way, it can be helpful to mention up front the advantages and disadvantages of comparative products.

Inadequate product knowledge can damage a salesperson's credibility and kill sales.

### 4. Failure to follow a process

In selling life insurance programs, what's often missing is a logical process for moving the sale forward.

- **The opening discussion.** There should be a prepared agenda to serve as the road map for every client meeting. "Winging it" never works. Without a plan, the chances of closing the sale are nil. However, using some type of fact-finder as a guide helps avoid missing important information.
- **During the presentation.** Successful advisors constantly check for client buy-in. The questions clients ask, the degree they are engaged, and the comments they make are signals the degree of their involvement.
- **The underwriting process.** The underwriting phase can be stressful for both clients and advisors. Staying in close touch with clients helps to allay their worries and concerns by addressing them quickly.

Becoming skilled in the sales process takes practice. Lots of it. But it's worth the effort. Role-play with a friend, family member, or a neighbor. Look for someone who seems like a good "stand in" for a prospect, or engage a coach as an alternative. Work at it so you're comfortable with the opening discussion, the presentation itself, and responding to client concerns.

# Needless Mistakes That Kill Life Insurance Sales

by Allan D. Gersten, CLU, CFP®, ChFC

---

## 5. Failure to ask for the sale

Even though getting to the close is a salesperson's primary mission, many have trouble getting there. Since it's a serious problem, here's what's needed to overcome it.

- **Make it clear to yourself that the purpose of the meeting is to make a sale.** Seems obvious, doesn't it? But it isn't. It takes a conscious effort for a presentation to move forward to the objective of closing the sale.
- **Connecting with the client.** To do this, clients must come to recognize that the salesperson brings special value that's needed to satisfy their needs. In other words, clients must say, "This is a person who can help me, someone I need to do business with."
- **Educate.** Remind yourself that the meeting isn't yours; it belongs to the client. This is why it's necessary to spend time laying a proper foundation by openly discussing all the important issues with clients so they can recognize that you bring them workable and beneficial solutions.
- **Desire to close the sale.** Simply put, never look for reasons to delay a sale. If the client is engaged and you have addressed the important reasons for the purchase, discussed and dealt with the hidden pitfalls or hidden objections, it's time to move forward with the sale.

Asking for the sale seems obvious, but too many advisors put it off — until another meeting or after getting further information. By that time, the client's motivation is fading away. It's always a good idea to remember that asking for the sale is the only way to help a client.

We've long been told that we should learn from our mistakes, which is certainly good advice. Unfortunately, too many salespeople just keep repeating their mistakes. Those who want to be highly successful get the message.

*Allan D. Gersten, CLU, CFP®, ChFC, is Chairman of First American Insurance Underwriters, Inc., First American is a Needham, MA-based national life brokerage firm specializing in coaching growth-oriented producers and providing them valuable solutions to their complex cases. He can be contacted at [agersten@faiu.com](mailto:agersten@faiu.com).*