

SALES IDEAS

When the Going Gets Tough

To increase your life insurance sales, build trust in your prospects and tailor your presentation to their needs.

Are you having trouble convincing your clients and prospects to protect themselves with life insurance during a time when simply covering the basic costs of living is a challenge? Are they relying on their group life policies alone to secure their families' financial future?

A new LIMRA report looks at this situation and offers some tips for increasing your life insurance sales even when the economic conditions are working against you.

"Selling life insurance continues to be challenging. Companies have tried various strategies and distribution channels to break through inertia and consumer procrastination. Yet the industry continues to struggle to reach and engage underinsured consumers. This study offers some perspective about who to target, the importance of trust, and the type of lead-ins and messages that might help to engage the consumer," writes Cheryl D. Retzloff, ACS, LLIF, a LIMRA research director, in *Life Insurance in a Tough Economy*.

Keep in mind that consumers in the 25-44 age range with children under 18 are probably planning to purchase life insurance at some point. This group includes current individual life customers as well as those with no individual coverage.

Build trust

In addition to economic challenges, lack of trust can prevent life insurance sales, LIMRA says. Nearly half (47 percent) of consumers cited trust as the key reason they selected their last financial advisor, followed by knowledge and quality of advice (26 percent). However, only 23 percent of consumers think life insurance

companies have trustworthy sales representatives, and another 42 percent don't know and don't have an opinion about their trustworthiness.

Many consumers count trust as more important than price when selecting a financial-services company. That means you should develop trust and build relationships with your clients and prospects to overcome their doubts and fears.

You need to lead with messages that resonate with consumers.

Next, discuss your prospects' attitudes about life insurance purchases and tailor your sales pitch accordingly. Nearly half (43 percent) want to hear recommendations based on all of their financial needs, but 29 percent prefer to concentrate on life insurance alone, while 28 percent want recommendations based on what they can afford.

Good start

If you typically start your life insurance pitch with information about your company's financial stability, service and reliability, your prospect may lose interest. He probably is aware of your company's name and brand. You need to lead with messages that resonate with your prospects and open them up to doing business with you. Here are some tips:

Build trust equity. Consumers won't buy if they don't trust you, and three in 10 will decide whether to trust you within minutes of meeting



you, according to LIMRA. You should display integrity (perceived honesty) and benevolence (believing one is receiving appropriate advice or products based on their needs). Referrals will help you gain initial trust equity.

Lead with savings and debt issues. Most households consider saving one of their top financial priorities, such as putting away funds for retirement, education and emergencies. Often, debt is preventing them from saving as much as they should. Present a debt-reduction plan to show prospects you are paying attention to their concerns.

Emphasize appealing messages. When asked to evaluate them, consumers give the most positive ratings to the value of a life insurance product, LIMRA says. More than half (56 percent) of parents say life insurance products give them peace of mind. So during your presentations to clients and prospects, remember to include such positive aspects of the products you're offering.

For more information, go to www.LIMRA.com. □



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