



Life Insurance and the Foreign Nationals Market

It's not an easy market to reach, but it's a big market.

by Jeff Watkins, as seen in

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Advisor interest in the foreign national space is on the upswing. This is good news since it's arguably the most lucrative market in the life insurance industry. It's also good news that more U.S. life carriers are comfortable with foreign national business and are actually welcoming it.

But, that's just one part of the story. Getting into it isn't easy. To put it bluntly, it's challenging. No one is waiting to email you a list of motivated prospects, and don't expect phone calls from people who are ready to sign an app. If this seems discouraging, it can be, since doing business in the foreign national market is no slam-dunk. It takes time and work.

But, don't dismiss the opportunity. Done right, it's very worthwhile. Here's what you need to know to successfully penetrate the foreign national market:

1. Possess the right life insurance sales experience

The foreign national market is not the place to earn your stripes in life sales. However, if you have built a stable practice over the years so new business comes through the door, you may have the right profile to pursue this market as a way to grow your business.

2. Have the right vision

When you entered life insurance sales, you may not have thought about the need to take the long view to be successful. But, you figured it out quickly. Lead generation became your number one priority. Qualified leads weren't falling in your lap; you had to get out and network, talking to as many people as possible. Over time, the engine picked up speed.

The task is the same if you want to reap the benefits of working in the foreign national segment. It takes investing the time and effort to make it work. If you are willing to make the commitment, you will gain the rewards of this unusual opportunity.

3. Make the right connections

While estimates vary, the number of foreign nationals who either live in the United States or spend time here is about 12 million. That's a huge community, to say the least. Foreign nationals do business here. Many own U.S. real estate, and all have relationships in their country of origin. Even though some know about U.S.-based life insurance, most are not familiar with its benefits or how to access the product. If you imagine you were in a similar situation in another part of the world, you can understand how they feel.

If you want to work in the foreign national market, your task is generating your own leads. And that means talking to everyone you can. Accountants, lawyers, real estate people, consultants and others may have clients who could be prospects — or who could refer you to someone who does. In other words, it's all about building your referral network.

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4. Implement the right marketing process

As successful advisors know so well, things take time — and penetrating the foreign national market is one of them. While diligence in making contacts is the first step, consistent follow up to stay in front of them makes the difference. Here's what it takes:

- Create a foreign national database of your contacts that includes background information and update regularly.
- Keep your contacts involved with brief eBulletins. Share your knowledge, sales ideas, the latest news in the foreign national segment.
- Be the go-to person by positioning yourself as a resource they can count on. Position yourself as a resource.

The goal is to show your contacts you're serious about the foreign national business. Remember, if you don't stay in touch with them, you'll lose sales.

Good things are possible. Here's one example. A Florida-based life insurance agent attended a Chamber of Commerce meeting and struck up a conversation with a new member, who happened to be in the state's high-end coastal real estate market. He also had the reputation as a 'go to' person for a number of overseas clients looking for properties.

Sensing an opportunity, the life agent raised the death and taxes issue non-resident aliens have with owning property or investments in the United States. He pointed out how life insurance can mitigate the estate tax obligation facing foreign nationals.

After several meetings, the life agent talked with the broker about life insurance and foreign nationals, who recognized a value added for his clients and began providing referrals to the life agent.

While nothing happens overnight, persistence pays off. The life agent has done six figure premiums that surpassed his typical annual income.

Not every advisor can to pursue foreign national business. But for those who are willing to meet the challenge, the rewards are gratifying.

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